INVITROCUE LIMITED

APPENDIX 4E

FOR THE YEAR ENDED 30 JUNE 2019

The following information is given to the ASX under listing rule 4.3A.

1. Reporting period

Current Period	**12 months ended 30 June 2019**
Prior Period	**12 months ended 30 June 2018**

2. Results for announcement to the market

	(All amounts are presented in Singapore Dollars)	**% Change**		**30 June 2019 S$**
2.1	**Revenue from ordinary activities**	Down 9%	**to**	539,334
2.2	**Loss after tax attributable to members**	Up 43%	**to**	6,654,084
2.3	**Net Loss attributable to owners of the parent**	Up 43%	**to**	6,668,507

2.4 Dividends

N/A

2.5 Record date for determining entitlements to the dividends

N/A

2.6 Explanatory information

Refer accompanying annual report

3. Statement of Profit or Loss and Other Comprehensive Income

Refer accompanying annual report

4. Statement of Financial Position

Refer accompanying annual report

5. Statement of Cash Flow

Refer accompanying annual report

6. Dividends Paid or Recommended

N/A

7. Details of any Dividend or distribution reinvestment plans

N/A

8. Statement of changes in equity

Refer accompanying annual report

9. Net tangible assets (liabilities) per security

	30 June 2018	**30 June 2019**
Number of securities (Invitrocue Ltd)	513,624,180	525,325,685
Net tangible assets (liabilities) per security in cents	0.43	(0.27)

10. Changes in controlled entities

N/A

11. Details of associates and joint venture entities

N/A

12. Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position

Refer accompanying annual report

13. Foreign entities disclosures

N/A

14. Additional information

14.1 Earnings per Share

Refer accompanying annual report

14.2 Returns to Shareholders

No dividend or returns to shareholders was announced.

14.3 Significant features of operating performance

Refer accompanying annual report

14.4 Results of segments

Refer accompanying annual report

14.5 Trends in performance

As the company is still in the expansion stage, no trend in performance was observed.

14.6 Subsequent events

Refer accompanying annual report

15. Compliance Statement

The financial statements has been audited

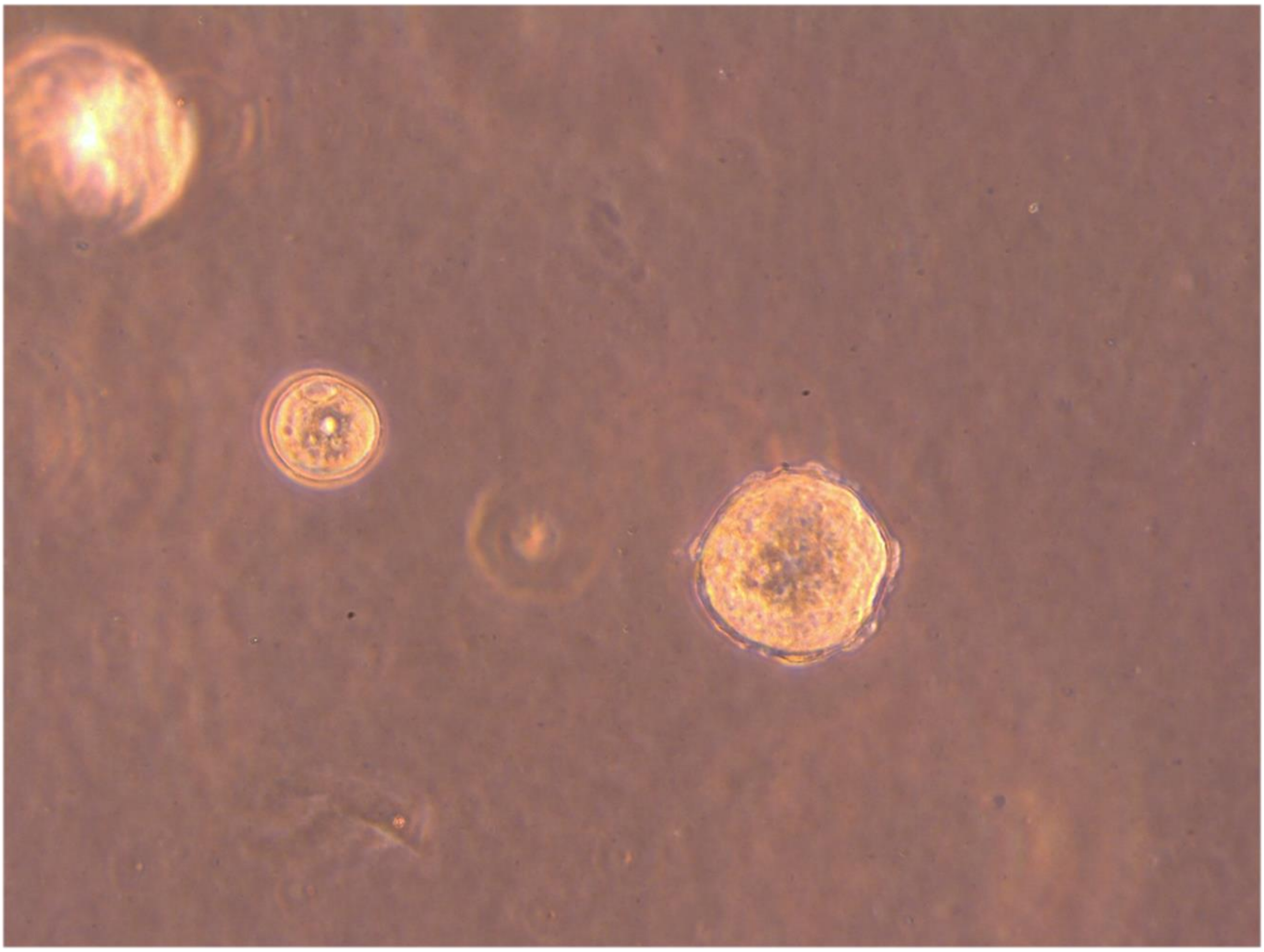
16. If the accounts are subject to audit dispute or qualification, details are described below

Refer accompanying auditor's report

2019

Annual Report

For year ended 30 June 2019



Breast cancer organoids

INVITROCUE LIMITED AND CONTROLLED ENTITIES

ASX:IVQ

ABN 50 009 366 009

Onco-PDO™

Onco-PDO™ is the result of a first-of-its-kind partnership between Invitrocue, A*STAR's Genome Institute of Singapore, a world-leading research institution in the field of personalised oncology and Rechts der Isar Hospital in Munich Germany. This test uses a patient's own cancer cells to identify the most effective treatment options by growing them within the laboratory and testing them against a panel of approved chemotherapy drugs.

The test results are scored and compiled into a report for the patient and their treatment team, providing guidance on which drugs will not work and which drugs may work. This information can then be used by the physician to develop a more informed and individually tailored treatment strategy specially designed for that patient.

Personalising Treatment

Every individual's genetic makeup is unique. Cancer cells come about due to mutations from normal cells that are no longer responsive to the signals that control their growth and death. Most cancer cells have 60 or more mutations,[1] making it hard to know which set of specific mutations will respond or be resistant to any anti-cancer or chemo drug compound. The clinical response of any individual's cancer to any specific drug or group of drugs is highly unpredictable. In current cancer treatments, patients are subjected to a "one-size-fits-all" approach in which standard drugs are given based on studies from the general population. This trial-and-error method means a patient may have to go through many treatments before finding the best one—a process that is extremely taxing on the patient's body, financially costly and a waste of critical treatment time.

Onco-PDO™ allows Invitrocue to take an individual's cancer sample from biopsy or surgical resection and grow these cancer cells into organoids in its laboratory. Drug panels are tested on them and the cancer cells' responsiveness or resistance to the drugs are observed and measured. This is a "phenotypic" approach looks at changes in the cells' behavior and morphology. Such a technique is faster, more affordable and more accurately mimics clinical drug responses compared to other approaches. The test costs a fraction of the cost of chemotherapeutic regimes, and can help patients identify which drugs will not work for them almost 100% of the time. Results are normally available within 14 days.

[1] "Cell Division, Cancer". *Nature.Com*, 2019, https://www.nature.com/scitable/topicpage/cell-division-and-cancer-14046590/.

How does it work?

A portion of tissue is removed from the tumour during surgery or routine biopsy.

The patient's cells are grown in the laboratory and treated with various cancer drugs.

The cancer cells' response to the drugs is measured.

A report is sent to the patient's oncologist detailing these results.

The oncologist decides the best course of treatment based on these results.

Corporate Information

A description of the Group's operations and of its principal activities is included in the review of operations and activities in the directors' report.

Directors
Steven Boon Sing Fang
Hanry Yu
Andreas Lindner
Ee Ting Ng
Gary Pace (appointed 23 October 2018, Resigned 18 September 2019)
Kit Wei Lui (appointed 11 March 2019)
Geoffrey Thomas (appointed 9 September 2019)
Antony Eaton (appointed 18 September 2019)
Chow Yee Koh (resigned 9 January 2019)
Jamie Gee Choo Khoo (resigned 11 March 2019)

Company Secretary
Chow Yee Koh

Registered Office
Level 2, 350 Kent Street, SYDNEY NSW 2000

Principal place of business
11 Biopolis Way, #12-07/08 Helios, Singapore 138667

Share Register
Security Transfer Registrars Pty Ltd
770 Canning Highway, APPLECROSS WA 6153

Auditors
Deloitte Touche Tohmatsu
Grosvenor Place
225 George Street SYDNEY NSW 2000

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DIRECTORS' REPORT

The directors of Invitrocue Limited submit herewith their annual report for the year ended 30 June 2019. In order to comply with the Corporations Act 2001, the directors report as follows:

DIRECTORS
The names and details of the Company's directors in office during the financial year and up to the date of this report are as follows. Directors were in office for this entire year unless otherwise stated.

Dr Steven Boon Sing Fang (Managing Director)
Dr Steven Boon Sing Fang is a co-founder of Singapore incorporated Invitrocue Pte Ltd, and is responsible for overall corporate and business development, along with fund raising and key staff appointments. Dr Fang has a wealth of experience in the pharmaceutical and life sciences fields, most notably as the founder and former CEO of Capbridge, as former partner at Clearbridge Accelerator and as founder and former CEO of the Cordlife Group. Prior to this, he was General Manager at Beckton Dickinson, Business Unit Manager at Baxter Inc and Business Development Manager at Sterling Pharmaceutical.

Dr Fang has no directorship in other listed company.

Prof Hanry Yu (Independent Non-Executive Director)
Prof Hanry Yu is a Professor of Physiology at the Yong Loo Lin School of Medicine in the National University Health System (NUHS) Singapore. He is also a Group Leader of Tissue Engineering at the Institute of Bioengineering and Nanotechnology with the Agency for Science Technology and Research (A*STAR) Singapore; Director of the Microscopy and Cytometry core facilities in NUHS; Principal Investigator at the Singapore Mechanobiology Institute. From 2008-2014, Prof. Yu was a visiting professor of Mechanical and Biological Engineering at the Massachusetts Institute of Technology, USA. Prof Yu is also co-founder of Invitrocue Pte Ltd and Chairman of the Group's Scientific Advisory Board.

Prof Yu has no directorship in other listed company.

Dr Andreas Lindner (Non-Executive Director)
Dr Lindner is a senior executive with significant global experience across a range of industries including healthcare and technology. He was a founding partner of global healthcare company Medi-Globe, a supplier of equipment and services for minimally invasive surgery and urology, as well as hospital supplies. His experience also includes establishment of a private venture capital business, which invested across industries including technology, new media and internet. Most recently, Dr Lindner founded Health Complete, a material supply company specialising in highly efficient and biodegradable cleaning products. Dr Lindner has a PhD (Business) from Ludwig-Maximilian University of Munich.

Dr Lindner has no directorship in other listed company.

Ms Ee Ting Ng (Independent Non-Executive Director).
Ms Ee Ting Ng has a Bachelor of Science with Honours and over 10 years of research experience in the fields of developmental and evolutionary biology. Ms Ng specialises in a wide range of experimental techniques in molecular biology, histology, tissue culture (including stem cells), microbiology and molecular diagnostic science. Ms Ng also has expertise in laboratory management and cosmetic science formulation.

Ms Ng is also director of Stemcell United Limited (ASX: SCU).

DIRECTORS' REPORT (continued)

Dr Gary Pace (Independent Non-Executive Director, appointed 23 October 2018, resigned 18 September 2019)
Dr. Pace brings more than 40 years of experience in the development and commercialization of advanced life sciences and related technologies, including biotechnology, pharmaceuticals and medical devices. He is a serial entrepreneur and has held senior positions in small to and large-scale life sciences ventures and companies in Australia, the USA and Europe. Gary has actively contributed to the development of the biotechnology industry through honorary university appointments and industry and government committees. He was awarded a Centenary Medal by the Australian Government "for service to Australian society in research and development" and was also awarded Director of the Year (corporate governance) by the San Diego Directors Forum. Dr. Pace holds a B.Sc. (Hons I) from the University of New South Wales and a Ph.D. from the Massachusetts Institute of Technology where he was a Fulbright Fellow and General Foods Scholar. He has also held visiting academic positions at the Massachusetts Institute of Technology and the University of Queensland. He is an elected Fellow of the Australian Academy of Technological Sciences and Engineering.

Dr. Pace is also director of ResMed (NYSE: RMD), Pacira Pharmaceuticals Inc (NASDAQ: PCRX) and Transition Therapeutics Inc. (NASDAQ: TTHI).

Mr Kit Wei Lui (Independent Non-Executive Director, appointed 11 March 2019)
Mr Kit Wei Lui has extensive experience in the equity markets, corporate finance and fund raising. He is the co-founder and director of Harford Vantage Limited, a consulting company specialising in assisting public companies seeking alternative financing and business restructuring. Mr. Lui is also an investor in real estate and hospitality business and holds directorship in HLN Assets Holding Pty Limited and Jtown Hospitality Pty Ltd. Mr. Lui graduated from the University of Newcastle (Australia) with Honours in Bachelor of Engineering (Civil).

Mr Lui has no directorship in other listed company

Mr Geoffrey Thomas (Independent Non-Executive Director, appointed 9 September 2019)
Mr Thomas is a Principal at Axant Corporate Advisory which focusses on assisting emerging businesses and their owners to expand, source funding and maximise business value. He has extensive experience in funds management and investing in private companies. He served as Managing Director of Paragon Private Equity (a buyout fund) and Chief Executive of Playford Capital (a start-up technology fund). Prior to this he was a Senior Executive at Vision Abell, a top ten high technology Defence company in Australia. Mr Thomas has been a director of many public and private companies, and has broad experience in negotiation of contracts in the US, Europe and the Middle East. Mr Thomas is a Fellow of the Australian Institute of Company Directors and holds multiple qualifications in business, science and engineering.

Mr Thomas has no directorship in other listed company.

Mr Antony Eaton (Non-Executive Director, appointed 18 September 2019)
Mr Eaton specialises in providing corporate and commercial legal advice on all aspects of public and private mergers and acquisitions (including private treaty sales and acquisitions of securities and assets, as well as regulated acquisitions), private equity transactions, reconstructions, initial public offerings and back-door listings, other fundraisings and projects and infrastructure (including supply agreements, joint ventures, farm-ins and split-commodity arrangements), with a particular focus on the technology, agribusiness, and energy and resources sectors. Mr Eaton has been recognised in a list of Australia's top 109 lawyers in 2010 as voted by members of the Australian Corporate Lawyers Association and the Corporate Lawyers Association of New Zealand. Anton was admitted as a barrister and solicitor of the Supreme Court of Western Australia in July 2004.

Mr Eaton has no directorship in other listed company.

DIRECTORS' REPORT (continued)

Ms Jamie Gee Choo Khoo (Independent Non-Executive Director, resigned 11 March 2019).
Ms Khoo has a Master of Business Studies and is a fellow member of the Institute of Singapore Chartered Accountants. Ms Khoo has over 20 years' experience in accounting and corporate finance and extensive experience in Company funding, investment evaluation, due diligence and structuring. She is presently a Senior Executive with a China based info technology company.

Ms Khoo has no directorship in other listed company.

Mr Chow Yee Koh (Non- Executive Director, resigned 09 January 2019).
Mr Koh has a Bachelor of Commerce and is a fellowship member of the Association of Chartered Certified Accountants (UK). Mr Koh has over 17 years' experience in accounting, auditing and corporate finance. Mr Koh is also the Company secretary.

Mr Koh is also a director of Stemcell United Limited (ASX: SCU).

COMPANY SECRETARY

Mr Chow Yee Koh held the position of company secretary of Invitrocue Limited at the end of the financial year.

PRINCIPAL ACTIVITIES

The principal activities of the Group are those relating to research and experimental development on biotechnology, life and medical science.

DIVIDENDS

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made at the date of this report.

REVIEW OF OPERATIONS

Revenue of Invitrocue Limited ("the group" or "company") for the year ended 30 June 2019 has fallen by 9% to $539,334 compared to $592,618 for the year ended 30 June 2018. The group's focus in the current year is on the Onco-PDO business. The Onco-PDO technology enables patient derived cancer cells to be cultured in laboratory, which are then tested against a panel of cancer drugs to support clinical decision for individual patients. The group has setup laboratories in Singapore, Germany and Hong Kong to support the South East Asia, Europe and Greater China market respectively.

The increased losses for the year arose from higher expenses incurred from:
- An amount of $1,960,075 relating to the share-based compensation.
- Higher costs relating to consultant and professional costs, and travelling cost arising from the development of the Onco-PDO product line.

The group has continued to be able to attract investment fund to support the commercialisation of Onco-PDO. The group has raised $983,127 during the year, of which $35,218 are from exercising of employee options by some employees.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no other significant changes in the state of affairs of the Group during the financial year.

DIRECTORS' REPORT (continued)

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

Refer to Note 2 of the financial report for details of significant events after the reporting date.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Focus of the Group will on:

- completing key fund-raising initiatives to ensure the company's ability to implement its growth strategy in Personalized Oncology and HiMice product supply business;
- generating near-term revenue streams through HiMice product manufacturing and sales in Asia;
- moving expeditiously to roll out Onco-PDO™ Personalised Oncology testing services to core markets that offer the lowest validation costs and highest revenue potential, notably Europe, Hong Kong and China.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group is not subject to any specific environmental regulation in its operations under the law of a state/territory or Commonwealth of Australia.

OPTIONS

The options and warrants outstanding as at the date of this report are:

	Number
Warrants issued to placement subscribers, expiring on 13 November 2022, exercisable at A$0.08 per warrant	3,538,750
Warrants issued to placement subscribers, expiring on 8 December 2022, exercisable at A$0.08 per warrant	4,661,981
Employee options, expiring on 08 February 2033, exercisable at A$0.05 per option	45,080,000
Warrants issued to placement subscribers, expiring on 28 June 2022, exercisable at A$0.12 per warrant	5,633,722
Options issued to directors, expiring on 17 December 2033, exercisable at A$0.05 per option	6,000,000
Options issued to placement subscribers, expiring on 30 April 2024, exercisable at A$0.09 per option	2,164,655
Options issued to placement subscribers, expiring on 23 August 2024, exercisable at A$0.09 per option	3,219,334
TOTAL	**70,298,442**

DIRECTORS' REPORT (continued)

MEETINGS OF DIRECTORS

The number of Directors Meetings held during the year, and the number of meetings attended by each Director is as follows:

Directors' Name	Board Meetings	
	number of meetings the Director was eligible to attend	number of meetings the Director attended
Steven Boon Sing Fang	4	4
Hanry Yu	4	4
Andreas Lindner	4	4
Ee Ting Ng	4	4
Gary Pace	2	1
Kit Wei Lui	1	1
Jamie Gee Choo Khoo	3	2
Chow Yee Koh	2	2
Geoffrey Thomas	0	0
Antony Eaton	0	0

INDEMNIFICATION AND INSURANCE OF DIRECTORS, AUDITORS AND OFFICERS

During the year, the Group paid a premium to insure officers of the Group. The officers covered by the insurance policy include all directors.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Group.

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Group or any related entity against a liability incurred by the auditor.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

REMUNERATION REPORT - AUDITED

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of Invitrocue Limited's key management personnel ("KMP") for the financial year ended 30 June 2018. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the consolidated entity.

The currency used in this Remuneration Report is Australian Dollars.

Key management personnel

The directors and other key management personnel of the consolidated entity during or since the end of the financial year were:

Name	Position	Appointment	Ceased
Steven Boon Sing Fang	Managing director	20 January 2016	n/a
Hanry Yu	Non-executive director	24 March 2016	n/a
Andreas Lindner	Non-executive director	7 February 2018	n/a
Ee Ting Ng	Non-executive director	18 May 2015	n/a
Gary Pace	Non-executive director	23 October 2018	18 September 2019
Kit Wei Lui	Non-executive director	11 March 2019	n/a
Geoffrey Thomas	Non-executive director	9 September 2019	n/a
Antony Eaton	Non-executive director	18 September 2019	n/a
Jamie Gee Choo Khoo	Non-executive director	18 May 2015	11 March 2019
Chow Yee Koh	Non-executive director	18 May 2015	09 January 2019

Except Dr Gary Pace, Mr Kit Wei Lui, Mr Geoffrey Thomas, Mr Antony Eaton, Ms Jamie Gee Choo Khoo and Mr Chow Yee Koh, the other named persons held their current position for the whole of the financial year and since the end of the financial year.

Remuneration policy and framework

The Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors and senior executives. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions, with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

Remuneration of directors and executives is referred to as compensation as defined in AASB 124.

Compensation levels for key management personnel of the Group are competitively set to attract and retain appropriately qualified and experienced directors and executives. The Board obtains independent advice on the appropriateness of compensation packages of the Group given trends in comparative companies and the objectives of the Group's compensation strategy.

The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The compensation structures take into account:

- the capability and experience of the key management personnel;
- the key management personnel's ability to control the relevant segments' performance;
- the Group's performance including:
    - the Group's earnings;
    - the growth in share price and delivering constant returns on shareholder wealth; and
    - The amount of incentives within each key management person's compensation.

REMUNERATION REPORT – AUDITED (continued)

Executive's compensation packages include a mix of fixed and variable compensation.

Non-executive directors' compensation package draws from a fee pool of currently A$350,000 (2018: A$350,000) per annum including superannuation. The fees are set with consideration to the fees paid in companies of a similar size and complexity.

- *Fixed remuneration*

  Fixed compensation consists of base compensation (which is calculated on a total cost basis and includes any FBT charges related to employee benefits including motor vehicles), as well as employer contributions to superannuation funds.

  Compensation levels are reviewed annually through a process that considers individual, segment and overall performance of the Group. In addition external consultants may be engaged to provide analysis and advice to ensure the directors' and senior executives' compensation is competitive in the market place. A senior executive's compensation is also reviewed on promotion.

- *Performance-linked remuneration*

  Performance-linked compensation includes both short-term and long-term incentives and is designed to reward key management personnel for meeting or exceeding their financial and personal objectives. The short-term incentive (STI) is an "at risk" bonus provided in the form of cash, while the long-term incentive (LTI) is provided as options over ordinary shares of the Company under the rules of the Employee Share Option Plan.

Relationship between the remuneration policy and Company performance

The Board currently believes given the size and nature of the Group, a fixed salary plus share based payment based on seniority is appropriate. At the appropriate time, the Board will explore the use of performance based remuneration.

Remuneration of key management personnel

2019	Short term employee benefits		Post-Employment benefits	Long term employee benefit	Share based	Total
	Salary & Fees A$	*Non-Monetary A$*	*Super-annuation A$*	*Long Service leave A$*	*Equity & Options A$*	*A$*
Directors						
Steven Boon Sing Fang	146,534	-	12,790	-	114,180	273,504
Jamie Gee Choo Khoo*	27,000	-	2,565	-	83,218	112,783
Hanry Yu	51,175	-	8,366	-	91,344	150,885
Andreas Lindner	21,250	-	-	-	66,600	87,850
Ee Ting Ng	24,000	-	2,280	-	45,673	71,953
Chow Yee Koh	30,000	-	2,850	-	78,199	111,049
Gary Pace	41,333	-	-	-	-	41,333
Kit Wei Lui*	9,000	-	855	-	-	9,855
Total	**350,292**	**-**	**29,706**	**-**	**479,214**	**859,212**

*Mr Kit Wei Lui and Ms Jamie Gee Choo Khoo are husband and wife

REMUNERATION REPORT – AUDITED (continued)

Remuneration of key management personnel

2018	Short term employee benefits		Post-Employment benefits	Long term employee benefit	Share based	Total
	Salary & Fees A$	*Non-Monetary A$*	*Super-annuation A$*	*Long Service leave A$*	*Equity & Options A$*	*A$*
Directors						
Steven Fang Boon Sing	106,956	-	13,609	-	25,103	145,668
Jamie Khoo Gee Choo	36,000	-	3,420	-	25,103	64,523
Hanry Yu	48,042	-	8,175	-	20,083	76,300
Ng Ee Ting	24,000	-	2,280	-	10,041	36,321
Koh Chow Yee^	68,700	-	2,850	-	20,083	91,633
Andreas Lindner	-	-	-	-	-	-
Total	**283,698**	**-**	**30,334**	**-**	**100,413**	**414,445**

^ Included fees for other services rendered by director or director related companies

Employment details of key management personnel (KMP)

The following table provides key terms of employment contracts of persons who were, during the financial year, members of key management personnel (KMP) of the Group.

Key Management Personnel	Position held as at 30 June 2019 and any change during the year	Contract detail (duration & termination)	Proportions of elements of remuneration related to performance		Proportions of elements of remuneration not related to performance		
			Non-salary cash-based incentives %	*Options %*	*Annual Salary (Cash portion) A$*	*Shares and options A$*	*Fixed Salary/ Fees %*
Steven Boon Sing Fang	Managing director	No fixed term	-	-	153,540	114,180	100%
Hanry Yu	Non-executive director	No fixed term	-	-	51,180	91,344	100%
Andreas Lindner	Non-executive director	No fixed term	-	-	15,000	66,600	100%
Ee Ting Ng	Non-executive director	No fixed term	-	-	24,000	45,673	100%
Gary Pace	Non-executive director	No fixed term	-	-	60,000	-	100%
Kit Wei Lui	Non-executive director	No fixed term	-	-	36,000	-	100%
Jamie Gee Choo Khoo	Non-executive director*	No fixed term	-	-	36,000	97,749	100%
Chow Yee Koh	Non-executive director*	No fixed term	-	-	30,000	78,199	100%

* Resigned as director during the financial year.

REMUNERATION REPORT – AUDITED (continued)

The Board currently believes given the size and nature of the Group, a fixed salary plus share based payment based on seniority is appropriate. At the appropriate time, the Board will explore the use of performance based remuneration.

Other Key Management Personnel

The employment contracts in place for all other key management personnel contain provisions whereby the employment relationship can be terminated by either party at any time, with or without notice and with or without cause.

Share based remuneration

Share based remuneration, if any, are subject to board recommendation annually and shareholder approval at the annual general meeting.

The terms and conditions of each grant of options affecting remuneration in the current or a future reporting period are as follows:

Grant date	Exercise price	Vesting and exercise date	Expiry date	Value per option at grant date	Vesting conditions	% vested
8 Feb 2018	A$0.05	8 Feb 2019 8 Feb 2020 8 Feb 2021	8 Feb 2033	A$0.08	One-third for each year of employment after granting	33.3%
17 Dec 2018	A$0.05	17 Dec 2018	17 Dec 2033	A$0.0541	-	100%

Key management equity holdings

The number of shares and options in the Company held during the financial year by each Director, including their related entities, are set out below:

Shares

2019	Balance at the start of the year or date of appointment	Changes during the year	Balance at the end of the year
Jamie Gee Choo Khoo*	3,794,558^	-	3,794,558^
Boon Sing Fang	115,739,987	-	115,739,987
Hanry Yu	49,602,852	-	49,602,852
Andreas Lindner	11,250,000	158,228	11,408,228
Ee Ting Ng	-	-	-
Chow Yee Koh	-	12,000	12,000
Gary Pace	-	-	-
Kit Wei Lui*	3,794,558^	-	3,794,558^

* Mr Kit Wei Lui and Ms Jamie Gee Choo Khoo are husband and wife
^Shares are held by a related company of the director

REMUNERATION REPORT – AUDITED (continued)

Shares

2018	Balance at the start of the year or date of appointment	Changes during the year	Balance at the end of the year
Jamie Khoo Gee Choo*	3,794,558^	-	3,794,558^
Boon Sing Fang	153,785,374	(38,045,387)~	115,739,987
Hanry Yu	49,602,852	-	49,602,852
Andreas Lindner	-	11,250,000	11,250,000
Ee Ting Ng	-	-	-
Chow Yee Koh	-	-	-

~ The change is due to the resignation as director of another company.
* Mr Kit Wei Lui and Ms Jamie Gee Choo Khoo are husband and wife
^Shares are held by a related company of the director

Options and warrants

Director name Option/warrants date	Balance at the start of the year or date of appointment		Changes during the year				Balance at the end of the year	
	Unvested	Vested and exercisable	Granted/ purchased	Vested	Exercised	Expired	Unvested	Vested and exercisable
Jamie Khoo Gee Choo								
8 February 2018*	1,250,000	-	-	416,667	-	1,250,000	-	-
17 December 2018~			1,250,000	1,250,000				1,250,000
Boon Sing Fang								
8 February 2018*	1,250,000	-	-	416,667	-	-	833,333	416,667
17 December 2018~			1,250,000	1,250,000				1,250,000
Hanry Yu								
8 February 2018*	1,000,000	-	-	333,333	-	-	666,667	333,333
17 December 2018~			1,000,000	1,000,000				1,000,000
Andreas Lindner								
13 Nov 2017^	-	706,000	-	-	-	-	-	706,000
17 December 2018~			1,000,000	1,000,000				1,000,000
Ee Ting Ng								
8 February 2018*	500,000	-	-	166,667	-	-	333,333	166,667
17 December 2018~			500,000	500,000				500,000
Chow Yee Koh								
8 February 2018*	1,000,000	-	-	333,333	-	-	666,667	333,333
17 December 2018~			1,000,000	1,000,000				1,000,000
Gary Pace	-	-	-	-	-	-	-	-
Kit Wei Lui	-	-	-	-	-	-	-	-

*Granted as part of employee share option as approved during the AGM of 30 November 2017.
^The warrant was purchased before appointment as director.
~ Granted as director option as approved during the AGM of 30 November 2018.

REMUNERATION REPORT – AUDITED (continued)

Transaction and balances with KMP and related parties

Please refer to the Note 23 and 24 to the financial statements.

End of remuneration report

DIRECTORS' REPORT (CONTINUED)

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

The Board of Directors is satisfied that the provision of non-audit services by the auditor during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001 and do not compromise the general principles relating to auditor independence as set out in the Chartered Accountants Australia and New Zealand and CPA Australia's APES 110: Code of Ethics for Professional Accountants.

The Company's auditors Deloitte were not engaged to perform non-audit services.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2019 has been received and can be found on page 18 of the Annual Report.

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors pursuant to s 298(2) of the Corporations Act 2001.

Signed by

Steven Boon Sing Fang
Director
30 September 2019

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Australia

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Board of Directors
Invitrocue Limited
Level 2, 320 Kent Street
Sydney, NSW 2000

30 September 2019

Dear Board Members

Invitrocue Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Invitrocue Limited.

As lead audit partner for the audit of the consolidated financial statements of Invitrocue Limited for the financial period ended 30 June 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Carlo Pasqualini
Partner
Chartered Accountants

CORPORATE GOVERNANCE STATEMENT

The Board is committed to achieving and demonstrating the highest standards of corporate governance. As such, Invitrocue Limited and its Controlled Entities ('the Group') have adopted the third edition of the *Corporate Governance Principles and Recommendations* which was released by the ASX Corporate Governance Council on 27 March 2014 and became effective for financial years beginning on or after 1 July 2014.

The Group's Corporate Governance Statement for the financial year ending 30 June 2019 is dated and approved by the Board on 30 September 2019. The Corporate Governance Statement is available on the Group's website at http://www.invitrocue.com/investors/corporate-governance/

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended 30 June 2019 S$	Year ended 30 June 2018 S$
Revenue	3	539,334	592,618
Cost of Sales		(286,476)	(376,449)
Gross profit		**252,858**	**216,169**
Other income	4	234,937	319,350
Depreciation and amortisation expenses		(131,752)	(136,315)
Staff costs		(2,150,362)	(1,666,790)
Share based payments		(1,960,075)	(979,582)
Allowance for expected credit losses		(185,913)	-
Administrative expenses	5	(2,457,288)	(1,826,481)
Finance costs	6	(42,851)	(26,478)
Research expenses		(211,438)	(556,851)
Loss before income tax expense		**(6,651,884)**	**(4,656,978)**
Income tax expense	7	(2,200)	-
Loss for the year		**(6,654,084)**	**(4,656,978)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Exchange difference on translation of foreign subsidiary		(25,852)	29,930
Total comprehensive loss for the year		**(6,679,936)**	**(4,627,048)**
Loss attributable to:			
Owners of the parent		(6,668,507)	(4,656,978)
Non-controlling interests		14,423	-
		(6,654,084)	(4,656,978)
Total comprehensive loss			
Owners of the parent		(6,693,825)	(4,627,048)
Non-controlling interests		13,889	-
		(6,679,936)	(4,627,048)
Loss per share			
Basic (cents per share)	8	(1.29)	(0.99)
Diluted (cents per share)	8	(1.29)	(0.99)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 30 June 2019 S$	As at 30 June 2018 S$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		361,107	2,318,639
Trade and other receivables	9	402,623	871,253
Contract assets		78,641	-
Inventories		230,097	182,171
TOTAL CURRENT ASSETS		1,072,468	3,372,063
NON CURRENT ASSETS			
Intangible assets	10	184,418	115,676
Plant and equipment	11	160,264	170,465
Prepayment		-	37,210
TOTAL NON CURRENT ASSETS		344,682	323,351
TOTAL ASSETS		**1,417,150**	**3,695,414**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	1,299,447	698,559
Deferred government grant	14	10,316	10,316
Amount due to related parties	16	428,958	200,000
Convertible note	19	500,790	-
Income tax payable		2,200	-
Provisions	15	44,918	206,166
Contract liabilities		36,763	-
TOTAL CURRENT LIABILTIES		2,323,392	1,115,041
NON CURRENT LIABILITIES			
Amount due to a director	16	337,994	224,867
Deferred government grant	14	2,579	12,895
TOTAL NON CURRENT LIABILTIES		340,573	237,762
TOTAL LIABILTIES		**2,663,965**	**1,352,803**
NET (LIABILITIES)/ASSETS		**(1,246,815)**	**2,342,611**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Note	As at 30 June 2019 S$	As at 30 June 2018 S$
EQUITY			
Share capital	17	29,206,157	28,210,818
Options and warrants reserves	18	3,936,296	1,972,485
Prepaid share reserve		87,930	-
Convertible note – equity component	19	2,700	-
Contributions reserve	20	42,360	42,360
Accumulated losses		(34,862,109)	(28,193,602)
Foreign currency translation reserve		284,698	310,550
		(1,301,968)	2,342,611
Non-controlling interest		55,153	-
TOTAL EQUITY		**(1,246,815)**	**2,342,611**

The above statement of financial position should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Options and warrants reserves	Prepaid share reserve	Convertible note	Contributions Reserve	Accumulated losses	Foreign currency translation reserve	Non-controlling interest	Total
	S$	S$	S$	S$	S$	S$	S$	S$	S$
Balance at 1 July 2017	22,927,455	372,037	-	-	42,360	(23,536,624)	280,620	-	85,848
Issue of shares (net of cost)	5,283,363	-	-	-	-	-	-	-	5,283,363
Issue of warrants	-	620,866	-	-	-	-	-	-	620,866
Issue of employee options	-	979,582	-	-	-	-	-	-	979,582
Loss for the year	-	-	-	-	-	(4,656,978)	-	-	(4,656,978)
Other comprehensive income	-	-	-	-	-	-	29,930	-	29,930
Total comprehensive loss	-	-	-	-	-	(4,656,978)	29,930	-	(4,627,048)
Balance at 30 June 2018	28,210,818	1,972,485	-	-	42,360	(28,193,602)	310,550	-	2,342,611
Issue of shares (net of cost)	904,687	-	-	-	-	-	-	-	904,687
Issue of warrants and options	-	59,216	-	-	-	-	-	-	59,216
Issue of director options	-	317,134	-	-	-	-	-	-	317,134
Vesting of employee options	-	1,642,941	-	-	-	-	-	-	1,642,941
Prepaid share subscriptions	-	-	87,930	-	-	-	-	-	87,930
Issue of convertible notes	-	-	-	8,264	-	-	-	-	8,264
Redemption of convertible notes	-	-		(5,564)	-	-	-	-	(5,564)
Exercise of options	90,652	(55,480)	-	-	-	-	-	-	35,172
Non-controlling interest on incorporation of subsidiaries	-	-	-	-	-	-	(534)	41,264	40,730
Loss for the year	-	-	-	-	-	(6,668,507)	-	14,423	(6,654,084)
Other comprehensive income	-	-	-	-	-	-	(25,318)	(534)	(25,852)
Total comprehensive loss	-	-	-	-	-	(6,668,507)	(25,318)	13,889	(6,679,936)
			-						
Balance at 30 June 2019	29,206,157	3,936,296	87,930	2,700	42,360	(34,862,109)	284,698	55,153	(1,246,815)

The above statement of changes in equity should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Year ended 30 June 2019 S$	Year ended 30 June 2018 S$
CASH FLOWS RELATING TO OPERATING ACTIVITIES			
Receipt from customers		536,578	797,291
Payment to suppliers and employees		(4,405,995)	(4,683,467)
Interest received		2,531	4,173
Total cash used in operating activities	20	(3,866,886)	(3,882,003)
CASH FLOWS RELATING TO INVESTING ACTIVITIES			
Purchase of plant and equipment		(57,969)	(114,585)
Purchase of intangible assets		(132,055)	-
Cash received from non-controlling interest on incorporation of subsidiaries		41,264	-
Repayment of finance lease		-	(1,573)
Total cash used in investing activities		(148,760)	(116,158)
CASH FLOWS RELATING TO FINANCING ACTIVITIES			
Proceeds from issue of shares and warrants, net of costs		947,909	5,904,229
Proceeds from convertible notes		482,000	-
Proceeds from exercise of options		35,218	-
Proceeds from prepaid shares placements		87,930	-
Proceeds from loans from directors		761,882	-
Repayment of loan from director		(200,000)	(150,127)
Total cash from financing activities		2,114,939	5,754,102
Net (decrease)/increase in cash and cash equivalent		(1,900,707)	1,755,941
Cash and cash equivalent at beginning of financial year		2,318,639	601,797
Effect of foreign exchange rate on the balance of cash held in foreign currencies		(56,825)	(39,099)
Cash and cash equivalent at end of financial year		**361,107**	**2,318,639**

The above statement of cash flows should be read in conjunction with the accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

This financial report includes the financial statements and notes of Invitrocue Limited (the Company) and its controlled entities (the Group). Invitrocue Limited is a listed public Company incorporated and domiciled in Australia.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001.* Invitrocue Limited is a for profit entity for the purposes of preparing the financial statements.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards ("IFRS"). Significant material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

Basis of preparation

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities as issued by the International Accounting Standards Board. All amounts are expressed in Singapore dollars unless otherwise noted.

Going Concern

The Directors have prepared the financial report on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The consolidated statement of profit or loss and other comprehensive income reflects a consolidated net loss of S$6,679,936 (2018: S$4,627,048) and the consolidated statement of cash flows shows a net operating cash outflow of S$3,866,886 (2018: S$3,882,003) for the year ended 30 June 2019. The consolidated statement of financial position shows a net assets deficiency of S$1,246,815 (2018: net assets of S$2,342,611).

The Directors have reviewed the cash flow forecast for the Group through to 30 September 2020. The forecast indicates that the Group will be able to pay its debts as and when they fall due after considering the following factors:

- Subsequent to the year end, the Group has entered into the following arrangements to support their funding requirements:

    - On 30 September 2019, the Group received funds of US$1 million from an investor being a combination of convertible notes and loans with a maturity date of 30 September 2020.

    - Signed addenda have been received to existing loan agreements with a director or the director's related entity for a total outstanding balance of S$231,000 as at 30 June 2019 to extend the term of the loans until 31 October 2020.

    - The Group has entered into a S$300,000 10% p.a. convertible note agreement with an investor with a maturity date of 30 December 2019. The funds were received on 25 September 2019.

    - As at 30 September 2019, the existing convertible note amounting to S$545,900 has been rolled over and now has a maturity date of 28 December 2019.

- The Group has signed contracts with customers worth S$322,000 of revenue. In addition, the Group is at various stages of negotiations with a number of customers and it is expected that these negotiations will result in additional revenue to be earned by the Group within the next 12 months.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Going Concern (continued)

- As at 30 September 2019, the Group is in negotiations with a potential investor and expects to raise further capital of US$9 million with such amount to be received in tranches. It is anticipated that the capital raise and related tranches will be subject to various conditions precedents including any required shareholder approvals.

- Certain trade creditors are currently not being paid within normal trade terms. The directors going concern assessment is based on the continued forbearance of these creditors in respect of amounts payable by the Group.

The directors have considered the following additional factors in their going concern assessment:

- The Group requires minimum cash inflows of approximately S$500,000 on a monthly basis to continue normal operations. Taking into account the available cash resources of the Group at 30 September 2019 of approximately S$1,700,000 (which includes the US$ 1 million received on 30 September 2019 - refer above), the Group will be required to raise at least S$4.7 million to fund its operations and pay off its current liabilities through to 30 September 2020, with an initial raising required to be completed by the end of November 2019, assuming that only currently contracted revenues eventuate.

- As mentioned in Note 2, since 12 August 2019 the parent entity has been suspended from official quotation under ASX listing rules. Subsequent to the year end, the Group is expecting some key changes in its Board of Directors as a result of an on-going dispute between the directors on various matters. In this respect, the Group received Notices of intention from its existing directors against each other to move a resolution at a General meeting to be held on 11 October 2019 for the removal of the Managing Director, followed by another meeting to be held on 18 October 2019 where 2 directors will be considered for removal from the Board of Directors. The outcome of these resolutions may impact the Group's future funding activities and its ability to continue as a going concern. As at the date of approval of the annual report, the outcome of the meetings is uncertain.

The Directors are confident that the Group will achieve successful outcomes in relation to the above matters, and that it is therefore appropriate to prepare the financial statements on the going concern basis and that the Group will be able to pay its debts as and when they become due and payable from available cash resources, operating cash flows and additional capital to be raised.

In the event that the Group is not able to achieve successful outcomes in relation to the above matters and obtain sufficient additional funding, such circumstances would create a material uncertainty which may cast significant doubt about the ability of the Group to continue as a going concern and therefore, it may be unable to realise its assets and extinguish its liabilities in the normal course of business.

The financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of consolidation (continued)

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

(b) Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Information about the parent entity is disclosed in note 29.

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of directors.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Foreign currency translation

The financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the financial statements, the results and financial position of the entity are expressed in Singapore dollars, which is the functional currency of Invitrocue Pte Limited (the accounting parent), and the presentation currency for the financial statements. The functional currency of Invitrocue Limited (the accounting subsidiary) is Australian dollars.

In preparing the financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Nonmonetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the year in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purpose of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Singapore dollars using exchange rates prevailing at the end of the reporting year. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

The foreign exchange rates used in the translation of foreign currencies are:

	2019		2018	
	Average for 12 months ended 30 June 2019	**As at 30 June 2019**	**Average for 12 months ended 30 June 2018**	**As at 30 June 2018**
Australian dollar to Singapore dollar	0.9770	0.9492	1.041	1.001
Chinese Yuan to Singapore dollar	0.2004	0.1969	0.2065	0.2059
Euro to Singapore dollar	1.5613	1.5383	n/a	n/a

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Revenue Recognition

The Group recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Rendering of services
The Group derives revenue from the provision of services in respect of Cell based assays and Personalised oncology Screening (Onco-PDO) services. Revenue from a contract to provide services at a point in time is recognised when the services is provided and approved by customers. Revenue from a contract to provide services over time is recognised by reference to the stage of completion of the contract at reporting date and where the outcome of the contract can be estimated reliably. Stage of completion of the contracts reflects progress towards complete satisfaction of the performance obligation. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable. The Group's revenue is earned from transferring of services at a point in time or over time, depending on the nature of the services.

Sale of products or goods
Revenue from goods or product sales is recognized when the Group transfers control of the product. Control of the product transfers upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the product shipped.

The transaction price is documented on the sales invoice and agreed to by the customer. Payment is generally due at the time of delivery, as such a receivable is recognized as the consideration is unconditional and only the passage of time is required before payment is due.

Interest income
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the year in which they become receivable.

(g) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days. The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(h) Contract assets

Contract assets are recognised when the Group has transferred goods or services to the customer but where the Group is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

(i) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss

Financial assets at amortised cost
A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment of financial assets
The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

(j) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Borrowings / director loans

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

(l) Borrowing Costs

Borrowing costs are expensed as incurred (using effective interest rate method), except where they are directly attributable to the acquisition or construction of a qualifying asset, in which case they are capitalised as part of the asset. However, the Group does not have any qualifying assets in the reporting period.

(m) Impairment of non-financial assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use, to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(n) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short term deposits with an original maturity of 3 months or less.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(o) Trade and other payables

Trade payables and other payables are carried at cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(p) Contract liabilities

Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

(r) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the statement of comprehensive income is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the statement of comprehensive income when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Taxation Office.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(t) Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of business are not included in the cost of the acquisition as part of the purchase consideration.

(u) Compound financial instruments

Compound financial instruments issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest period method. The equity component of a compound financial instrument is not remeasured subsequent to initial recognition.

Interest related to the financial liability is recognised in the statement of profit or loss and other comprehensive income.

On conversion, the financial liability is reclassified to equity with any gain or loss recognised in the Statement of Profit or Loss and Other Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) Share-based payments

Equity-settled share-based compensation benefits may be provided to employees, directors or other parties. Equity-settled transactions are awards of shares, or options over shares that are provided to directors and employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined taking into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, they are treated as if they have vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

(w) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at the end of the reporting date.

(x) Earnings per share

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

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(y) Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

Computers	3 years
Leasehold improvements	3 years
Office equipment	3 to 5 years
Tools and equipment	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

(z) Intangible assets

Trademarks, licences and customer contracts

Separately acquired trademarks and licences are shown at historical cost. Trademarks, licenses and customer contracts acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Research and development

Internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only, if all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(z) Intangible assets (continued)

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Research expenditure and development expenditure that do not meet the criteria above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation methods and useful lives

The group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

Licenses	10 years
Developments	5 years

Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions. The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives of property, plant and equipment and intangible assets
The Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each annual reporting period. Changes in the useful lives of property, plant and equipment and intangible assets can cause material adjustments to the carrying amount of the assets in the next financial year.

Revenue from Contracts with Customers
For contracts to provide services over time, revenue is recognised by reference to the stage of completion and where outcome of the contract can be estimated reliably. Estimation of contract outcome and stage of completion involves some judgements.

Share-based payment transactions
The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by referencing to the fair value of ordinary shares at the grant date. The fair value consideration also takes into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Adoption of new and revised accounting standards

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the Group:

AASB 9 Financial Instruments

The Group has adopted AASB 9 from 1 July 2018 using the transitional rules available not to restate comparatives. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch.

For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available. The adoption of AASB 9 has not had a material impact on the Group's results.

AASB 15 Revenue from Contracts with Customers

The Group has adopted AASB 15 from 1 July 2018, using the transitional rules available not to restate comparatives. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the Revenue Recognition accounting policy in Note 1. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

The adoption of AASB 9 and AASB 15 did not result in any change to the opening net assets or the opening retained profits as at 1 July 2018 nor any significant impact on the financial performance or position of the group during the financial year ended 30 June 2019.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted

AASB 16 Leases

This standard is currently applicable to annual reporting periods beginning on or after 1 January 2019. AASB 16 replaces the current AASB 117 Leases standard and sets out a comprehensive model for identifying lease arrangement and the subsequent measurement. A contract contains a lease if it conveys the right to control the use of an identified asset for a period of time. The majority of leases from the lessee perspective within the scope AASB 16 will require the recognition of a 'right of use' asset and a related lease liability, being present value of future lease payments. This will result in an increase in the recognised assets and liabilities in the Statement of Financial Position as well as a change in expense recognition, with interest and depreciation replacing lease expense, with the exception of for leases of low value assets and leases with a term of 12 months or less.

The Group expects to adopt the standard from 1 July 2019 and the primary impact from adoption will be the treatment of leased premises in subsidiary companies. The adoption of the standard will increase net current assets of $381,125 and lease liabilities of $381,125 due to the recognition of the lease liability and right of use asset. The impact on profit or loss is to decrease rental expenses by $S241,381, to increase depreciation by S$249,189 and to increase interest expense by S$15,095.

Under AASB 117, all lease payments on operating leases are presented as part of cash flows from operating activities. The impact of the changes under AASB 16 would be to reduce the cash generated by operating activities by $S15,095 and to increase net cash used in financing activities by the same amount.

New Conceptual Framework for Financial Reporting

A revised Conceptual Framework for Financial Reporting has been issued by the AASB and is applicable for annual reporting periods beginning on or after 1 January 2020. This release impacts for-profit private sector entities that have public accountability that are required by legislation to comply with Australian Accounting Standards and other for-profit entities that voluntarily elect to apply the Conceptual Framework. Phase 2 of the framework is yet to be released which will impact for-profit private sector entities. The application of new definition and recognition criteria as well as new guidance on measurement will result in amendments to several accounting standards. The issue of AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework, also applicable from 1 January 2020, includes such amendments. Where the Group has relied on the conceptual framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under Australian Accounting Standards, the Group may need to revisit such policies. The Group will apply the revised conceptual framework from 1 July 2020 and is yet to assess its impact.

NOTE 2: SUBSEQUENT EVENTS

- On 9 August 2019, the Group received a Notice of Intention pursuant to Section 203D(2) of the Corporations Act from directors Prof Hanry Yu, Ms Ee Ting Ng and Mr Kit Wei Lui to move a resolution at a general meeting for the removal of Dr Boon Sing Fang as director of the Group.
- On 12 August 2019, the Parent entity was suspended from official quotation under Listing Rule 17.3.
- On 15 August 2019, the Group received a Notice of Intention pursuant to Section 203D(2) of the Corporations Act from directors Dr Boon Sing Fang, Dr Andreas Lindner and Dr Gary Pace to move a resolution at a general meeting for the removal of Prof Hanry Yu and Mr Kit Wei Lui as directors of the Group.
- On 6 September 2019, directors Prof Hanry Yu, Ms Ee Ting Ng and Mr Kit Wei Lui called a general meeting as directors of the Company pursuant to S249CA of the Corporations Act to move a resolution for the removal of Dr Boon Sing Fang as director of the Company.
- On 6 September 2019 and on 11 September 2019, the Group received a Notice of Intention pursuant to Section 203D(2) of the Corporations Act from directors Prof Hanry Yu, Ms Ee Ting Ng and Mr Kit Wei Lui to move a resolution at a general meeting for the removal of Mr Geoffrey Thomas as director of the Company.
- On 17 September 2019, directors Dr Boon Sing Fang, Dr Andreas Lindner, Dr Gary Pace and Mr Geoffrey Thomas severally called a general meeting as directors of the Group pursuant to S249CA of the Corporations Act to move a resolution for the removal of Prof Hanry Yu and Mr Kit Wei Lui as director of the Group.

As of date of the approval of the annual report, the outcome of the above meetings is uncertain as the directors are having ongoing dialogues and the dispute is not resolved.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group.

NOTE 3: REVENUE

Disaggregation of revenue :	**2019** **$S**	**2018** **S$**
Major service line		
Sale of goods	166,637	280,183
Rendering of services	372,697	312,435
	539,334	592,618
Timing of revenue recognition		
Point in time	192,688	280,183
Over time	346,646	312,435
	539,334	592,618
By geographical location		
Singapore	527,551	571,639
China	6,733	20,979
Germany	5,050	-
	539,334	592,618

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4: OTHER INCOME

	Note	2019 S$	2018 S$
Government grants		66,328	218,238
Interest income		2,531	4,173
Recovery of expenses		5,400	17,400
Write back of provisions	14a	156,320	-
Service fee		2,500	67,000
Other income		1,858	12,539
		234,937	319,350

Government grant represents grants received mainly for the manpower subsidy. An amount of $10,316 (2018: $117,149) relates to amortisation of deferred government grant.

Recovery of expenses relates to reimbursement by the Singapore government for approved expenses.

NOTE 5: ADMINISTRATIVE EXPENSES

	2019 S$	2018 S$
Consulting and professional fees	1,010,285	707,499
Travelling and accommodation expenses	701,231	420,818
Rent expenses	290,732	199,799
Other administrative expenses	455,040	498,365
	2,457,288	1,826,481

NOTE 6: FINANCE COST

	2019 S$	2018 S$
Included in finance cost are:		
Interest on amount due to a director	13,127	26,478
Convertible note interest on roll-over*	29,310	-
Convertible note deemed interest at balance date*	414	-
	42,851	26,478

*Refer note 19

NOTE 7: INCOME TAX

The income tax expense for the year can be reconciled to the accounting loss as follows:

	2019 S$	2018 S$
Loss before tax	(6,651,884)	(4,656,978)
Tax benefit calculated at 17% (2018: 17%)	(1,130,819)	(791,687)
Effect of different tax rate of subsidiaries operating in other jurisdictions	(318,147)	(211,948)
Effect of income not taxable in determining taxable profit	(53,682)	-
Effect of expenses not deductible in determining taxable profit	24,747	24,812
Effect of tax losses not available to carry forward	136,840	26,417
Effect of tax losses not recognised	1,344,422	952,406
Others	(1,160)	-
	2,200	-

NOTE 7: INCOME TAX (CONTINUED)

The tax rate of 17% is the rate in the jurisdiction in which the accounting parent operates whereas the tax rate in the jurisdiction in which other subsidiaries operate ranges from 15% to 30%.

The Group has tax losses carried forward amounting to $15,009,839 (2018: $9,075,509) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams.

NOTE 8: EARNINGS PER SHARE

	2019 S$	2018 S$
(a) Reconciliation of Earnings to Net Loss		
Net loss attributable to owners of the parent	(6,668,507)	(4,656,978)
Earnings used in the calculation of basic EPS	(6,668,507)	(4,656,978)
Earnings used in the calculation of dilutive EPS	(6,668,507)	(4,656,978)
	Number	**Number**
Weighted average number of ordinary shares outstanding during the year used in calculation of earnings per share and diluted earnings per share.	515,780,388	472,277,634
(b) The following potential ordinary shares are anti-dilutive and are therefore excluded from the weighted average number of ordinary shares for the purposes of diluted earnings per share:		
Weighted average number of warrants and options	70,064,358	34,728,119
Basic loss (cents per share)	(1.29)	(0.99)
Diluted loss (cents per share)	(1.29)	(0.99)

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9: TRADE AND OTHER RECEIVABLES

	2019 S$	2018 S$
CURRENT		
Trade receivables	388,406	263,553
Less: Allowance for expected credit losses	(185,913)	-
	202,493	263,558
Other receivables	54,718	350,378
Unbilled receivables*	-	129,658
Deposits	44,445	19,306
Prepayments	100,967	108,358
	402,623	871,253

*Unbilled receivables represents amount for work done but not yet invoiced.

Allowance for expected credit losses

The Group has recognised a net loss of $185,913, (2018: Nil) in profit or loss in respect of allowance for expected credit losses for the period ended 30 June 2019.

The group applies the AASB 9 simplified approach to measuring expected credit losses ('ECL') which uses a lifetime expected loss allowance for all trade receivables and contract assets. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The average credit period on these receivables is 30 days (2018: 30 days). No interest is charged on outstanding trade receivables.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of the loss rates based on the payment profiles of sales over a period of 12 month before 30 June 2019. The historical loss rates are adjusted to reflect current and forward looking information affecting the ability of the customers to settle the receivables.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off is subject to enforcement activities.

The ageing of trade receivables and allowance for expected credit losses provided at the reporting date is as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit loss	
	2019 %	2018 %	2019 S$	2018 S$	2019 S$	2018 S$
Not past due	-	-	155,155	218,745	-	-
Past due < 3 months	-	-	16,480	11,322	-	-
Past due 3 – 6 months	-	-	1,968	33,486	-	-
Past due 6 – 12 months	-	-	-	-	-	-
> 12 months	87%	-	214,803	-	185,913	-
			388,406	263,553	185,913	-

Movements in the allowance for expected credit losses are as follows

	2019 S$	2018 S$
Opening balance	-	-
Provision recognised during the year	185,913	-
Amount written off	-	-
Closing balance	185,913	-

Included in the Group's trade receivable balance are debtors with a carrying amount of $47,338 (2018: $44,808) which are past due at the end of the reporting period for which the Group has not recognised an allowance for expected credit losses as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

The Group’s other receivables are interest-free and repayable on demand and the average age of these receivables is less than 30 days. The Group has not recognised any expected credit losses as the directors are of the view that these receivables are recoverable.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10: INTANGIBLE ASSETS

	License	Development Cost	Software	Total
	S$	S$	S$	S$
Cost				
At 30 June 2017	64,164	102,695	-	166,859
Additions	-	-	-	-
At 30 June 2018	64,164	102,695	-	166,859
Additions	23,627	-	108,428	132,055
At 30 June 2019	87,791	102,695	108,428	298,914
Accumulated depreciation				
At 30 June 2017	25,029	-	-	25,029
Amortisation	5,615	20,539	-	26,154
At 30 June 2018	30,644	20,539	-	51,183
Amortisation	9,340	20,539	33,434	63,313
At 30 June 2019	39,984	41,078	33,434	114,496
Carrying amount				
At 30 June 2019	**47,807**	**61,617**	**74,994**	**184,418**
At 30 June 2018	33,520	82,156	-	115,676

NOTE 11: PLANT AND EQUIPMENT

	Computers	Leasehold Improvements	Office equipment	Tools and equipment	TOTAL
	S$	S$	S$	S$	S$
Cost					
At 30 June 2017	19,940	212,616	35,109	62,680	330,345
Additions	46,938	-	1,232	97,585	145,755
Disposals	(5,482)	-	(419)	-	(5,901)
At 30 June 2018	61,396	212,616	35,922	160,265	470,199
Additions	17,785	-	8,299	31,885	57,969
At 30 June 2019	79,181	212,616	44,221	192,150	528,168
Accumulated depreciation					
At 30 June 2017	12,245	135,881	18,322	21,569	188,017
Depreciation	7,946	70,599	10,287	28,761	117,593
Disposals	(5,476)	-	(400)	-	(5,876)
At 30 June 2018	14,715	206,480	28,209	50,330	299,734
Depreciation	22,259	6,136	4,960	34,815	68,170
At 30 June 2019	36,974	212,616	33,169	85,145	367,904
Carrying amount					
At 30 June 2019	**42,207**	**-**	**11,052**	**107,005**	**160,264**
At 30 June 2018	46,681	6,136	7,713	109,935	170,465

NOTE 12: TRADE AND OTHER PAYABLES

	2019 S$	2018 S$
CURRENT		
Trade payables	440,635	333,484
Other payables	448,744	61,054
Accruals	215,589	254,045
Salary, wages and superannuation payable	194,479	49,976
	1,299,447	**698,559**

NOTE 13: SUBSIDIARIES

The subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the Group unless otherwise stated. The proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's principal place of business is also its country of incorporation or registration.

Name of subsidiary	Principal place of business	Ownership interest held	
		2019	**2018**
Invitrocue Pte Ltd	Singapore	100%	100%
Invitrocue Biomedical Service Suzhou	China	100%	100%
Invitrocue UK Ltd	United Kingdom	100%	100%
Invitrocue Europe AG	Germany	100%	-
Invitrocue (Hong Kong) Limited	Hong Kong	100%	-
Invivocue Pte. Ltd	Singapore	70%	-
Invitrocue S.L	Spain	51%	-

NOTE 14: DEFERRED GOVERNMENT GRANT

	2019 S$	2018 S$
Balance at the beginning of the year	23,211	76,260
Grant received	-	64,100
Amount recognised as income during the year	(10,316)	(117,149)
Balance at end of the year	12,895	23,211
Recognisable as income		
Within 1 year – current liabilities	10,316	10,316
Within 2 to 5 years – non-current liabilities	2,579	12,895
	12,895	23,211

Deferred government grant received in the financial year 2019 and 2018 relates to advance grant received from a government agency for manpower subsidy and purchase of plant and equipment.

NOTE 15: PROVISIONS

		2019 S$	2018 S$
Current			
Reinstatement costs	(a)	44,918	44,918
Fair value of unconverted convertible notes	(b)	-	161,248
		44,918	206,166

(a) The Group recorded a provision of A$160,000 (equivalent to S$161,248) in relation to the old convertible loans of Invitrocue Limited (accounting subsidiary) that were not converted into shares at the time of recapitalisation in May 2015 during which time Invitrocue Limited was trading as Bunuru Corporation Limited. The provision was written back as no claims were made on this amount since the provision was made in June 2015.

(b) The Group recorded a provision of S$44,918 (2018: $44,918) as a reinstatement cost for its office premises in Singapore in accordance with the requirements of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

NOTE 16: AMOUNT DUE TO RELATED PARTIES

		2019 S$	2018 S$
Current	(a)	428,958	200,000
Non-Current	(b)	337,994	224,867

(a) The balance includes the following:

i. $47,460 which is unsecured, interest bearing at 5.35% per annum and repayable on demand.
ii. $153,830 which is unsecured, interest bearing at 5.35% per annum and repayable 30 September 2019.
iii. $76,915 which is unsecured, interest bearing at 5.35% per annum and repayable 31 October 2019.
iv. $150,753 which is unsecured, interest bearing at 5.35% per annum and repayable on 26 June 2020.

(b) The amount due is unsecured, interest bearing at 5.35% (2018: 5.35%) per annum and repayable 27 August 2020.

NOTE 17: SHARE CAPITAL

	2019 S$	2018 S$
Issued and fully paid ordinary shares	29,206,157	28,210,818

Movements in ordinary shares	Number of shares	S$
At 30 June 2017	452,652,636	22,927,455
Placements during the year – ordinary shares	60,971,544	5,283,363
At 30 June 2018	513,624,180	28,210,818
Placements during the year – ordinary shares	10,981,505	904,687
Exercise of options	720,000	90,652
At 30 June 2019	525,325,685	29,206,157

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value. On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital Management

Management controls the capital of the Group in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the Group can fund its operations and continue as a going concern. The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

The Group is not subject to any externally imposed capital requirements.

NOTE 18: OPTIONS AND WARRANT RESERVES

	2019 S$	2018 S$
Fair value of options and warrants	3,936,296	1,972,485

	Number	Fair value recorded S$
Balance at 30 June 2017	13,057,563	372,037
Expiry of warrants	(2,057,563)	-
Placement – warrants	13,834,453	620,866
Employee options issued on 8 February 2018	48,400,000	979,582
Balance at 30 June 2018	73,234,453	1,972,485
Issue of options to directors	6,000,000	317,134
Vesting of employee and directors' options	-	1,642,941
Placement – warrants and options	2,164,655	59,216
Exercise of employees' options	(720,000)	(55,480)
Expiry of warrants and options	(13,600,000)	-
Balance at 30 June 2019	67,079,108	3,936,296

The outstanding options and warrants are exercisable ranging from A$0.05 to A$0.12 per option or warrant, and are expiring from 13 November 2022 to 17 December 2033.

NOTE 19: CONVERTIBLE NOTES

The parent entity issued 500,000 12% unsecured convertible notes for S$473,766 on 28 December 2018. The notes are convertible into ordinary shares of the Company, at the option of the holder, or repayable on 28 June 2019. The conversion is at a deemed issue price that equates to the IPO price of the Company ($0.10 per share), subject to adjustments for reconstructions of equity.

On 28 June 2019, the parent rolled over the principal of S$473,766 and interest of S$29,310 with the issuance of 530,000 new convertible note at the same terms for S$503,076 and with maturity at 28 September 2019.

The convertible notes are presented in the statement of financial position as follows

	2019 S$	2018 S$
Face value of notes issued	503,076	-
Less: Value of conversion rights (equity component)	(2,700)	-
	500,376	-
Interest expense	414	-
Current liability component	500,790	-

The initial fair value of the liability component was determined using a market interest rate for equivalent non-convertible debt of 15% at the date of issue. The liability is subsequently recognised on an amortised cost basis until extinguished on conversion or maturity of the bonds. The remainder of the proceeds are allocated to the conversion option and recognised in shareholders equity and is not subsequently re-measured.

NOTE 20: CONTRIBUTIONS RESERVE

The reserve represents the fair value adjustment on the interest-free loan provided by a shareholder in financial year December 2015 which is considered to be an equity contribution under the accounting standards.

NOTE 21: RECONCILIATION OF CASH FLOWS FROM OPERATIONS WITH LOSS AFTER INCOME TAX

	2019 S$	2018 S$
Loss after income tax	(6,654,084)	(4,656,978)
Add: Non-cash expenses / (income)		
- Depreciation and amortisation	131,483	143,747
- Accrued interest	28,730	26,478
- Write back of provision	(156,320)	-
- Share based payments	1,972,288	979,582
- Unrealised losses on foreign currency balances	22,007	60,629
- Write-off of plant and equipment	-	25
- Provision of unutilized annual leave	8,740	-
- Allowance for expected credit losses	185,913	-
Cash flow from operations before changes in working capital	(4,461,244)	(3,446,517)
Changes in trade and other receivables	250,568	(563,954)
Changes in inventory	(47,926)	(76,090)
Changes in trade and other payables	391,716	204,558
Net cash used in operating activities	(3,866,886)	(3,882,003)

NOTE 22: SEGMENT INFORMATION

The directors have considered the requirements of *AASB 8: Operating Segments* and the internal reports that are received by the Board in allocating resources and have concluded at this time that there are no separately identifiable segments as the contributions from subsidiaries in different geographical location are immaterial.

Information about major customer
Included in revenues are sales which amount to 10% or more of the Group's revenue

	2019 S$	2018 S$
Customer A	180,301	220,777
Customer B	-	153,750
Customer C	111,500	-
Customer D	83,203	-
	375,004	374,527

NOTE 23: FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of deposits with banks, trade receivable, trade payable and finance leases.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	2019 S$	2018 S$
Financial assets		
Cash and cash equivalents	361,107	2,318,639
Trade receivables	202,493	263,553
Other receivables	54,716	350,378
Deposits	44,445	19,306
Total financial assets	662,761	2,951,876
Financial liabilities		
Trade and other payables	1,299,447	698,559
Amount due to directors	766,952	424,867
Total financial liabilities	2,066,399	1,123,426

Financial Risk Management Policies
The Board of Directors monitors the Group's financial risk management policies and exposures and approves financial transactions. It also reviews the effectiveness of internal controls relating to commodity price risk, counterparty credit risk, currency risk, liquidity risk and interest rate risk.

Specific Financial Risk Exposures and Management
The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk and other price risk (commodity and equity price risk).

Credit risk
A few customers contributed a majority of the Group's revenue. The Group mitigates the credit risk by dealing only with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The utilisation of credit limits by customers is regularly monitored by management.

NOTE 23: FINANCIAL RISK MANAGEMENT (CONTINUED)

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents, the Group's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments.

Liquidity risk
Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. Refer to note 1 for more details of the going concern position of the Group.

Remaining contractual maturities
The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	Weighted average interest rate %	1 year or less S$	Between 1 and 2 years S$	Between 2 and 5 years S$	Over 5 years S$	Remaining contractual maturities S$
2019						
Trade and other payables		1,299,447	-	-	-	1,299,447
Convertible notes	12%	500,376	-	-	-	500,376
Amount due to related parties	5.35%	428,958	337,994	-	-	766,952
Total		2,228,781	337,994	-	-	2,566,775
2018						
Trade and other payables	-	698,559	-	-	-	698,559
Amount due to a director	5.35%	200,000	-	224,867	-	424,867
Total		898,559	-	224,867	-	1,123,426

Interest rate risk
Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The financial instruments that primarily expose the Group to interest rate risk is cash and cash equivalents. The Group is not aware of any significant risk relating to interest rates.

Foreign exchange risk
Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the functional currency of the individual companies within the Group. The Group is not aware of any such risk.

Other price risk
Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factors (other than those arising from interest rate risk or currency risk) for commodities. The Group is not aware of any such risk.

Fair values
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

NOTE 23: FINANCIAL RISK MANAGEMENT (CONTINUED)

Fair value hierarchy
The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

	Level 1 S$	Level 2 S$	Level 3 S$	Total S$
2019				
Amount due to related parties	-	-	766,952	766,952
Convertible loan note	-	-	500,376	500,376
Total	-	-	1,267,328	1,267,328
2018				
Amount due to director	-	-	424,867	424,867
Total	-	-	424,867	424,867

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables and convertible notes are assumed to approximate their fair values due to their short-term nature.

Sensitivity analysis
The following table illustrates sensitivities to the Group's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit S$	Equity S$
Year to 30 June 2019		
+/- 100 basis points in interest rates	+/-4,938	+/-4,938
+/- 1% change in foreign exchange rates	-/+33,311	-/+8,519
Year to 30 June 2018		
+/- 100 basis points in interest rates	+/-9,735	+/-9,735
+/- 1% change in foreign exchange rates	-	-/+47,743

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

The foreign exchange rate sensitivity analysis has been performed for the conversion of the accounting subsidiary's balances into the presentation currently. Accordingly, the conversion does not have any impact on the profit or loss of the Group as the results of the conversion is taken to foreign currency translation reserve in equity.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 24: INTEREST OF KEY MANAGEMENT PERSONNEL (KMP)

The totals of remuneration paid to KMP of the Group during the year are as follows:

	2019 S$	2018 S$
Short-term employee benefits	342,249	295,260
Post-employment benefits	29,023	31,570
Share based payments	482,409	104,505
	853,681	431,335

Detailed information regarding Key Management Personnel remuneration and equity holdings are outlined in the Remuneration Report included in the Director's Report.

NOTE 25: RELATED PARTY DISCLOSURES

	2019 S$	2018 S$
Balances		
Amount due to directors and its related parties (Note 16)	766,952	424,867
	766,952	424,867
Transactions		
Director remuneration	853,681	431,335
Services rendered by director or director related parties		
- Andreas Lindner	145,638	-
- Chow Yee Koh	35,173	-
Interest paid to director Boon Sing Fang	13,127	26,478
	1,031,572	457,813

NOTE 26: AUDITORS REMUNERATION

	2019 S$	2018 S$
Audit and review of financial statements	80,431	88,192
	80,431	88,192

The auditor for Invitrocue Limited is Deloitte Touche Tohmatsu.

NOTE 27: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Group is not aware of any Contingent Assets or Liabilities that should be disclosed in accordance with AASB 137.

Warranty provided by previous directors
The Former Directors (David Sutton, Louis Schurmann and William Urquhart) entered into a Deed of Warranty and Indemnity (the Deed) in favour of EHG Corporation Limited (now Invitrocue Limited) in February 2016 which has the following legal effect:

- The Former Directors warrant that the only creditors of the Company are as set out in Schedule 1 of the Deed;
- The Former Directors jointly and severally indemnify the Company for any loss that it might suffer as a result of the warranty being incorrect;
- Where the Company becomes liable to pay any amount which was not disclosed in Schedule 1 of the Deed, the Former Directors are obliged to pay that amount to the person to whom the moneys are owed or to the Company.

NOTE 28: COMMITMENTS

Operating lease commitments
At the end of the reporting period, commitments in respect of operating leases for the rental of office and residential premises and equipment are as follows:

	2019 S$	2018 S$
Minimum lease payment		
Within 1 year	120,710	223,748
Within 2 to 5 years	149,670	21,516
	270,380	245,264

NOTE 29: LEGAL PARENT ENTITY INFORMATION

Statement of profit or loss and other comprehensive income	Year ended 30 June 2019 A$	Year ended 30 June 2018 A$
Revenue	-	-
Other income	160,981	1,693
Impairment of subsidiary	(253,658)	-
Expenses	(2,643,193)	(1,568,222)
Loss before income tax	(2,735,870)	(1,566,529)
Income tax expense	-	-
Loss for the year	(2,735,870)	(1,566,529)
Other comprehensive income:	-	-
Total comprehensive loss for the year	(2,735,870)	(1,566,529)

Statement of financial position	As at 30 June 2019 A$	As at 30 June 2018 A$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	1,003	670,544
Trade and other receivables	26,036	434
TOTAL CURRENT ASSETS	27,039	670,978
NON CURRENT ASSETS		
Investment in subsidiaries	31,519,541	30,064,574
TOTAL NON CURRENT ASSETS	31,519,541	30,064,574
TOTAL ASSETS	31,546,580	30,735,552
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	86,455	78,807
Amount due to director	50,000	-
Convertible note	527,591	-
Provisions	-	160,000
TOTAL CURRENT LIABILITIES	664,046	238,807
TOTAL LIABILITIES	664,046	238,807
NET ASSETS	30,882,534	30,496,745
EQUITY		
Issued capital	129,824,947	128,806,176
Prepaid share reserve	90,000	
Options and warrants reserves	3,998,160	1,988,118
Convertible note	2,845	
Fair value reserves	39,919	39,919
Accumulated losses	(103,073,337)	(100,337,468)
TOTAL EQUITY	30,882,534	30,496,745

NOTE 29: LEGAL PARENT ENTITY INFORMATION (CONTINUED)

The statement of profit or loss and other comprehensive income and statement of financial position of the Company have been presented in Australia Dollar (A$).

No guarantee was provided by Invitrocue Limited in relation to debts of its legal subsidiary at reporting date.

Invitrocue Limited has no contingent liabilities or contingent assets at reporting date other than disclosed in Note 25 above.

Invitrocue Limited has no commitments at reporting date.

Registered office
The registered office of Invitrocue Limited is Level 2, 350 Kent Street, Sydney NSW 2000.

Principal place of business
The Group's principal place of business is at 11 Biopolis Way, #12-07/08 Helios, Singapore 138667.

DIRECTORS DECLARATION

The directors declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 1 to the financial statements;

(c) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity; and

(d) the directors have been given the declarations required by s.295A of the Corporations Act 2001.

Signed in accordance with a resolution of the directors made pursuant to s295(5) of the Corporations Act 2001.

Steven Fang Boon Sing
Director
30 September 2019

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Independent Auditor's Report to the members of Invitrocue Limited

Opinion

We have audited the financial report of Invitrocue Limited (the "Entity"), and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group 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* (the Code) that are relevant to our audit of the 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 Entity, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss of S$6,679,936 and had net cash outflows from operating activities of S$3,866,886 during the year ended 30 June 2019. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as going concern. Our opinion is not modified in respect of this matter.

Our procedures in relation to going concern included, but were not limited to:

- inquiring of management and the directors as to knowledge of events and conditions that may impact the assessment on the Group's ability to continue as a going concern;
- challenging the assumptions contained in management's forecast in relation to the Group's ability to continue as a going concern; and
- assessing the adequacy of the disclosures related to going concern in Note 1.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Share Options During the year ended 30 June 2019, the Group has recognised share options of S$1,963,811 related to directors, employees and investors as disclosed in Note 18. The recognition and measurement of share options involves significant management judgement in relation to use of risk free rate and volatility factors to calculate the fair value of share options granted and to assess whether it is likely that vesting conditions will be satisfied.	Our audit procedures included, but were not limited to: • Verifying the number of share options, the grant date and corresponding exercise price to supporting documentation; • Evaluating whether management's assumptions are in accordance with the relevant accounting standards with respect to methodology and valuation techniques and ensuring that this is consistent with prior periods; • Engaging our valuation specialists to challenge the reasonableness of the valuation method used; • Challenging the assumptions in relation to risk free rate and volatility factors used to calculate the fair value of share options; and • Assessing management's assumptions of whether the vesting conditions will be satisfied. We also assessed the appropriateness of the disclosures included in Note 18 to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Deloitte.

Responsibilities of the Directors for the Financial Report

The directors are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

Deloitte.

Auditor's Responsibilities for the Audit of the Financial Report (continued)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 11 to 16 of the Director's Report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Invitrocue Limited, for the year ended 30 June 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of Invitrocue Limited are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Carlo Pasqualini
Partner
Chartered Accountants
Sydney, 2 October 2019

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES – UNAUDITED

The following additional information is required by the ASX Limited in respect of listed public companies only. Shareholders information set out below was applicable at 29 September 2019.

1. Shareholdings

a. Distribution of Shareholders

Category	Number of equity security holders of Ordinary shares
1 - 1,000	3,219
1,001 - 5,000	12
5,001 – 10,000	55
10,001 - 100,000	287
100,001 and over	115

b. The number of shareholdings held in less than marketable parcel is 3,253.

c. The names of the substantial shareholders listed in the holding Company's register are:

Shareholder	Number Ordinary shares	%
FANG BOON SING	115,739,987	21.38%
CITICORP NOM PL	95,295,785	17.60%
BNP PARIBAS NOMS PL	82,550,000	15.25%
YU HANRY	49,602,852	9.16%

d. Voting rights

Ordinary shares
Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

e. 20 Largest Shareholders – Ordinary Shares

	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1	FANG BOON SING	115,739,987	21.38%
2	CITICORP NOM PL	95,295,785	17.60%
3	BNP PARIBAS NOMS PL	82,550,000	15.25%
4	YU HANRY	49,602,852	9.16%
5	ICURE LTD	19,195,658	3.55%
6	J P MORGAN NOM AUST PL	17,679,208	3.27%
7	INBRIDGE VENTURES PTE LTD	15,000,000	2.77%
8	EXPLOIT TECHNOLOGIES PTE	10,978,764	2.03%
9	BOLD CHAMPION INV LTD	9,791,667	1.81%
10	HSBC CUSTODY NOM AUST LIM	7,700,000	1.42%
11	LARIONOV ANATOLY	6,116,666	1.13%
12	DE KRASSNY ALAIN	5,583,334	1.03%
13	PODDAR ADMAN	4,944,000	0.91%
14	BNP PARIBAS NOMS PL	4,583,574	0.85%
15	CHUI TAK YIU	4,138,354	0.76%
16	EQUINEX INV LTD	3,794,558	0.70%
17	LINDNER KATHRIN	3,600,000	0.66%
18	HSBC CUSTODY NOM AUST LTD	3,266,045	0.60%
19	FRYER LUKE	3,230,250	0.60%
20	GOWANS DUNCAN G + J L	3,000,000	0.55%
		465,790,702	86.03%

2. Stock Exchange Listing

The Company is listed on the Australian Securities Exchange Limited (ASX).