

## **Quarterly cash flow and activities report – 30 June 2016**

Genetic Signatures (ASX: GSS) is pleased to report on its activities for the quarter ended 30 June 2016.

### **Highlights**

#### **Annual Sales Growth of 75% recorded for FY16**

- Sales revenue for FY16 was \$1.83M, an increase of 75% over FY15
- Total sales revenue for the quarter was \$495,000, an increase of 41% over the previous corresponding period
- Cash receipts from customers for the quarter were \$564,000
- Cash at 30 June 2016: \$2,562,000

#### **Global Market Expansion**

- Analyte Specific Reagents (ASRs) were launched in the United States allowing uptake of Genetic Signatures 3Base™ technology in up to 11,000 Laboratories regulated by the Clinical Laboratory Improvement Act (CLIA)
- CLIA certified laboratories may purchase and use ASRs as building blocks to develop and validate proprietary tests for the diagnosis of infectious diseases
- The launch of ASR products is a further step towards full product suite commercialisation in the US for GSS
- GSS exhibited at the largest US Microbiology meeting, ASMMicrobe, 16 - 20 June 2016, where it launched the ASR product range
- GSS exhibited and presented a scientific paper at the 26<sup>th</sup> European Congress of Clinical Microbiology and Infectious Diseases (ECCMID) in Amsterdam, Netherlands, 9-12 April 2016. The scientific paper reported the results of the initial validation work on the GSS Antibiotic Resistance Panel (which detects ESBL and CPO resistance markers)
- ISO 9001/13485 re-certification was achieved after audit by a Conformity Assessment Body (CAB) affiliated with the International Accreditation Forum (IAF)

## **Product Trials**

- A successful product trial was completed by the University of California, Los Angeles (UCLA). The study confirmed that Genetic Signatures' products offer improved pathogen detection compared to traditional methods
- These trial results will be published by UCLA and are expected to highlight that important infections can be missed with traditional methods

## **Product Range Expansion**

- A clinical trial of the company's Sexually Transmitted Infection (STI) product will commence in the current quarter. The STI panel detects 12 bacterial and viral sexually transmitted infections
- Preliminary validation work was completed for the antibiotic resistance panel - which detects extended spectrum beta-lactamase (ESBL) and carbapenemase producing organisms (CPO) and was presented at the 26<sup>th</sup> ECCMID Conference in April 2016
- Development work is continuing on a second generation Respiratory Assay, an Atypical Pneumonia Assay, a Flavivirus Assay (including Zika, Dengue, Yellow Fever, etc.) and a Meningitis assay

## **Upcoming Activities**

The focus for Q1 FY17 remains sales growth, product range extension and market share expansion.

## **Commentary**

Genetic Signatures recorded strong growth for the 2016 Financial Year, with annual sales revenue increasing 75% over the previous year. Sales revenue for the quarter ended 30 June 2016 increased by 41% over the previous corresponding quarter. The quarter has benefited from seasonal respiratory sales, which are likely to continue into the current quarter.

During the quarter, the Company continued its US product suite commercialisation with the launch of its Analyte Specific Reagents. The product trial completed with University of California Los Angeles confirmed that GSS' rapid pathogen screening assays offer improved detection compared to traditional methods. The Company also continues to invest into Europe, with the appointment of a full time European

Director of Sales and Support. This appointment will support and expand the European distribution strategy.

For further information, see our website ([www.geneticsignatures.com](http://www.geneticsignatures.com)) or contact us as below:

Company	Media and Investor Relations
<b>John Melki</b> <b>Chief Executive Officer</b> john@geneticsignatures.com T: +61 2 9870 7580	<b>Peter Taylor</b> <b>Investor Relations</b> peter@nwrcommunications.com.au T: +61 (0)412 036 231

**About Genetic Signatures Limited:** Genetic Signatures is a specialist molecular diagnostics (MDx) company focused on the development and commercialisation of its proprietary platform technology, *3Base*<sup>™</sup>. Genetic Signatures designs and manufactures a suite of real-time Polymerase Chain Reaction (PCR) based products for the routine detection of infectious diseases under the *EasyScreen*<sup>™</sup> brand. Genetic Signatures' proprietary MDx *3Base*<sup>™</sup> platform technology provides high-volume hospital and pathology laboratories the ability to screen for a wide array of infectious pathogens, with a high degree of specificity, in a rapid throughput (time-to-result) environment. Genetic Signatures' current target markets are major hospital and pathology laboratories undertaking infectious disease screening.

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+ See chapter 19 for defined terms.

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

GENETIC SIGNATURES LIMITED

ABN

30 095 913 205

Quarter ended ("current quarter")

June 2016

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from customers	564	1,702
1.2 Payments for (a) staff costs	(820)	(3,170)
(b) advertising and marketing	(3)	(27)
(c) research and development	(396)	(1,184)
(d) leased assets	-	-
(e) other working capital	(70)	(208)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	24	83
1.5 Interest and other costs of finance paid	-	(1)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Cost of Goods	(74)	(746)
Research & Development Tax Concession	-	968
Foreign Currency Gain	2	40
<b>Net operating cash flows</b>	<b>(773)</b>	<b>(2,543)</b>

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**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	(773)	(2,543)
<b>1.9 Cash flows related to investing activities</b>		
Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(99)	(371)
(e) other non-current assets	-	-
<b>1.10 Proceeds from disposal of:</b>		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
	(99)	(371)
<b>Net investing cash flows</b>		
<b>1.14 Total operating and investing cash flows</b>	(872)	(2,914)
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	60	60
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Listing & Share Issue Expenses	-	(44)
<b>Net financing cash flows</b>	60	16
<b>Net increase (decrease) in cash held</b>	(812)	(2,898)
1.21 Cash at beginning of quarter/year to date	3,374	5,460
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 <b>Cash at end of quarter</b>	2,562	2,562

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	178
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

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**Reconciliation of cash**


Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	1,015	1,347
4.2 Deposits at call	1,547	2,027
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.23)</b>	<b>2,562</b>	<b>3,374</b>

**Acquisitions and disposals of business entities**

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	N/A	N/A
5.2 Place of incorporation or registration	N/A	N/A
5.3 Consideration for acquisition or disposal	N/A	N/A
5.4 Total net assets	N/A	N/A
5.5 Nature of business	N/A	N/A

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does ~~does not~~\* (delete one) give a true and fair view of the matters disclosed.

Sign here:   
 (Director/Company secretary)

Date: 21 July 2016

Print name: Anna Sandham

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## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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