Proteomics International
LABORATORIES LTD

Annual Report 2023

Diabetic Kidney Disease PromarkerD

Esophageal Cancer PromarkerEso

Endometriosis PromarkerEndo

ACN 169 979 971

ASX: PIQ

Proteomics International

IDENTITY

Proteomics International is a medical technology company specialising in predictive diagnostics and advanced analytical services using proteomics - the industrial scale study of the structure and function of proteins.

MISSION

To improve the quality of lives by the creation and application of innovative tools that enable the improved treatment of disease.

VISION

To help create a world where disease is detected early and cured simply.

Contents

From the Chair

Dear Shareholder,

I am pleased to present Proteomics International's annual report on behalf of the Board, featuring key activities and achievements for the year ended 30 June 2023.

It has been a pivotal year for the Company, with the signing of a landmark deal to bring our PromarkerD test for diabetic kidney disease to patients in the United States.

This significant agreement marks Proteomics International's transition from a research and development company to full commercialisation.

Other key milestones in the rollout of PromarkerD include the granting of a CPT PLA reimbursement code in the United States, publication of a Medtech Innovation Briefing in the United Kingdom, and research further demonstrating the clinical utility of the test.

At the same time, Proteomics International is continuing to harness our Promarker™ technology to develop new diagnostic tests in areas of unmet medical need.

Particularly exciting is the Company's novel test for endometriosis, which this year was shown to correctly identify up to 90 per cent of patients with moderate or severe endometriosis, compared to symptomatic controls.

The Company's work in oesophageal cancer is also showing great promise, with a prototype diagnostic test for oesophageal adenocarcinoma detecting up to 90 per cent of people with the condition.

We believe successfully validated blood tests for either endometriosis or oesophageal cancer will garner significant interest, both commercially and in the clinic.

I continue to be impressed by the drive, commitment and professionalism of the Proteomics International team as they seek to improve the lives of patients around the world and create value for our shareholders.

I would like to recognise my fellow directors on the Board, Managing Director Dr Richard Lipscombe, the entire Proteomics International team and our advisors for their dedication to the success of the Company.

Finally, I would like to thank you, our valued shareholders, for your continued support and investment.

Yours sincerely,

Neville Gardiner
Chair, Proteomics International

Proteomics International Laboratories Ltd

Key Achievements

PromarkerD

- **Exclusive licence agreement to take PromarkerD to the US market**
  Proteomics International and Sonic Healthcare USA signed a deal to bring the PromarkerD predictive test for diabetic kidney disease to the United States
- **Drug Treatment lowers PromarkerD diabetic kidney disease risk prediction scores**
  Research published in international peer-reviewed *Journal of Clinical Medicine* (See Technology Snapshot)
- **Reimbursement code approved and becomes effective for PromarkerD in the United States**
  CPT PLA code is key to PromarkerD being covered by both Medicare and private health insurers in the US
- **First sales commenced**
  PromarkerD first sales were achieved in Central America
- **UK's National Institute for Health and Care Excellence (NICE) published Medtech Innovation Briefing on PromarkerD**
  Advice for clinicians reported that PromarkerD is effective at predicting renal function decline in people with type 2 diabetes
- **Clinical utility study showed PromarkerD test offers improved treatment options for doctors in the fight against diabetic kidney disease**
  Results published in peer-reviewed journal *PLOS ONE*
- **Clinical Advisory Board expanded to support PromarkerD USA and global rollout**
  New members are highly respected healthcare professionals and key opinion leaders (KOLs) specialising in primary care diabetes education and management
- **Intellectual property portfolio expands**
  Patent family and Trademark covers 72% of the world's population living with diabetes

Diagnostics pipeline

- **Precision diagnostics facility received $2 million funding boost**
  Expansion of the Company's capabilities as part of the WA Proteomics Facility to accelerate the development of precision diagnostic tests

ENDOMETRIOSIS

- **Potential breakthrough blood test able to detect people with endometriosis**
  Results showing prototype test correctly identifies up to 90 per cent of patients with the disease presented at world conferences on fertility and endometriosis (See Window on the Science)

OESOPHAGEAL ADENOCARCINOMA

- **New Promarker™ test for oesophageal cancer demonstrated strong diagnostic performance**
  Prototype diagnostic blood test for oesophageal adenocarcinoma detected up to 90 per cent of people with the frequently-fatal condition

OXIDATIVE STRESS

- **OxiDx Pty Ltd launched to maximise oxidative stress technology**
  Independent spin-off business to commercialise technology for measuring oxidative stress

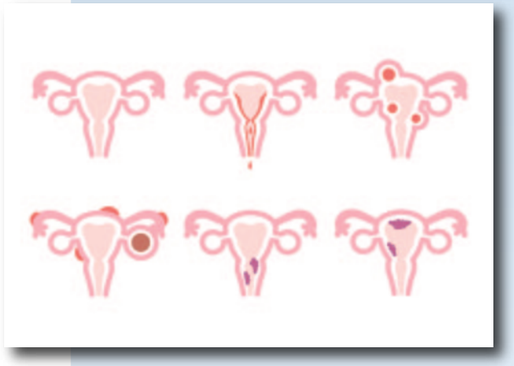
Analytical services

- **Renewal of ISO 13485 certification and ISO 17025 accreditation**
  World's best practice laboratory standards to benefit launch of PromarkerD, analytical services and pipeline of novel diagnostics

Corporate

- **$8m raised in heavily oversubscribed placement**
  Successful placement supported by Australian institutions, and sophisticated and professional investors

Window on the science



Diagnosing Endometriosis

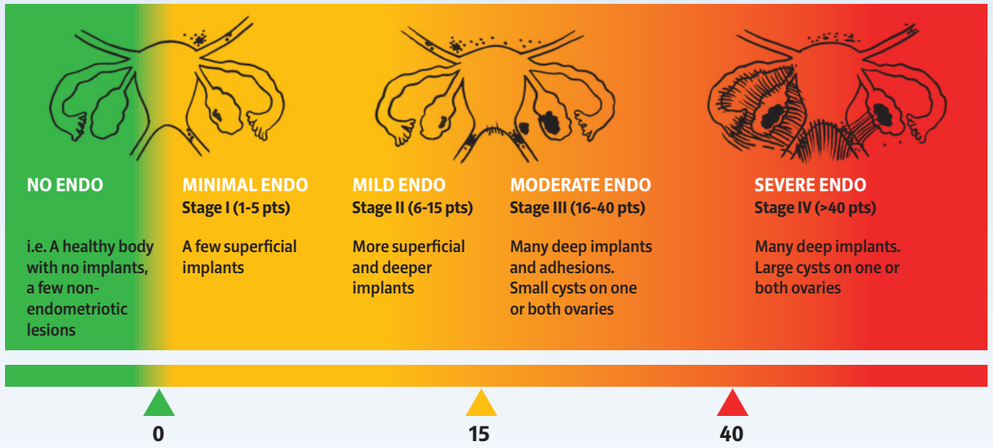
Endometriosis is a common and painful disease affecting up to 1 in 9 women and girls. It occurs when tissue similar to the lining of the uterus (endometrium) grows in other parts of the body where it does not belong. Symptoms of the disease can vary from abnormally painful period cramps to infertility.

Diagnosis currently takes an average of 6.5 years, sometimes involving repeated testing and misdiagnosis. This leaves many patients unable to receive adequate management and treatment.

Source: Endometriosis Australia, 2023

What does endometriosis look like?

Endometriosis does not progress in a predictable or sequential manner. The most used scaling system for the disease's severity assigns points to characteristics of the disease, ranking severity from Stage I/Minimal (1-5 points) to Stage IV/Severe (40+ points).



Source: American Society for Reproductive Medicine

Endometriosis Stages and Common Myths

Myth 1. Endometriosis stages correlate to pain levels
Patients can experience severe pain and disturbances in their quality of life with minimal endometriosis, while some patients with severe endometriosis may be asymptomatic.

Myth 2. Endometriosis can only be widespread in the later stages
Even minimal endometriosis can be widespread.

Myth 3. Endometriosis stages are a linear progression
Unlike most staged diseases, endometriosis does not necessarily advance through stages in a predictable manner.

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Current diagnosis is not precise

The current gold standard tool used for diagnosing endometriosis is an invasive surgical procedure called a laparoscopy. Under anaesthetic, an experienced gynaecological surgeon inserts a thin telescope into a small 'keyhole' incision in the abdomen.

Lesions vary in appearance and many lesions found on the membrane that lines the pelvic cavity (peritoneum) may not be endometriosis. Other causes of pelvic cavity lesions can include chronic inflammation, immune reactions to previous sutures, and epithelial inclusions (misplaced gut cells that form benign cysts). These can often resemble the opaque, white patches found in minimal and mild endometriosis during a laparoscopy.

If the doctor identifies a lesion suspected to be endometriosis, a small tissue sample may be taken and sent for histopathology to confirm the presence of the disease. In this case a trained pathologist will examine the cells under a microscope and use their judgement to determine if the lesion is composed of cells originating from the endometrium.

Since the laparoscopy and pathology both rely only on the doctor's experience and opinion there is a chance that the condition may be misdiagnosed.

PromarkerEndo - a novel blood test for endometriosis

The need for a non-invasive, sensitive, and simple diagnostic test for the early screening of endometriosis is clear. This would allow patients prompt access to management and treatment options.

Proteomics International has developed PromarkerEndo, a novel potential world-first blood test for endometriosis. This test measures biomarkers - protein 'fingerprints' in the blood - associated with the disease to evaluate the severity of endometriosis in patients. The prototype test identified up to 90% of patients with the disease.

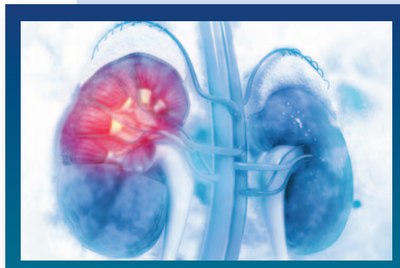
Source: World Endometriosis Conference (May 2023)

Laparoscopy relies on doctors' eyes both to accurately identify lesions and then determine whether the cells originated in the endometrium

Like any surgery, laparoscopy has its risks – for example organ perforations and infections

Expensive and invasive: As a highly specialised procedure, laparoscopies can incur high surgery and specialist consultation fees on top of time taken off work

Technology Snapshot I



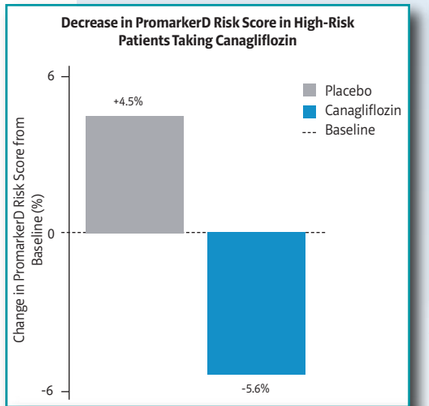
One-in-three adults with diabetes currently have DKD - often called a 'silent killer', DKD can cause irreversible loss of 80% of kidney function prior to the onset of symptoms. DKD leads to renal failure requiring dialysis or kidney transplant. This makes early and accurate diagnosis critical.

PromarkerD and Drug Therapies for Diabetic Kidney Disease

Diabetic Kidney Disease (DKD) is a serious complication of diabetes causing irreversible loss of kidney function. Diabetes currently affects 1 in 10 adults globally which is estimated to increase within the next 20 years to 1 in 8[1]. Of these adults with diabetes, 1 in 3 currently have DKD[2].

New treatment option to slow DKD – SGLT2-inhibitor lowers PromarkerD risk scores

In May 2023, Proteomics International published a feature article in the internationally renowned Journal of Clinical Medicine showing the benefits of early therapeutic intervention on diabetes patients at risk of DKD. The study was conducted in collaboration with Janssen Research and Development (part of Johnson & Johnson) and assessed the effect of the SGLT2-inhibitor canaglifozin (Invokana®) versus placebo on PromarkerD risk scores.



Comparison of average PromarkerD score changes over three years in 'high-risk' patients taking a placebo versus the SGLT2-inhibitor canagliflozin. Patients on canagliflozin had a significant reduction in PromarkerD scores compared to the placebo group[3].

Journal of Clinical Medicine — MDPI

Article — J. Clin. Med. 2023, 12, 3247. https://doi.org/10.3390/jcm12093247

Canagliflozin Attenuates PromarkerD Diabetic Kidney Disease Risk Prediction Scores

Kirsten E. Peters [1], Scott D. Bringans [1], Ronan S. O'Neill [1], Tasha S. C. Lumbantobing [1], James K. C. Lui [1], Timothy M. E. Davis [2,*], Michael K. Hansen [3] and Richard J. Lipscombe [1]

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[2] Medical School, The University of Western Australia, Fremantle Hospital, Fremantle, WA 6959, Australia
[3] Janssen Research and Development, LLC, Spring House, PA 19477, USA
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(This article belongs to the Special Issue Editorial Board Member's Collection Series: Chronic Kidney Disease in Diabetes)

The study asked the question:

Do "at-risk" diabetes patients identified by PromarkerD continue to decline, stabilise or recover?

- Over 2,000 patients were analysed retrospectively from the completed CANVAS clinical trial (ClinicalTrial.gov registration number NCT01032629).
- The results showed a significant decrease in PromarkerD risk scores among type-2 diabetes patients receiving canagliflozin, compared to those on a placebo over a three-year period.
- The biggest benefit was observed in patients identified as high-risk by the PromarkerD test, with average reductions of 5.6% (P<0.001) in PromarkerD scores for those on canagliflozin, while high-risk patients on placebo had increased risk scores after the three years - an overall improvement of >10%.

The publication demonstrates early use of an SGLT2-inhibitor can mitigate the decline in kidney function in patients classified as high-risk of disease.

[1] IDF Diabetes Atlas 10th Edition, 2021
[2] Centers for Disease Control and Prevention 2019
[3] Peters et. al, Journal of Clinical Medicine, 2023

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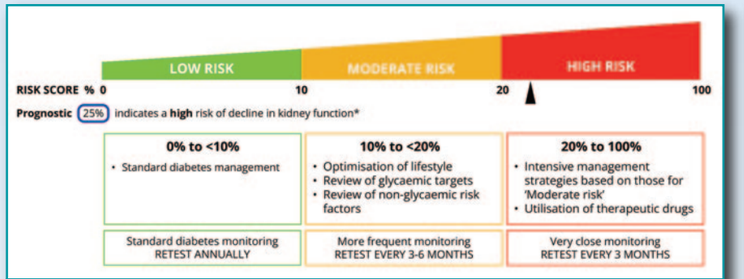
PromarkerD: Using precision diagnostics to predict DKD

Current clinical measures for diagnosing DKD can only detect the disease once it is already present. With existing testing regimes a patient's kidneys will have already sustained irreversible damage by the time the disease is identified.

PromarkerD is a protein biomarker-based blood test that predicts the onset of DKD in type-2 diabetes patients up to four years in advance. Clinical studies have shown that PromarkerD predicted over 86% of disease-free patients that went on to develop DKD within four years of testing[4] .



Sample PromarkerD Test Report: The cloud-based PromarkerD algorithm categorises patients into 'risk profiles' (low, moderate or high) based on their four-year prognostic risk of developing DKD. This risk-score helps physicians to administer appropriate early interventions to slow or stop the onset of kidney disease.

PromarkerD

PROACTIVELY CHANGING RENAL HEALTHCARE

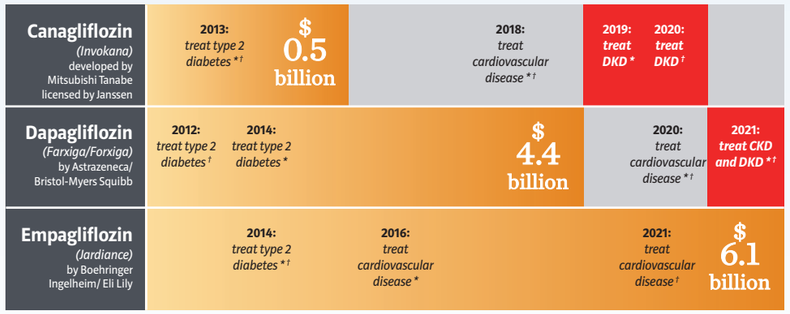
A simple blood test for predicting diabetic kidney disease

With an accurate prognostic test for DKD, alongside an effective early treatment option, physicians now have the tools to improve the quality of life for their diabetes patients and in the process save healthcare systems billions of dollars.

Blockbuster drugs for DKD

Sodium glucose cotransporter protein 2 (SGLT-2) inhibitors, commonly referred to as 'gliflozins', are FDA-approved blockbuster medicines used for glycaemic control in diabetes. The drugs are also indicated for treating cardiovascular disease in diabetes patients, and more recently their approval has been extended to treating DKD. These medications are made by some of the world's largest pharmaceutical companies amassing global sales exceeding $11 billion in 2022[5]. The wide use of SGLT2-inhibitors makes them an ideal therapeutic intervention for high-risk patients identified by PromarkerD.

Sales of gliflozin drugs



* FDA approval
† EMA approval

Reported 2022 global sales in USD

[4] Peters et. al, Journal of Diabetes and its Complications, 2019
[5] Company reported global sales in USD

Technology Snapshot II
Next Generation Diagnostics

Introducing OxiDx Pty Ltd

Spin-off company from Proteomics International

OxiDx Pty Ltd was launched in August 2022 as a spin-out from Proteomics International and the University of Western Australia. OxiDx is a medical technology company and operates as an independent entity to maximise the commercialisation of the patented '2-tag' oxidative stress technology.

Oxidative Stress

Oxidative stress occurs when the body's antioxidant defences are overwhelmed by an excess of toxic oxidants, often referred to as free radicals. Oxidative stress is implicated in over 70 health conditions[1] with levels often reflective of a person's health condition.

OxiDx

OxiDx's unique platform technology and in-field blood collection offers a comprehensive solution for monitoring oxidative stress levels, anywhere, anytime to provide valuable insights across multiple industries

OxiDx Applications

OxiDx's sentinel platform technology measures systemic oxidative stress providing a **broad application** across multiple markets. OxiDx is focusing on utility as a:

- **Athletic monitoring tool for competition preparedness in:**
  - Professional Sports – performance, recovery and injury risk management
  - Thoroughbred Racing Industry - injury risk management and competitive advantage in biological readouts of muscle inflammation and race-preparedness
- **Monitoring tool for health and wellbeing in:**
  - Precision Medicine as a direct-to-consumer tool for self-assessment
  - Primary Industries - risk management to monitor conditions, handling and transport conditions, pathogen invasion e.g., live export and stock production
- **Complementary diagnostic (CDx) test for treatment efficacy and personalised dosing in a range of indications:**
  - Clinical research such as clinical trials - potential utility in multiple health conditions

Muscle injuries are the most frequent cause of incapacity in sports, accounting for up to 55% of all sports injuries.

In 2019 $1.4billion was spent treating potentially avoidable sports injuries in Australia

85% of Thoroughbreds suffer at least one injury during the first 2–3-years of their racing career

Source: Appraising the Welfare of Thoroughbred Racehorses in Training in Queensland, Australia: The Incidence, Risk Factors and Outcomes for Horses after Retirement from Racing

Source: Australian Institute of Health and Welfare (2022): Economics of sports injury

[1] doi: 10.1373/clinchem.2005.061408

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Patented Intellectual Property

OxiDx uses next generation diagnostics technology, moving beyond measuring protein concentrations to detect subtle changes in protein structures – 'decorations' that sit on the surface of a protein and known as post-translational modifications. The technology is protected by granted patents in the USA and Australia, with a new family of patents pending in major jurisdictions (See page 22).

- ✓ Highly sensitive patented technology
- ✓ Streamlined rapid laboratory analysis allows results to be returned to customers within 24 hr
- ✓ Fingerstick blood collection permits sampling by anyone, anytime, anywhere
- ✓ No cold-chain logistics or special mailing requirements
- ✓ Results feedback to inform management strategy – simple decision tool
- ✓ Cost-effective for sequential sampling and large cohort collection

By monitoring on a routine basis (e.g. daily or weekly) OxiDx is used to optimise training and recovery routines to ensure athletes and thoroughbred horses are ready to perform at their best in competition.

Muscle injury is difficult to objectively identify in horses. A blood-based tool would help trainers identify deeper muscle injury which often goes unnoticed and can lead to devastating injuries for the horse

Football teams in the English Premier League lose an average of AUD $87million per season due to injuries and injury-related reductions in performance

Source: Estimation of injury costs: financial damage of English Premier League teams' underachievement due to injuries. Doi:10.1136/ bmjsem-2019-000675

Directors' Report

The Directors present their report on Proteomics International Laboratories Ltd (ASX:PIQ; Proteomics International or the Company) and the consolidated entity (referred to hereafter as the Group) for the year ended 30 June 2023.

DIRECTORS
The Directors of the Company in office during the financial year and until the date of this report are as follows:

Mr Neville Gardiner	(Non-Executive Chairman)	(Appointed 16 November 2021)
Dr Richard Lipscombe	(Managing Director)	(Appointed 9 June 2014)
Dr Robyn Elliott	(Non-Executive Director)	(Appointed 16 November 2021)
Mr Paul House	(Non-Executive Director)	(Appointed 22 November 2017)
Mr Roger Moore	(Non-Executive Director)	(Appointed 14 October 2016)

OPERATING RESULT
To be read in conjunction with the attached Consolidated Financial Report (see page 45).

The operating result for the year was:

		CONSOLIDATED	
	Change	**2023**	**2022**
Loss before income tax	25%	$6,234,310	$4,972,960
Loss for the year	**25%**	**$6,234,310**	**$4,972,960**
Comprising			
Revenue and Other income	**(3%)**	**$3,320,862**	**$3,436,458**
Expenses	**14%**	**$9,555,172**	**$8,409,418**

The Group's financial report for the year ended 30 June 2023 includes:

- Revenue from ordinary activities encapsulates income from analytical services and Grant Income including the R&D incentive, totalled $3.32 million.
- Operational Expenditure Increased to $9.55 million, and focused on the commercialisation and production of the PromarkerD test and expansion of the Promarker™ diagnostics pipeline.
- The loss from ordinary activities increased 25% to $6.23 million, which reflects normal operational costs and non-cash items.
- The net cash outflow from operating activities was $5.69 million, an increase of 61%.
- At 30 June 2023, the Company had cash reserves of $6 million, and trade and other receivables of $0.1 million.
- On the back of the Company's research and development focus, it anticipates an R&D Tax Incentive cash rebate of $1.8 million, to be received in the December quarter of 2023.

DIVIDENDS
No dividend was paid during the year and the Board has not recommended the payment of a dividend.

ISSUED CAPITAL
120,978,992 fully paid ordinary shares (ASX: PIQ) and 2,450,000 unlisted options were on issue as at 30 June 2023.

ANNUAL GENERAL MEETING
Proteomics International advises that its 2023 annual general meeting (AGM) is scheduled to be held on 23 November 2023. The Company encourages shareholders to attend the AGM and receive an update on the strategy and initiatives of the Group.

Proteomics International Laboratories Ltd

Review of Operations

A growth cycle driven by the Company's strengths

Principal activities

Proteomics International is a pioneering medical technology company operating at the forefront of predictive diagnostics and bio-analytical services. The Company specialises in the area of proteomics– the industrial scale study of the structure and function of proteins.

Proteomics International's business model is centred on the commercialisation of the Company's pioneering test for diabetic kidney disease, PromarkerD. The Company offsets the cash burn from R&D and product development through provision of specialist analytical services, whilst using its proprietary Promarker™ technology platform to create a pipeline of novel diagnostic tests.

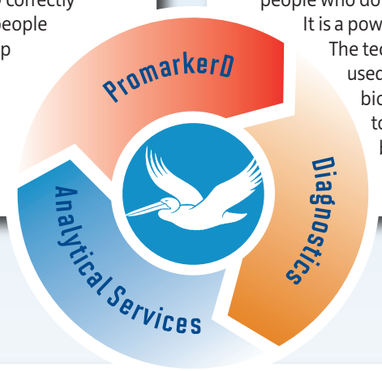
Proteomics International is a wholly-owned subsidiary and trading name of Proteomics International Laboratories Ltd (PILL; ASX: PIQ), and operates from state-of-the-art facilities located on the QEII Medical Campus, Perth, Western Australia.

1. PromarkerD

Targeting the global diabetes epidemic, PromarkerD is a predictive diagnostic test for diabetic kidney disease, a progressive disorder found in one in three adults with diabetes. The prevalence of kidney disease is rising rapidly and many patients progress to need dialysis or a kidney transplant. In peer-reviewed clinical studies, PromarkerD correctly predicted 86% of otherwise healthy people with diabetes who went on to develop chronic kidney disease within four years[1].

2. Diagnostics

Proteomics International's diagnostics development is made possible by the Company's proprietary biomarker discovery platform called Promarker™, which searches for protein 'fingerprints' in a sample. This disruptive technology can identify proteins that distinguish between people who have a disease and people who do not, using only a simple blood test. It is a powerful alternative to genetic testing. The technology is so versatile it can be used to identify 'fingerprints' from any biological source, from wheat seeds to a blood sample. The global biomarkers market is expected to exceed USD 181 billion by 2030[2].



3. Analytical Services

Specialist contract research focusing on biosimilars quality control and pharmacokinetic testing for clinical trials. Australia is a global leader in clinical trials due to its efficient regulatory framework and high-quality trial sites, and all samples from each trial require specialist analytical testing.

Significantly, the fastest growing class of drugs entering clinical trials is biologics and biosimilars. The global clinical trials market is projected to exceed USD 78 billion by 2030[3], whilst the market size of the global biosimilar market was valued at USD 29.4 billion in 2023, and is projected to reach USD 66.9 billion by 2028[4]. The global proteomics market was valued at USD 23.7 billion in 2021, and is expected to reach USD 98.1 billion by 2031[5].

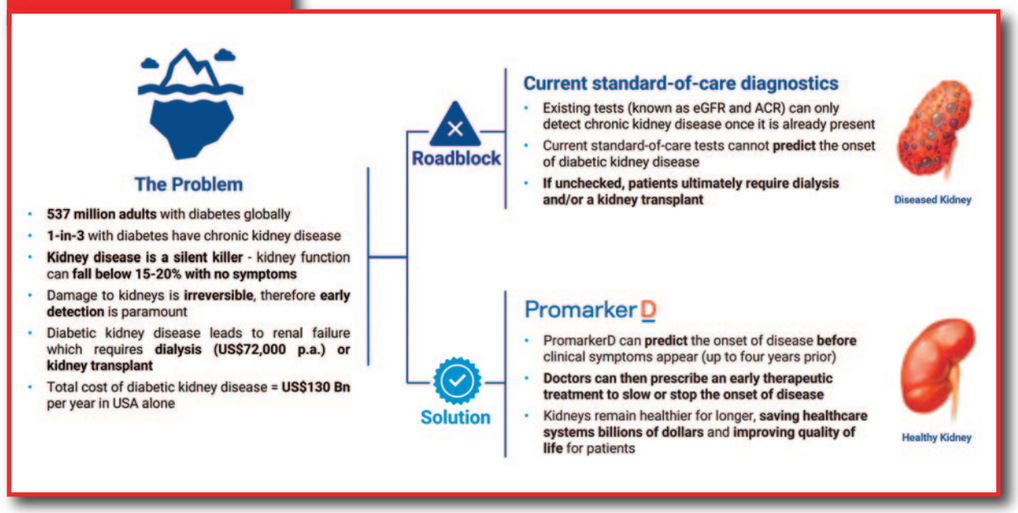
1 For further information see the PromarkerD web portal: **www.PromarkerD.com**
2 Grand View Research 2023: Biomarkers Market Size
3 Grand View Research 2022: Clinical Trials Market Size
4 Markets and Markets 2023: Biosimilars Market by Drug Class
5 Allied Market Research 2022: Proteomics Market by Component

PromarkerD

The 2022-23 financial year has been pivotal for PromarkerD, with a deal to bring the test to the United States marking Proteomics International's transition from research and development to full commercialisation.

Other key achievements during the year include the approval of a CPT PLA reimbursement code in the United States, publication of a Medtech Innovation Briefing in the United Kingdom and further demonstrations of the test's clinical utility.

Problem & Solution



Source: International Diabetes Federation (IDF) Atlas 9th Edition 2021. US Renal Data System 2020

About PromarkerD

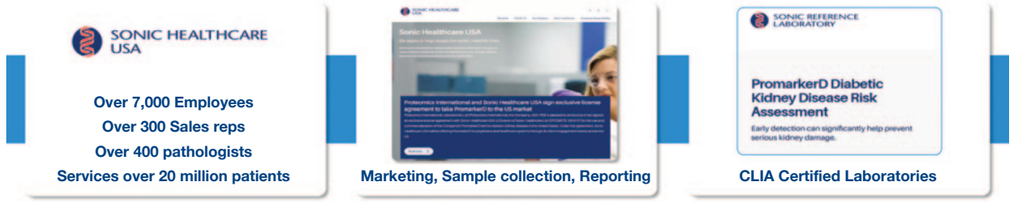
Diabetic kidney disease (DKD) is a serious complication arising from diabetes that, if unchecked, can lead to dialysis or kidney transplant. PromarkerD is a prognostic test that can predict future kidney function decline in patients with type 2 diabetes and no existing DKD. The patented PromarkerD test system uses a simple blood test to detect a unique 'fingerprint' of the early onset of the disease. In published clinical studies, PromarkerD correctly predicted which otherwise healthy patients with diabetes went on to develop diabetic kidney disease within four years.

Further information is available through the PromarkerD web portal: www.PromarkerD.com

Proteomics International Laboratories Ltd

PromarkerD - Licensing and distribution

Proteomics International achieved a pivotal milestone in its global commercialisation strategy for PromarkerD with a deal to bring the test to patients in the United States.



Exclusive licence agreement with Sonic Healthcare USA to take PromarkerD to the US market

In May 2023, Proteomics International achieved a landmark milestone with the signing of an exclusive licence agreement with Sonic Healthcare USA to commercialise the PromarkerD test for diabetic kidney disease in the United States. Under the agreement, Sonic Healthcare USA will offer PromarkerD to physicians and healthcare systems through its client engagement teams across the US.

The agreement followed months of diligent work by both companies towards the rollout of PromarkerD in the US. The licence with Sonic Healthcare USA is for five years, extendable by mutual agreement, and exclusive to the United States (excluding Puerto Rico).

The deal came after Proteomics International and Sonic Healthcare USA signed a binding and exclusive letter of intent in August 2022, documenting the preliminary terms and expectations for how the two companies would work together to bring the PromarkerD test to patients in the US.

A number of key milestones were achieved under the letter of intent, including optimisation of the test for a high-throughput environment. PromarkerD became a featured test on the Sonic Reference Laboratory (USA) test menu in October 2022, and a CPT PLA reimbursement code approved in January 2023.

In the United States, an estimated 32 million people, or 11 per cent of the population, live with diabetes.

Distribution agreement for PromarkerD in Britain extended

In February 2023, Proteomics International extended its distribution agreement with medical diagnostics company Apacor Limited to bring PromarkerD to patients in the United Kingdom. Proteomics International began working with Apacor in 2021. Since then, several key milestones have been achieved, including PromarkerD being registered with the UK Medicines & Healthcare products Regulatory Agency, and the publication of National Institute for Health and Care Excellence (NICE) advice on PromarkerD.

Based on this success, Proteomics International and Apacor wished to extend the relationship and agreed to an additional five-year term. Both parties are now working towards the inclusion of PromarkerD in the NICE Guidelines and engaging with the NHS Supply Chain Tender process as part of the commercial rollout of the test in the UK. The updated distribution agreement provides Apacor Limited with the exclusive right to sell the immunoassay version of the PromarkerD test in England, Scotland and Wales until 31 January 2028.

PromarkerD first sales, partnering in Europe and rest-of-world markets

First sales for the PromarkerD test were achieved in Central America through licence partner Omics Global Solutions. Proteomics International also remains in discussions with potential laboratory partners in Europe and elsewhere to provide PromarkerD to more patients with diabetes worldwide.

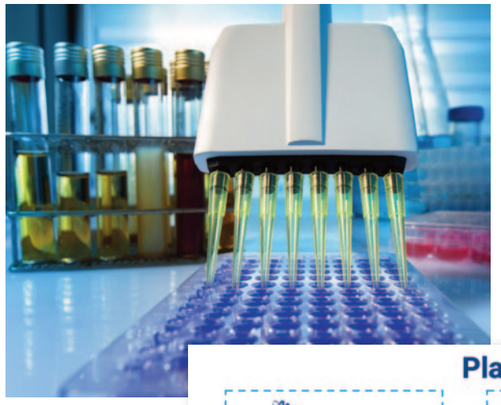
The EU remains a key market for PromarkerD, with the test having already completed CE Mark registration, and Proteomics International continues to evaluate strategies for early adoption of PromarkerD in Europe.

PromarkerD - Manufacturing

The groundwork has been laid for large-scale global distribution of PromarkerD.

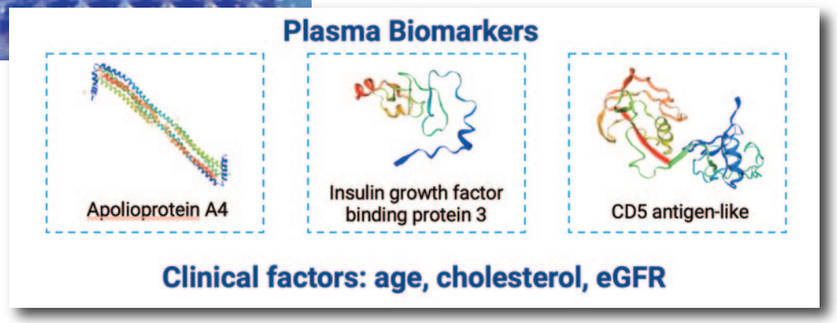
Scale-up of Northern Hemisphere production continues

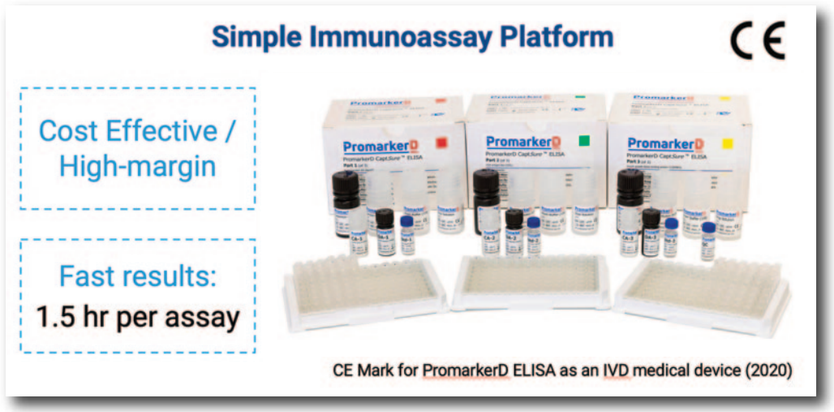
The manufacture and scale-up of production and validation batches of the PromarkerD immunoassay kit is continuing through the Company's ISO 13485 certified manufacturer in Europe. This follows the successful tech-transfer and pilot batch production in 2022.



MTPConnect funded manufacturing project concludes successfully

In May 2022 Proteomics International announced it was one of a select group of companies chosen to receive funding in Round Four of the BioMedTech Horizons (BMTH) program, an initiative of the Medical Research Future Fund (MRFF) delivered by MTPConnect, aiming to accelerate the development of innovative health technologies. The project saw Proteomics International obtain a renewal of its ISO 13485 certification, submit a request to the TGA for inclusion of PromarkerD in the Australian Register of Therapeutic Goods (ARTG) to enable the sale and clinical use of the test in Australia, and supported the manufacture of the PromarkerD assay. The project concluded successfully during the year and achieved its main purpose of de-risking the supply chains for key reagents such as antibodies and providing a solid platform for scaling up future manufacture in Australia.





PromarkerD - Regulatory and reimbursement

Proteomics International is pursuing regulatory approval in multiple jurisdictions as part of its global commercialisation strategy.

CPT PLA reimbursement code approved and became effective in the United States

In January 2023, Proteomics International achieved a major milestone in the commercialisation of PromarkerD with the approval of a new dedicated CPT® Proprietary Laboratory Analyses (PLA) code for the test in the United States. The CPT PLA code–issued by the American Medical Association–is key to PromarkerD reimbursement being covered by both Medicare and private health insurers in the US, and hugely important for enabling affordable access and broad adoption of the test.

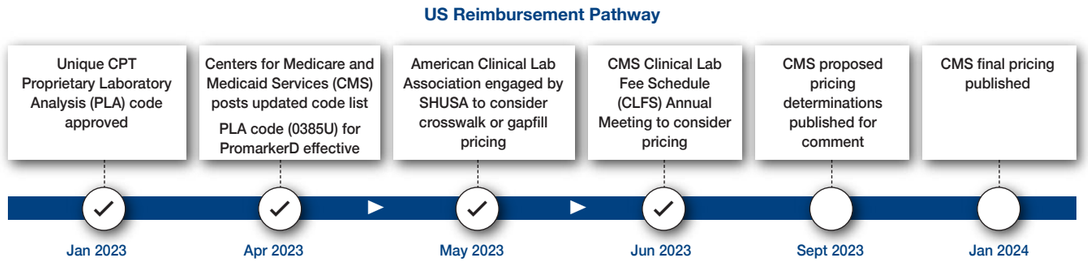
The new code for PromarkerD (0385U) was granted to Sonic Reference Laboratory as the clinical laboratory and Proteomics International as the manufacturer. It became effective from 1 April 2023, which means service providers (laboratories) are now able to report the PromarkerD test using the code.

A critical part of the rollout of PromarkerD is engagement with payers which is ongoing, with the Centers for Medicare & Medicaid Services (CMS) recently listing the code in its CY24 Clinical Laboratory Fee Schedule (CLFS) Annual Laboratory Meeting Code List. This is an essential step towards establishing a payment rate for PromarkerD.

Application for PromarkerD listing on Australian Medicare Benefits Schedule to be resubmitted

In March 2023, the Company's initial application to have PromarkerD listed on the Australian Medicare Benefits Schedule (MBS) was denied, which is common for the majority of first-time submissions to the MBS and Pharmaceutical Benefit Scheme (PBS). The Medical Services Advisory Committee (MSAC) that reviews applications noted the potential wide uptake of the test and long-term savings to the Australian health system, whilst also seeking further evidence on how the use of the test would change clinical practice.

The MSAC decision came after key bodies in the Company's target markets of the USA and UK moved towards endorsing the test. Proteomics International is confident it can provide the necessary information to address the committee's concerns and intends to resubmit its application. MSAC's decision on reimbursement is not linked to the separate application for regulatory approval of the PromarkerD immunoassay kit by the Australian Therapeutic Goods Administration (TGA) which is still ongoing.



PromarkerD Presentations & Publications

PromarkerD Clinical Utility

Evaluation of the Clinical Utility of the PromarkerD In-vitro Test in Predicting Diabetic Kidney Disease and Rapid Renal Decline Through a Conjoint Analysis. Authors: Fusfeld, Murphy, Yoon, Kam, Peters, Tan, Shanik, Turchin. Published in PLOS ONE, August 2022.

Canagliflozin Attenuates PromarkerD Diabetic Kidney Disease Risk Prediction Scores. Authors: Peters, Bringans, O'Neill, Lumbantobing, Lui, Davis, Hansen and Lipscombe. Published in Journal of Clinical Medicine, May 2023

PromarkerD Technology Platform

Proteomics International: Manufacturing the Next Generation In-vitro Diagnostic Device to Predict Diabetic Kidney Disease. Presenter: Dr RJ Lipscombe, BioMedTech Horizons (BMTH) WA Showcase, September 2022

Applying Precision Medicine to Develop a Prognostic Test for Diabetic Kidney Disease. Presenter: Dr SD Bringans, ANZSN 2022 Renal Scientist Workshop, October 2022

Immunoaffinity Mass Spectrometry Diagnostic Tests for Multi-Biomarker Assays. Authors: Bringans, Casey, Ito, Lumbantobing, O'Neill, Lipscombe. Book Chapter in Serum/Plasma Proteomics: Methods and Protocols. Springer US, New York, NY, 2023

Proteomics International Laboratories Ltd

PromarkerD - Clinical

The strong evidence base underpinning PromarkerD continues to grow.

SGLT2-inhibitor canagliflozin lowers PromarkerD diabetic kidney disease risk prediction scores

In May 2023, Proteomics International announced research showing a significant reduction in the PromarkerD risk scores of patients with type 2 diabetes after taking the diabetes medicine canagliflozin. The results were published as a feature article in the international peer-reviewed *Journal of Clinical Medicine.*

The study was conducted as part of a long-running collaboration between Proteomics International and Janssen Research & Development, the pharmaceutical arm of Johnson & Johnson. The research found the average PromarkerD risk score of patients taking canagliflozin dropped during the trial, while the average risk score of patients taking a placebo rose. The effect was greatest in participants who were identified by PromarkerD to be at high-risk of a decline in kidney function at the start of the study (see Technology Snapshot).

Clinical utility study demonstrated PromarkerD test offers improved treatment options for doctors in the fight against diabetic kidney disease

A study demonstrating the clinical utility of the PromarkerD test in predicting diabetic kidney disease was published in the scientific journal *PLOS ONE* in August 2022. The publication provided important peer-reviewed validation of initial results that were previously presented at major industry conferences.

The specialist conjoint analysis survey of 400 primary care physicians and endocrinologists showed that doctors ranked PromarkerD results as more important than current standard-of-care tests eGFR (estimated glomerular filtration rate) and ACR (urinary albumin - creatinine ratio), and found PromarkerD risk scores would significantly impact physician decision-making. In the study, 98% of physicians were likely to order the PromarkerD test for their type 2 diabetes patients, with only 2% indicating they would not order the test.

PromarkerD - Market

Proteomics International is driving the global uptake of PromarkerD through engagement with key professional bodies and clinical experts in diabetes and nephrology.

UK's National Institute for Health and Care Excellence (NICE) published Medtech Innovation Briefing on PromarkerD

In December 2022, the National Institute for Health and Care Excellence (NICE), an independent organisation established by the UK Government to provide guidance and advice on medical treatments, published a Medtech Innovation Briefing on PromarkerD.

Medtech Innovation Briefings are commissioned by the National Health Service (NHS) in the UK. Known as NICE advice, they are designed to increase awareness of new technologies for planning and commissioning new innovation in the UK healthcare industry. The briefing, aimed at clinicians, managers and procurement professionals in the UK, reported that PromarkerD is effective at predicting renal function decline in people with type 2 diabetes.

There is a rigorous selection process for inclusion in the NICE advice process, taking into account the potential benefits of a technology, its regulatory status, clinical evidence and more. There were only 28 Medtech Innovation Briefings published in 2022.

The NICE advice supports the reimbursement process and broader adoption of PromarkerD in the UK, and its publication enables Proteomics International to pursue inclusion of PromarkerD in the NICE Guidelines and to engage with the NHS Supply Chain Tender process.

Clinical Advisory Board expanded to support PromarkerD USA and global rollout

In April 2023, Proteomics International appointed additional key opinion leaders (KOLs) to its world class PromarkerD Clinical Advisory Board. The new board members comprise highly respected healthcare professionals specialising in primary care diabetes education and management in the United States. These KOLs will be able to provide tailored advice from the 'voice of the customer' (patients and clinicians) perspective on the rollout of PromarkerD.

PromarkerD - Intellectual Property

The Company's PromarkerD intellectual property portfolio covers 72% of the world's population living with diabetes.

PromarkerD patent granted in Hong Kong

In November 2022, patent protection for PromarkerD was expanded to Hong Kong, where 11.6% of the population—or 686,000 adults—have diabetes. Hong Kong is also an important gateway market, with potential for the test to be introduced there prior to entering the much larger China market. The Hong Kong patent complements those already granted in the USA, Europe, Australia, Brazil, Canada, China, Indonesia, Russia, Singapore, India and Japan.

European PromarkerD patents expanded beyond diabetes

In July 2022, European patent protection for Proteomics International's PromarkerD predictive test was expanded to include diagnosing all individuals who are prediabetic and asymptomatic for kidney disease. Globally 537 million adults have diabetes, and an additional 541 million (10.6% of the world's adult population) have prediabetes, an at-risk category for kidney disease. Further clinical studies are needed to demonstrate that PromarkerD can be used to diagnose kidney disease beyond those with diabetes.

PromarkerD - Intellectual Property

Proteomics International owns three families of patents for PromarkerD in key markets

1) Diabetic Kidney Disease
Title: "Biomarkers associated with pre-diabetes, diabetes and diabetes related conditions"
Derived from International Patent Application PCT/AU2011/001212
All patents valid until September 2031

Country/Region	Patent No.	Patent Title	Status
Australia	AU2011305050		Granted
Brazil	BR112013006764		Granted
Canada	CA2811654		Granted
China	CN103299192		Granted
Europe[1]	EP3151012	Biomarkers Associated with Diabetic Nephropathy	Granted/Validated
Hong Kong	HK1256827		Granted
India	IN390245		Granted
Indonesia	IDP000059245		Granted
Japan	JP6271250		Granted
Russia	RU2596486		Granted
Singapore	SG188527		Granted
USA	US9146243	Method of assessing diabetic nephropathy using CD5 antigen-like	Granted

[1]Validated in France, Germany, Italy, Turkey, Spain, United Kingdom

2) Pre-Diabetes and Diabetes
Divisional Derived from International Patent Application PCT/AU2011/001212
Patent valid until September 2031

Country/Region	Patent No.	Patent Title	Status
Europe[2]	EP3343226	Biomarkers associated with pre-diabetes, diabetes and diabetes related conditions	Granted/Validated

[2]Validated in France, Germany, Italy, Turkey, Spain, United Kingdom

3) Kidney Disease

Country/Region	Patent No.	Patent Title	Status
Australia	AU2015202230	Biomarkers associated with kidney disease (Valid until September 2031)	Granted
USA	US9733259	Method of assessing a subject for abnormal kidney function (Valid until 30 September 2031)	Granted
USA	US10191067	Method for identifying an agent for treating abnormal kidney function (Valid until 30 Septmeber 2031)	Granted
US[3]	US7842463	Method of diagnosing early stage renal impairment (Patent valid until 30 September 2027)	Granted/ Licensed
Europe[3]	EP1941274	Method for predicting the progression of chronic kidney disease by measuring apolipoprotein a-iv (Patent valid until 8 September 2026)	Granted/ Licensed

[3]Licensed exclusively to Proteomics International from the University of Innsbruck

Trademark - PromarkerD™
Class 44 - Medical diagnostic services (No 1776917)
Class 5 - Diagnostic apparatus for medical purposes including diagnostic kits (No 1806616)

Country/Region	Status
Australia, China, Dominican Republic, European Union, Israel, Japan, South Korea, Mexico, New Zealand, Russia, Singapore, USA	Registered

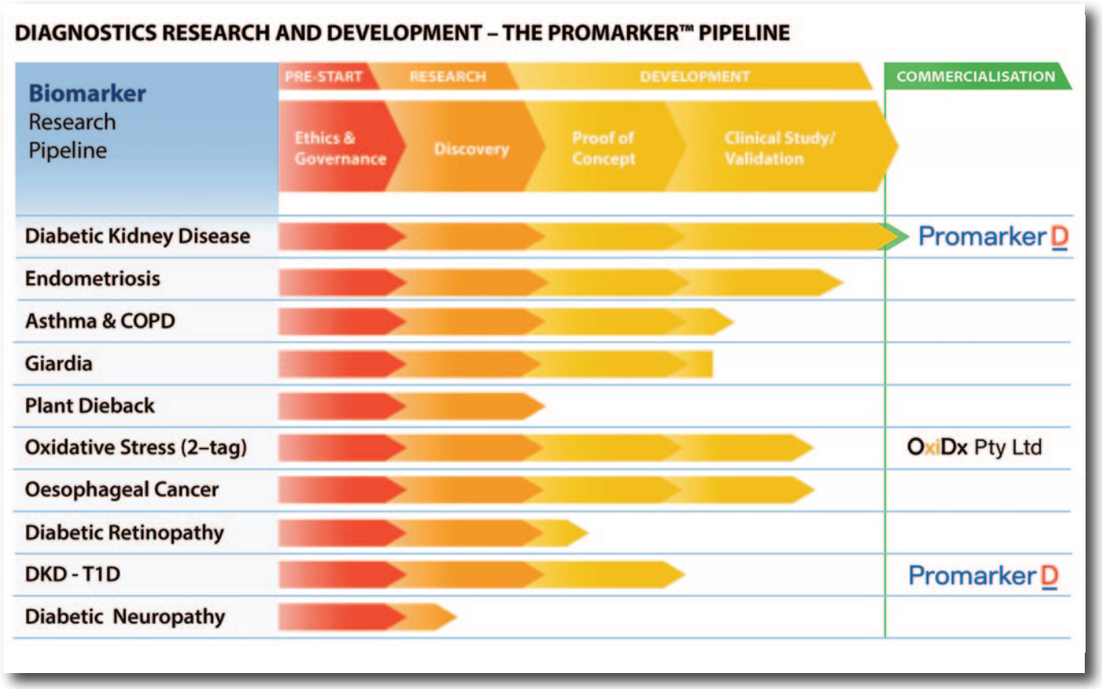
Proteomics International Laboratories Ltd

Diagnostics

Deep pipeline of novel precision health and predictive diagnostic tests continues to expand.

Promarker™ pipeline advances

Proteomics International has a deep pipeline of novel precision health and predictive diagnostic tests in development. This R&D is enabled by the Company's proprietary biomarker discovery platform called Promarker, which searches for protein 'fingerprints' in a sample. This disruptive technology can identify proteins that distinguish between people who have a disease and people who do not, using only a simple blood test. It is a powerful alternative to genetic testing. The technology is so versatile it can be used to identify fingerprints from any biological source, from wheat seeds to human serum. Proteomics International believes its Promarker™ platform has broad applicability and the potential to produce multiple new diagnostic tests to address significant unmet medical and commercial needs.



Diagnostics

Endometriosis (see Window on the Science)

Status update: Clinical validation study and diagnostic model completed; accessing additional samples for independent validation.

Research into Proteomics International's potential world-first blood test for endometriosis showed a strong diagnostic performance of the test. The Company's preferred prototype correctly identified up to 90 per cent of patients when comparing moderate or severe endometriosis to symptomatic controls (no endometriosis) in a study of 901 participants.

The endometriosis study was conducted in collaboration with the Royal Women's Hospital and the University of Melbourne.

Proteomics International's results also suggest the current gold standard for diagnosis - an invasive surgical procedure - may be misdiagnosing some patients, particularly in the early stages of endometriosis.

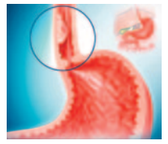
Research findings related to the test were presented at several conferences during the year, including:

- Fertility Society of Australia and New Zealand Annual Conference (FSANZ 2022) in Sydney, July 2022
- 70th Annual Meeting of the International Society for Reproductive Investigation (SRI) in Brisbane, March 2023
- 15th World Congress on Endometriosis in Edinburgh, May 2023

Proteomics International is now targeting confirming the clinical performance and clinical utility of the test in independent patient cohorts, and accelerating pathways to commercialisation of the biomarker panel as a new diagnostic screening test for endometriosis.

Oesophageal cancer

Status update: Clinical validation study completed; statistical modelling ongoing; accessing additional samples for independent validation.



Research into the Company's prototype diagnostic test for oesophageal adenocarcinoma showed strong diagnostic performance, with the test detecting up to 90% of people with the frequently fatal condition. The results were presented at the 18th World Congress for Esophageal Diseases in Tokyo, Japan, 26-28 September 2022.

Oesophageal adenocarcinoma is the most common form of oesophageal cancer and is an area of significant unmet medical need, with current screening requiring a specialist endoscopy procedure that costs US$2,750 per patient in the United States. The results represent an exciting milestone in the development of a potential new, accurate, and easy to use blood test for oesophageal adenocarcinoma. To enhance the accuracy and clinical utility of its test the Company is currently undertaking additional data analysis.

Oxidative stress (2-tag) (see Technology Snapshot II)

Status update: Proof-of-concept completed; validation studies commencing.

Proteomics International announced the spin-off of an independent business to commercialise technology for measuring oxidative stress testing technology developed in collaboration with The University of Western Australia. The new incorporated joint venture - OxiDx Pty Ltd - is focussing on developing innovative medical diagnostic products using the patented '2-tag' measure for oxidative stress.

Oxidative stress has been implicated in many chronic diseases, and the '2-tag' method could be part of the next generation of medical diagnostic tests. The technology has several target applications, including chronic fatigue, muscular dystrophy, high-performance athletes and the horse racing industry.

Asthma and COPD

Status update: Proof-of-concept study completed; patent application filed; clinical validation ongoing.

Proteomics International completed a proof-of-concept study that identified multiple novel protein biomarkers for obstructive airway disease. These biomarkers, once validated, have the potential to deliver a new diagnostic test for asthma and chronic obstructive pulmonary disease (COPD).

An initial proof-of-concept study, performed in collaboration with the Busselton Population Medical Research Institute, analysed plasma samples from 75 individuals with a range of symptoms including airway obstruction, atopy, bronchial hyper-responsiveness and healthy controls. A patent application on methods for diagnosing airway disease has been filed. Potential biomarkers from this study are now being validated in a larger clinical cohort. The results of this validation will refine the panel of biomarkers into a potential new blood test for diagnosing obstructive airway disease.

Proteomics International Laboratories Ltd

Diagnostics

Plant dieback

Status update: Discovery phase successfully completed; validation phase ongoing.

Proteomics International has an ongoing collaboration with the Centre for Crop and Disease Management (Curtin University) to target the plant pathogen Phytophthora cinnamomi, which is responsible for plant dieback that affects a wide variety of native plant species and premium crops such as avocados and macadamias. The estimated cost to the Australian economy is $160 million per year for damage to natural vegetation alone. Initial investigations focused on proteomic analysis (determining the protein maps) of the life stages of the organism and how it infects its host. These maps provided a blueprint of what proteins were present throughout the life cycle of the organism.

Biomarkers for identifying plant dieback have been discovered, with current experiments determining their detection level in 'real life' samples of infected plant root. This opens the way for developing a simple field diagnostic test for the presence of Dieback.

Giardia (causing gastroenteritis)

Status update: Project suspended.

Giardia is a leading cause of infectious gastroenteritis worldwide and one of the most common parasitic human diseases. Proteomics International has identified strain specific Giardia targets however further work is required to develop an assay for clinical use. The project is currently on hold pending a review of its commercial and technical viability.

Diabetic retinopathy

Status update: Discovery study complete. Proof-of-concept underway.

Following the success of the diabetic kidney disease project, Proteomics International extended its collaboration agreement with The University of Western Australia to seek early markers for diabetic retinopathy, the major cause of blindness in the US.

This collaboration is applying the Promarker™ platform to look for prognostic markers in the blood that can identify patients at risk of retinopathy, especially sight-threatening retinopathy. The program is again utilising the Fremantle Diabetes Study which provided the rich sample repository that led to PromarkerD.

Discovery experiments have yielded potential biomarkers for the early diagnosis of retinopathy. The next stage is to verify these biomarkers in a larger cohort set.

Diabetes complications - DKD in type-1 diabetes & diabetic neuropathy

Status update: Discovery studies commencing.

Proteomics International previously announced it has become an industry partner to the Australian Centre for Accelerating Diabetes Innovations (ACADI). The Centre combines diabetes expertise from across Australia and aims at improving the lives of people living with diabetes. Following finalisation of contract terms and project plans Proteomics International has added a new R&D program to investigate predictive markers for diabetic neuropathy. The Company will also explore the applicability of PromarkerD to patients with type 1 diabetes (in addition to its current use in type 2 diabetes).

Precision diagnostics facility received $2 million funding boost

In October 2022, Proteomics International, The University of Western Australia (UWA) and Bioplatforms Australia announced a $2 million expansion of the WA Proteomics Facility to accelerate the development of precision diagnostic tests. The WA Proteomics Facility is a Public Private Partnership between the three organisations. It is jointly managed by Proteomics International and UWA, and combines their respective expertise to explore biological protein markers that affect medicine, agriculture, and the environment.

Over three years, the partners will co-invest $2 million to increase capacity and throughput at the cutting-edge facility with new equipment for automated sample handling and analytical quantitation, coupled with the development of advanced data processing tools. Under the management agreement, Bioplatforms Australia (through the Commonwealth Government National Collaborative Research Infrastructure Strategy (NCRIS)) contributes $1.7m to the facility for capital and operational purposes, with half the funds going to Proteomics International to expand its laboratory capacity. Proteomics International and UWA have invested a further $150,000 in cash.

The laboratory has expanded with the purchase of high-end equipment to speed the development and analysis of biomarkers within the joint WA Proteomics facility.

Diagnostics

Endometriosis - Intellectual Property

Title: "Endometriosis biomarkers"
Derived from International Patent Application PCT/AU2021/050227
If granted, patent projected to be valid until March 2041

Country/Region	Application/Patent No.	Status
Australia	AU2021237128	Pending
Brazil	BR112022018339	Pending
Canada	CA3169082	Pending
China	CN115349091	Pending
Europe	EP4121776	Pending
India	202217049212	Pending
Japan	JP2023520132	Pending
Singapore	11202252510K	Pending
US	US2023089507	Pending
Indonesia	P00202211148	Pending
Republic of Korea	KR20220154725	Pending
Mexico	MX/a/2022/011397	Pending

Airway Disease - Intellectual Property

Title: "Airway disease biomarkers"

Country/Region	Application/Patent No.	Status
Provisional	2023900328	Pending

Oxidative Stress ("Two Tag") - Intellectual Property

Proteomics International owns two families of patents for Two-Tag in key markets with others pending

1) Title: "Methods for determining the redox status of proteins"
Derived from International Patent Application PCT/AU2006/001757
All patents valid until November 2026

Country/Region	Patent No.	Status
Australia	AU2006317506	Granted
USA	US8043824	Granted

2) Title: "Methods for measuring relative oxidation levels of a protein"
Derived from International Patent Application PCT/AU2019/050267
If granted, all patents projected to be valid until March 2039

Country/Region	Application/Patent No.	Status
Australia	AU2019240758	Pending
Canada	CA3094249	Pending
China	CN112020650	Pending
Europe	EP3775927	Pending
India	IN202017044154	Pending
Indonesia	P00202007798	Pending
Japan	JP2021518907	Pending
Singapore	SG11202008979Q	Pending
USA	US2021041449	Pending

Oesophageal Cancer - Intellectual Property

Title: "Glycoprotein biomarkers for esophageal adenocarcinoma and Barett's esophagus and uses thereof"
Derived from International Patent Application PCT/AU2015/050723
All patents valid until November 2035

Country/Region	Application/Patent No.	Status
Australia[4]	AU2015349613	Granted
Canada[4]	CA2967869	Pending
China[4]	CN107430126	Granted
Europe[4,5]	EP3221701	Granted/ Validated
Hong Kong[4]	HK1244877	Granted
United States[4]	US2022018843	Pending

[4]Licensed exclusively to Proteomics International from Queensland Institute of Medical Research
[5]Validated in France, Germany, Spain, Turkey and United Kingdom

Presentations and publications

Endometriosis

Biomarkers for Endometriosis. Authors: Garrett, Andronis, Bringans, Casey, Chen, Ismail, Ito, Killeen, Laming, Lipscombe, Peters, Raju, Wong, Rogers, Holdsworth-Carson. Fertility Society of Australia and New Zealand Annual Conference (FSANZ 2022), Sydney, July 2022

Biomarkers for Endometriosis. Presenter: D Ismail, Perth Protein Group Annual General Meeting, Perth, September 2022

A Novel Plasma Protein Biomarker Test for Diagnosing Endometriosis. Presenter: Dr KE Peters, 70th Annual Meeting of the International Society for Reproductive Investigation (SRI), Brisbane, March 2023

A Novel Plasma Protein Biomarker Test for Diagnosing Endometriosis. Authors: Peters, Schoeman, Andronis, Bringans, Casey, Chen, Ismail, Ito, Raju, Tan, Lipscombe, Rogers, Holdsworth-Carson, 15th World Congress on Endometriosis, Edinburgh, Scotland, May 2023

Oesophageal cancer

Establishing a Mass Spectrometry Based Diagnostic Test for Oesophageal Cancer. Authors: Duong, Bringans, Chen, Fernadez, Casey, Laming, Di Prinzio, Hill, Lipscombe. 18th World Congress for Esophageal Diseases in Tokyo, Japan, September 2022

Development of a Lectin Bead-based Diagnostic Test for Oesophageal Cancer. Presenter: Dr SD Bringans, 28th Annual Lorne Proteomics Symposium, February 2023

Semi-Automated Lectin Magnetic Bead Array (LeMBA) for Translational Serum Glycoprotein Biomarker Discovery and Validation. Authors: Dutt, Duong, Bringans, Richards, Lipscombe, Hill. Book Chapter in Serum/Plasma Proteomics: Methods and Protocols. Springer US, New York, NY, 2023

Analytical Services

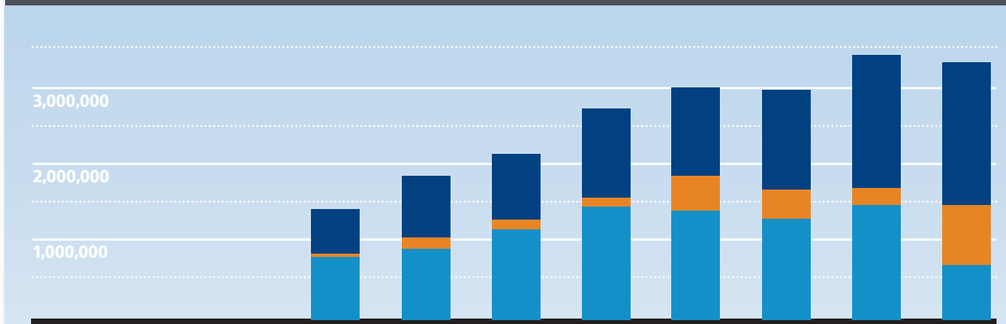
The Company continues to offer a range of specialised analytical services to clients across the biotechnology industry.

ISO 13485 certification and ISO 17025 accreditation renewed

The National Association of Testing Authorities (NATA) approved the continuation of Proteomics International's ISO 17025 accreditation, a global standard that ensures a laboratory is technically competent and produces accurate, valid and reliable results. Proteomics International proudly received the world's first ISO 17025 accreditation for proteomics services in 2009.

The British Standards Institution (BSI) also renewed Proteomics International's ISO 13485 certification, which ensures safety and quality management in the design, development, manufacture and sale of medical devices. Both renewals will benefit the global product launch of PromarkerD, and underpin the Company's analytical services and pipeline of innovative diagnostic tests under development.

Proteomics International Revenue



		2016	2017	2018	2019	2020	2021	2022	2023
Analytical Services	$	816,845	925,537	1,176,457	1,468,076	1,423,070	1,310,824	1,489,323	730,340
Grants and other Income	$	45,955	144,484	130,343	128,833	454,389	386,770	235,232	741,690
Research & Development Tax Incentive	$	572,269	790,751	844,123	1,139,403	1,138,815	1,290,899	1,711,903	1,848,832

World's most accredited protein testing laboratory

Proteomics International was the first laboratory in the world to receive ISO/IEC accreditation for proteomics services in 2009 (Accreditation number: 16838). In 2021, Proteomics International received ISO 13485 certification for the design and development of PromarkerD (Certification number: MD734669). Proteomics International now holds multiple levels of internationally recognised accreditation:

- ISO 17025: 2015 – Chemical Testing
- ISO 17025: 2015 – R&D
- ISO 13485: 2016 Medical devices – Quality management systems – Requirements for regulatory purposes

Accreditation recognises Proteomics International's ability to consistently achieve technically valid, traceable and reproducible results. In 2021, Proteomics International added ISO 13485 certification to its list of accreditations. The significance of this milestone shows the Company's strong commitment and vision to be a major player in innovative in-vitro diagnostic products with strong focus on commercialisation and quality of these products. Accreditation means that clients and regulatory authorities can have confidence in company products and helps to identify the Company as a reliable service provider.

Company Operations

CORPORATE ACTIVITY

Proteomics International raised $8 million (before costs) through the issue of 9.41 million shares in the Company. The Placement was at an issue price of $0.85 per share, a discount of 11.1% to the 5-day VWAP. It was heavily oversubscribed, supported by Australian-based institutions, and sophisticated and professional investors.

Funds from the Placement (after costs) are being used to strengthen production and build inventory of the PromarkerD predictive test for diabetic kidney disease, support US sales and marketing for PromarkerD, develop the Promarker™ diagnostics pipeline and for general working capital. During the year, Directors, employees and advisors exercised options raising an additional $3.5 million dollars (before costs).

DRUG DISCOVERY

Proteomics International has had a long-standing interest in innovative drug discovery, with the Company's first substantial external funding received to develop a novel therapeutic pipeline in 2008. This pipeline became the basis for the Promarker™ technology platform. The drug discovery program is on hold whilst the company focuses its resources on the commercialisation of PromarkerD, diagnostics, and the provision of analytical services.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors, there were no significant changes in the state of affairs of the Group that occurred during the financial year not otherwise disclosed in this report and the financial statements.

EVENTS SINCE THE END OF THE FINANCIAL YEAR

On 10 July 2023, 105,729 fully paid ordinary shares were issued upon the exercise of unquoted performance rights. The performance rights were issued under the Performance Rights Plan as per of the incentive structures for employees and key management personnel.

On 14 August 2023, 1,250,000 shares were issued upon the exercise of advisory options at $0.50 per option, raising $625,000 before costs.

No other matters or circumstances have arisen since the end of the financial year that have significantly affected, or may significantly affect the consolidated entity's operations, or the consolidated entity's state of affairs in future years.

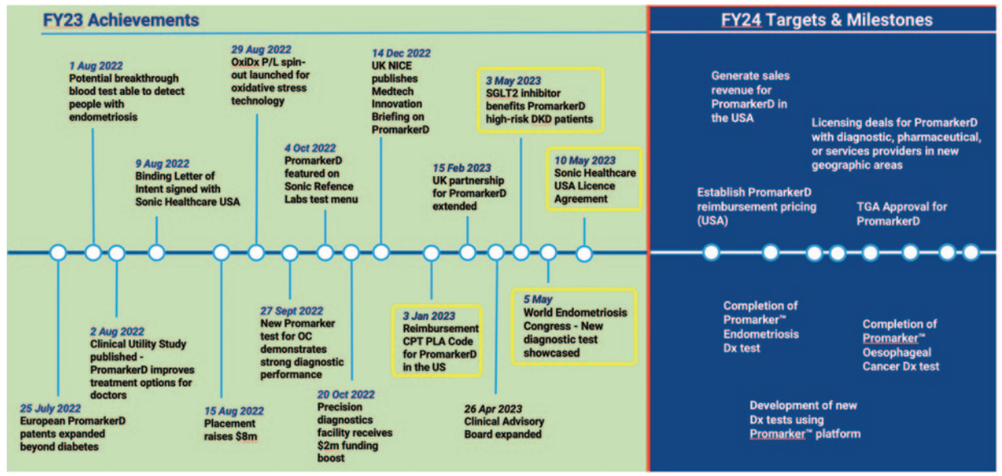
LIKELY DEVELOPMENTS

Proteomics International will continue to pursue the commercialisation of its lead diagnostic test PromarkerD in global markets. Potential licence partners are global and regional diagnostic companies, diagnostic service providers, and drug developers. In jurisdictions where licences have already been granted, the focus will be on increasing the adoption of the test by engaging with Key Opinion Leaders and the broader network of clinical service providers.

As for any novel test, market penetration cannot be predicted accurately, hence for each licence it is not possible to quantify the financial impact on Proteomics International in any given timeframe. Nonetheless, PromarkerD has the potential to spare millions of people from the cost of dialysis, saving each healthcare system billions of dollars. Consequently, the Company believes that ultimately the financial impact of each licence will be significant.

The development pipeline for new diagnostic tests will progress using the Promarker™ technology platform, with the intention of creating new intellectual property that can be licensed in future years.

These R&D and commercialisation activities will continue to be supported by the analytical services operations.



Environmental, Social and Governance

SOCIAL

Proteomics International's mission is to improve the quality of lives by the creation and application of innovative tools that enable the improved treatment of disease. In addition to the social impact of the Company's core operations, Proteomics International strives to foster the development of scientific knowledge and invest in its people.

STRATEGIC COLLABORATIONS

Proteomics International continues to work closely with the biotechnology and life science community across Australia. Strategic collaborations promote the development of scientific knowledge and help Proteomics International realise its scientific and business objectives.

Highlights of the Company's collaborations include:

Harry Perkins Institute of Medical Research (Perkins)

The Perkins is the premier adult medical research institute in Western Australia. Proteomics International is headquartered there and has held close ties with the Perkins since 2006.

Bioplatforms Australia (BPA)

BPA is a federal body instigated as part of the National Collaborative Research Infrastructure Scheme (NCRIS) to facilitate a national capability in the 'omics sciences (genomics, proteomics, metabolomics and bioinformatics). Proteomics International manages the Western Australian node of Proteomics Australia in a Public Private Partnership with BPA and The University of Western Australia.

Australian Research Council Training Centre for Personalised Therapeutics Technologies

This national $3.1 million Industrial Transformation Training Centre (ITTC) sees Proteomics International work with university-based researchers to provide industry training through the application of the Promarker™ technology to Complementary Diagnostics. The centre is hosted by the University of Western Australia, Monash University and the University of Melbourne.

Dr Bill Parker Memorial Industrial Scholarship

In 2017, the Company launched the Dr Bill Parker Memorial Industrial Scholarship, in memory of its cofounder, to high achieving WA students who wish to take a gap year to gain experience in the Biotechnology & Life Science Industry before undertaking a science degree in the Eastern States. The inaugural scholarship recipient, Imogen Sorby, graduated from the University of New South Wales in 2023, and is now working in Europe. Proteomics International is currently training one scholar in residence. Two scholarship students are completing university studies in Victoria and New South Wales. The program is ongoing and Proteomics International looks forward to supporting the 2023 class of budding life scientists.

Australian Centre for Accelerating Diabetes Innovations (ACADI)

In January 2022 Proteomics International became an industry partner in the Australian Centre for Accelerating Diabetes Innovations (ACADI), which was awarded $10 million over four years from the Australian Government's Medical Research Future Fund.

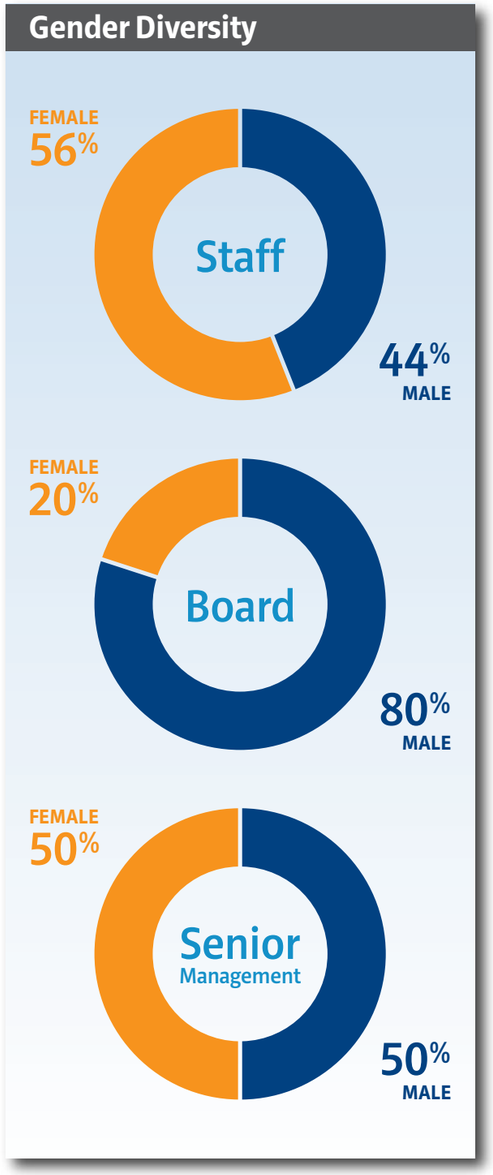
The centre combines diabetes expertise from across Australia and aims at improving the lives of people living with diabetes, including addressing diabetic kidney disease.

Environmental, Social and Governance

HUMAN CAPITAL

Proteomics International believes that its staff are a key component of the Company's continued success.

The Company enjoys a diverse and gender balanced workforce.



ENVIRONMENTAL

Environmental regulations

The Company is subject to environmental regulation and other licences in connection with its research and development activities utilising the facilities at the Harry Perkins Institute of Medical Research. The Company complies with all relevant federal, state and local environmental regulations. The Board is not aware of any breach of applicable environmental regulations by the Company.

Greenhouse gas and energy data reporting

The Company has assessed the reporting requirements of both the Energy Efficiency Opportunities Act 2006 and the National Greenhouse and Energy Reporting Act 2007 and the Group is not currently subject to any reporting obligations.

GOVERNANCE

The Board of Directors is responsible for the operational and financial performance of the Company, including its corporate governance. The Company believes that the adoption of good corporate governance adds value to stakeholders and enhances investor confidence. Proteomics International's corporate governance statement is available on the Company's website, in a section titled 'Corporate Governance'.

Board of Directors and Operational Team

BOARD OF DIRECTORS

Neville Gardiner – Non-Executive Chairman (Independent)
Richard Lipscombe – Managing Director
Robyn Elliott - Non-Executive Director (Independent)
Paul House - Non-Executive Director (Independent)
Roger Moore - Non-Executive Director (Independent)

INFORMATION ON DIRECTORS

Director	Experience	Special Responsibilities	Particulars of Director's interest in securities of the Company	
			Shares	Options
Mr Neville Gardiner BBus (Accounting and Business Law) 	Neville was recently a Partner of Deloitte in its Mergers & Acquisitions Advisory team. He is a seasoned finance professional with over 30 years' experience advising Boards of public and private companies on mergers and acquisitions, project development, equity and debt capital markets, transaction structuring, capital allocation and complex commercial problem solving. Prior to Deloitte Neville was Co-Founder and Managing Director of Torridon Partners, an independent corporate advisory firm. Torridon Partners was acquired by Deloitte in 2016. He has held leadership positions at Macquarie Bank, Bank of America Merrill Lynch and Arthur Andersen, and has broad industry sector exposure including healthtech, fin-tech, mining and mining services, infrastructure, energy, and fabrication and construction. Neville joined the Board in November 2021.	Chairman	117,647	500,000
Dr Richard Lipscombe MA (Oxford), PhD (London) 	Richard, a co-founder of the Company, is a highly practised business manager and protein chemist expert in analysing biomolecules using proteomics techniques. He has extensive expertise in chemistry, immunology, mass spectrometry, peptide synthesis, high performance computing and robotics. Richard has international experience in both science and business gained over a 30-year period in Australia, USA and the UK, including work in hospital and academic laboratories and commercial organisations. He completed his chemistry degree (MA) at Oxford University and his PhD in immunology at London University. After managing the Protein Analysis Facility at the University of Western Australia, he co-founded Proteomics International Pty Ltd in 2001. Richard is well published in peer review journals, and holder of several patents.	Managing Director	19,048,705	-
Dr Robyn Elliott BSc (Hons) Chemistry, PhD Inorganic Chemistry 	Robyn is Global Head, Strategic Portfolio Management within the Global Network Strategy team of CSL Behring, a subsidiary of CSL Limited (ASX:CSL). Her role is responsible for governance and business value delivery oversight for a multi billion dollar global capital expansion portfolio. She is also a non-executive director of PolyNovo Limited (ASX:PNV). Robyn's 9 years at CSL Behring have included Senior Director roles for Strategic Program Management, Strategic Expansion Projects and Quality, including supporting the global network strategy team determining the ten-year expansion plan for the CSL Behring global business. Prior to CSL Behring she was Managing Director at IDT Australia Ltd (ASX:IDT) and commenced her career at DBL Faulding. Robyn has a proven track record in product development, clinical trials, regulatory affairs, audits, quality management, project management and operational strategy. Robyn joined the Board in November 2021.	Nil	-	250,000
Mr Paul House GAICD, BCom (UWA) 	Paul has over 30 years' experience with multi-national corporations and is currently CEO of Imdex (ASX:IMD). He previously served eight years as the Managing Director of SGS India, where he was responsible for a workforce of 4,500 personnel and 38 laboratories; SGS is the world's leading Testing, Inspection and Certification (TIC) company. Mr House has previously held CFO and COO roles and has a track record for delivery of business performance targets, revenue growth, margin improvement, market share and productivity, across multiple services, markets and borders. A Fellow of the Australian Institute of Management and a Graduate Member of Australian Institute of Company Directors, Paul joined the Board in November 2017.	Nil	1,036,511	-
Mr Roger Moore R (Denmark), BPharm (U. Syd) 	Roger has 40 years' experience in the international pharmaceutical industry, including almost 30 years as President of Novo Nordisk Japan (Novo Nordisk is the world's largest manufacturer of diabetes therapeutics including Insulin and a global leader in diabetes care). Roger established Novo's organisation in Japan as the first employee in 1977, and worked for the company until his retirement as Chairman at the end of 2007. In 2000 Roger was appointed Senior Vice President, responsible for Novo Nordisk's business in Japan, Australia, New Zealand and the Pacific , and also a member of the Senior Management Board of Novo Nordisk A/S. In 2007, Roger was awarded the Knight's Cross of the Order of the Dannebrog (R) by Queen Margrethe II of Denmark. Roger joined the Board in October 2016.	Nil	975,824	-

CURRENT AND FORMER DIRECTORSHIPS

Directors' Name	Current Directorships	Former Directorships (last 3 years)
Neville Gardiner	Galena Mining Ltd (since 20 October 2021)	Nil
Richard Lipscombe	Nil	Nil
Roger Moore	Nil	Nil
Paul House	Nil	Nil
Robyn Elliott	PolyNovo Ltd (since 28 October 2019)	Nil

COMPANY SECRETARY

Ms Karen Logan BCom, Grad Dip AppCorpGov, FCG, FGIA, GAICD

Karen Logan is a Chartered Secretary with over 20 years' experience in assisting small to medium capitalised ASX-listed and unlisted companies with compliance, governance, financial reporting, capital raising, merger and acquisition, and IPO matters. She is presently the principal of a consulting firm and secretary of a number of ASX-listed companies, providing corporate and accounting services to those clients.

MEETINGS OF DIRECTORS

The numbers of meetings of the Company's Board of Directors held during the year ended 30 June 2021, and the numbers of meetings attended by each Director were:

Directors	Full Meetings of Directors	
	A	B
Mr Neville Gardiner	10	10
Dr Richard Lipscombe	10	10
Mr Ian Roger Moore	10	10
Mr Paul House	10	10
Dr Robyn Elliott	9	10

A = Number of meetings attended
B = Number of meetings held during the time the Director held office

The Board meets regularly on an informal basis in addition to the above meetings.

Directors have determined that the Company is not of sufficient size to merit the establishing of separate sub-committees and all decisions are made by the full Board.

OPERATIONAL TEAM

Proteomics International has established and maintained a highly qualified, multilingual team with well-balanced commercial and scientific expertise. The senior management group comprises:

Chief Financial Officer
Ms Jacqueline Gray

Jacqueline has more than 25 years experience as a chartered accountant and executive, in both Perth & London, driving the implementation of strategy, meaningful business reporting and a sound governance framework. She has served as the Chief Financial Officer for a range of ASX-listed and privately-owned businesses, managing revenues in excess of $100 million.

Jacqueline joined Proteomics International from digital marketing and ecommerce agency RooLife Group, having previously held senior leadership positions at Velpic, City Farmers, Morrison, Sungrid and the West Australian Community Foundation. She has also worked for global companies including the Economist Group, BBC Worldwide, HealthCare of Australia and Arthur Andersen.

Chief Commercialisation Officer
Mr Vik Malik

Vik has 25 years experience in the life sciences and healthcare industries as a commercialisation expert and business strategy advisor for several multinational, growth-stage and startup medical device and diagnostics companies. He has been involved in the launch of numerous disruptive medical technologies, cutting-edge biotherapies, innovative business process outsourcing services to penetrate new and emerging markets.

Most recently, Vik served as interim Chief Executive Officer and board director for surgical software startup ClaraSim Systems (via Stanford University, USA), and has previously held senior leadership positions with IQVIA (IMS Health + Quintiles), BioFuse Medical, Deloitte Consulting – Healthcare & Life Sciences, and Ascension Orthopedics, as well as sales, marketing and business development roles at TissueLink Surgical, Serono Laboratories and Wyeth Pharmaceuticals.

Head of Business Development
Mr Chuck Morrison

Chuck has over 36 years experience in life sciences, biotechnology, and diagnostic industries. Chuck has an degree in chemistry and an MBA from Boston University. He has held several management positions while at NEN Life Sciences and DuPont before focusing his activities on Business Development at PerkinElmer. Chuck has successfully executed many licensing deals and several global acquisitions while in this role. Chuck is based in Massachusetts, USA and started working with the Company in 2014.

Head of Clinical Studies
Dr Kirsten Peters

Kirsten has over 15 years of experience in clinical and genetic epidemiology. Kirsten leads the clinical studies and biostatistics team at Proteomics International, responsible for the development and validation of PromarkerD and diagnostics in the Promarker™ pipeline. She has been with the company for over 7 years and has been a Consultant at the University of Western Australia for 15 years. Kirsten has extensive experience in data analysis and has co-authored over 40 peer-reviewed journal articles.

Head of Logistics
Dr Pearl Tan

Pearl is responsible for coordinating and ensuring the commercial delivery of PromarkerD and the Promarker™ pipeline. Pearl has extensive experience in management and research commercialisation. Her previous roles include Chief Operating Officer of Proteomics International, Business Manager (PromarkerD), and leading the commercialisation of the patented 2-tag technology (used in OxiDx P/L). Pearl has a background in research and completed her PhD in Biochemistry and Molecular Biology at The University of Western Australia. She has been with Proteomics International since 2013.

Head of Research
Dr Scott Bringans

Scott has over 20 years of experience in protein chemistry and mass spectrometry. Scott leads all research areas within Proteomics International including the company's proprietary biomarker discovery and development program (Promarker™) and PromarkerD, the company's predictive test for diabetic nephropathy. Alongside these are the development of novel methodology to add to Proteomics International's technology platform and continually expanding the fee-for-service and quality testing portfolio. Scott has been with the Company for over 17 years.

Business Manager - Analytical Services
Ms Sreeja Sony

Sreeja brings 14 years of Sales & Business Development experience in the medical technology and pharmaceutical sectors. She has handled operations, logistics, technical support and purchasing activities in her previous roles. Sreeja has substantial experience selling life sciences services, consumables and instruments to a wide range of clients across the biopharma space.

Sreeja joined Proteomics International in 2016 and was recently appointed to Business Manager of the company's Analytical Services business.

US Sales Director
Mr Michael LeFauve

Mike brings over 25 years of Sales Leadership experience in the medical device and diagnostic arena, from innovative start-ups to best-in-class market leaders. He has extensive experience managing national sales teams, both with direct employee based teams and external distribution partners for the USA market, along with a product launch portfolio ranging from breakthrough innovations to well established medical technologies. Mike recently served as Vice President of Sales at Ethos Laboratories with additional oversight of marketing, sales operations and corporate sales training. Prior to Ethos Labs, he held senior management roles at Theragen and DJO Global. Mike resides in Charlotte, North Carolina, USA.

Material Business Risks

The Group has identified the below specific risks that could impact upon its future prospects.

Commercialisation Risk
The Company is relying on its ability and that of its partners to develop and commercialise its products and services in order to create revenue. Any products or services developed by the Company will require extensive clinical testing, regulatory approval, manufacturing and significant marketing efforts before they can be sold and generate revenue. The Company's efforts to generate revenue may not succeed for a number of reasons including issues or delays in the development, testing, regulatory approval, manufacturing, supply chain or marketing of these products or services.

In addition, developing direct sales, distribution and marketing capabilities will require the devotion of significant resources and require the Company to ensure compliance with all legal and regulatory requirements for sales, marketing, manufacturing and distribution.

A failure to successfully develop and commercialise these products and services could lead to a loss of opportunities and adversely impact on the Company's operating results and financial position. In addition, for those countries where the Company may commercialise its products or services through distributors or other third parties, the Company will rely heavily on the ability of its partners to effectively market and sell its products and services.

Further, even if the Company does achieve market commercialisation of any of its products and services, it may not be able to sustain it or otherwise achieve commercialisation to a degree that would support the ongoing viability of its operations.

Research and Development Risk
The research and development process typically takes from 10 to 15 years from discovery to commercial product launch. This process is conducted in various stages in order to test, along with other features, the effectiveness and safety of a product. There can be no assurance that any of these products and services will be proven safe or effective.

Accordingly, there is a risk at each stage of development that the Company will not achieve the goals of safety and/or effectiveness and that the Company will have to abandon a product.

Intellectual Property
The following are considered to be risks to the Company's intellectual property:

(i) General

The patent protection that the Company may obtain varies from product to product and country to country and may not be sufficient, including maintaining product exclusivity. Patent rights are also limited in time and do not always provide effective protection for products and services: competitors may successfully avoid patents through design innovation, the Company may not hold sufficient evidence of infringement to bring suit, or the infringement claim may not result in a decision that the rights are valid, enforceable or infringed.

Legislation or regulatory actions subsequent to the filing date of a patent application may affect what an applicant is entitled to claim in a pending application and may also affect whether a granted patent can be enforced in certain circumstances. Laws relating to biotechnology remain the subject of ongoing political controversy in some countries. The risk of changed laws affecting patent rights is generally considered greater for the biotechnology field than in other longer established fields.

(ii) Entitlement to Priority
In order for material disclosed in a patent application to be entitled to the priority date of a corresponding earlier filed application (e.g. a provisional application), there must be adequate support or disclosure of such material in the provisional application. Subject matter in a patent application that is not so disclosed in the earlier application is not entitled to the claim to priority, which may affect patentability of the subject invention, or the validity of any patent that may be granted.

(iii) Securing a Patent

The claims in a pending application cannot be considered predictive of claims in a granted patent. Examination in certain jurisdictions such as the USA and the European Patent Office are often more stringent than other countries and all pending claims may be subject to amendment during the pendency of an application. Thus, during pendency of any patent application, an applicant cannot reliably predict whether any claims will ultimately be granted or what the scope of any granted claims will be. Furthermore, whilst the scope of claims granted in one country may assist, it cannot be relied upon for predicting the scope of claims granted in another country.

All patent searches are dependent on the accuracy and scope of the databases used for the search and, in particular, the manner in which information in the databases is indexed for searching purposes.

Patent applications may have been filed by third parties based on an earlier priority date and the existence of such applications may not be known for up to about 18 months after they were filed. Such earlier-filed applications may constitute prior art that adversely affects patentability or claim scope of a patent matter listed herein. Given the timing of and the approach taken to the examination of patent applications, if any prior art in this 18-month period does exist, it is unlikely that it will be located in searches conducted by official Patent Offices.

Delays may occur during pendency, due to unpredictable events that the application cannot control. The net effect of such delays may be to decrease the time from the date of

patent grant to the end of the patent term and thus adversely affect the effective lifetime of enforceability of the patent. Patents and pending applications can be subject to opposition or other revocation proceedings, that vary from country to country, and which cannot be predicted in advance.

Proteomics International Laboratories Ltd

Reliance on Key Personnel

The Company's ability to operate successfully and manage its potential future growth depends significantly upon its ability to attract, retain and motivate highly-skilled and qualified research, technical, clinical, regulatory, sales, marketing, managerial and financial personnel. The competition for qualified employees in the life science industry is intense and there are a limited number of persons with the necessary skills and experience.

The Company's performance is substantially dependent on Dr Lipscombe and the other members of its senior management and key technical staff to continue to develop and manage the Company's operations. The loss of or the inability to recruit and retain high-calibre staff could have a material adverse effect on the Company. The Company also relies on the technical and management abilities of certain key Directors and employees, consultants and scientific advisers. The loss of any of these Directors, employees, consultants or scientific advisers could have an adverse effect on the business and its prospects.

Regulatory Risk
The introduction of new legislation or amendments to existing legislation by governments, developments in existing common law, or the respective interpretation of the legal requirements in any of the legal jurisdictions that govern the Company's operations or contractual obligations, could impact adversely on the assets, operations and, ultimately, the financial performance of the Company and its shares. In addition, there is a risk that legal action may be taken against the Company in relation to commercial matters.

Funding Risk
While the Company believes it will have sufficient funds to meet its operational requirements for the next 12 months, the Company may in the future seek to exploit opportunities of a kind that will require it to raise additional capital from equity or debt sources, joint ventures, collaborations with other life science companies, licensing arrangements, production sharing arrangements or other means.

The Company's capital requirements depend on numerous factors and, having regard to the development stage, and the nature of its products and services, the Company is currently unable to precisely predict if, and what amount of, additional funds may be required. Factors, which may influence the Company's possible need for further capital, include such matters as:

- the costs and timing of seeking and obtaining regulatory approvals;
- the costs of filing, prosecuting, defending and enforcing any patent claims and other intellectual property rights;
- the effects of competing product, clinical, technological and market developments; and
- the terms, timing and consideration, if any, of collaborative arrangements or licensing of products and services;

There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back development and research programmes as the case may be.

Insurance Risk
The Company may not be able to maintain insurance for service liability on reasonable terms in the future and, in addition, the Company's insurance may not be sufficient to cover large claims, or the insurer could disclaim coverage on claims. If the Company fails to meet its clients' expectations, the Company's reputation could suffer and it could be liable for damages. The Company gives no assurance that all such risks will be adequately managed through its insurance policies to ensure that catastrophic loss does not have an adverse effect on its performance.

Exchange Rate Risk
The Company is exposed to movements in foreign exchange rates. The Company does not hedge against movements in the exchange rate. However, significant changes in currencies may impact on the Company's margins and earnings adversely.

Cybersecurity Risk
The Company is aware of the cybersecurity risk and data privacy risk inherent in its operations. The Company mitigates these risks using security measures and insurance as appropriate.

Resource Risk
The Company's ability to deliver service and research and development pipelines in a timely manner are dependent on its equipment and resources operating accurately and efficiently. The Company manages resource risk with regular scheduled maintenance, backup arrangements, quality processes, and regular communication.

Dependence on Key Relationships
The Company currently has strategic business relationships with other organisations that it relies upon for key parts of its business, such as obtaining the use of the mass spectrometers, chromatography systems and other equipment and services important to the Company's activities. The loss or impairment of any of these relationships could have a material adverse effect on the Company's results of operations, financial condition and prospects, at least until alternative arrangements can be implemented. In some instances, however, alternative arrangements may not be available or may be less financially advantageous than the current arrangements.

Remuneration Report

REMUNERATION REPORT (Audited)

The Remuneration Report is set out under the following main headings:

A Principles Used to Determine the Nature and Amount of Remuneration
B Remuneration Governance
C Details of Remuneration
D Directors' Agreements
E Share-Based Compensation
F Additional Information
G Additional disclosure relating to key management personnel
H Transactions with the key management personnel

The information provided in this Remuneration Report has been audited as required by Section 308(3C) of the *Corporations Act 2001*.
'The Directors and other Key Management Personnel of the Group during or since the end of the financial year were:

- Mr Neville Gardiner — Non-Executive Chairman (independent)
- Dr Richard Lipscombe — Managing Director
- Mr Ian Roger Moore — Non-Executive Director (independent)
- Mr Paul House — Non-Executive Director (independent)
- Dr Robyn Elliott — Non-Executive Director (independent)
- Jacqueline Gray — Chief Financial Officer

Proteomics International Laboratories Ltd

REMUNERATION REPORT (continued)

A. Principles Used to Determine the Nature and Amount of Remuneration

The objective of the Company's remuneration framework is to ensure reward for performance is competitive and appropriate for the results delivered and set to attract the most qualified and experienced candidates.

Remuneration levels are competitively set to attract the most qualified and experienced directors in the context of prevailing market conditions.

The Directors recognise that in the early stages of the Company's development and in a period where the Company is making losses the objectives are to align the interests of the Board with shareholders and to attract, motivate and retain high performing individuals. The Board believes that this can be achieved through the following framework:

- The remuneration has a mix of components through the salary and share options; and
- The remuneration has been set in consultation with key management personnel (other than the relevant director whose remuneration is being discussed) taking into account the size of the Company and its current position in the market.

The Company has not obtained independent advice on the remuneration policies and practices of the key management personnel or sought the assistance of an external consultant on the current market for similar roles, level of responsibility and performance of the Board. The Board may consider this in the future should the need arise.

Non-Executive Directors Remuneration

Fees and payments to the Non-Executive Directors reflect the demands which are made on and the responsibilities of the Directors. The Non-Executive Directors' fees and payments are expected to be reviewed annually by the Board. The Non-Executive Chairman's fees are determined based on competitive roles in the external market. The Chairman is not present at any discussions relating to the determination of his own remuneration.

The Non-Executive Directors' fees and payments have been set based on the experience of the Director in the Company's field of operations, and level of activity required to be undertaken by the Director in the management of the Company. The Chairman received a fixed fee for his services as a Director.

The Company's Non-Executive Directors' remuneration package contains the following key elements:

- primary benefits - monthly Director's fees; and
- options - issued following shareholder approval at the 2018 and 2022 Annual General Meetings.

The Non-Executive Directors' fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at $500,000 per annum and was approved by shareholders prior to listing on the ASX.

No retirement benefits are provided other than compulsory superannuation.

Non-Executive Remuneration Mix

The following table sets out the non-executives' remuneration mix for the year ended 30 June 2023:

Fixed	"At Risk"	Total
$	$	$
297,504	-	297,504

REMUNERATION REPORT (continued)

A. Principles Used to Determine the Nature and Amount of Remuneration (continued)

Executive Remuneration

The Executive Director and Other Key Management Personnel are included in the Executive Remuneration. Executive Remuneration has been set based on the experience of each person in the Company's field of operations, and level of activity required to be undertaken by each person in the management of the Company.

The Company's Executive Remuneration package contains the following key elements:

- primary benefits - salary via an agreement; and
- options - issued via an agreement.
- performance rights - issued via an agreement.

(iii) *Executive Remuneration Mix*

The following table sets out the Key Management Personnels' remuneration mix for the year ended 30 June 2023:

Fixed	"At Risk"	Total
$	$	$
730,272	17,026	747,298

The shareholders approved the Director Fee Plan at the 2019 Annual General Meeting, where (subject to shareholder approval) director fees can be settled by the issue of shares.

CONSOLIDATED ENTITY PERFORMANCE AND LINK TO REMUNERATION

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ("the Board") ensures that executive reward satisfies the following key criteria for good reward governance practices:

- Competitiveness and reasonableness
- Acceptability to shareholders
- Performance linkage / alignment of executive compensation
- Transparency

	2019	2020	2021	2022	2023
	$	$	$	$	$
Share price at financial year end ($A)	0.35	0.42	0.93	0.93	0.86
Total dividends declared (cents per share)	-	-	-	-	-
Basic loss per share (cents per share)	(0.03)	(0.02)	(0.03)	(0.05)	(0.05)

USE OF REMUNERATION CONSULTANTS

The Company has not engaged a remuneration consultant during the year.

VOTING AND COMMENTS MADE AT THE COMPANY'S ANNUAL GENERAL MEETING

At the 2022 Annual General Meeting, more than 75% of votes cast were in favour of adoption of the Company's remuneration report for the 2022 financial year. The Company did not receive any comments at the Annual General Meeting on its remuneration report.

Proteomics International Laboratories Ltd

REMUNERATION REPORT (continued)

B. Remuneration Governance

The Board is primarily responsible for making decisions and recommendations on:

- the over-arching executive remuneration framework;
- the operation of the incentive plans which apply to the executive director and non-executives including the performance hurdles;
- the remuneration levels of executives; and
- Non-Executive Director fees.

C. Details of Remuneration

Details of the remuneration of the Directors and Other Key Management Personnel of the Company is set out below:

	Cash Salary and Fees			Post-Employment Benefits	Other Leave Benefits	Share Based Benefits	Share Based Benefits		
	Directors Fees	Salary	Bonus	Superannuation	Leave Benefits	Equity-settled options	Equity-settled rights	Total	Performance Related
2023	$	$		$	$	$	$	$	%
Non-Executive Directors									
Ian Roger Moore	45,000	-	-	-	-	-	-	45,000	0%
Paul House	45,000	-	-	4,725	-	-	-	49,725	0%
Neville Gardiner	75,000	-	-	7,875	-	46,786	-	129,661	0%
Dr Robyn Elliott	45,000	-	-	4,725	-	23,393	-	73,118	0%
Executive Director					-				
Dr Richard Lipscombe	-	350,000	50,000	42,000	-	-	-	442,000	13%
Other Key Management Personnel									
Jacqueline Gray	-	210,958	25,000	24,776	1,218	20,290	23,056	305,298	15%
TOTAL	210,000	560,958	75,000	84,101	1,218	90,469	23,056	1,044,802	10%

2022	$	$		$	$	$	$	$	%
Non-Executive Directors									
Terry Sweet (ii)	24,167	-	-	2,417	-	-	-	26,584	0%
Ian Roger Moore	43,750	-	-	-	-	-	-	43,750	0%
Paul House	43,750	-	-	4,375	-	-	-	48,125	0%
Neville Gardiner (iii)	46,875	-	-	4,687	-	124,392	-	175,954	0%
Dr Robyn Elliott (iii)	28,125	-	-	2,813	-	62,197	-	93,135	0%
Executive Director									
Dr Richard Lipscombe	-	265,383	-	30,000	34,617	-	-	330,000	0%
Other Key Management Personnel									
Vikesh Malik (iv)	-	207,692	-	15,000	17,308	68,228	84,851	393,079	17%
Jacqueline Gray (v)	-	180,630	-	19,559	14,956	39,540	33,504	288,189	6%
TOTAL	186,667	653,705	-	78,851	66,881	294,357	118,355	1,398,816	6%

(i) For the financial year ended 30 June 2023, the role of Chief Financial Officer met the criteria under the definition of Key Management Personnel as defined in AASB 124 and section 308(3C) of the *Corporations Act 2001* .

(ii) Terry Sweet retired as a Director on 25 November 2021.

(ili) Appointed as Directors on 16 November 2021.

(iv) Appointed on 1 June 2021.

(v) Appointed on 12 July 2021.

REMUNERATION REPORT (continued)

D. Directors' and Other Key Management Personnel Agreements

On appointment, the Non-Executive Directors' sign a letter of appointment with the Company which outlines the Board's policies and terms regarding their appointment including the remuneration relevant to the office of Director. The major provisions relating to remuneration are set out below.

Neville Gardiner *(Non-Executive Chairman)*

Particulars	Terms
Term of the agreement	No fixed term - subject to periodic re-election at the AGM
Base remuneration	$75,000
Superannuation	Statutory rate
Bonus payable	N/A
Termination of agreement	None specified

Ian Roger Moore *(Non-Executive Director)*

Particulars	Terms
Term of the agreement	No fixed term - subject to periodic re-election at the AGM
Base remuneration	$45,000
Superannuation	Statutory rate
Bonus payable	N/A
Termination of agreement	None specified

Paul House *(Non-Executive Director)*

Particulars	Terms
Term of the agreement	No fixed term - subject to periodic re-election at the AGM
Base remuneration	$45,000
Superannuation	Statutory rate
Bonus payable	N/A
Termination of agreement	None specified

Dr Robyn Elliott *(Non-Executive Director)*

Particulars	Terms
Term of the agreement	No fixed term - subject to periodic re-election at the AGM
Base remuneration	$45,000
Superannuation	Statutory rate
Bonus payable	N/A
Termination of agreement	None specified

Proteomics International Laboratories Ltd

REMUNERATION REPORT (continued)

D. Directors' and Other Key Management Personnel Agreements (continued)

On appointment, the Executive Director and Key Management Personnel sign a letter of appointment with the Company which outlines the Board's policies and terms regarding their appointment including the remuneration relevant to the office of Director. Remuneration and other terms of employment for the Executive Director and Other Key Management Personnel are formalised in services agreements. The major provisions relating to remuneration are set out below.

Dr Richard Lipscombe *(Managing Director)*

Particulars	Terms
Term of the agreement	No fixed term
Base remuneration	$350,000
Superannuation	Statutory rate
Bonus payable	At the absolute discretion of the Board
Leave entitlements	30 days annual leave and no long-service leave
Termination of agreement	1 month (incapacitated / ill / unsound mind), 1 month (serious or persistent breaches), immediate (conviction / major criminal offence)

Jacqueline Gray *(Chief Financial Officer)*

Particulars	Terms
Term of the agreement	No fixed term
Base remuneration	$210,957
Superannuation	Statutory rate
Bonus payable	At the absolute discretion of the Board
Leave entitlements	20 days annual leave
Termination of agreement	3 months notice

REMUNERATION REPORT (continued)

E. Share-based Compensation

The following options were exercised during the year:

Director	Number of Options	Grant Date	Expiry Date	Exercise Price	Fair Value at Exerxcise Date (i)
				$	$
Terry Sweet (i) (ii)	200,000	22-Nov-18	22-Nov-22	0.67	45,325
Ian Roger Moore (i)	100,000	22-Nov-18	22-Nov-22	0.67	22,662
Paul House (i)	100,000	22-Nov-18	22-Nov-22	0.67	22,663
Total	400,000				90,650

(i) The options were issued as a reward and incentive and vested immediately. The value at the exercise date of options that were granted as part of remuneration and were exercised during the year has been determined as the intrinsic value of the options at that date. No amounts are unpaid on any shares issued on the exercise of options.

(ii) Terry Sweet retired as a Director on 25 November 2021.

The following Director C and Director D options were issued following receipt of shareholder approval on 24 November 2022:

Director		Number of Options	Service Commencement Date	Expiry Date	Exercise Price	Fair Value at Grant Date
					$	$
Neville Gardiner	Director C option (i)	250,000	15-Nov-21	23-Nov-25	1.32	84,097
	Director D option (ii)	250,000	15-Nov-21	23-Nov-26	1.76	87,081
	Total	500,000				171,178
Dr Robyn Elliott	Director C option (i)	125,000	15-Nov-21	23-Nov-25	1.32	42,049
	Director D option (ii)	125,000	15-Nov-21	23-Nov-26	1.76	43,540
	Total	250,000				85,589

(i) Director C options has an exercise price that is at a 50% premium to the volume-weighted average market price (VWAP) for shares for the twenty (20) trading days immediately prior to the date of the issue and will expire three (3) years from date of issue.

(ii) Director D options has an exercise price that is at a 100% premium to the volume-weighted average market price (VWAP) for shares for the twenty (20) trading days immediately prior to the date of the issue and will expire four (4) years from date of issue.

Proteomics International Laboratories Ltd

REMUNERATION REPORT (continued)

E. Share-based Compensation (continued)

Fair Value of Director C and Director D Options

These previously unissued Director C and Director D options were offered on 15 November 2021 to newly appointment Non-Executive Directors Neville Gardiner and Dr Robyn Elliot as a reward and incentive, were subject to shareholder approval, and were provisionally valued at 30 June 2022. The issue of these Director and C and D options was approved by the shareholders at the AGM held on 24 November 2022, and they have been vested and revalued at the issue date as follows:

Particulars	Director C	Director D
Number of options	375,000	375,000
Valuation date	24 November 2022	24 November 2022
Expiry date	23 November 2025	23 November 2026
Underlying share price used	$0.850	$0.850
Exercise price	$1.320	$1.76
Risk-free rate	3.24%	3.29%
Volatility	75%	75%
Dividend yield	nil	nil
Valuation per Option	$0.3364	$0.3483

The revised value placed on these Director C options is $126,146 and the amount allocated to the share based payment expenses in the statement of profit or loss and other comprehensive income in the period ended 30 June 2023 is $33,843.

The revised value placed on these Director D options is $130,622 and the amount allocated to the share based payment expenses in the statement of profit or loss and other comprehensive income in the period ended 30 June 2023 is $36,335.

The Company has used the Black Scholes Model to value the Director C and Director D options.

Fair Value of Employee Incentive Options - Chief Financial Officer (CFO)

These options were issued on 20 July 2021 pursuant to the terms of an Employee Incentive Options Plan and are issued in tranches of 50,000 options with differing vesting dates.

The assessed fair value at grant date was determined using a Black-Scholes Model with the following key inputs:

Particulars	Tranche 1	Tranche 2	Tranche 3
Number of CFO options	50,000	50,000	50,000
Valuation date	20 July 2021	20 July 2021	20 July 2021
Expiry date	12 July 2024	12 July 2024	12 July 2024
Vesting date	12 July 2022	12 July 2023	12 July 2024
Underlying share price used	$1.015	$1.015	$1.015
Exercise price	$1.16	$1.16	$1.16
Risk-free rate	0.13%	0.13%	0.13%
Volatility	75%	75%	75%
Dividend yield	nil	nil	nil
Valuation per Option	$0.4558	$0.4558	$0.4558

These CFO options will expire on 12 July 2024 (the expiry date) and, once vested, may be exercised at any time prior to the expiry date. Options not exercised shall lapse on the expiry date. Options will immediately lapse if employment ceases prior to the vesting date.

The total determined value for these CFO options is $68,372 and the amount allocated to the statement of profit or loss and other comprehensive income for the year ended 30 June 2023 is $20,290.

REMUNERATION REPORT (continued)

E. Share-based Compensation (continued)

Performance Rights - Chief Financial Officer

	2023 Rights	2022 Rights	2023 $	2022 $
Chief Financial Officer (CFO)	61,574	73,095	23,056	33,504

Class of performance rights	Number issued to Chief Financial Officer (CFO)
Tranche 1 performance rights issued	11,521
Performance rights exercised	(11,521)
Tranche 2 performance rights issued	11,574
Milestone C performance rights issued	50,000
	61,574

Tranche 1 performance rights are subject to continuous service under the Employment Contract, and were issued on 20 July 2021 vested on 1 July 2022 and exercised on 22 August 2022.

Tranche 2 performance rights are subject to continuous service under the Employment Contract, and were issued on 20 July 2021 and will vest on 1 July 2023. These rights were exercised subsequent to balance date. Refer to note 24.

Milestone C performance rights are subject to the Company achieving an annual net profit target set by the Board and independently verified by the Company's auditors, and were issued on 20 July 2021 and will lapse after 3 full financial years of the commencement of the Employment Contract.

Each performance right automatically converts into one ordinary share on vesting at an exercise price of nil. The CFO (referred to as executive) does not receive any dividends and are not entitled to vote in relation to the performance rights during the vesting period. If an executive ceases to be employed by the Company within this period, the performance rights issued to that executive will be forfeited.

The fair value of these performance rights at grant date was estimated by taking the market price of the Company's shares on that date less the present value of expected dividends that will not be received by the executives on their rights during the vesting period. The fair value is estimated at $74,191 and the amount allocated to the share based payment expense in the statement of profit or loss and other comprehensive income for the year ended 30 June 2023 is $23,056 (30 June 2022: $33,504).

Proteomics International Laboratories Ltd

REMUNERATION REPORT (continued)

F. Additional disclosure relating to key management personnel

Shareholding

The number of shares in the Company held during the year by each Director and other members of Key Management Personnel of the consolidated entity, including their personally related parties, is set out below:

Directors and Key Management Personnel	Balance at the start of the year	Received as part of remuneration	Shares Received on exercise of options and performance rights	Other changes during the year (i)	Balance at the end of the year
2023					
Dr Richard Lipscombe	19,048,704	-	-	-	19,048,704
Ian Roger Moore	817,000	-	100,000	58,824	975,824
Paul House	818,864	-	100,000	117,647	1,036,511
Neville Gardiner	-	-	-	117,647	117,647
Robyn Elliot	-	-	-	-	-
Jacqueline Gray	-	-	11,521	41,000	52,521

(i) Reflects sales and purchases of shares in the market by key management personnel and/ or their related parties.

Option holding

The number of options in the Company held during the year by each Director and other members of the Key Management Personnel of the consolidated entity, including their personally related parties, is set out below:

Directors and Key Management Personnel	Balance at the start of the year	Received as part of remuneration	Shares Received on exercise of options	Balance at the end of the year (vested)	Balance at the end of the year (unvested)
2023					
Terry Sweet	200,000	-	(200,000)	-	-
Dr Richard Lipscombe	-	-	-	-	-
Ian Roger Moore	100,000	-	(100,000)	-	-
Paul House	100,000	-	(100,000)	-	-
Neville Gardiner (i)	500,000	-	-	-	500,000
Dr Robyn Elliott (i)	250,000	-	-	-	250,000
Jacqueline Gray	150,000	-	-	50,000	100,000

(i) Director C and Director D options were granted on 15 November 2021 to Non-Executive Directors Neville Gardiner and Dr Robyn Elliot as an effective and efficient method of supplementing Non-Executive Director's fees. The issue of these Director C and Director D options was approved by the shareholders at the AGM on 24 November 2022, and have been revalued at the issue date of 24 November 2022.

REMUNERATION REPORT (continued)

F. Additional disclosure relating to key management personnel

Rights holding

The number of rights in the Company held during the year by each Director and other members of the Key Management Personnel of the consolidated entity, including their personally related parties, is set out below:

Directors and Key Management Personnel		Balance at the start of the year	Received as part of remuneration	Shares Received on exercise of performance rights	Balance at the end of the year (vested)	Balance at the end of the year (unvested)
2023						
Jacqueline Gray	CFO	73,095	-	(11,521)	-	61,574

G. Transactions with Key Management Personnel

The Company entered into the following transactions with key management personnel during the year:

(i) Loans from directors

There were no loans entered into with key management personnel during the year.

(ii) Consultancy services

There were no consultancy services provided by key management personnel during the year ended 30 June 2023.

THIS IS THE END OF THE AUDITED REMUNERATION REPORT

Proteomics International Laboratories Ltd

SHARES UNDER OPTION

Unissued ordinary shares of the Company under option at the date of this report are as follows:

Date options granted	Expiry date	Exercise price	Number under option
20/07/2021	1/06/2024	$1.44	300,000
20/07/2021	12/07/2024	$1.16	150,000
24/11/2022	23/11/2025	$1.32	375,000
24/22/2022	23/11/2026	$1.76	375,000
			1,200,000

The options are exercisable at any time before the expiry date.
The number of options that were converted into shares during the year ended 30 June 2023 was 5,790,279 (30 June 2022: 500,000).
The number of options that lapsed during the year ended 30 June 2023 was 500,000 (30 June 2022: nil).

INSURANCE OF OFFICERS

During the year ended 30 June 2023, the Company paid a premium in respect of a contract insuring the Directors and Officers of the Company and any subsidiary against a liability incurred as a Director or Officer to the extent permitted by the Corporations Act 2001. Due to a confidentiality clause in the policy, the amount of the premium has not been disclosed.

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 Company, 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 willful 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 or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purposes of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001* .

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties, where the auditors' expertise and experience with the Company are important. Non-audit services provided by BDO Corporate Tax (WA) Pty Ltd during the year ended 30 June 2023 were in respect to consulting and amounted to $11,680 (30 June 2022: $16,310).

AUDITOR

BDO Audit (WA) Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001* .

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is attached on page 44.

This report is made in accordance with a resolution of the Directors.

Neville Gardiner
Chairman
Perth, Western Australia
Dated 22 August 2023

Auditor's Independence Declaration

BDO

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PO Box 700 West Perth WA 6872
Australia

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

As lead auditor of Proteomics International Laboratories Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

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

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

Ashleigh Woodley

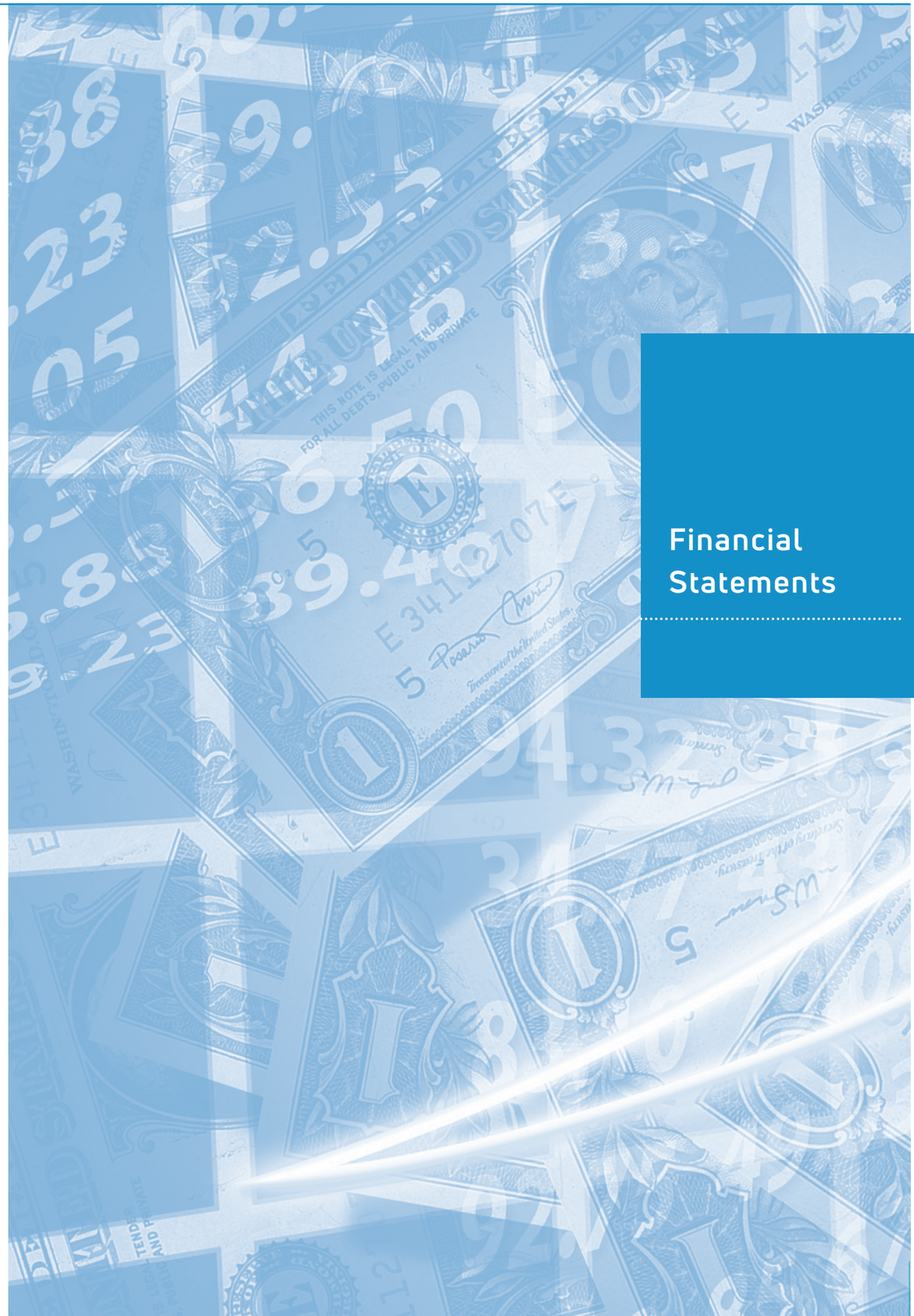
Director

BDO Audit (WA) Pty Ltd

Perth

22 August 2023

Proteomics International Laboratories Ltd



Financial Statements

Financial Statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Consolidated Entity 2023 $	Consolidated Entity 2022 $
Revenue from continuing operations:			
- Services	5	730,340	1,489,323
- Research grants and other income	2(a)	593,328	229,794
Other income			
- Interest income		136,505	5,438
- Research and development tax incentive	2(a)	1,848,832	1,711,903
- Profit on sale of plant & equipment	2(b)	11,857	-
Total revenue from continuing operations		3,320,862	3,436,458
Employment and labour expenses	2(c)	4,784,670	3,847,285
Share based payments expense	1(g), 12(d)	324,374	511,693
Depreciation expense		529,529	416,861
Intellectual property maintenance expenses		268,532	151,809
Interest expense		-	446
Interest expense - lease liabilities		-	2,247
Laboratory supplies		1,903,797	1,806,924
Professional fees		720,716	945,477
Travel and marketing expenses		313,185	120,149
Laboratory access fees		173,120	99,209
Loss (gain) in foreign currency translation	2(b)	8,536	(760)
Other expenses		528,713	508,078
Total Expenditure		9,555,172	8,409,418
(Loss) before income tax		(6,234,310)	(4,972,960)
Income tax (expense) / benefit	3(a)	-	-
(Loss) after income tax from continuing operations		(6,234,310)	(4,972,960)
Total comprehensive (loss) for the year attributable to:			
Equity holders of Proteomics International Laboratories Ltd		(6,176,573)	(4,972,960)
Non-controlling interests		(57,737)	-
		(6,234,310)	(4,972,960)
Basic (loss) per share for the year attributable to the members of Proteomics International Laboratories Ltd	23	(0.05)	(0.05)
Diluted (loss) per share		N/A	N/A

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Proteomics International Laboratories Ltd

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Notes	Consolidated Entity 2023 $	Consolidated Entity 2022 $
CURRENT ASSETS			
Cash and cash equivalents	4	6,027,315	2,111,514
Trade and other receivables	6	145,730	440,125
Other assets	7	2,153,812	1,810,513
TOTAL CURRENT ASSETS		8,326,857	4,362,152
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,620,852	973,391
Other assets		59,563	59,563
Right-of-use assets		67,095	-
Intangible assets		1,012	1,012
TOTAL NON-CURRENT ASSETS		1,748,522	1,033,966
TOTAL ASSETS		10,075,379	5,396,118
CURRENT LIABILITIES			
Trade and other payables	9	580,041	1,345,708
Deferred income	5	368,756	355,977
Lease liabilities		30,541	-
Provisions	10	123,468	-
TOTAL CURRENT LIABILITIES		1,102,806	1,701,685
NON-CURRENT LIABILITIES			
Deferred income	5	582,494	133,920
Lease liabilities		33,547	-
Provisions	10	33,276	166,671
TOTAL NON-CURRENT LIABILITIES		649,317	300,591
TOTAL LIABILITIES		1,752,123	2,002,276
NET ASSETS		8,323,256	3,393,842
EQUITY			
Issued capital	11	30,180,264	19,340,914
Reserves	13	1,828,310	1,682,998
Accumulated (losses)	14	(23,627,581)	(17,630,070)
Parent Entity Interest		8,380,993	3,393,842
Non-controlling Interest		(57,737)	-
TOTAL EQUITY		8,323,256	3,393,842

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

CONSOLIDATED ENTITY 30 JUNE 2023

	Notes	Issued Capital Ordinary	Reserves	(Accumulated Losses)	Non-controlling interest	Total Equity
		$	$	$	$	$
Balance at 1 July 2022		19,340,914	1,682,998	(17,630,070)	-	3,393,842
(Loss) for the year attributable to members of the parent entity		-	-	(6,176,573)	-	(6,176,573)
(Loss) attributable to non-controlling interest		-	-		(57,737)	(57,737)
Other comprehensive income/(loss) for the year		-	-	-	-	-
Total comprehensive (loss) for the year		-	-	(6,176,573)	(57,737)	(6,234,310)
Transactions with Equity Holders in their capacity as Equity Holders						
Equity issued net of share issue costs	11	7,334,924	-	-	-	7,334,924
Conversion of options	11	3,504,426	(179,062)	179,062	-	3,504,426
Share based payments expense	1(g), 12(d)	-	324,374	-	-	324,374
		10,839,350	145,312	-	-	11,163,724
Balance as at 30 June 2023		30,180,264	1,828,310	(23,627,581)	(57,737)	8,323,256

CONSOLIDATED ENTITY 30 JUNE 2022

	Notes	Issued Capital Ordinary	Reserves	(Accumulated Losses)	Total Equity
		$	$	$	$
Balance at 1 July 2021		19,095,227	1,171,305	(12,657,110)	7,609,422
(Loss) for the year		-	-	(4,972,960)	(4,972,960)
Other comprehensive income for the year		-	-	-	-
Total comprehensive (loss) for the year		-	-	(4,972,960)	(4,972,960)
Transactions with Equity Holders in their capacity as Equity Holders					
Equity issues net of share issue costs	11	245,687	-	-	245,687
Share based payments expense	1(g), 12(d)	-	511,693	-	511,693
		245,687	511,693	-	757,380
Balance as at 30 June 2022		19,340,914	1,682,998	(17,630,070)	3,393,842

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Proteomics International Laboratories Ltd

CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Consolidated Entity 2023 $	Consolidated Entity 2022 $
Cash flows from operating activities			
Receipts from customers, grants and other income		2,041,098	1,691,901
Payments to suppliers and employees		(9,555,415)	(6,474,765)
Interest paid		-	(2,693)
Interest received		109,504	5,438
Research and development tax incentive		1,711,902	1,240,156
Net cash (outflow) from operating activities	4	(5,692,911)	(3,539,963)
Cash flows from investing activities			
Proceeds from sale of plant and equipment		52,779	-
Payment for plant and equipment		(1,217,910)	(129,458)
Net cash (outflow) from investing activities		(1,165,131)	(129,458)
Cash flows from financing activities			
Proceeds from the issue of shares (net of costs)		7,345,753	-
Proceeds from the conversion of options		3,493,597	245,147
Loans to employees		(62,500)	-
Repayment of lease liabilities		(3,007)	(69,046)
Net cash inflow from financing activities		10,773,843	176,101
Cash and cash equivalents at 1 July		2,111,514	5,604,834
Net increase in cash and cash equivalents		3,915,801	(3,493,320)
Cash and cash equivalents at 30 June	4	6,027,315	2,111,514

The above Consolidated Statement of Cash Flow should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report Proteomics International Laboratories Ltd and its subsidiaries (the Company) for the financial year ended 30 June 2023 was authorised for issue in accordance with a resolution of the Directors on the 22nd of August 2023.

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

The nature of the operations and principal activities of the Company are described in the Director's report above.

(a) Basis of preparation

The principle accounting policies adopted for the preparation of financial statements are set out below. These accounting policies have been applied consistently to all periods presented unless otherwise stated.

(i) *Statement of compliance*

These general purpose financial statements have been prepared in accordance with the requirements of the *Corporations Act 2001* , Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the*Corporations Act 2001* .

The Company is a for profit entity for the purpose of preparing the financial statements.

The financial statements of the Company also comply with the International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**).

(ii) *Basis of measurement*

The financial statements have been prepared on an accruals basis and are based on historical cost other than investments which are recorded at fair value. The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated.

(iii) *Going Concern*

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

(b) Segment Information

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

Operating segments are reported in a uniform manner which is internally provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors (the Board).

An operating segment is a component of the organisation that engages in business activity from which it may earn revenues or incur expenditure, including those that relate to transactions with other organisation components. Each operating segment's results are reviewed regularly by the Board when making decisions about resources to be allocated to the segments and assess its performance, and for which discrete financial information is available.

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

The Board has determined that strategic decision making is facilitated by evaluation of the operations of the legal parent and subsidiaries, which represent the operational performance of the Company's revenues and the research and development activities as well as the finance, treasury, compliance and funding elements.

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

(c) Estimates and judgements

The preparation of the financial statements requires the use of accounting estimates and judgements which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involve a degree of judgement or complexity in preparing the financial information. Facts and circumstances may come to light after the event which may have significantly varied the assessment used, and which may result in a materially different value being recorded at the time of preparing these financial statements.

(i) Deferred taxes
Deferred tax assets have not been brought to account as it is not considered probable that the Company will make taxable profits over the next 12 months. The Company will make a further assessment at the next reporting period.

(ii) Impairment of assets
The Company assesses the impairment of assets at each reporting date by evaluating conditions specific to the asset that may lead to impairment. The assessment of impairment is based on the best estimate of future cash flows available at the time of preparing the report. However, facts and circumstances may come to light in later periods which may change this assessment if these facts had been known at the time.

(iii) Recoverability of Research & Development tax incentive
The Company has registered its research and development activities with the Department of Industry, Innovation and Science. Therefore, the Company is entitled to claim a tax incentive each year based on eligible research and development costs it incurs and, based on successful claims in previous years, the Company expects that it will receive the amount calculated.

(iv) Lease extensions
The Company entered into a facility licence agreement with the Harry Perkins Institute on 1 July 2019 for a period of 3 years. This facility licence agreement ended on 1 July 2022. At the date of this report, a renewal of the facility licence agreement has been agreed, with the terms and fees to be determined.

(v) Share Based Payments
Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market based vesting conditions. Details regarding the determination of the fair value of equity settled share based transactions are set out in the Share Based Payments note.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of the number of equity instruments expected to vest as a result of the effect of non-market based vesting conditions.

(d) Principles of consolidation

Subsidiaries:
Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

Intercompany Transactions:
Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company.

(e) Revenue recognition and other income

Revenue is recognised when or as the Company transfers control of goods or services to a customer, at the amount to which the Company expects to be entitled.

The following is a description of the principal activities from which the Company generates its revenue and other income:

(i) Research grant and equivalent/other income including the Research & Development Tax Incentive

Grants and other income are recognised at their fair value where it is probable that the grant and other income will be received.

The Company is eligible to claim, and receive, a tax credit for its qualifying research and development activities (Research & Development tax incentive). The Research & Development tax credit received by the Company in the year ended 30 June 2023 amounted to $1,711,902.

(ii) Revenue from contracts with customers - Commercialisation of PromarkerD

Revenue from commercialisation of PromarkerD is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a product or service to a customer.

(iii) Revenue from contracts with customers - Sales of Analytical and Other Services

Revenue from the provisions of analytical and other services is recognised in the accounting period in which the services are rendered.

If services rendered by the Company exceed the payment received, a contract asset is recognised. If the payment received exceeds the services rendered, a contract liability is recognised.

In some circumstances, analytical and other services are bundled together with provision of sales of services and products. The sale of products is a separate performance obligation and transaction price is allocated to the products and services on a relative stand-alone selling price basis.

(f) Employee Benefits

Liabilities for wages and salaries (including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period, and are measured at the amounts expected to be paid when the liabilities are settled.

The liabilities are presented as current liabilities in the statement of financial position, described as other payables, and comprise provision for annual leave and provision for long service leave.

The liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit or loss and other comprehensive income.

Contributions to superannuation funds are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(g) Share based payments

Share-based payments compensation benefits are provided to employees, Directors and consultants via the issues of shares, performance rights and/or options.

The fair value of the shares, performance rights and options granted as compensation benefits are recognised as a share based payments expense in the statement of profit or loss and other comprehensive income with a corresponding increase in equity in the statement of financial position.

Share-based payments compensation benefits are provided to consultants for capital raising via the issues of shares and/or options.

The fair value of the shares and options granted in relation to capital raisings are recognised as a transaction cost and offset against equity in the statement of financial position.

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For the year ended 30 June 2023

(h) Foreign currency translation and transactions

Both the functional and presentation currency of the Company is in Australian dollars.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date.

(i) Income tax

The income tax expense or benefit for the year is the tax payable on that year's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

(i) When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

(ii) When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities, and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle simultaneously.

(j) Joint Arrangements

The Company entered into a collaborative joint arrangement with the University of Western Australia during the year ended 30 June 2020 for the expansion and operation of the Western Australian Proteomics Facility.

The collaboration arrangement is not structured through a separate entity. Both parties to the arrangement will operate independently with each party maintaining independent rights to the assets of the collaboration, and liabilities resulting from activities under the arrangement will be several, and not joint or joint and several. The arrangement has therefore been classified as a joint operation and the Company recognises its direct right to the jointly held assets liabilities, revenues and expenses in accordance with AASB 11 - Joint Arrangements.

(k) 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 current when:

(i) it is expected to be realised or intended to be sold or consumed in normal operating cycle;
(ii) it is held primarily for the purpose of trading;
(iii) it is expected to be realised within twelve months after the reporting period; or
(iv) the asset is cash or cash equivalent, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

(i) it is expected to be settled in normal operating cycle;
(ii) it is held primarily for the purpose of trading;
(iii) it is due to be settled within twelve months after the reporting period; or
(iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

(l) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the statement of cashflows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

(m) Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are usually due for settlement within 60 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are then recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method.

The Company applies the AASB 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets.

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 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 Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

(n) Property, plant and equipment

The Company's accounting policy for 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 on foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the carrying amount of an asset 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 Company 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.

Depreciation is calculated on a diminishing value basis or on a straight line basis, as appropriate, to write off the net cost of each item of plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment 3-10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under finance lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

(o) Leases

AASB 16 Leases

AASB 16 has been adopted from 1 July 2019. The standard replaces AASB 117 "Leases" and for leases eliminates the classifications of operating leases and

Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in depreciation expense) and

For classification within the statement of cash flows, the interest portion is included in interest paid and the principal portion of the lease payments are separately disclosed as repayment of lease liabilities.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Right-of-use assets are adjusted for any remeasurement of lease liabilities.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the net present value of the lease payments

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the lease term or future lease payments arising from a change in an index or rate used. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset.

(p) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 60 days of recognition.

(q) Provisions

Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of a past event, it is probable the Company 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) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

(s) 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

(t) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of Proteomics International Laboratories Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(u) Goods and Services Tax (GST) and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in either other receivables or in other 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 tax authority are presented as operating cash flows.

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

(v) New Accounting Standards not yet Mandatory

Certain new/amended accounting standards and interpretations have been issued but are not mandatory for financial years ended 30 June 2023 and have not been earlier adopted in preparing the financial statements. The Group's assessment of the impact of these new standards is that they are not expected to have a material impact on the Group in the current or future reporting periods.

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

2. LOSS FOR THE YEAR

	Notes	Consolidated Entity 2023 $	Consolidated Entity 2022 $
Loss for the full year included the following:			
(a) Research & Development Tax incentive (i)		1,848,832	1,711,903
Grants received		413,515	100,000
Other income		179,813	129,794
(b) Other expenses (income)			
Unrealised loss (gain) in foreign currency translation		430	(59)
Realised loss (gain) in foreign currency translation		8,106	(760)
Loss (gain) on sale of plant and equipment		(11,857)	-
(c) Employee and labour expenses			
Salaries and wages		3,809,863	3,000,272
Other personnel costs		555,355	473,351
Superannuation		427,364	297,461
(Decrease) increase in leave liabilities		(7,912)	76,201
		4,784,670	3,847,285
Share based payments expense	1(g), 12(d)	324,374	511,693
		5,109,044	4,358,978

(i) Research & Development Tax incentive

The Company undertakes a substantial amount of research in its daily activities. The Company has registered its activities and is able to claim a tax incentive (rebate) each year based on eligible research and development costs incurred during a financial year. The estimated amount of the incentive (rebate) is included as an income item in the consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2023, and the corresponding receivable included in the consolidated statement of financial position. The receipt of the tax incentive will occur in the year ended 30 June 2024.

3. INCOME TAX EXPENSE / (BENEFIT)

(a) Income tax expense / (benefit)

	Consolidated Entity 2023 $	Consolidated Entity 2022 $
Current tax / (over provision in prior year)	-	-
Deferred tax	-	-
(b) Numerical reconciliation of income tax to prima facie tax		
(Loss) from continuing operations	(6,234,310)	(4,972,960)
Tax at the Australia tax rate 25%	(1,558,578)	(1,243,240)
Tax effect of the amounts that are not deductible / (taxable) in calculating taxable income:		
- Share based payments	81,094	127,923
- Research and development tax incentive	(462,208)	(427,976)
- Expected credit losses	28,494	76,170
- Reduction in loss for tax credit	1,911,198	1,467,123
	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

3. INCOME TAX EXPENSE / (BENEFIT) (continued)

(c) Tax losses

Unused tax losses for which no deferred tax assets have been recognised	Notes	Consolidated Entity 2023 $	Consolidated Entity 2022 $
Australian losses		8,805,801	5,411,199
Potential tax benefit at 25%		2,201,450	1,352,800

The tax benefits of the above deferred tax assets will only be obtained if:

(i) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
(ii) the Company continues to comply with the conditions for deductibility imposed by law; and
(iii) no changes in income tax legislation adversely affects the Company in utilising the benefits.

(d) Unrecognised temporary differences

Provisions	(18,525)	9,270
Accruals	(30,596)	116,723
Tax losses	8,805,801	5,411,199
	8,756,680	5,537,192

4. RECONCILIATION OF CASH

Cash at bank	236,859	1,111,514
Deposits at call	5,790,456	1,000,000
	6,027,315	2,111,514

Reconciliation of loss after income tax to net cash flows from operating activities

Loss for the year		(6,234,310)	(4,972,960)
Non-cash items:			
Profit on sale of assets		(11,858)	
Depreciation		529,529	416,861
Unrealised foreign currency loss (gain)		430	(59)
Share based payments expense	1(g), 12(d)	324,374	511,693
Financing Activities:			
Share issue from employee loans		62,500	-
Operating Activities:			
(Increase) / decrease in trade and other debtors		294,395	(139,077)
(Increase) / decrease in other assets		(231,922)	(438,148)
Increase / (decrease) in trade and other creditors		(416,123)	1,005,526
Increase / (decrease) in provisions		(9,926)	76,201
		(5,692,911)	(3,539,963)

Refer to Note 15 for further information on risk exposure.

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

5. REVENUE

The Company has disaggregated revenue into various categories which is intended to:

- Depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors, and
- Enable users to understand the relationship with revenue information in the statement of profit or loss and other comprehensive income.

Product Type	Consolidated Entity 2023 $	Consolidated Entity 2022 $
Licensing Income	14,881	-
Analytical Services	715,459	1,489,323
	730,340	1,489,323
Timing of Transfer of Goods and Services		
Point in time	-	-
Over Time	730,340	1,489,323
	730,340	1,489,323
Primary Geographic Markets		
Australia and NZ	591,049	1,217,411
USA (and Territories)	90,867	155,224
Europe	12,556	108,469
India	35,750	6,183
SE Asia	118	2,036
	730,340	1,489,323
Deferred Revenue (i) (ii)		
Current	368,756	355,997
Non-Current	582,494	133,920
	951,250	489,917

(i) Deferred revenue in 2023 primarily relates to funds received under the collaboration agreement with University of Western Australia. Refer Note 1(j)
(ii) Deferred revenue in 2022 primarily relates to funding secured to support the manufacture of the PromarkerD test in Australia.

6. TRADE AND OTHER RECEIVABLES

Trade receivables	129,838	438,102
less: Expected credit losses (c)	(34,617)	-
Other receivables - GST Receivable	50,509	2,023
	145,730	440,125

(a) Classification of trade and other receivables:
Trade receivables are amounts due from customers for services performed in the ordinary course of business. The trade receivables are generally due for settlement within 60 days and therefore are classified as current.

(b) Fair value of trade and other receivables:
Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

(c) The Company has adopted the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The expected credit loss is calculated to be $34,617 as at 30 June 2023 (nil as at 30 June 2022).

(d) Refer to Note 15 for further information on risk exposure.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

	Consolidated Entity 2023 $	Consolidated Entity 2022 $
7. OTHER ASSETS		
Current:		
Research and development tax incentive (i)	1,848,832	1,711,903
Patent Fee - Advances	32,212	7,860
Loans to employees	62,500	-
Accrued Income	90,984	7,000
Prepayments (ii)	119,284	83,750
	2,153,812	1,810,513

(i) refer to Note 2(a)
(ii) comprises prepaid insurance, subscriptions and equipment maintenance agreement.

8. PROPERTY, PLANT AND EQUIPMENT		
Plant and Equipment at cost (i)	3,741,625	2,576,492
Accumulated depreciation	(2,120,773)	(1,603,101)
Closing Net Book Value	1,620,852	973,391
Reconciliation:		
Opening net book value	973,391	1,196,876
Additions	1,217,910	129,463
Disposals	(40,920)	-
Depreciation charge	(529,529)	(352,948)
Closing Net Book Value	1,620,852	973,391

(i) includes capitalised leased assets.

9. TRADE AND OTHER PAYABLES		
Current:		
Trade payables	154,305	517,047
Other payables	225,593	631,630
Employee Benefits	200,143	197,031
	580,041	1,345,708

(a) Classification of trade and other payables:
Trade payable are unsecured and are usually paid within 60 days of recognition and therefore are classified as current.
(b) Fair value of trade and other payables:
The carrying amount of trade and other payables are assumed to be the same as their fair value, due to their short-term nature.
(c) Refer to Note 15 for further information on risk exposure.

10. PROVISIONS		
Current:		
Employee benefits - long service leave	123,468	-
Non-current		
Employee benefits - long service leave	33,276	166,671

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

11. ISSUED CAPITAL

	2023 No.	2022 No.	2023 $	2022 $
Ordinary Shares	120,978,992	105,705,875	30,180,264	19,340,914
Total consolidated issue capital				

Movement in share capital - 30 June 2023

Date	Details	No. of Shares 30-Jun-23	Amount $
01/07/2022	Opening balance	105,705,875	19,340,914
11/07/2022	Exercise of performance rights (i)	47,778	-
19/08/2022	Issue of shares (ii)	9,117,647	7,750,000
22/08/2022	Exercise of performance rights (iii)	23,295	-
22/11/2022	Exercise of options (iv)	400,000	268,000
24/11/2022	Issue of shares (v)	294,118	250,000
11/01/2023	Exercise of options (vi)	50,000	25,000
19/01/2023	Exercise of options (vi)	50,000	25,000
19/01/2023	Exercise of options (vii)	175,000	87,500
27/01/2023	Exercise of options (vi)	150,000	75,000
27/01/2023	Exercise of options (viii)	1,100,000	825,000
27/01/2023	Exercise of options (ix)	1,100,000	825,000
07/02/2023	Exercise of options (vi)	50,000	25,000
14/02/2023	Exercise of options (vi)	300,000	150,000
17/03/2023	Exercise of options (vi)	98,112	49,056
27/03/2023	Exercise of options (vi)	2,092,167	1,046,084
01/05/2023	Exercise of options (vii)	225,000	112,500
	Less: Transaction costs	-	(673,790)
30/06/2023	Closing balance	120,978,992	30,180,264

(i) Unquoted Class A performance rights to employees.
(ii) Issued to Australian-based institutions, and sophisticated and professional investors.
(iii) Unquoted performance rights to key management personnel.
(iv) Director B options exercised by Terry Sweet, Ian Roger Moore and Paul House.
(v) Issued to Director Neville Gardiner, Ian Roger Moore and Paul House following receipt of shareholder approval on 24 November 2022.
(vi) Corporate Advisors Alto Capital, Adelaide Equity Partners and their related parties exercised 2,790,279 options.
(vii) Employees exercised 400,000 unquoted employee options pursuant to an Employee Incentive Option Plan.
(viii) Consultant Candour Advisory and their related parties exercised 1,100,000 options.
(ix) Consultant Euroz Hartleys Securities Limited exercised 1,100,000 options.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

11. ISSUED CAPITAL (continued)

Movement in share capital - 30 June 2022		No. of Shares	Amount
Date	**Details**	**30-Jun-22**	**$**
1/07/2021	Opening balance	105,205,875	19,095,227
2/08/2021	Exercise of options (i)	50,000	25,000
4/11/2021	Exercise of options (ii)	400,000	200,000
11/02/2022	Exercise of options (i)	50,000	25,000
	Less: Transaction costs	-	(4,313)
30/06/2022	Closing balance	105,705,875	19,340,914

(i) Corporate Advisors Alto Capital and Adelaide Equity Partners exercised 100,000 options.
(ii) Director A options exercised by Terry Sweet, Ian Roger Moore and Paul House.

Ordinary shares
Ordinary shares entitle the holder to participate in dividends, and to share in the proceeds of winding up of the Company in proportion to the number of and amounts paid on the shares held.
Upon a poll every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, for each share held.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

12. OPTIONS

(a) Options - Issued	2023 No. of Options	2022 No. of Options
Options exercisable at $0.67 each (i)	-	400,000
Options exercisable at $0.50 each (ii)	-	2,790,279
Options exercisable at $0.50 each (iii)	-	400,000
Options exercisable at $0.50 each (iv)	1,250,000	1,250,000
Options exercisable at $0.75 each (v)	-	1,100,000
Options exercisable at $0.75 each (vi)	-	1,100,000
Options exercisable at $1.75 each (vii)	-	500,000
Options exercisable at $1.44 each (viii)	300,000	300,000
Options exercisable at $1.16 each (ix)	150,000	150,000
Options exercisable at $1.32 each (x)	375,000	-
Options exercisable at $1.76 each (x)	375,000	-
Total issued options	2,450,000	7,990,279

(i) Unlisted - Director B options issued to Directors - Terry Sweet, Ian Roger Moore and Paul House for nil consideration and issued as a reward and incentive.
(ii) Unlisted - issued to corporate advisors - Alto Capital and Adelaide Equity Partners for services provided.
(iii) Unlisted - employee options issued to employees nil consideration under an Employee Incentive Option Plan.
(iv) Unlisted - issued to consultants for services provided.
(v) Unlisted - issued to consultant - Euroz Hartleys Securities Limited for services provided.
(vi) Unlisted - issued to consultant - Candour Advisory Pty Ltd for services provided.
(vii) Unlisted - issued to consultant - Euroz Hartleys Securities Limited for services provided.
(viii) Unlisted - issued to employee under Employee Incentive Options Plan.
(ix) Unlisted - issued to key management personnel (CFO) under Employee Incentive Options Plan.
(x) Unlisted - Director C and Director D options issued to Directors - Neville Gardiner and Dr Robyn Elliot for nil consideration and issued as a reward and incentive following receipt of shareholder approval on 24 November 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

12. OPTIONS (continued)

Movement in options issued

	2023		2022	
	Average exercise price	**Number of Options**	**Average exercise price**	**Number of Options**
As at 1 July	$0.66	7,990,279	$0.62	8,040,279
Exercise of options during the period	$0.67	(400,000)	$0.50	(400,000)
Exercise of options during the period	$0.50	(2,790,279)	$0.50	(100,000)
Exercise of options during the period	$0.50	(400,000)	-	-
Exercise of options during the period	$0.75	(1,100,000)	-	-
Exercise of options during the period	$0.75	(1,100,000)	-	-
Options lapsed during the period	$1.75	(500,000)	-	-
Issued during the period	$1.44	-	$1.44	300,000
Issued during the period	$1.16	-	$1.16	150,000
Issued during the period	$1.32	375,000	-	-
Issued during the period	$1.76	375,000	-	-
As at 30 June	**$0.97**	**2,450,000**	**$0.66**	**7,990,279**

Issued options outstanding at the end of the year have the following expiry date and exercise price:

Grant Date	Expiry Date	Exercise Price	No. Options
18/08/2020 (i)	18/08/2023	$0.50	1,250,000
20/07/2021 (ii)	1/06/2024	$1.44	300,000
20/07/2021 (iii)	12/07/2024	$1.16	150,000
24/11/2022 (iv)	23/11/2025	$1.32	375,000
24/11/2022 (iv)	23/11/2026	$1.76	375,000

(i) Unlisted - issued to consultant for services provided.
(ii) Unlisted - issued to Chief Commercialisation Officer under Employee Incentive Options Plan.
(iii) Unlisted - issued to Chief Financial Officer under Employee Incentive Options Plan.
(iv) Unlisted - Director C options issued to Directors - Neville Gardiner and Dr Robyn Elliot for nil consideration and issued as a reward and incentive following receipt of shareholder approval on 24 November 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

12. OPTIONS (continued)

(a) Fair Value of Director C and Director D Options

These Director C and Director D options were offered on 15 November 2021 to newly appointed Non-Executive Directors Neville Gardiner and Dr Robyn Elliot as a reward and incentive and previously valued at 30 June 2022. The issue of these Director C and Director D options was approved by the shareholders at the AGM held on 24 November 2022, and these have been revalued at the issue date as follows:

Particulars	Director C	Director D
Number of options	375,000	375,000
Valuation date	24 November 2022	24 November 2022
Expiry date	23 November 2025	23 November 2026
Underlying share price used	$0.85	$0.85
Exercise price	$1.32	$1.76
Risk-free rate	3.24%	3.29%
Volatility	75%	75%
Dividend yield	nil	nil
Valuation per Option	$0.3364	$0.3483

The revised value placed on the Director C options is $126,146 and the amount allocated to the share based payments expense in the statement of profit or loss and other comprehensive income for the year ended 30 June 2023 is $33,843

The revised value placed on the Director D options is $130,622 and the amount allocated to the share based payments expense in the statement of profit or loss and other comprehensive income for the year ended 30 June 2023 is $36,335.

The Company has used the Black Scholes Model to revalue the Director C and Director D options.

(b) Fair Value of Employee Incentive Options - Chief Financial Officer (CFO)

These options were issued on 20 July 2021 pursuant to the terms of an Employee Incentive Options Plan and are issued in tranches of 50,000 options with differing vesting dates.

The assessed fair value at grant date was determined using a Black-Scholes Model with the following key inputs:

Particulars	Tranche 1	Tranche 2	Tranche 3
Number of CFO options	50,000	50,000	50,000
Valuation date	20 July 2021	20 July 2021	20 July 2021
Expiry date	12 July 2024	12 July 2024	12 July 2024
Vesting date	12 July 2022	12 July 2023	12 July 2024
Underlying share price used	$1.015	$1.015	$1.015
Exercise price	$1.16	$1.16	$1.16
Risk-free rate	0.13%	0.13%	0.13%
Volatility	75%	75%	75%
Dividend yield	nil	nil	nil
Valuation per Option	$0.4558	$0.4558	$0.4558

These CFO options will expire on 12 July 2024 (the expiry date) and, once vested, may be exercised at any time prior to the expiry date. Options not so exercised shall lapse on the expiry date. Options will immediately lapse if employment ceases prior to the vesting date.

The total determined value for these CFO options is $68,372 and the amount allocated to the statement of profit or loss and other comprehensive income for the year ended 30 June 2023 is $20,290 (30 June 2022: is $39,541).

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

12. OPTIONS (continued)

(c) Fair Value of Employee Incentive Options - Chief Commercialisation Officer (CCO)

These options were issued on 20 July 2021 pursuant to the terms of an Employee Incentive Options Plan and are issued in tranches of 100,000 options with differing vesting dates.

The assessed fair value at grant date was determined using a Black-Scholes Model with the following key inputs:

Particulars	Tranche 1	Tranche 2	Tranche 3
Number of options	100,000	100,000	100,000
Valuation date	20 July 2021	20 July 2021	20 July 2021
Expiry date	1 June 2024	1 June 2024	1 June 2024
Vesting date	1 June 2022	1 June 2023	1 June 2024
Underlying share price used	$1.015	$1.015	$1.015
Exercise price	$1.44	$1.44	$1.44
Risk-free rate	0.13%	0.13%	0.13%
Volatility	75%	75%	75%
Dividend yield	nil	nil	nil
Valuation per Option	$0.3905	$0.3905	$0.3905

These Employee Incentive Options will expire on 1 June 2024 (the expiry date) and, once vested, may be exercised at any time prior to the expiry date. Options not so exercised shall lapse on the expiry date.

The total determined value for these options is $117,142 and the amount allocated to the statement of profit or loss and other comprehensive income for the year ended 30 June 2023 is $35,276 (30 June 2022: $68,228). Options not exercised shall lapse on the expiry date. Options will immediately lapse if employment ceases prior to the vesting date

(d) Share based payments expense	Consolidated Entity 2023	Consolidated Entity 2022
Share based payments expense comprising:	$	$
Director C and Director D options - refer note 12(a)	70,178	186,589
CFO options - refer note 12(b)	20,290	39,541
Employee options 12(c)	35,276	68,228
CFO performance rights - refer note 13(a)	23,056	33,504
Performance rights to employees - refer note 13(b)	175,574	183,831
	324,374	511,693

13. RESERVES

Share based payments reserve comprising:

(a) Unlisted options (i)			
	Director A & B	-	179,062
	Director C & D	256,767	186,589
	CFO	59,831	39,541
	Employees (ii)	312,081	276,805
	Payments to consultants	783,666	783,666
(b) Unlisted performance rights			
	CFO	56,560	33,504
	Employees	359,405	183,831
		1,828,310	1,682,998

(i) Refer to Note 12 for further information.
(ii) Includes Employee Incentive Options issued to Chief Commercialisation Officer. Refer to note 12(c).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

13. RESERVES (continued)

(a) Performance Rights issued to CFO (i)

	2023 Rights	2022 Rights	2023 $	2022 $
Chief Financial Officer (CFO)	61,574	73,095	56,560	33,504

Class of performance rights	Number Issued	Number Exercised	Number Lapsed	Number Remaining
Tranche 1 performance rights issued	11,521	(11,521)	-	-
Tranche 2 performance rights issued	11,574	-	-	11,574
Milestone C performance rights	50,000	-	-	50,000
	73,095	(11,521)	-	61,574

(b) Performance Rights issued to Employees (i)

	2023 Rights	2022 Rights	2023 $	2022 $
Class A, B & C performance rights	65,876	143,334	133,663	98,980
FY23 Class A, B & C performance rights	134,253	-	63,987	-
Tranche 1 & 2 and Milestone performance rights (ii)	211,774	223,548	161,755	84,851
	411,903	366,882	359,405	183,831

Class of performance rights	Number Issued	Number Exercised	Number Lapsed	Number Remaining
Class A performance rights	47,778	(47,778)	-	-
Class B performance rights	47,778	-	12,800	34,978
Class C performance rights	47,778	-	16,880	30,898
	143,334	(47,778)	29,680	65,876
FY23 Class A performance rights	55,898	-	8,495	47,403
FY23 Class B performance rights	55,898	-	12,473	43,425
FY23 Class C performance rights	55,898	-	12,473	43,425
	167,694	-	33,441	134,253
Tranche 1 performance rights (ii)	11,774	(11,774)	-	-
Tranche 2 performance rights (ii)	11,774	-	-	11,774
Milestone A performance rights (ii)	50,000	-	-	50,000
Milestone B performance rights (ii)	50,000	-	-	50,000
Milestone C performance rights (ii)	100,000	-	-	100,000
	223,548	(11,774)	-	211,774

(i) Refer to the following page for explanation of terms and conditions of these rights issued.
(ii) Includes performance rights issued to Chief Commercialisation Officer.

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

13. RESERVES (continued)

Each performance right automatically converts into one ordinary share on vesting at an exercise price of nil.

Tranche 1 performance rights are subject to continuous service under the Employment Contract, and were issued on 20 July 2021 to the CCO and CFO and were exercised on 22 August 2022.

Tranche 2 performance rights are subject to continuous service under the Employment Contract, and were issued on 20 July 2021 to the CCO and CFO and will vest on 1 July 2023. 23,348 tranche 2 performance rights were exercised subsequent to 30 June 2023. Refer to Note 24

Milestone A performance rights are subject to the receipt by the Company of payment for a specified number of PromarkerD patient tests billed in the USA, and were issued on 20 July 2021 to the CCO and will lapse within 3 years of the commencement of the Employment Contract.

Milestone B performance rights are subject to the receipt by the Company of payment for a specified number of PromarkerD patient tests billed for any country (excluding the USA), and were issued on 20 July 2021 to the CCO and will lapse within 3 years of the commencement of the Employment Contract.

Milestone C performance rights are subject to the Company achieving an annual net profit target set by the Board and independently verified by the Company's auditors, and were issued on 20 July 2021 to the CCO and CFO and will lapse after 3 full financial years of the commencement of the Employment Contract.

CFO (referred to as an executive) does not receive any dividends and are not entitled to vote in relation to the performance rights during the vesting period. If an executive ceases to be employed by the Company within this period, the performance rights issued to that executive will be forfeited.

The fair value of tranche 2 and milestone performance rights at grant date was estimated by taking the market price of the Company's shares on that date less the present value of expected dividends that will not be received by the executive on their rights during the vesting period. The fair value of the CFO tranche 2 and milestone C performance rights is $62,498 and the amount allocated to the share based payment expense in the statement of profit or loss and other comprehensive income for the year ended 30 June 2023 is $23,056. The fair value of all other tranche 2 and milestone performance rights is $214,950 and the amount allocated to the share based payment expense in the statement of profit or loss and other comprehensive income fore the year ended 30 June 2023 is $76,904.

FY22 Class A performance rights are subject to continuous service under employment contracts, and were issued on 13 December 2021 were exercised on 11 July 2022.

FY22 Class B performance rights are subject to continuous service under employment contracts, and were issued on 13 December 2021 and will vest on 30 June 2023. During the year ended 30 June 2023, 12,800 Class B performance rights lapsed due to the conditions becoming incapable of being satisfied. 34,978 FY22 Class B performance rights were exercised subsequent to 30 June 2023. Refer to note 24.

FY22 Class C performance rights are subject to continuous service under employment contracts, and were issued on 13 December 2021 and will vest on 30 June 2024. During the year ended 30 June 2023, 16,880 Class C performance rights lapsed due to the conditions becoming incapable of being satisfied.

The fair value of these Class A, B and C performance rights is $140,519 and the amount allocated to the share based payment expense in the statement of profit or loss and other comprehensive income for the year ended 30 June 2023 is $34,683.

FY23 Class A performance rights are subject to continuous service under employment contracts, and were issued on 22 November 2022 and will vest on 30 June 2023. During the year ended 30 June 2023, 8,495 FY23 Class A performance rights lapsed due to the conditions becoming incapable of being satisfied. FY23 Class A performance rights were exercised subsequent to balance date. Refer to note 24.

FY23 Class B performance rights are subject to continuous service under employment contracts, and were issued on 22 November 2022 and will vest on 30 June 2024. During the year ended 30 June 2023, 12,473 FY23 Class B performance rights lapsed due to the conditions becoming incapable of being satisfied. 47,403 FY23 Class A performance rights were exercised subsequent to 30 June 2023. Refer to note 24.

FY23 Class C performance rights are subject to continuous service under employment contracts, and were issued on 22 November 2022 and will vest on 30 June 2025. During the year ended 30 June 2023, 12,473 FY23 Class C performance rights lapsed due to the conditions becoming incapable of being satisfied.

The fair value of these FY23 performance rights is $132,883 and the amount allocated to the share based payment expense in the statement of profit or loss and other comprehensive income for the year ended 30 June 2023 is $63,987.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

14. ACCUMULATED LOSSES

	Consolidated Entity 2023 $	Consolidated Entity 2022 $
Opening balance	(17,630,070)	(12,657,110)
Loss for the year attributed to ordinary shareholders	(6,176,573)	(4,972,960)
Accumulated losses attributed to ordinary shareholders	(23,627,581)	(17,630,070)
Loss for the year attributed to non-controlling interests	(57,737)	-
Closing balance	(23,685,318)	(17,630,070)

15. FINANCIAL RISK MANAGEMENT

The activities of the Company expose it to a variety of financial risks (including interest rate risk, credit risk and liquidity risk). The Company's overall risk management program focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. However, the Company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate risk and aging analysis for credit risk. At present the Company is not exposed to price risk.

Risk management is carried out by the Board of Directors with assistance from suitably qualified external advisors where necessary. The Board provides written principles for overall risk management and further policies will evolve commensurate with the evolution and growth of the Company.

The Company holds the following financial instruments:

	Consolidated Entity 2023 $	Consolidated Entity 2022 $
Financial assets		
Cash and cash equivalents	6,027,315	2,111,514
Trade and other receivables (a)	145,730	440,125
Research & Development tax incentive (b)	1,848,832	1,711,903
	8,021,877	4,263,542
Financial liabilities		
Trade and other payables (c)	(1,331,148)	(1,638,574)
Borrowings and lease liabilities	(64,088)	-
	(1,395,236)	(1,638,574)

(a) excludes GST receivables and prepayments.
(b) the receipt of the Research & Development tax incentive will occur in the year ending 30 June 2024.
(c) excludes GST payable and employee benefits.

The main purpose of the financial instruments is to fund the Company's operations.

It is, and has been throughout the period under review, the Company's policy that no trading in financial instruments for the purpose of limiting exposure to operational risk shall be undertaken. The main risk is cash flow (interest rate risk, liquidity risk and credit risk). The Board reviews and agrees policies for managing each of these risks and they are summarised below:

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

15. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk

(i) Cash flow and interest rate risk

The Company's only interest rate risk arises from cash and cash equivalents held. Term deposits and current accounts held with variable interest rates expose the Company to cash flow interest rate risk. The Company does not consider this to be material.

The following sets out the Company's exposure to interest rate risk, including the effective weighted average interest rate by maturity periods.

Details	Note	Weighted Average Interest Rate	Total $
30 June 2023 Consolidated			
Financial assets			
Cash and cash equivalents		2.26%	8,021,877
30 June 2022 Consolidated			
Financial assets			
Cash and cash equivalents		0.26%	4,263,542

All other financial instruments have either a zero coupon rate or a fixed interest rate.

Sensitivity

At 30 June 2023, if interest rates had increased by 0.25% or decreased by 0.25% from the year end rates with all other variables held constant, post-tax loss for the year would have been $15,068 lower / ($15,068) higher, mainly as a result of higher / lower interest income from cash and cash equivalents (2022 changes of 0.25% / 0.25%: $4,426 lower/ ($4,426) higher).

(ii) Foreign currency risk

The Company is exposed to movements in foreign exchange due to the number of clients that the Company currently works with overseas. The Company does not currently hedge its exposure to foreign currency sales and therefore the impact on the financial statements at year end for foreign currency movements is below:

Exposure

	30 June 2023		30 June 2022	
	USD	JPY	USD	JPY
Trade receivables	-	-	6,563	-

Sensitivity

The sensitivity of the profit or loss to changes in exchange rates arising in mainly USD/AUD denominated financial instruments and the impact of the other components of equity is listed below:

	Impact on post tax profits		Impact on equity	
	2023 $	2022 $	2023 $	2022 $
USD/AUD exchange rate - increase 5%	-	(433)	-	(433)
USD/AUD exchange rate - decrease 15%	-	1,601	-	(1,601)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

15. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. Otherwise, if there is no independent rating, the board assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by the managing director. Sales to retail customers are required to be settled in cash (in part, in advance) or using major financial institutional payment processes, to mitigate credit risk.

	Consolidated Entity 2023 $	Consolidated Entity 2022 $
Financial assets		
Cash and cash equivalents	6,027,315	2,111,514
Trade and Other Receivables	145,730	440,125
Research and development tax incentive	1,848,832	1,711,903
	8,021,877	4,263,542

The Company's financier has an AA Moody's rating.

(c) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash balances and access to equity funding.

The Directors monitor the cash-burn rate of the Company on an ongoing basis against budget. As at reporting date the Company had sufficient cash reserves to meet its requirements. The Company has no access to credit standby facilities or arrangements for further funding or additional capacity in its borrowing arrangements.

The financial liabilities the Company had at reporting date were trade payables incurred in the normal course of the business. These were non-interest bearing and were due within the normal 30-60 days terms of creditor payments.

Maturities of financial liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

15. FINANCIAL RISK MANAGEMENT (continued)

Contractual maturities of financial liabilities As at 30 June 2023	Less than 6 Months $	6 - 12 Months $	Between 1 and 2 years $	Between 2 and 5 years $	Contractual Cash Flows $	Carrying Amount $
Non-derivatives						
Non-interest bearing						
Trade payables	154,305	-	-	-	154,305	154,305
Other payables	594,349	-	-	582,494	1,176,843	1,176,843
Interest bearing						
Lease Liability	18,036	36,072	12,987	-	67,095	64,088
Total non-derivative	766,690	36,072	12,987	582,494	1,398,243	1,395,236

Contractual maturities of financial liabilities As at 30 June 2022	Less than 6 Months $	6 - 12 Months $	Between 1 and 2 years $	Between 2 and 5 years $	Contractual Cash Flows $	Carrying Amount $
Non-derivatives						
Non-interest bearing						
Trade payables	517,047	-	-	-	517,047	517,047
Other payables	1,121,527	-	-	-	1,121,527	1,121,527
Interest bearing						
Lease Liability	-	-	-	-	-	-
Total non-derivative	1,638,574	-	-	-	1,638,574	1,638,574

(d) Fair Value Estimation

The fair value of financial assets and liabilities must be estimated for recognition and measurement and for disclosure purposes.

The carrying value less impairment provision of receivables and trade payables are assumed to approximate their fair values due to their short-term nature.

(e) Capital management

When managing capital, the Board's objective is to ensure the Company continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. The Board also aims to maintain a capital structure that ensures the lowest cost of capital available to the Company.

The Board is constantly adjusting the capital structure to take advantage of favourable costs of capital or high return on assets. As the market is constantly changing, the board may issue new shares, sell assets to reduce debt or consider payment of dividends to shareholders.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company has no formal financing and gearing policy or criteria having regard to the early status of its development and low level of activity.

There were no changes in the Company's approach to the capital management during the year ended 30 June 2023.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

16. CONSOLIDATED ENTITIES

Name of entity	Class of share	Country of Incorporation	Equity Holding 2023 %	Equity Holding 2022 %
Legal Parent				
Proteomics International Laboratories Ltd	Ordinary	Australia	-	-
Accounting Parent				
Proteomics International Pty Ltd		Australia	100	100
Other consolidated entities				
Proteomics International USA Inc		USA	100	-
Proteomics International (IP) Pty Ltd		Australia	100	-
OxiDX Pty Ltd		Australia	66	66
OxiDx Operations Pty Ltd		Australia	66	66
Two-Tag Holdings Pty Ltd		Australia	66	66

17. REMUNERATION OF AUDITORS

	Consolidated Entity 2023 $	Consolidated Entity 2022 $
(a) Audit services		
- BDO Audit (WA) Pty Ltd	55,616	50,799
(b) Non-audit services		
- BDO Corporate Tax (WA) Pty Ltd (i)	11,680	16,310

(i) Consulting services have been provided by BDO.

18. COMMITMENTS

The Company pays fees to access strategic locations to use laboratories and specialised equipment to undertake its operations. This facility licence agreement terminated on 1 July 2022, and, as at the date of this report, a new facility licence is yet to be agreed with the terms and fees to be determined.

19. RELATED PARTIES

(a) Directors and Key Management Personnel remuneration

Short-term employee benefits	960,701	1,319,965
Post-employment benefits	84,101	78,851
	1,044,802	1,398,816

The following comprise the key management personnel of the Company:
(i) Managing Director
(ii) Chief Financial Officer

(b) Transactions with Key Management Personnel

There were no consultancy services provided by key management personnel during the year ended 30 June 2023.

No loans were provided by Key Management Personnel during the year ended 30 June 2023.

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

20. DIVIDENDS

The directors have not paid or declared a dividend during the financial years ended 30 June 2023 and 30 June 2022.

21. CONTINGENT LIABILITIES

The Company is not aware of any material contingent liabilities for the years ended 30 June 2023 and 30 June 2022.

22. SEGMENT REPORTING

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

The Board has determined that strategic decision making is facilitated by evaluation of the operations of the legal parent and subsidiary which represent the operational performance of the Company's revenues and the research and development activities as well as the finance, treasury, compliance and funding elements of the Company.

23. LOSS PER SHARE

	Consolidated Entity 2023 $	Consolidated Entity 2022 $
(Loss) attributable to ordinary shareholders	(6,176,573)	(4,972,960)
Weighted average number of ordinary shares*	116,453,692	105,531,217
Loss per share	($0.05)	($0.05)

*Includes the effect of the transactions (under continuation accounting) for the purpose of the comparative earnings per share calculation.

24. EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 10 July 2023, 105,729 fully paid ordinary shares were issued upon the exercise of unquoted performance rights. The performance rights were issued under the Performance Rights Plan as per of the incentive structures for employees and key management personnel.

On 14 August 2023, 1,250,000 shares were issued upon the exercise of advisory options, raising $625,000 before costs.

No other matters or circumstances have arisen since the end of the financial year that have significantly affected, or may significantly affect the consolidated entity's operations, or the consolidated entity's state of affairs in future years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2023

25. PARENT ENTITY INFORMATION

The following information relates to the legal parent entity, Proteomics International Laboratories Ltd, as at 30 June 2023. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

	2023 $	2022 $
Current assets	5,895,164	1,170,154
Total Assets	5,895,164	1,170,154
Current liabilities	99,684	148,095
Non-current liabilities	-	-
Total Liabilities	99,684	148,095
Equity		
Share Capital	14,197,741	7,948,465
Reserve	1,828,310	1,682,998
Accumulated Losses	(10,230,571)	(8,609,404)
Total Equity	5,795,480	1,022,059
(Loss) for the year	(1,621,167)	(4,854,735)
Other comprehensive income / (loss) for the year	-	-
Total comprehensive (loss) for the year	(1,621,167)	(4,854,735)

Contingent liabilities of the parent entity

The Company is not aware of any material contingent liabilities for the year ended 30 June 2023.

Commitments of the parent entity

Other than as described at note 18, the Company does not have any other on-going commitments.

26. INTERESTS IN OTHER ENTITIES

The Company does not currently have any interests in other entities.

27. DEED OF CROSS GUARANTEE

The Company has not currently entered into a deed of cross guarantee.

28. ASSETS PLEDGED AS SECURITY

The Company has no assets that have been pledged as security.

Proteomics International Laboratories Ltd

Directors' Declaration

The Directors of the Company declare that:

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flow, consolidated statements of changes in equity, accompanying notes, are in accordance with the *Corporations Act 2001* and:

   (a) comply with Accounting Standard, the *Corporations Regulations 2001,* other mandatory professional reporting requirements; and

   (b) give a true and fair view of the financial position as at 30 June 2023 and the performance for the year ended on that date of the consolidated entity; and

   (c) comply with International Financial Reporting Standards as disclosed in Note 1.

2. 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.

3. The remuneration disclosures included in the Directors' Report (as part of the Remuneration Report) for the year ended 30 June 2023 comply with Section 300A of the *Corporations Act 2001* .

4. The Directors have been given the declarations by the Managing Director required by Section 295A of the *Corporations Act 2001* .

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Neville Gardiner
Chairman

Perth, Western Australia

Dated: 22 August 2023

Independent Auditor's Report

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5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872

To the members of Proteomics International Laboratories Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Proteomics International Laboratories Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, 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 2023 and of its financial performance for the year ended on that date; 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 *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to 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 Company, 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.

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.

Proteomics International Laboratories Ltd

Independent Auditor's Report

Recognition of Research and Development tax incentive (R&D Tax Rebate)

Key audit matter	*How the matter was addressed in our audit*
The Group receives a 43.5% refundable tax offset of eligible expenditure under the Research and Development (R&D) Tax Incentive scheme if its turnover is less than $20 million per annum, provided income tax-exempt entities do not control it. Note 14 of the financial report discloses the "Research and development ("R&D") tax incentive" and note 1(h) discloses the accounting policy used by the Group for its recognition of the R&D tax refund. We have considered this a key audit matter due to the amounts involved being material; and the inherent subjectivity associated with the calculation of the R&D Tax Rebate.	Our audit procedures in respect of this area included but were not limited to the following: • Verify that the cost of eligible R&D activities which were considered as part of the claim calculations are adequately supported including agreeing to trial balance. • Review the accounting for receivable and income in accordance with the requirements of Australian Accounting Standards. • Comparing the estimates made in the prior year to the amount of cash received after lodgement of the R&D tax claim. • Obtaining FY23 R&D rebate calculations performed by management and performing the following audit procedures: - Reviewing the expenditure methodology employed by management and rebate calculations prepared by the Group's external expert; - Testing the mathematical accuracy of the accrual; and - Considering the nature of the expenses against the eligibility criteria of the R&D tax incentive. • Assessing the adequacy of disclosures in the notes to the financial statements.

Independent Auditor's Report

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2023 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do 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.

Responsibilities of the directors for the Financial Report

The directors of the Company 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 ability of the group 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 has 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Proteomics International Laboratories Ltd

Independent Auditor's Report

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 32-42 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Proteomics International Laboratories Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company 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.

BDO Audit (WA) Pty Ltd

Ashleigh Woodley

Director

Perth,

22 August 2023

Shareholder Information

Details of securities as at 18 August 2023

Capital structure

Securities	Number
Fully paid ordinary shares	122,334,721
Employee Options exercisable at $1.44 each and expiring on 1 June 2024	300,000
Employee Options exercisable at $1.16 each and expiring on 12 July 2024	150,000
Performance rights subject to vesting conditions and expiring on 1 June 2024	100,000
Performance rights subject to vesting conditions and expiring on 31 July 2024	74,323
Performance rights subject to vesting conditions and expiring on 31 July 2025	43,425
Performance rights subject to vesting conditions and expiring on 30 September 2024	150,000
Director C Options exercisable at $1.32 each and expiring on 24 November 2025	375,000
Director D Options exercisable at $1.76 each and expiring on 24 November 2026	375,000

Top holders

The 20 largest registered holders of fully paid ordinary shares were:

Fully paid ordinary shares

	Name	Number	%
1.	RICHARD LIPSCOMBE	19,048,704	15.57%
2.	MR JOHN SUTHERLAND RICHARDSON DUNLOP	3,855,188	3.15%
3.	MR DIRK CHARLES HAWKER VAN DISSEL <D & T VAN DISSEL FAMILY A/C>	2,285,842	1.87%
4.	NATIONAL NOMINEES LIMITED	2,235,651	1.83%
5.	HIMSTEDT & CO PTY LTD <THE HIMSTEDT FAMILY A/C>	2,136,471	1.75%
6.	RANDOLPH RESOURCES PTY LIMITED	1,949,000	1.59%
7.	SPARROW HOLDINGS PTY LTD <SWEET SUPER FUND A/C>	1,920,500	1.57%
8.	ALTOR CAPITAL MANAGEMENT PTY LTD <ALTOR ALPHA FUND A/C>	1,660,000	1.36%
9.	XYLO PTY LTD <THE PARKER FAMILY A/C>	1,503,700	1.23%
10.	MCCUSKER HOLDINGS PTY LTD	1,500,000	1.23%
11.	MRS LISA FLOAN	1,363,235	1.11%
12.	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	1,308,571	1.07%
13.	BNP PARIBAS NOMS PTY LTD <DRP>	1,218,368	1.00%
14.	MR KONRAD FLOAN	1,120,000	0.92%
15.	MOORE & SOTOMI INVESTMENTS PTY LTD <ROGER MOORE FAMILY A/C>	975,824	0.80%
16.	JETAN PTY LTD	950,000	0.78%
17.	BFM SUPERANNUATION FUND PTY LTD	944,500	0.77%
18.	BOND STREET CUSTODIANS LIMITED <LAM1 - D08047 A/C>	911,765	0.75%
19.	CANDOUR ADVISORY PTY LTD	843,750	0.69%
20.	QUINTAL PTY LTD <HARKEN FAMILY A/C>	790,000	0.65%
		48,521,069	39.69%

Proteomics International Laboratories Ltd

Distribution schedule

A distribution schedule of each class of equity security

Fully paid ordinary shares

Range			Holders	Units	%
1	-	1,000	377	188,409	0.16%
1,001	-	5,000	563	1,671,267	1.37%
5,001	-	10,000	367	3,062,134	2.50%
10,001	-	100,000	874	28,703,808	23.46%
100,001	-	Over	190	88,709,103	72.51%
Total			2371	122,334,721	100.00%

Substantial shareholders

The names of substantial shareholders and the number of shares to which each substantial shareholder and their associates have a relevant interest, as disclosed in substantial shareholding notices given to the Company, are set out below:

Substantial shareholder	Number of Shares
Richard John Lipscombe and associated entities	19,048,704

Unmarketable parcels

Holdings less than a marketable parcel of ordinary shares (being 675 as at 18 August 2023):

Holders	Units
240	63,474

Unquoted securities

Unquoted securities on issue were:

Options

Class	Expiry Date	Exercise Price $	Number of Options	Number of holders
Employee Options	1 June 2024	1.44	300,000	1
Employee Options	12 July 2024	1.16	150,000	1
Director C Options	24 November 2025	1.32	375,000	2
Director D Options	24 November 2026	1.76	375,000	2

The holders of the Director Options are disclosed in the Directors' Report. The Employee Options were issued under the Proteomics Employee Incentive Option Plan.

Performance rights

Class	Expiry Date	Number of Rights	Number of holders
Performance rights	1 June 2024	100,000	1
Performance rights	31 July 2024	74,323	15
Performance rights	31 July 2025	43,425	15
Performance rights	30 September 2024	150,000	2

The Performance Rights are subject to vesting conditions and were issued under the Proteomics Performance Rights Plan.

Voting Rights

The voting rights attaching to ordinary shares are:

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Options and performance rights do not carry any voting rights.

On-Market Buy Back

There is no current on-market buy-back.

Proteomics International Laboratories Ltd

Glossary

Biologics	Medicinal protein products manufactured in or extracted from biological sources, e.g. immunotherapies for cancer.
Biomarker	A measurable indicator of a state or condition, usually relating to early phase of diseases; a biological signature.
Biosimilars	Protein-based molecules that are biological medical products made to mimic an original "Biologic" drug.
Complementary diagnostic (CDx)	A complementary diagnostic is a test that aids in the benefit-risk decision making about the use of the therapeutic product for a given patient, where the difference in benefit-risk is clinically meaningful.
Diabetes	A group of metabolic diseases associated with high blood sugar levels.
Diabetic kidney disease (nephropathy)	A progressive disease of the kidneys caused by diabetes and leading to the malfunction of the kidneys and ultimately renal failure.
eGFR	The estimated Glomerular Filtration rate (eGFR) is a blood test used for the diagnosis of chronic kidney disease.
End stage renal disease (ESRD)	Kidney failure or ESRD is the final stage of kidney disease. Kidney failure means the use of dialysis or transplantation is required for survival. Diabetes is the most common cause of ESRD.
Immunoassay	A procedure for detecting or measuring specific proteins or other substances through the use of antibodies.
ISO 13485 certification	A certification granted to organisations involved in the manufacturing of medical devices that follow the internationally agreed standards of a quality management system.
Key Opinion Leader	Individuals or organisations with a respected social status, allowing their opinions to have sway in making important decisions.
Mass Spectrometry	The measurement of the mass to charge ratio of a molecule such as a peptide in order to determine its chemical structure.
Odds Ratio (OR)	A measure of association between two events. It can be used to determine whether a particular exposure is a risk factor for a particular outcome. In clinical research it gives direct information to doctors about which treatment approach has the best odds of benefiting the patient.
Oesophageal cancer	A cancer of the tube that runs from the throat to the stomach.
Oxidative Stress	An imbalance between reactive oxygen species and your body's ability to eliminate them or repair the resulting damage.
Probability (P)	The P value, or calculated probability, that an observation is true. Most authors refer to statistically significant as $P < 0.05$ and statistically highly significant as $P < 0.001$ (less than one in a thousand chance of being wrong).
Prognostic	A term for predicting the likely or expected development of a disease.
Proteomics	The large-scale study of protein structure and function.
Recombinant antibodies	Antibodies developed using synthetic genes.

Why are proteins important?

Genomes are static - the genes we are born with are the genes we die with, but the protein make up in our bodies differs from cell to cell and changes considerably over time. Cells use the instructions in our genes to make proteins. Proteins are the operational molecules of life and carry out the functions of living organisms.

The caterpillar and the butterfly have exactly the same genome. The proteins that their cells make are why they are different. Looking at the differences in protein composition can tell us about the state of life, and health, of any organism.

Proteomics is the study of proteins on an industrial scale.

Corporate Directory

Directors
Mr Neville Gardiner - Non-Executive Chairman
Dr Richard Lipscombe - Managing Director
Dr Robyn Elliott – Non-Executive Director
Mr Paul House - Non-Executive Director
Mr Roger Moore - Non-Executive Director

Company Secretary
Ms Karen Logan

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Design: Castledine & Castledine

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PILL

Proteomics International

LABORATORIES LTD