

NZX Announcement

Market Release

28 April 2020

Notice of Offer of Same Class Financial Products for Issue

Truscreen Limited (“TRU”) intends to undertake a share purchase plan offer of ordinary shares (“New Shares”) to TRU’s eligible shareholders (those New Zealand resident shareholders and Wholesale Australian shareholders, on the share register on the record date of Friday, 24 April 2020) (“the Offer”).

Pursuant to clause 20 of Schedule 8 of the Financial Markets Conduct Regulations 2014 (“Regulations”) and clause 19 of Schedule 1 of the Financial Markets Conduct Act 2013 (“FMCA”), TRU advises that:

1. The Offer is being made in reliance upon the exclusion in clause 19 of Schedule 1 of the FMCA. TRU is giving this notice (Cleansing Notice) under clause 20(1)(a) of Schedule 8 of the Regulations.
2. As at the date of this Cleansing Notice, TRU is in compliance with:
 - (a) the continuous disclosure obligations that apply to it in relation to TRU’s quoted financial products; and
 - (b) its “financial reporting obligations” (within the meaning set out in clause 20(5) of Schedule 8 of the Regulations).
3. As at the date of this Cleansing Notice, there is no information that is “excluded information” within the meaning set out in clause 20(5) of Schedule 8 of the Regulations, other than the following:

The Accounting Standard NZ IAS36 requires the Company to assess at the end of each reporting period whether there is an indication of impairment to non-current assets, including Intellectual Property and Development Costs. The carrying value at the interim reporting date, 30 September 2019, of the non-current assets was approximately \$8.4 million.

Truscreen’s roll-out plans in China have been adversely impacted by COVID-19, identified recently as the March 2020 monthly accounts were closed. The Directors are currently undertaking a comprehensive Impairment Review of the carrying value of non-current assets and will be assisted by an independent consultant for the purposes of finalising the 31 March 2020 Annual Report.

As at the reporting date of 31 March 2020, fourteen years and eight months useful life remains on the intellectual property assets and sixteen years useful life remains on the capitalised development costs. The intangible assets are currently being amortised over their useful lives, approximating \$500,000 per annum.

The Directors have determined, based on Truscreen’s internal modelling, that a preliminary non-cash impairment charge of NZ\$2 million to NZ\$2.5 million may be required as a result of the impairment review currently being undertaken. This estimate is based on preliminary analysis which the independent consultant has not yet reviewed and will then be subject to further consideration by the Company’s auditors prior to finalising the 31 March 2020 financial statements. Any non-cash impairment charge taken up for the year ended 31 March 2020 has no impact on the Company’s cash position and would reduce the non-cash amortisation charge for future years.

4. The Offer is not expected to have any material effect or consequences on the control of TRU.

On behalf of the Board,



Guy Robertson
Chief Financial Officer
Truscreen Limited

About TruScreen:

TruScreen is a Cervical Cancer Screening Device which offers the latest technology in cervical screening, providing real-time, accurate detection of pre-cancerous and cancerous cervical cells to help improve the health and well-being of women around the world. TruScreen's real-time cervical cancer technology utilises a digital wand which is placed on the surface of the cervix to measure electrical and optical signals from the surrounding tissues. A sophisticated proprietary algorithm framework is utilised to detect pre-cancerous change, or cervical intra-epithelial neoplasia (CIN), by optical and electrical measurement of cervical tissue.



TruScreen offers an alternative approach to cervical screening, resolving many of the ongoing issues with Pap tests, including failed samples, poor patient follow-up, patient discomfort and the need for supporting laboratory infrastructures. As such, TruScreen's target market is low- and middle-income countries where no large-scale cervical cancer screening programs and infrastructure are in place, such as China, Mexico, Africa, Russia and India. TruScreen's cervical cancer screening device is CE-marked and certified for use throughout Europe and CFDA-approved for sale in China. The global market potential for TruScreen is significant.

For more information, visit our website at www.truscreen.com

Watch our video on TruScreen: <http://truscreen.com/truscreen-the-company/truscreen-ultra-video/>