

Osteopore Limited and Its Controlled Entities
Appendix 4E
For the year ended 31 December 2024

1. Company Details

Name of entity:	Osteopore Limited
ABN:	65 630 538 957
Reporting period:	For the year ended 31 December 2024
Previous period:	For the year ended 31 December 2023

2. Results for Announcement to the Market

Revenues from ordinary activities	up	27%	to	\$2,811,443
Loss from ordinary activities after tax attributable to the owners of Osteopore Limited	down	33%	to	\$3,244,684
Loss for the year attributable to the owners of Osteopore Limited	down	33%	to	\$3,244,684

Dividends

No dividend has been declared or paid for the year ended 31 December 2024 (31 December 2023: \$nil).

Brief Explanation of Results

In the ongoing pursuit of sustainable growth, Osteopore Limited's (**Osteopore** or the **Company**) remains committed to enhancing revenue streams and optimising operational efficiencies. The Company also maintains an appropriate allocation of resources to innovation to continue growing its value and position in the regenerative medicine marketplace.

Operating with an improved cost structure, the Company's revenue capture efficiency has further improved. Osteopore was delighted to achieve record high of \$2,811,443 in annual revenue in 2024, which is a 27% year-on-year growth.

While the Company continues its streamlined approach to cost management, expenses have also seen a material reduction. Specifically, the allocation for sales, marketing, and business development expenses have decreased by approximately 33%. Expenditure on sales and marketing has yielded better revenue capture, as the appropriate allocation of resources has empowered the company to report continued revenue growth throughout most of 2024.

With increased revenue and reduced costs, the net loss after tax is 33% lower compared to the previous year. Losses after income tax amounted to \$3,244,684 (31 December 2023: \$4,871,981).

3. Net Tangible Assets

	Reporting Period (Cents)	Previous Period (Cents)
Net tangible assets per ordinary security	(0.16)	(3.61)

Right-of-use assets recognized under AASB 16 Leases and acquisition of the business asset of a medical distribution business based in Korea are classified as intangible assets to determine the net tangible assets.

4. Details of Associates and Joint Venture Entities

There are no associates or joint venture entities.

5. Details of Entities over which Control has been Gained or Lost during the Period

There are no entities over which control has been gained or lost during the period.

6. Audit Qualification or Review

The financial statements are in the process of being audited.

7. Attachments

The Preliminary Financial Report of Osteopore Limited for the year ended 31 December 2024 is attached.



Mark Leong
Executive Chairman
Singapore
28 February 2025

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Empowering Natural Tissue Regeneration

**OSTEOPORE LIMITED
AND ITS CONTROLLED ENTITIES**

ACN 630 538 957

**PRELIMINARY FINANCIAL REPORT
FOR THE YEAR ENDED 31 December 2024**

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Osteopore Limited and its Controlled Entities
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2024

	Note	Consolidated	
		31 Dec 2024	31 Dec 2023
		\$	\$
Revenue		2,811,443	2,217,409
Cost of sales		(445,523)	(581,510)
Gross profit		2,365,920	1,635,899
Other income		166,663	190,866
Product development and laboratory expenses		(1,137,032)	(1,570,762)
Sales, marketing, and business development expenses		(1,475,333)	(2,190,313)
Administrative expenses		(2,032,191)	(1,864,843)
Other expenses		(530,882)	(475,945)
Share-based payments		(176,384)	(538,316)
Operating loss		(2,819,239)	(4,813,414)
Finance costs		(426,016)	(15,046)
Loss before income tax		(3,245,255)	(4,828,460)
Income tax credit/(expenses)		571	(43,521)
Loss after income tax		(3,244,684)	(4,871,981)
Other comprehensive income			
<i>Exchange differences arising from the translation of foreign subsidiary</i>		63,837	(62,541)
Total comprehensive loss attributable to the owners		(3,180,847)	(4,934,522)
Basic and diluted loss per share		(0.03)	(0.51)

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

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**Osteopore Limited and its Controlled Entities
Consolidated Statement of Financial Position
As at 31 December 2024**

		Consolidated	
	Note	31 Dec 2024	31 Dec 2023
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents		638,498	1,114,800
Trade receivables		861,806	543,654
Other assets		654,271	340,782
Inventories		379,515	278,978
Total Current Assets		2,534,090	2,278,214
Non-Current Assets			
Property, plant and equipment		160,908	259,479
Right-of-use asset		161,603	25,639
Intangible assets		461,862	779,889
Total Non-Current Assets		784,373	1,065,007
TOTAL ASSETS		3,318,463	3,343,221
LIABILITIES			
Current Liabilities			
Trade and other payables		1,491,812	1,759,223
Borrowings		1,163,316	1,064,215
Provisions		61,513	58,080
Lease liabilities		57,633	29,100
Total Current Liabilities		2,774,274	2,910,618
Non-Current Liability			
Lease liabilities		109,793	-
Total Non-Current Liability		109,793	-
TOTAL LIABILITIES		2,884,067	2,910,618
NET ASSET		434,396	432,603
EQUITY			
Issued capital	3	32,600,120	29,529,999
Reserves	4	(14,207,414)	(14,383,770)
Accumulated losses		(17,958,310)	(14,713,626)
TOTAL EQUITY		434,396	432,603

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

Osteopore Limited and its Controlled Entities
Consolidated Statement of Changes in Equity
For the year ended 31 December 2024

	Issued Capital	Share-Based Payment Reserve	Common Control Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$	\$
Balance at 31 December 2022	26,957,056	1,113,860	(14,915,451)	(201,408)	(10,902,191)	2,051,866
Loss after income tax	-	-	-	-	(4,871,981)	(4,871,981)
Other comprehensive loss	-	-	-	(62,541)	-	(62,541)
Total comprehensive loss for the year	-	-	-	(62,541)	(4,871,981)	(4,934,522)
Share placement	2,688,618	-	-	-	-	2,688,618
Share issue costs	(115,675)	-	-	-	-	(115,675)
Share-based payments	-	538,316	-	-	-	538,316
Performance rights issued (vendor)	-	204,000	-	-	-	204,000
Expired options	-	(1,060,546)	-	-	1,060,546	-
Balance at 31 December 2023	29,529,999	795,630	(14,915,451)	(263,949)	(14,713,626)	432,603
Loss after income tax	-	-	-	-	(3,244,684)	(3,244,684)
Other comprehensive income	-	-	-	63,837	-	63,837
Total comprehensive loss for the year	-	-	-	63,837	(3,244,684)	(3,180,847)
Shares placement	3,115,824	-	-	-	-	3,115,824
Share issue costs	(109,568)	-	-	-	-	(109,568)
Share-based payments	63,865	112,519	-	-	-	176,384
Balance at 31 December 2024	32,600,120	908,149	(14,915,451)	(200,112)	(17,958,310)	434,396

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

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Osteopore Limited and its Controlled Entities
Consolidated Statement of Cash Flows
For the year ended 31 December 2024

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$	\$
Cash flows from operating activities		
Loss before income tax	(3,245,255)	(4,828,460)
<i>Adjustments for</i>		
Amortisation expense	354,212	262,630
Depreciation (Property, plant, and equipment)	124,787	157,366
Depreciation (Right-of-use asset)	52,068	44,403
Finance costs	426,016	15,047
Interest income	(1,595)	(7,510)
Share-based payment expense	176,384	538,316
Operating cash flows before changes in working capital	<u>(2,113,383)</u>	<u>(3,818,208)</u>
Changes in trade receivables	(318,152)	(261,121)
Changes in other assets	(313,489)	249,438
Changes in inventories	(100,537)	185
Changes in trade and other payables	(267,863)	119,853
Changes in provisions	3,433	(19,751)
Interest received	1,595	7,510
Net cash used in operating activities	<u>(3,108,396)</u>	<u>(3,722,094)</u>
Cash flows from investing activity		
Purchases of plant and equipment	(14,590)	(7,365)
Net cash used in investing activity	<u>(14,590)</u>	<u>(7,365)</u>
Cash flows from financing activities		
Proceeds from shares placement	2,860,160	2,688,618
Proceeds from exercise of share options	255,664	-
Payment of shares issue costs	(109,568)	(169,750)
Proceeds from borrowing	-	1,112,491
Repayment of lease principal	(50,596)	(52,242)
Interest paid	(325,892)	(15,047)
Net cash generated from financing activities	<u>2,629,768</u>	<u>3,564,070</u>
Net decrease in cash and cash equivalents	(493,218)	(165,389)
Cash and cash equivalents at the beginning of the year	1,114,800	1,334,221
Effects of exchange rate changes on cash	16,916	(54,032)
Cash and cash equivalents at the end of the year	<u>638,498</u>	<u>1,114,800</u>

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

Osteopore Limited and its Controlled Entities
Notes to the Preliminary Financial Statements
For the year ended 31 December 2024

Note 1. Significant Accounting Policies

General

These consolidated financial statements and notes represent those of Osteopore Limited (the “Company”) and its controlled entities (“Group”). In accordance with the *Corporations Act 2001*, these financial statements present the results of the Group only.

Basis of Preparation

The preliminary financial report has been prepared in accordance with Australian Securities Exchange Listing Rules as they relate to Appendix 4E and in accordance with the recognition and measurement requirement of the Australian Accounting Standards Board (“AASB”), Urgent Issues Group Interpretations and the *Corporations Act 2001*. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (‘IASB’).

As such, this preliminary financial report does not include all the notes of the type included in an annual financial report and accordingly, should be read in conjunction with the interim financial report for the half-year ended 30 June 2024 and with any public announcement made by Osteopore Limited during the period in accordance with the continuous disclosure requirement of the *Corporations Act 2001*.

The principal accounting policies adopted in the preparation of the financial report are consistent with those of the previous financial report. The financial statements have been presented in Australian dollars (AUD), which is the functional currency of the Company. The functional currency of the Company’s controlled entities is Singapore Dollars (SGD).

New or Amended Accounting Standards and Interpretations Adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. Accounting pronouncements that have become effective from 1 January 2024 and that have been adopted, do not have a significant impact on the Group’s financial results or position.

Intangible assets

Distribution agreement

Distribution agreement is recognised at cost of acquisition and amortised over their useful lives. They have a finite life and are reported at cost less accumulated amortisation and accumulated impairment losses.

The following useful lives are applied:

Class of intangible asset	Amortisation rate
Distribution agreement	33%

At the end of each reporting period, the Company reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Osteopore Limited and its Controlled Entities
Notes to the Preliminary Financial Statements
For the year ended 31 December 2024

Note 1. Significant Accounting Policies (cont.)

New Accounting Standards and Interpretations Not Yet Mandatory

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Note 2. Segment Reporting

The Company has identified its operating segments based on the internal reports that are used by the Board in assessing performance and in determining the allocation of resources. Given the Company's operations since incorporation, the Board has identified four relevant business segments based on the Group's geographical presence – Singapore, Korea, China and Australia. The following tables are an analysis of the Group's revenue and results by reportable segment for the year ended 31 December 2024 and 2023.

	Singapore \$	Korea \$	China \$	Australia \$	Consolidated \$
2024					
External revenue	1,346,648	1,425,903	-	38,892	2,811,443
Gross revenue	1,346,648	1,425,903	-	38,892	2,811,443
Other income	127,488	37,660	1	1,514	166,663
Total revenue	1,474,136	1,463,563	1	40,406	2,978,106
(Loss)/profit for the year	(1,469,434)	259,899	(275)	(2,034,874)	(3,244,684)
Current assets	1,393,201	1,010,069	1,472	129,348	2,534,090
Non-current assets	784,373	-	-	-	784,373
Total assets	2,177,574	1,010,069	1,472	129,348	3,318,463
Total liabilities	1,319,615	2,856	-	1,561,596	2,884,067
2023					
External revenue	1,140,503	1,076,906	-	-	2,217,409
Gross revenue	1,140,503	1,076,906	-	-	2,217,409
Other income	174,723	7,583	3	8,557	190,866
Total revenue	1,315,226	1,084,489	3	8,557	2,408,275
(Loss)/profit for the year	(3,317,494)	280,662	(3,509)	(1,831,640)	(4,871,981)
Current assets	1,678,867	479,055	1,649	118,643	2,278,214
Non-current assets	1,065,007	-	-	-	1,065,007
Total assets	2,743,874	479,055	1,649	118,643	3,343,221
Total liabilities	1,568,644	57,100	-	1,284,874	2,910,618

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Osteopore Limited and its Controlled Entities
Notes to the Preliminary Financial Statements
For the year ended 31 December 2024

Note 3. Issued Capital

	2024		2023	
	No. of Shares	\$	No. of Shares	\$
Fully paid ordinary shares	116,801,137	32,600,120	10,328,689	29,529,999

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital. On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote. There is no current on-market share buy-back.

Movements in ordinary share capital

	No. of Shares	Issue price (\$)	\$
Balance at 31 December 2022	123,568,238		26,957,056
Placement on 3 January 2023 ¹	366,666	0.150	55,000
Placement on 24 April 2023 ²	20,293,604	0.085	1,724,957
Placement on 28 June 2023 ³	10,690,122	0.085	908,661
Share issue costs			(115,675)
Effect of 15:1 consolidation ⁴	(144,589,941)		
Balance at 31 December 2023	10,328,689		29,529,999
Placement on 8 May 2024 ⁵	98,626,144	0.029	2,860,160
Placement on 23 May 2024 ⁶	602,524	0.039	23,318
Placement on 27 May 2024 ⁶	4,045,634	0.039	156,566
Placement on 5 June 2024 ⁶	370,075	0.039	14,322
Placement on 12 June 2024 ⁶	379,581	0.039	14,690
Placement on 19 June 2024 ⁶	181,332	0.039	7,017
Placement on 26 June 2024 ⁶	36,032	0.039	1,394
Placement on 3 July 2024 ⁶	5,468	0.039	212
Placement on 10 July 2024 ⁶	344,828	0.039	13,345
Placement on 17 July 2024 ⁶	17,972	0.039	695
Placement on 31 July 2024 ⁶	612,858	0.039	23,718
Placement on 1 November 2024 ⁶	10,000	0.039	387
Issuance of shares on 15 November 2024 ⁷	763,246	-	44,795
Issuance of shares on 19 November 2024 ⁷	476,754	-	19,070
Share issue costs			(109,568)
Balance at 31 December 2024	116,801,137		32,600,120

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Osteopore Limited and its Controlled Entities
Notes to the Preliminary Financial Statements
For the year ended 31 December 2024

Note 3. Issued Capital (cont.)

¹ On 22 December 2022, the Company announced that it has received binding commitments from sophisticated and existing investors for a total \$1,000,000 placement at \$0.15 per share, with one free attaching option for every one new share subscribed for. As of 31 December 2022, the Company has received capital proceeds in advance totalling \$945,000, subsequently, issuing 6,666,666 new fully paid ordinary shares on 3 January 2023. After the reporting date the residual placement totalling \$55,000 was received.

² On 24 April 2023, the Company issued 20,293,604 shares in relation to the non-renounceable pro-rata entitlement offer (Entitlement Offer), which gave eligible shareholders the opportunity to subscribe for one fully paid ordinary share for every four fully paid ordinary shares held on the record date, at an issue price of \$0.085 per new share, with one free-attaching quoted option for every one new share subscribed for.

³ On 28 June 2023, the Company issued 10,690,122 shares in relation to the shortfall shares from the Entitlement Offer.

⁴ Effect of 15:1 consolidation of capital as approved by shareholders at the General Meeting held on 21 February 2024.

⁵ On 8 May 2024, the Company issue 98,626,144 shares in relation to the renounceable entitlement offer (Entitlement Offer 2024), which gave eligible shareholders the opportunity to subscribe for ten fully paid ordinary shares for every one fully paid ordinary share held on the record date, at an issue price of \$0.029 per new share, with one free-attaching option for every five new shares subscribed for.

⁶ This refers to the exercise of options on the respective dates noted.

⁷ This refers to the issuance of shares under Employee Securities Incentive Plan.

Note 4. Reserves

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$	\$
Common control reserve	(14,915,451)	(14,915,451)
Share based payment reserve	908,149	795,630
Foreign currency translation reserve	(200,112)	(263,949)
	<u>(14,207,414)</u>	<u>(14,383,770)</u>

Common Control Reserve

In September 2019, the Company acquired 100% of Osteopore International Pte Ltd ("OIS"). The acquisition has been accounted for with reference to common controlled entities. The Group has adopted the predecessor accounting method to form one enlarged group. The Company has recorded the excess consideration above the net asset of OIS to a common control reserve in September 2019.

Share Based Payment Reserve

The share-based payment reserve arises from the equity-settled compensation plan issued to its director, provided that the director remains in continuous employment with the Company from the date of grant. Equity-settled compensation plan is share of commons stock that vest and restricted share units are awards that will result in a payment if performance goals are achieved or the awards otherwise vest. The terms and conditions of these awards are established in the employment contract.

**Osteopore Limited and its Controlled Entities
Notes to the Preliminary Financial Statements
For the year ended 31 December 2024**

Note 4. Reserves (cont.)

Share Based Payment Reserve (cont.)

	No. of Options	\$
Share-based payment reserve as at 31 December 2024	16,641,633	908,149
<i>Movements in share-based payment reserve</i>		
Balance at 1 January 2024	3,522,664	795,630
Granted during the period – free-attaching to shareholders	19,725,273	-
Exercised during the period	(6,606,304)	-
Directors' performance rights	-	93,556
Grant of shares to a director	-	18,963
Balance at 31 December 2024	16,641,633	908,149

Note 5. Share Based Payment Expense

On 24 April 2023, 10,000,000 options (666,667 post-consolidation) exercisable at \$0.225 (\$3.375 post-consolidation) expiring on 24 April 2026 were issued to the Lead Manager of the placement. All options are vested at grant date.

On 24 April 2023, 26,960,270 options (1,797,352 post-consolidation) exercisable at \$0.225 (\$3.375 post-consolidation) expiring on 24 April 2026 were issued to the shareholders of the placement. All options are vested at grant date.

On 28 June 2023, 5,000,000 options (333,334 post-consolidation) exercisable at \$0.225 (\$3.375 post-consolidation) expiring on 24 April 2026 were issued to the Lead Manager as a success fee. All options are vested at grant date.

On 28 June 2023, 10,690,122 options (712,811 post-consolidation) exercisable at \$0.225 (\$3.375 post-consolidation) expiring on 24 April 2026 were issued to the shareholders of the placement. All options are vested at grant date.

On 8 May 2024, 19,725,273 options exercisable at \$0.0387 expiring on 2 April 2026 were issued to the shareholders of the placement. All options are vested at grant date.

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Osteopore Limited and its Controlled Entities
Notes to the Preliminary Financial Statements
For the year ended 31 December 2024

Note 5. Share Based Payment Expense (cont.)

The following table illustrates the number and weighted average exercise price and movements in share options:

	31 December 2024		31 December 2023	
	Number	Weighted average exercise price \$	Number	Weighted average exercise price \$
Outstanding at the beginning of year	3,522,664	3.40	3,187,500	1.17
Expired options	-	-	(3,000,000)	1.20
Granted during the year – lead manager	-	-	15,000,000	0.23
Granted during the year – free-attaching to shareholders	19,725,273	0.04	37,650,392	0.23
Exercised during the year	(6,606,304)	0.04	-	-
Effect of 15:1 consolidation ¹	-	-	(49,315,228)	-
Exercisable at the end of the year	16,641,633	0.75	3,522,664	3.40

¹ Effect of 15:1 consolidation of capital as approved by shareholders at the General Meeting held on 21 February 2024.

The fair value of the options issued was estimated at the date of grant using the Black-Scholes option pricing model below:

Grant Date	Expiry Date	Share Price at Grant Date ¹	Exercise Price ¹	Expected Volatility	Dividend Yield	Risk-Free Interest Rate	Fair Value at Grant Date ¹
27/06/2021	02/11/2025	\$7.050	\$9.360	89%	0%	0.82%	\$4.26
24/04/2023	24/04/2026	\$1.140	\$3.375	90%	0%	3.24%	\$0.39
28/06/2023	24/04/2026	\$1.575	\$3.375	90%	0%	3.24%	\$0.63

Set out below are the options exercisable at the end of the financial year:

Grant Date	Expiry Date	31 December 2024 No. of Options	31 December 2023 No. of Options
27/06/2021	02/11/2025	12,500	12,500
31/03/2023	24/04/2026	444,445	444,445
24/04/2023	24/04/2026	2,019,574	2,019,574
28/06/2023	24/04/2026	1,046,145	1,046,145
08/05/2024	02/04/2026	13,118,969	-
		16,641,633	3,522,664

Osteopore Limited and its Controlled Entities
Notes to the Preliminary Financial Statements
For the year ended 31 December 2024

Note 5. Share Based Payment Expense (cont.)

Director Performance Rights

The fair value of the director performance rights issued during the prior year was estimated at the date of grant using the Monte Carlo valuation methodology and key inputs have been summarised below:

	Tranche A	Tranche B	Tranche C	Tranche D	Tranche E
Grant Date	31 Mar 2023	31 Mar 2023	31 Mar 2023	31 Mar 2023	31 Mar 2023
Expiry Date	10 May 2028	10 May 2028	10 May 2028	10 May 2028	10 May 2028
Share Price at Grant Date (\$)¹	1.29	1.29	1.29	1.29	1.29
VWAP Hurdle (\$)¹	3.750	4.500	5.625	7.125	8.250
Risk-free rate (%)	2.985	2.985	2.985	2.985	2.985
Volatility (%)	90	90	90	90	90
Fair value per Performance Right¹	1.1010	1.0635	1.0095	0.9540	0.9075

¹Effect of 15:1 consolidation of capital as approved by shareholders at the General Meeting held on 21 February 2024.

The Company has agreed, and Shareholders have agreed at a general meeting of the Company held on 23 December 2024, to cancel 740,004 existing directors' Performance Rights and to issue a further 11,625,000 Performance Rights, as set out in the Company Notice of Meeting dated 21 November 2024.

The fair value of the director performance rights to be issued was estimated at the date of grant using the Monte Carlo valuation methodology and key inputs have been summarised below:

	Tranche A	Tranche B	Tranche C	Tranche D	Tranche E
Grant Date	23 Dec 2024	23 Dec 2024	23 Dec 2024	23 Dec 2024	23 Dec 2024
Share Price at Grant Date (\$)	0.036	0.036	0.036	0.036	0.036
VWAP Hurdle (\$)	0.078	0.116	0.155	0.194	0.233
Risk-free rate (%)	4.076	4.076	4.076	4.076	4.076
Volatility (%)	70	70	70	70	70
Fair value per Performance Right	0.0344	0.0304	0.0270	0.0242	0.0220

For the financial year ended 31 December 2024, a total share-based payment expense of \$93,556 (31 December 2023: \$77,884) was recognised through profit and loss in relation to the director performance rights.