

**APPENDIX 4D
HALF-YEAR REPORT TO 31 DECEMBER 2023**



**PROTEOMICS INTERNATIONAL LABORATORIES LTD
ACN 169 979 971
and Controlled Entities**

HALF-YEAR INFORMATION
FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

PROVIDED TO THE ASX UNDER LISTING RULE 4.2A.3

This half-year financial report is to be read in conjunction with the financial report for the year ended 30 June 2023.

About Proteomics International Laboratories Ltd (PILL)

Proteomics International (Perth, Western Australia) is a wholly owned subsidiary and trading name of PILL (ASX: PIQ), a medical technology company at the forefront of predictive diagnostics and bio-analytical services. The Company specialises in the area of proteomics – the industrial scale study of the structure and function of proteins. Proteomics International's mission is to improve the quality of lives by the creation and application of innovative tools that enable the improved treatment of disease.

www.proteomicsinternational.com

FOR FURTHER INFORMATION PLEASE CONTACT

Dr Richard Lipscombe, *Managing Director*: +61 8 9389 1992

Karen Logan, *Company Secretary*: +61 8 9321 0715

Dirk van Dissel, *Investor Relations*: +61 408 326 367



For personal use only

Appendix 4D

Half Year Report for the six months to 31 December 2023

PROTEOMICS INTERNATIONAL LABORATORIES LTD
ACN 169 979 971

1. Reporting period

| | |
|--|------------------|
| Report for the half-year ended | 31 December 2023 |
| Previous corresponding period is the half-year ended | 31 December 2022 |

2. Results for announcement to the market

| | Change | \$'000 |
|---|--------------|---------|
| Revenues from operating and other activities (<i>item 2.1</i>) | Down 3.5% to | 748 |
| (Loss) from ordinary activities after tax attributable to members (<i>item 2.2</i>) | Down 7% to | (3,753) |
| Net (loss) for the period attributable to members (<i>item 2.3</i>) | Down 5% to | (3,817) |
| Dividends being proposed or declared for the period (<i>item 2.4</i>) | n/a | Nil |
| Dividend record date (<i>item 2.5</i>) | n/a | n/a |

Explanation

Consolidated revenue from continuing operations, grants, and other income for the six months to 31 December 2023 was \$747,708 (31 December 2022: \$774,800), a decrease of 3.5%.

The Company reported a net loss for the six months to 31 December 2023 of \$3,816,507 (31 December 2022 loss: \$4,028,658), a decrease of 5%. The Consolidated Statement of Cash Flows shows a net cash outflow from operating activities over the half year of \$1,336,766 (31 December 2022 net cash outflow was \$1,835,294), a decrease of 27%.

As at 31 December 2023 the Company had cash reserves of \$4,970,024 and current receivables of \$28,939.

Please refer to the Directors' Report within the attached Financial Report for a detailed explanation of the figures reported above (*item 2.6*)

3. Net tangible assets per security (*item 3*)

| | 31 December 2023 | 31 December 2022 |
|--|------------------|------------------|
| Net tangible asset backing per ordinary security | 4.3 cents | 6.3 cents |

4. Entities over which control has been gained or lost (*item 4*): Not applicable

5. Dividends or Distributions (*items 5 & 6*): Not applicable

6. Associates and Joint venture entities (*item 7*): Not applicable

7. Foreign entities accounting standard (*item 8*): Not applicable

8. Independent review of the financial report (*item 9*):

The financial information provided in the Appendix 4D should be read in conjunction with the half-year financial statements and Directors' report (attached), which has been prepared in accordance with Australian Accounting Standards.



Proteomics International
LABORATORIES LTD

PROTEOMICS INTERNATIONAL LABORATORIES LTD

ACN: 169 979 971

FINANCIAL REPORT

**FOR THE HALF-YEAR ENDED
31 DECEMBER 2023**

For personal use only

**FINANCIAL REPORT FOR THE HALF-YEAR ENDED
31 DECEMBER 2023**

TABLE OF CONTENTS

| | |
|---|----|
| Directors' Report | 2 |
| Auditor's Independence Declaration | 4 |
| Consolidated Statement of Profit or Loss and Other Comprehensive Income | 5 |
| Consolidated Statement of Financial Position | 6 |
| Consolidated Statement of Changes in Equity | 7 |
| Consolidated Statement of Cash Flows | 8 |
| Notes to the Consolidated Financial Statements | 9 |
| Directors' Declaration | 14 |
| Independent Auditor's Review Report | 15 |

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by Proteomics International Laboratories Ltd during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

For personal use only

The Directors present the financial report of Proteomics International Laboratories Ltd (ASX:PIQ; Proteomics International or the Company) and the consolidated entity for the half-year ended 31 December 2023.

Director Details

The names of the Directors in office at any time during or since the end of the half-year are:

| Name | Position |
|----------------------|------------------------|
| Mr Neville Gardiner | Non-Executive Chair |
| Dr Richard Lipscombe | Managing Director |
| Mr Ian Roger Moore | Non-Executive Director |
| Mr Paul House | Non-Executive Director |
| Dr Robyn Elliot | Non-Executive Director |

REVIEW OF OPERATIONS

The six months to 31 December 2023 saw Proteomics International's principal activities fall into three key areas:

- (i) Commercialisation of PromarkerD, the predictive test for diabetic kidney disease (DKD)
- (ii) Precision diagnostic tests in development - the Promarker™ pipeline
- (iii) Specialist accredited analytical services on a commercial basis

Significant half-year milestones included:

PromarkerD commercialisation

- **US Medicare confirms reimbursement price for PromarkerD:** US Centers for Medicare & Medicaid Services (CMS) confirmed a payment rate of US\$390.75 for the test, effective 1 January 2024. The test is to be delivered through Sonic Healthcare USA.
- **Licensing Agreement with Omics Global Solutions to Chile:** Signing of Licence agreement for Chile to expand PromarkerD's reach in Central and South America.

Promarker™ pipeline and Analytical Services

- **PromarkerEndo:** The prototype diagnostic test for endometriosis identified up to 90% of patients with the disease.
- **PromarkerEso:** The prototype diagnostic test for oesophageal cancer shows strong discrimination at early and late stages of the disease, correctly identifying 89% of patients with oesophageal adenocarcinoma and 92% of patients without the condition.
- **OxiDx technology secures patent in Japan:** Landmark patent in Japan was granted for this platform technology to measure oxidative stress.

Corporate

- **R&D tax incentive funding:** \$1,848,832 government rebate received in November 2023 for the period ended 30 June 2023.
- **Exercise of consultant options:** \$625,000 (before costs) raised from the exercise of 1,250,000 options on 14 August 2023.

OPERATING RESULTS

Revenue

Consolidated revenue from continuing operations, grants, and other income for the six months to 31 December 2023 was \$747,708 (31 December 2022: \$774,800), a decrease of 3.5%.

Expenditure

Consolidated expenses for the six months to 31 December 2023 totalled \$4,564,215 (31 December 2022: \$4,803,458), a decrease of 5%.

Net position

The Company reported a net loss for the six months to 31 December 2023 of \$3,816,507 (31 December 2022 loss: \$4,028,658), a decrease of 5%.

Net cash flow

Net cash outflow from operating activities over the six months to 31 December 2023 was \$1,336,766 (31 December 2022 net cash outflow was \$1,835,294), a decrease of 27%.

Net cash outflow from investing activities over the six months to 31 December 2023 was \$362,570 (31 December 2022: net cash outflow \$1,067,937), a decrease of 66%.

Net cash inflow from financing activities over the six months to 31 December 2023 was \$642,045 (31 December 2021: net cash inflow \$7,613,753), a decrease of 92%.

Cash and cash equivalents amounted to \$4,970,024 as at 31 December 2023, with receivables of \$28,939 (30 June 2023: cash and cash equivalents was \$6,027,315 with receivables of \$145,730).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the Company's state of affairs during or since the end of the reporting period.

EVENTS OCCURRING AFTER REPORTING PERIOD

- On 23 January 2024, the Company announced it had secured funding of \$6.5m (before costs) via an institutional placement which subsequently completed via the issue of 8.6m fully paid ordinary shares at \$0.76 per share.
- On 1 February 2024, Proteomics International announced that the latest results validate biomarkers for PromarkerEso blood test for oesophageal adenocarcinoma in a second independent patient group.
- On 1 February 2024, Proteomics International announced that the latest results validate biomarkers for PromarkerEndo blood test for endometriosis in an independent patient group.

Other than as outlined above there has been no other matter or circumstance which has arisen since 31 December 2023 that has significantly affected or may significantly affect:

- (a) the operations, in financial periods subsequent to 31 December 2023, of the Company,
- (b) the results of those operations, or
- (c) the state of affairs, in financial periods subsequent to 31 December 2023, of the Company.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 4.

Signed in accordance with a resolution of the Directors.



Neville Gardiner
Chairman
Perth, Western Australia on 23rd day of February 2024



Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9
Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF PROTEOMICS INTERNATIONAL LABORATORIES LIMITED

As lead auditor for the review of Proteomics International Laboratories Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Proteomics International Laboratories Limited and the entities it controlled during the period.

Ashleigh Woodley
Director

BDO Audit (WA) Pty Ltd
Perth
23 February 2024

For personal use only

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
 COMPREHENSIVE INCOME
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

| | Half-Year | |
|--|---------------------|---------------------|
| | 31 December 2023 | 31 December 2022 |
| | \$ | \$ |
| Revenue from continuing operation | | |
| - Services | 541,715 | 431,138 |
| - Grants and other income | 76,301 | 335,959 |
| Other Income | | |
| - Interest income | 114,462 | 7,703 |
| - Profit on sale of plant & equipment | 15,230 | - |
| Total revenue from continuing operations | 747,708 | 774,800 |
| Employment and labour expenses | 2,362,044 | 2,399,092 |
| Share based payment expense | 103,626 | 175,055 |
| Depreciation expense | 317,904 | 233,798 |
| Intellectual property maintenance expenses | 134,022 | 206,041 |
| Interest expense – lease liabilities | 1,532 | - |
| Laboratory supplies | 654,285 | 861,218 |
| Professional fees | 388,903 | 487,122 |
| Travel and marketing expenses | 187,059 | 47,523 |
| Laboratory access fees | 119,532 | 74,319 |
| Unrealised (gain) in foreign currency translation | - | (327) |
| Realised (gain) in foreign currency translation | 9,938 | (834) |
| Other expenses | 285,370 | 320,451 |
| Total expenditure | 4,564,215 | 4,803,458 |
| (Loss) before income tax | (3,816,507) | (4,028,658) |
| Income tax (expense) / benefit | - | - |
| (Loss) after income tax from continuing operations | (3,816,507) | (4,028,658) |
| Total comprehensive (loss) attributable to: | | |
| Equity holders - Proteomics International Laboratories Ltd | (3,752,620) | (4,028,658) |
| Non-controlling interests | (63,887) | - |
| | (3,816,507) | (4,028,658) |
| Basic and diluted (loss) per share for the half-year attributable to the members of Proteomics International Laboratories Ltd | (\$0.03) | (\$0.03) |

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

| | Note | 31 December 2023 \$ | 30 June 2023 \$ |
|--------------------------------------|------|---------------------------|-------------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 3 | 4,970,024 | 6,027,315 |
| Trade and other receivables | | 28,939 | 145,730 |
| Other assets | 4 | 177,297 | 2,153,812 |
| TOTAL CURRENT ASSETS | | <u>5,176,260</u> | <u>8,326,857</u> |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 5 | 1,718,857 | 1,620,852 |
| Other assets | | - | 59,563 |
| Right-of-use assets | | 50,321 | 67,095 |
| Intangible assets | | 1,012 | 1,012 |
| TOTAL NON-CURRENT ASSETS | | <u>1,770,190</u> | <u>1,748,522</u> |
| TOTAL ASSETS | | <u>6,946,450</u> | <u>10,075,379</u> |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 6 | 788,150 | 580,041 |
| Deferred income | | 253,699 | 368,756 |
| Lease liabilities | | 35,406 | 30,541 |
| Provisions | | 116,669 | 123,468 |
| TOTAL CURRENT LIABILITIES | | <u>1,193,924</u> | <u>1,102,806</u> |
| NON-CURRENT LIABILITIES | | | |
| Deferred income | | 464,016 | 582,494 |
| Lease liabilities | | 10,980 | 33,547 |
| Provisions | | 47,908 | 33,276 |
| TOTAL NON-CURRENT LIABILITIES | | <u>522,904</u> | <u>649,317</u> |
| TOTAL LIABILITIES | | <u>1,716,828</u> | <u>1,752,123</u> |
| NET ASSETS | | <u>5,229,622</u> | <u>8,323,256</u> |
| EQUITY | | | |
| Issued capital | 7 | 30,799,511 | 30,180,264 |
| Reserves | 8 | 1,784,436 | 1,828,310 |
| Accumulated losses | | (27,232,701) | (23,627,581) |
| Parent Entity Interest | | 5,351,246 | 8,380,993 |
| Non-controlling Interest | | (121,624) | (57,737) |
| TOTAL EQUITY | | <u>5,229,622</u> | <u>8,323,256</u> |

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

| | Issued Capital Ordinary \$ | Reserves \$ | (Accumulated Losses) \$ | Non- controlling Interest \$ | Total Equity \$ |
|---|-------------------------------------|----------------|-------------------------------|---------------------------------------|-----------------------|
| Balance as at 1 July 2023 | 30,180,264 | 1,828,310 | (23,627,581) | (57,737) | 8,323,256 |
| (Loss) for the period – Equity holders | - | - | (3,752,620) | - | (3,752,620) |
| (Loss) for the period – Non-controlling interest | - | - | - | (63,887) | (63,887) |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive (loss) | - | - | (3,752,620) | (63,887) | (3,816,507) |
| Transactions with Equity Holders in their capacity as Equity Holders | | | | | |
| Conversion of options | 619,247 | (147,500) | 147,500 | - | 619,247 |
| Share based payments expense | - | 103,626 | - | - | 103,626 |
| | 619,247 | (43,874) | 147,500 | - | 722,873 |
| Balance as at 31 December 2023 | 30,799,511 | 1,784,436 | (27,232,701) | (121,624) | 5,229,622 |
| Balance as at 1 July 2022 | 19,340,914 | 1,682,998 | (17,630,070) | - | 3,393,842 |
| (Loss) for the period | - | - | (4,028,658) | - | (4,028,658) |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive (loss) | - | - | (4,028,658) | - | (4,028,658) |
| Transactions with Equity Holders in their capacity as Equity Holders | | | | | |
| Equity Issued net of share issue costs | 7,345,753 | - | - | - | 7,345,753 |
| Conversion of options | 447,062 | (179,062) | - | - | 268,000 |
| Share based payments expense | - | 175,055 | - | - | 175,055 |
| | 7,792,815 | (4,007) | - | - | 7,788,808 |
| Balance as at 31 December 2022 | 27,133,729 | 1,678,991 | (21,658,728) | - | 7,153,992 |

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

| | Half-Year | |
|---|-------------------------|-------------------------|
| | 31 December 2023 | 31 December 2022 |
| | \$ | \$ |
| Cash flows from operating activities | | |
| Receipts from customers and other income | 488,266 | 1,515,402 |
| Payments to suppliers and employees | (3,795,798) | (5,070,301) |
| Interest received | 121,934 | 7,703 |
| Research and development tax incentive | 1,848,832 | 1,711,902 |
| Net cash (outflow) from operating activities | <u>(1,336,766)</u> | <u>(1,835,294)</u> |
| Cash flows from investing activities | | |
| Proceeds on disposal of property, plant and equipment | 15,230 | - |
| Payment for property, plant and equipment | (377,800) | (1,067,937) |
| Net cash (outflow) from investing activities | <u>(362,570)</u> | <u>(1,067,937)</u> |
| Cash flows from financing activities | | |
| Repayment of lease liabilities | (17,702) | - |
| Proceeds from repayment of employee loans | 40,500 | - |
| Proceeds from issue of shares | - | 7,345,753 |
| Proceeds from conversion of options | 625,000 | 268,000 |
| Transaction costs from conversion of options | (5,753) | - |
| Net cash inflow from financing activities | <u>642,045</u> | <u>7,613,753</u> |
| Cash and cash equivalents at 1 July | 6,027,315 | 2,111,514 |
| Net increase (decrease) in cash and cash equivalents | <u>(1,057,291)</u> | <u>4,710,522</u> |
| Cash and cash equivalents at 31 December | <u><u>4,970,024</u></u> | <u><u>6,822,036</u></u> |

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

For personal use only

NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The half-year financial report of Proteomics International Laboratories Ltd and its subsidiaries (the Company) was authorised for issue in accordance with a resolution of the Directors on the 23rd day of February 2024.

This half-year financial report does not include all the information and disclosures required in the annual financial report, and therefore should be read in conjunction with the annual financial report for the year ended 30 June 2023.

The Company is a public company limited by shares and incorporated and domiciled in Australia, and whose shares are traded on the Australian Securities Exchange.

(a) Basis of preparation

The principle accounting policies adopted for the preparation of these half-year financial statements are set out below.

(i) Statement of compliance

The financial statements of the Company for the six months ended 31 December 2023 have been prepared in accordance with AASB 134 *Interim Financial Reporting*.

This half-year financial report has been prepared in accordance with the requirements of the *Corporations Act 2001*, and Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board.

The Company is a for profit Company for the purpose of preparing the half-year financial statements.

The financial statements of the Company for the six months ended 31 December 2023 also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.

(ii) Basis of measurement

The financial statements of the Company for the six months ended 31 December 2023 have been prepared on an accruals basis and are based on historical costs other than investments which are recorded at fair value.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated.

(b) Segment information

AASB 8 – Operating Segments, requires a management approach under which segment information is presented on the same basis as that used for internal reporting purposes. This is consistent to the approach used for the comparative period.

The Board monitors the operations of the Company as one single segment. The actual to budget items and a detailed profit or loss are reported to the Board to assess the Company's performance.

(c) Significant accounting policies

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the impact of the Standards and Interpretations described below.

These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Adoption of new and revised standards

The Company has adopted new and revised Accounting Standards that are mandatory for the current reporting period.

The Directors have also reviewed new and revised standards and interpretations in issue not yet adopted that are relevant to the Company and effective for the reporting periods beginning on or after 1 July 2023.

The Directors have determined that there is no material impact of the new and revised standards and interpretations in issue not yet adopted and therefore no material change is necessary to the Company's accounting policies.

NOTE 2: DIVIDENDS

Since 30 June 2023, no dividend has been paid or declared (31 December 2022: Nil).

NOTE 3: CASH AND CASH EQUIVALENTS

| | 31 December 2023 | 30 June 2023 |
|------------------|---------------------|------------------|
| | \$ | \$ |
| Cash at bank | 1,213,330 | 236,859 |
| Deposits at call | 3,756,694 | 5,790,456 |
| | 4,970,024 | 6,027,315 |

NOTE 4: OTHER ASSETS

| | | |
|--|----------------|------------------|
| Research and development tax incentive | - | 1,848,832 |
| Patent fee - advances | 6,189 | 32,212 |
| Loans to employees | 22,000 | 62,500 |
| Accrued income | 19,528 | 90,984 |
| Prepayments (i) | 129,580 | 119,284 |
| | 177,297 | 2,153,812 |

(i) comprises insurance, listing fees and equipment maintenance agreements.

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

| | 31 December 2023 | 30 June 2023 |
|-------------------------------|---------------------|------------------|
| | \$ | \$ |
| Plant and equipment at cost | 4,140,760 | 3,741,625 |
| Accumulated depreciation | (2,421,903) | (2,120,773) |
| Closing net book value | 1,718,857 | 1,620,852 |

Reconciliation:

| | | |
|-------------------------------|------------------|------------------|
| Opening net book value | 1,620,852 | 973,391 |
| Additions | 399,136 | 1,217,910 |
| Disposals | - | (40,920) |
| Depreciation charge | (301,131) | (529,529) |
| Closing net book value | 1,718,857 | 1,620,852 |

NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

| | 31 December 2023 | 30 June 2023 |
|---|---------------------|-----------------|
| NOTE 6: TRADE AND OTHER PAYABLES | \$ | \$ |
| Trade payables | 387,183 | 154,305 |
| Employee benefits | 221,853 | 200,143 |
| Other payables | 179,114 | 225,593 |
| | 788,150 | 580,041 |

(a) Classification of trade and other payables:

Trade payables are unsecured and are usually paid within 60 days of recognition and therefore classified as current.

(b) Fair value of trade and other payables:

The carrying amount of trade and other payables are assumed to be the same as their fair value, due to their short-term nature.

NOTE 7: ISSUED CAPITAL

| | 31 December 2023 | 30 June 2023 | 31 December 2023 | 30 June 2023 |
|------------------------|---------------------|-----------------|---------------------|-----------------|
| | Shares | Shares | \$ | \$ |
| Ordinary Shares | 122,334,721 | 120,978,992 | 30,799,511 | 30,180,264 |

Movement in share capital:

| Date | Details | Number of shares | \$ |
|------------|--------------------------------------|---------------------|-------------------|
| 01/07/2023 | Opening balance | 120,978,992 | 30,180,264 |
| 10/07/2023 | Exercise of performance rights (i) | 11,574 | - |
| 10/07/2023 | Exercise of performance rights (ii) | 11,774 | - |
| 11/07/2023 | Exercise of performance rights (iii) | 34,978 | - |
| 11/07/2023 | Exercise of performance rights (iv) | 47,403 | - |
| 14/08/2023 | Exercise of options (v) | 1,250,000 | 625,000 |
| | Less: transactions costs | - | (5,753) |
| 31/12/2023 | Closing Balance | 122,334,721 | 30,799,511 |

- (i) Unquoted performance rights to Chief Financial Officer.
- (ii) Unquoted performance rights to Chief Commercialisation Officer.
- (iii) Unquoted FY22 Class B performance rights to employees.
- (iv) Unquoted FY23 Class A performance rights to employees.
- (v) Unlisted options issued to consultants for services provided.

NOTE 8: RESERVES

| | 31 December 2023 | 30 June 2023 |
|--|---------------------|------------------|
| Share based payments reserve comprising: | \$ | \$ |
| Unlisted options | | |
| Director C & D | 256,768 | 256,767 |
| Chief Financial Officer | 64,310 | 59,831 |
| Employees (i) | 320,011 | 312,081 |
| Payments to consultants | 636,166 | 783,666 |
| Unlisted performance rights | | |
| Chief Financial Officer (a) | 65,143 | 56,560 |
| Employees (b) | 442,038 | 359,405 |
| | 1,784,436 | 1,828,310 |

- (i) Includes employee incentive options and performance rights issued to Chief Commercialisation Officer.

NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

NOTE 8: RESERVES (continued)

(a) Performance rights issued to Chief Financial Officer:

| | 31 December 2023 Rights | 30 June 2023 Rights | 31 December 2023 \$ | 30 June 2023 \$ |
|-------------------------|-------------------------------|---------------------------|---------------------------|-----------------------|
| Chief Financial Officer | 50,000 | 61,574 | 65,143 | 56,560 |

| Class of performance rights | Number Issued | Number Exercised | Number Lapsed | Number Remaining |
|--------------------------------|------------------|---------------------|------------------|---------------------|
| Tranche 2 performance rights | 11,574 | (11,574) | - | - |
| Milestone C performance rights | 50,000 | - | - | 50,000 |
| | 61,574 | (11,574) | - | 50,000 |

(b) Performance rights issued to employees (i):

| | 31 December 2023 Rights | 30 June 2023 Rights | 31 December 2023 \$ | 30 June 2023 \$ |
|---|-------------------------------|---------------------------|---------------------------|-----------------------|
| Class B & C performance rights | 28,180 | 65,876 | 141,787 | 133,663 |
| FY23 Class A, B & C performance rights | 80,948 | 134,253 | 86,148 | 63,987 |
| Tranche 2 and Milestone performance rights | 200,000 | 211,774 | 197,431 | 161,755 |
| FY24 Class A, B & C performance rights (ii) | 124,344 | - | 16,672 | - |
| | 433,472 | 411,903 | 442,038 | 359,405 |

(i) Includes employee incentive options and performance rights issued to Chief Commercialisation Officer.

(ii) FY24 Class A, B & C performance rights were issued on 24 October 2023. The fair value placed on these performance rights is \$110,666 and the amount allocated to the share based payment expense in the statement of profit or loss and other comprehensive income in the period ended 31 December 2023 is \$16,672.

The classes of the performance rights are as follows:

- 41,448 FY24 Class A performance rights are subject to continuous service under employment contracts vest on 30 June 2024.
- 41,448 FY24 Class B performance rights are subject to continuous service under employment contracts and will vest on 30 June 2025.
- 41,448 FY24 Class C performance rights are subject to continuous service under employment contracts and will vest on 30 June 2026.

Each performance right entitles the holder to subscribe for one ordinary share on vesting at an exercise price of nil.

NOTE 9: KEY MANAGEMENT PERSONNEL (KMP) AND RELATED PARTIES

There were no other transactions with KMP or related parties in the period to 31 December 2023.

NOTE 10: COMMITMENTS

Commitments are consistent with those disclosed in the 30 June 2023 annual report.

NOTE 11: CONTINGENT LIABILITIES

The Company is not aware of any material contingent liabilities as at 31 December 2023.

NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

NOTE 12: EVENTS OCCURRING AFTER REPORTING PERIOD

- On 23 January 2024, the Company announced it had secured funding of \$6.5m (before costs) via an institutional placement which subsequently completed via the issue of 8.6m fully paid ordinary shares at \$0.76 per share.
- On 1 February 2024, Proteomics International announced that the latest results validate biomarkers for PromarkerEso blood test for oesophageal adenocarcinoma in a second independent patient group.
- On 1 February 2024, Proteomics International announced that the latest results validate biomarkers for PromarkerEndo blood test for endometriosis in an independent patient group.

Other than as outlined above there has been no other matter or circumstance which has arisen since 31 December 2023 that has significantly affected or may significantly affect:

- a) the operations, in financial periods subsequent to 31 December 2023, of the Company,
- b) the results of those operations, or
- c) the state of affairs, in financial periods subsequent to 31 December 2023, of the Company.

DIRECTORS' DECLARATION

The directors declare that the financial statements and notes in accordance with the Corporations Act 2001:

1. Comply with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001, and other mandatory professional reporting requirements; and
2. Give a true and fair view of the financial position of the consolidated entity as at 31 December 2023 and of its performance for the half-year ended on that date.

In the directors' opinion there are reasonable grounds to believe that Proteomics International Laboratories Ltd will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations by the Managing Director and Chairman required by section 295A of the Corporations Act 2001.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to section 303(5) of the Corporations Act 2001.



Neville Gardiner
Chairman

Dated at Perth, Western Australia this 23rd day of February 2024.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Proteomics International Laboratories Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Proteomics International Laboratories Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley', is written over a faint 'BDO' logo.

Ashleigh Woodley

Director

Perth, 23 February 2024

For personal use only