ASX Announcement

Results for the Full Year Ended 30 June 2026

Perth, Australia; 31 August 2026: Orthocell Limited (ASX:OCC, "Orthocell" or the "Company")

As approved by the Board of Orthocell Ltd, and in accordance with ASX Listing Rule 4.3A, please find attached the following for immediate release to the market:

- Appendix 4E; and
- The Annual Report which contains the Operating and Financial Review followed the Statutory Financial Report for the year ended 30 June 2026.

Release authorised by:
Paul Anderson
Orthocell Ltd CEO and MD

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About Orthocell Limited

ACN 118 897 135

Registered Office – Level 2, 161 Campus Drive, Murdoch University, Murdoch WA 6150 Australia

Orthocell is a regenerative medicine company focused on regenerating mobility for patients by developing products for the repair of a variety of bone and soft tissue injuries. Orthocell's portfolio of products include a platform of collagen medical devices which facilitate tissue reconstruction and healing in a variety of dental and orthopaedic reconstructive applications. Striate+™ was the first product approved for dental GBR applications, is cleared for use in the US, Australia, New Zealand, Singapore, UK, Europe, Canada and Brazil and is distributed globally by BioHorizons Implant Systems Inc. Remplir™, for peripheral nerve reconstruction, recently gained clearance for use in the US. The Company has appointed a network of specialist US distributors and recorded initial sales. The Company's flagship nerve repair product is also approved in Australia, New Zealand and Singapore where it is distributed by Device Technologies Group. Other Remplir approvals include Thailand, Canada and Hong Kong. SmrtGraft™, for tendon repair, is available in Australia under Special Access Scheme or participation in a clinical trial. The Company's other major products are autologous cell therapies which aim to regenerate damaged tendon and cartilage tissue. Orthocell is accelerating the development of its tendon cell therapy in the US with technology transfer and FDA engagement to confirm the path to the US market and prepare for partnering discussions.

For more information on Orthocell, please visit www.orthocell.com or follow us on Twitter @Orthocellltd and LinkedIn www.linkedin.com/company/orthocell-ltd

Forward Looking Statement

Any statements in this press release about future expectations, plans and prospects for the Company, the Company's strategy, future operations, and other statements containing the words "anticipate," "believe," "estimate, "expect," "intend," "may," "plan," "predict," "project," "target, "potential," "will," "would," "could," "should," "continue," and similar expressions, constitute forward-looking statements. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including: the Company's ability to successfully develop its product candidates and timely complete its planned clinical programs and the Company's ability to obtain marketing approvals for is product candidates. In addition, the forward-looking statements included in this press release represent the Company's views as of the date hereof. The Company anticipates that subsequent events and developments will cause the Company's views to change. However, while the Company may elect to update these forward-looking statements at some point in the future, the Company specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date hereof.

Appendix 4E

Annual report for the 12 months to 30 June 2026
Orthocell Limited - ABN 57 118 897 135

1. Reporting period

Report for the year ended 30 June 2026 (previous period year ended 30 June 2025).

2. Results for announcement to the market

AUD$	30 June 2026	30 June 2025	% change
Revenue from ordinary activities	$11,407,156	$7,846,788	45%
Loss before income tax	$(13,914,694)	$(8,566,640)	62%
Loss after income tax attributable to the owners of the parent entity	$(13,914,694)	$(8,566,640)	62%
Total comprehensive loss attributable to the owners of the parent entity	$(13,582,888)	$(8,566,640)	59%

Full details are in the attached Annual Report of Orthocell Limited for the year ended 30 June 2026.

3. Net tangible assets per security

AUD$	30 June 2026	30 June 2025	% change
Net tangible assets per ordinary security	$0.1235	$0.0555	123%

4. Dividends

No dividends were paid during the current or previous years, and no dividends have been declared subsequent to the year end and up to the date of this report. There are no dividend or distribution reinvestment plans in operation.

5. Foreign entities

Entity	Country of incorporation	30 June 2026	30 June 2025
Orthocell UK Ltd	United Kingdom	100%	100%
Orthocell (US) LLC	United States of America	100%	100%

Compliance statement

1 This report has been prepared in accordance with Australian Accounting Standards and other standards acceptable to ASX.

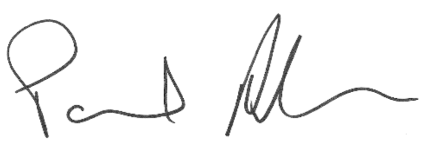
2 This report and the accounts upon which it is based use the same accounting policies.

3 This report gives a true and fair view of the matters disclosed.

4 This report is based on accounts that have been audited.

☑	The accounts have been audited.	☐	The accounts have been subject to review.
☐	The accounts are in the process of being audited or subject to review.	☐	The accounts have *not* yet been audited or reviewed.

Authorised for release by the Board of Directors of Orthocell Limited.

Sign here: 

Paul Anderson
(CEO & Managing Director)

Date: 31 August 2026

Print name: Paul Anderson

Annual Report
2026

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Company Overview

Orthocell (ASX:OCC) is a regenerative medicine company focused on improving mobility for patients by developing products for the repair of bone and soft tissue injuries. Orthocell's portfolio of products include a platform of collagen medical devices that facilitate tissue reconstruction and healing in a variety of dental and orthopaedic reconstructive applications.

About Orthocell

Orthocell develops, manufactures and commercialises regenerative medicine products for the repair and regeneration of nerve, bone, tendon and cartilage tissue.

Trusted by surgeons and specialist centres internationally, Orthocell's products are designed to improve the standard of care for patients living with debilitating medical conditions. The Company's products support the body's natural healing processes and are carefully engineered to simplify complex surgical procedures, reduce operative time and support consistent, predictable outcomes.

Orthocell's principal commercial products are Remplir™, a collagen nerve wrap used in peripheral nerve repair, and Striate+™, a resorbable collagen membrane used in guided bone and tissue regeneration. The Company also markets OrthoACI™, an autologous cartilage cell therapy in Australia, and is advancing SmrtWrap™, a collagen-based tendon repair solution.

Remplir, Striate+ and SmrtGraft are built on Orthocell's proprietary SMRT™ collagen processing platform. Developed over more than a decade of research and manufacturing experience, the platform preserves the natural structure of collagen to create medical devices that support tissue repair and regeneration.

Orthocell owns the intellectual property behind its collagen platform and manufactures its products at its ISO 13485-certified facility in Perth, Western Australia. From this Australian base, the Company supplies a growing network of international markets through specialist distributors, global commercial partners and its US commercial team.

Company Overview

Remplir™ Nerve Wrap

Remplir™ is a collagen-based nerve wrap designed to support nerve repair surgery by providing a compression-free environment that promotes optimal healing and predictable outcomes in peripheral nerve repair.

Key benefits include

- Exceptional handling characteristics
- Mimics epineurium (nerve outer layer)
- Reduces need for multiple sutures
- Returns nerve to pre-injured state

Remplir is a highly versatile product that delivers a single solution for either connecting severed nerves, protecting damaged nerves or capping amputated nerves.

Remplir is cleared for use in the US, Australia, Canada, Hong Kong, New Zealand, Singapore and Thailand. In Australia Remplir is distributed exclusively by Device Technologies Group.

Remplir™

Striate+™ Dental Membrane

Striate+™ is a pure, acellular resorbable collagen membrane used for guided bone and tissue regeneration in dental applications. It is designed to protect the bone defect space from in-growth of gingival tissue and provide a favourable environment for osteogenesis.

Striate+ is produced in Australia by Orthocell using a proprietary SMRT™ manufacturing process which preserves the collagen structure without crosslinking or chemical modification for optimal tissue integration.

Striate+ is cleared for use in the US, Australia, New Zealand, Singapore, UK, Europe, Canada and Brazil and is distributed globally by BioHorizons Implant Systems Inc.

Striate+™

OrthoACI™ Cartilage Cell Therapy

Millions of people worldwide suffer pain and limited mobility as a result of damage to articular cartilage, most commonly in the knee and ankle. Unfortunately, unlike muscle or bone, damaged cartilage has a limited capacity for self-repair.

OrthoACI™ offers treatment for symptomatic defects of the articulating cartilage of the joints. OrthoACI uses the patient’s own healthy cartilage cells called chondrocytes to assist the regeneration of damaged cartilage. OrthoACI is a highly customised treatment – each procedure is tailored to the individual patients’ requirements.

OrthoACI is available for sale in Australia.

OrthoACI™

Financial Highlights

Revenue

+45%
Revenue Growth on FY25

A$9.1M
FY25

A$13.2M
FY26

Gross Profit

+86%
Gross Profit Growth on FY25

A$3.6M
FY25

A$6.7M
FY26

A$3.8M
June quarter Revenue
(Previous year Q4: A$2.8M)

10%
Compound quarterly revenue growth over the last 10 quarters

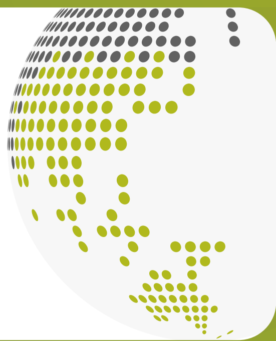
A$44.0M
Available funds at 30 June 2026

NO
Long-term financial debt
Royalties payable on product sales

Operational Highlights

1 US commercialisation - “Win in the Americas”

- Built dedicated US Sales, Medical Education and Marketing capability
- 18 distributors across 20+ states, achieving 50% coverage and exceeding FY26 targets by 25%
- 70 hospitals purchasing Remplir with 100+ Value Assessment Committee approvals submitted, in process or approved
- 76 surgeons using Remplir, supported by strong surgeon feedback

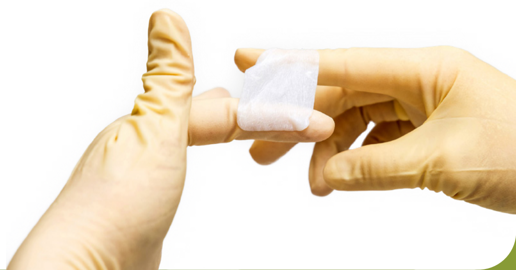


2 Continue growth in ANZ and Asia

- 370 surgeons across 239 hospitals have used Remplir in Australia since launch
- Appointed specialist Remplir distributor in Thailand
- First commercial Remplir sales in Hong Kong
- Continued growth in surgical cases in Singapore

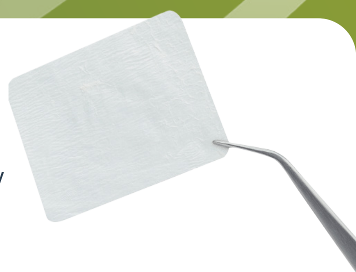
3 Expanding global footprint

- First commercial Remplir sales in Canada
- Advanced Remplir UK and EU regulatory and launch preparations
- Expanded Remplir’s humanitarian reach to support victims of war in Ukraine
- Striate+ approvals secured in Brazil, Colombia and Ecuador



4 Advancing product platform

- More than 250 nerve-sparing prostate procedures completed
- Remplir used by 39 prostate surgeons across five Australian states
- US regulatory program commenced for SmrtWrap™ tendon repair
- Strategic interest in Marine Biomedical increased, with first right of refusal secured over PearlBone distribution



5 Building capability for future growth

- Approved stage 1 manufacturing expansion
- Commenced manufacturing automation program to increase capacity and efficiency
- Successfully implemented Enterprise Resource Planning (ERP) to support scale and efficiency
- Launched digital marketing program to build global Remplir awareness

Letters to Our Shareholders

From the Chair

Dear Shareholders,

FY26 was a year of strong commercial and strategic progress for Orthocell. The Company delivered record revenue, materially strengthened its financial position and continued to build the foundations for sustained growth across global regenerative medicine markets.

Revenue increased by 45% to a record A$13.2 million, reflecting continued adoption of Orthocell's collagen medical devices across established markets and early contributions from new international markets. This growth demonstrates the increasing relevance of the Company's product portfolio to surgeons and patients.

During the year, Orthocell advanced its global platform and operational scale-up. Remplir™ distribution continued to build commercial momentum, including through its first full year of availability in the United States, while Striate+™ distribution expanded further through BioHorizons. The Board also approved the first stage of expansion at Orthocell's Perth manufacturing facility, supporting future international demand while retaining control over product quality, supply and manufacturing economics.

Orthocell enters FY27 in a strong financial position. The A$30 million placement completed during the year strengthened the balance sheet with the Company finishing the financial year with A$44 million in cash and term deposits. This provides capacity to execute current commercial, manufacturing, regulatory and product development plans. With no long-term financial debt and no royalties payable on product sales, Orthocell has the flexibility to invest with discipline in sustainable growth and long-term shareholder value.

Orthocell's strategy remains clear: to build a global regenerative medicine company based on proprietary Australian technology, high-quality manufacturing and products that address meaningful clinical needs. The Company has established strong foundations across nerve, bone and soft tissue repair, while continuing to assess opportunities to extend its platform into adjacent applications. By owning its manufacturing capability, Orthocell maintains control over product quality, margins and supply continuity — an increasingly important advantage as hospitals globally place greater value on supply chain security.

The Board recognises that shareholders expect FY26's strategic and operational progress to translate into continued revenue growth. Our role is to ensure Orthocell pursues that opportunity with discipline — maintaining a strong balance sheet, investing ahead of demand where appropriate and supporting management as the Company scales its international commercial footprint.

We enter FY27 with confidence, maintaining a clear focus on the United States nerve repair market as our largest commercial opportunity, while building a disciplined presence in selected international markets.

I thank Paul, the executive team and all Orthocell employees for their commitment and execution during the year, as well as our surgeons, distributors, commercial and research partners for their continued confidence and expertise.

John Van Der Wielen
Independent Non-Executive Chair

From the CEO & MD

Dear Shareholders,

FY26 was an important step in Orthocell's evolution as a global regenerative medicine company, with record revenue and continued progress across established markets and selected international opportunities.

We delivered record revenue of A$13.2 million, up 45% on FY25, including a record June quarter of A$3.8 million. Remplir™ and Striate+™ were the principal drivers, supported by continued strength in Australia and growing contributions from the United States and other international markets.

Australia remains our most established Remplir market and is expected to continue growing as an important foundation for our broader commercial strategy. During the June quarter alone, more than 1,000 Remplir procedures were completed in Australia, continuing to strengthen our clinical evidence base and highlighting the significant potential of the United States nerve repair market.

FY26 was Remplir's first full year of commercial availability in the United States following first sales in June 2025. During this US market access phase, our focus was to establish the infrastructure needed to support high-quality, sustainable adoption. By year end, we had expanded our specialist distributor network across more than 20 states, progressed Value Analysis Committee applications, engaged leading peripheral nerve repair surgeons and centres, and achieved use across 70 hospitals and 76 surgeons, with quarterly US unit sales increasing to 119.

US revenue remains early, with A$0.33 million recorded in the June quarter and A$0.92 million since launch. We are very pleased with this first-year progress, while recognising that the path from surgeon interest to hospital approval, first use and repeat ordering can extend over several months. In FY27, our priority is to deepen adoption within the established footprint by investing in targeted sales, education and marketing initiatives that support distributors and surgeons as Remplir becomes part of routine clinical practice and repeat use grows.

We also expanded Remplir's international presence in selected markets. Canada and Hong Kong recorded their first Remplir sales, we appointed a specialist distributor in Thailand, and we progressed regulatory and commercial preparations for entry into the UK and Europe. Together, these markets support a more geographically diverse commercial base while we maintain a clear focus on the United States nerve repair market as our largest commercial opportunity.

A hallmark of a strong platform technology is its ability to expand organically into other clinical uses. By year end, more than 250 nerve-sparing prostate procedures using Remplir had been completed by 39 surgeons across Australia. We commenced the US regulatory program for SmrtWrap™, extending our SMRT™ collagen platform into tendon repair, and increased our strategic interest in Marine Biomedical, securing a first right of refusal over the global distribution of PearlBone.

Striate+ continued to perform strongly through our global partner BioHorizons. Approximately 60,000 units were manufactured for BioHorizons during the year, providing an important contribution to product gross margin strength and supporting the continued development of our collagen production capabilities.

As our commercial footprint grows, we continue to scale our operations to support disciplined international growth. During FY26, we approved the first stage of expansion at our Perth manufacturing facility and advanced automation and business systems to increase capacity, improve efficiency and support a larger customer base.

In FY27, our priorities are clear: deepen adoption in the United States nerve repair market, our largest commercial opportunity; grow established markets; prepare selectively for further international launches; and advance product opportunities that can broaden the portfolio over time.

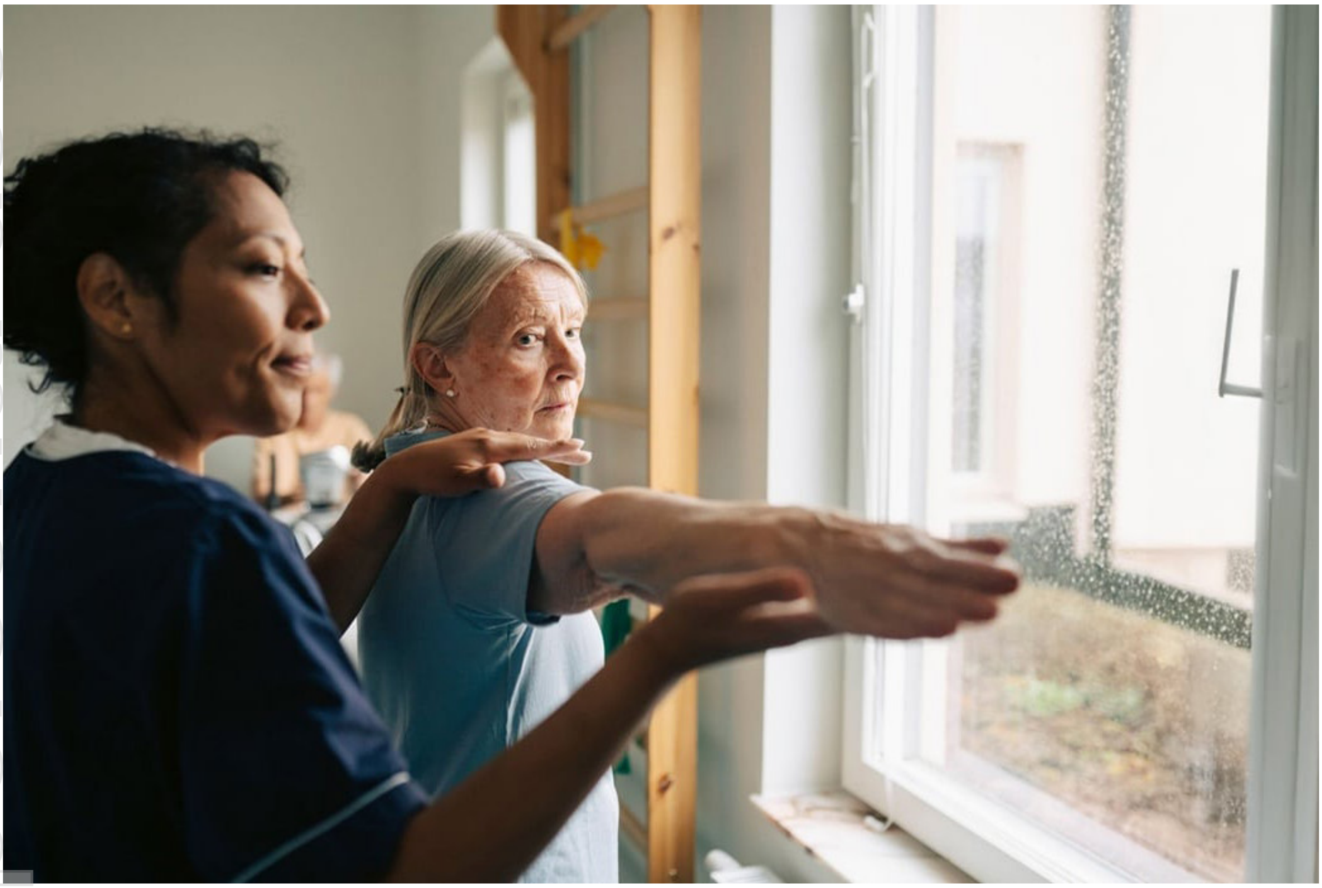
The foundations are in place, but our work is not complete. Growth will depend on disciplined execution and the progressive conversion of market access into routine clinical use, and we will continue to report transparently on our progress.

I thank the Orthocell team for their commitment, and our surgeons, patients, distributors and commercial partners for their trust in our technologies. I also thank our shareholders for their continued support as we build an Australian regenerative medicine company focused on the United States opportunity while maintaining a dedicated international presence.

Paul Anderson
Chief Executive Officer
and Managing Director

Financial and Operational Review

Orthocell continued to build its global commercial platform during FY26, delivering record revenue growth while expanding access to Remplir across the United States and other international markets. The year was characterised by progress in hospital approvals, surgeon adoption, regulatory expansion and manufacturing capability, with revenue from newer markets expected to develop progressively as clinical use broadens.



Record growth across an expanding commercial footprint

FY26 was a year of continued commercial growth for Orthocell, supported by increasing adoption of its collagen medical devices across established and emerging international markets.

The Company recorded annual revenue of A$13.2 million, an increase of 45% on FY25. Revenue reached a further quarterly record of A$3.8 million in the June quarter, up 20% on the March quarter and 36% on the corresponding period.

The result extended Orthocell's three-year trajectory of quarterly revenue growth. Remplir™ and Striate+™ both contributed to this growth, with the Australian business continuing to provide a strong commercial base and newer markets beginning to contribute sales revenue.

Australia remained Remplir's most established market. During the June quarter, more than 1,000 Remplir procedures were completed in Australia, generating more than A$1.5 million in revenue. This level of use reflects the product's growing integration into surgical practice and provides an important reference point as Orthocell introduces Remplir into newer markets.

Financial and Operational Review

Growing adoption in the United States

FY26 was Remplir's first full year of commercial availability in the United States following FDA clearance in April 2025.

Orthocell's US strategy is focused on establishing Remplir™ with specialist nerve surgeons and hospitals capable of becoming significant and consistent users over time. The Company operated through a network of specialist distributors supported by its internal US sales, marketing and medical affairs team.

During the year, distributor coverage expanded across more than 20 states, representing approximately 50% of the US population. Orthocell also continued to build relationships with recognised centres of excellence and surgeons specialising in hand, plastic, orthopaedic and peripheral nerve surgery.

By 30 June 2026:

- Built dedicated US Sales, Medical Education and Marketing capability.
- 18 distributors across 20+ states, achieving 50% coverage and exceeding FY26 targets by 25%.
- 70 hospitals purchasing Remplir with 100+ Value Assessment Committee approvals submitted, in process or approved.
- 76 surgeons using Remplir, supported by strong surgeon feedback.

Remplir also achieved access to the US Department of Defense and Veterans Affairs healthcare networks, encompassing 221 military and veterans' medical centres.

These figures demonstrate progress through the early stages of market adoption. However, the process from initial surgeon interest to routine clinical use can be lengthy. Hospitals generally require products to proceed through a Value Analysis Committee assessment before purchasing can commence. Surgeons must then be trained, identify appropriate procedures and develop confidence through initial use before repeat ordering becomes established.

US revenue therefore remains at an early stage relative to the commercial footprint now in place. Remplir generated A$0.33 million in US revenue during the June quarter, an increase of 10% on the March quarter. Orthocell's FY27 focus is to deepen utilisation within approved hospitals and increase repeat use, while continuing to expand access to additional high-quality accounts.

Financial and Operational Review

Expanding Remplir internationally

Orthocell continued to broaden Remplir's international reach during FY26.

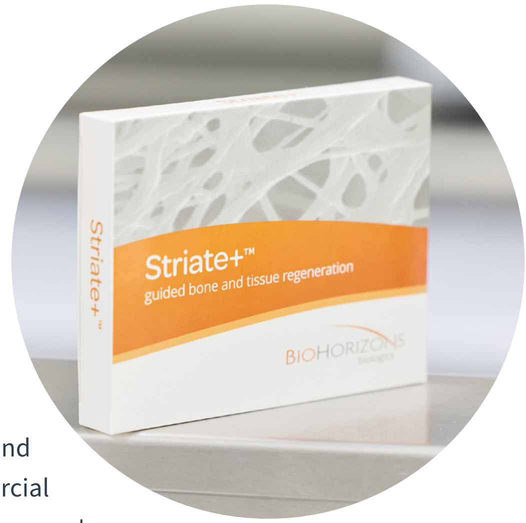
Canada recorded its first commercial sale in April 2026 following regulatory approval and the appointment of an exclusive distributor. Hong Kong achieved its first sale in December 2025 through MontsMed, while the appointment of a specialist distributor in Thailand strengthened Orthocell's presence in the Asia-Pacific region.

Thailand represents a strategically relevant market due to the prevalence of traumatic nerve injuries and the international standing of its specialist nerve surgeons. Orthocell will work with its distributor to build awareness, train surgeons and establish early clinical use.

The Company also progressed its regulatory program for the United Kingdom and European Union. A regulatory submission was lodged in December 2025, with approval anticipated by the end of calendar 2026. Pre-launch activity with UK distributor LEDA Orthopaedics included account planning, representative training and engagement with key opinion leaders.

As with the United States, revenue from these newer markets is expected to develop progressively as distributors establish local access and surgeon adoption builds.

Continued global growth of Striate+™



Striate+, Orthocell's collagen membrane for guided bone and tissue regeneration, broadened its international footprint through exclusive global partner BioHorizons Implant Systems.

During FY26, Striate+ was registered or approved for sale in Hong Kong, Colombia, Ecuador and Chile. These new markets add to the products existing presence across the United States, Europe, the United Kingdom, Australia, New Zealand, Canada, Brazil and Singapore.

BioHorizons is preparing commercial expansion across Brazil, Colombia and Ecuador. Striate+ remains an important component of Orthocell's commercial platform, providing recurring manufacturing activity and allowing the Company to leverage shared production capability across its collagen medical device portfolio.

All Striate+ sold globally is manufactured by Orthocell in Western Australia, with approximately 60,000 units manufactured for BioHorizons during the year, demonstrating the scale already achieved within this part of the business.

Extending the Remplir opportunity

Orthocell continued to investigate other clinical applications for Remplir during FY26.

More than 250 nerve-sparing prostate surgery procedures had been completed by 39 surgeons across Australia's five most populous states by year end. In this application, Remplir is used to support the protection and repair of nerves affected during radical prostatectomy.

Initial clinical performance data is being compiled, with outcomes anticipated during the second half of calendar 2026.

Financial and Operational Review

Advancing the product pipeline

During the year, Orthocell commenced a US regulatory program for SmrtWrap™, a collagen-based medical device being developed for tendon repair. SmrtWrap applies Orthocell's established collagen platform to an adjacent surgical market. The program is intended to build on the Company's scientific expertise, manufacturing capability and relationships with surgeons already working across nerve, orthopaedic and reconstructive procedures.

Orthocell also entered into a binding agreement with Marine Biomedical in January 2026, increasing its equity interest from 1.72% to 12.17% through a total investment of A$1.005 million.

The agreement secured Orthocell a first right of refusal over the global distribution of PearlBone, a marine-derived bone repair product progressing through its own development and regulatory pathway. The investment provides Orthocell with exposure to a potential complementary product for Striate+ while allowing Marine Biomedical to continue advancing the technology independently.

Investing in manufacturing capacity

Orthocell manufactures Remplir and Striate+ at its ISO 13485-certified facility in Perth, Western Australia.

During FY26, the Board approved Stage 1 of a manufacturing expansion program, comprising an anticipated investment of approximately A$5 to A$5.5 million.

The program is designed to:

- Increase manufacturing and warehousing capacity;
- Introduce greater automation;
- Reduce manufacturing cycle times;
- Improve production efficiency; and
- Support expected growth across existing and emerging markets.

Construction is scheduled to commence during the second half of CY2026.

The Company is undertaking this investment in advance of anticipated future demand. This provides time to commission and validate the expanded facility while commercial adoption continues to develop across the US and other international markets.

Strengthened financial capacity

Orthocell completed a A$30 million placement in October 2025, issuing approximately 23.1 million shares at A$1.30 per share.

At 30 June 2026, the Company held A$44 million in available funds, comprising cash and cash equivalents together with term deposits. Orthocell has no long-term financial debt and no royalties payable on product sales.

The funding provides capacity to continue the US commercialisation of Remplir, progress the UK and EU market-entry program, expand manufacturing capability and advance selected clinical and product-development initiatives.

Our Business Model

A Business Model for Global Reach and Impact

Orthocell has built an integrated business model around three core capabilities: proprietary technology, Australian manufacturing, and specialist routes to market. Together, these provide the foundation to develop innovative regenerative medicine products, manufacture them at scale and expand their use across global markets.

Owning the manufacturing advantage

Orthocell has chosen to retain responsibility for manufacturing its collagen medical devices rather than license production to a third party. Every Remplir™ and Striate+™ device supplied internationally is manufactured at the Company's facility in Perth, Western Australia. This gives Orthocell close oversight of product quality, production and supply, while allowing the Company to retain the manufacturing component of product revenue. There are also no royalties payable on sales of its collagen medical devices.

Perth provides the central base for this model. Australia offers access to high-quality collagen raw material supported by strong biosecurity standards, while the three-year shelf life of Orthocell's devices allows products to be manufactured centrally and supplied across North America, Europe, Asia-Pacific and Latin America.

The value of retaining manufacturing in-house extends beyond production. It gives Orthocell flexibility in how each product is taken to market. The Company can work with a global commercial partner, engage specialist local distributors or maintain closer involvement in a priority market, while continuing to control manufacture of the finished device.

Striate+ demonstrates how this model works in practice. BioHorizons holds the exclusive global rights to commercialise the product, bringing established customer relationships, distribution capability and international reach, while Orthocell manufactures and supplies the finished devices from Perth.

Approximately 60,000 Striate+ units were manufactured for BioHorizons over the preceding year. The relationship has helped Orthocell develop and scale its manufacturing processes, establish an international commercial product and build a production base that also supports the wider portfolio.

It has also allowed the Company to direct more of its internal commercial resources towards the global rollout of Remplir, while continuing to participate in Striate+ growth through manufacturing.

> The fact that we own our manufacturing enables us to own our manufacturing margin.
>
> **Paul Anderson**
> CEO and Managing Director

Our Business Model

Different routes to different markets

Orthocell does not use a single commercial model across every product and jurisdiction. Its approach is tailored to the characteristics of each market and the opportunity for each product.

Striate+ is commercialised globally through BioHorizons,leveraging its established global dental sales and distribution network. Remplir™ is commercialised through specialist distributors in Australia and selected international markets. These partners provide complementary product portfolios, established surgeon relationships, local market expertise, and commercial reach to support product adoption and growth.

In the United States, Orthocell has adopted a more hybrid commercial model. The Company has built an experienced internal sales, marketing and medical affairs team that works alongside a network of specialist distributors with established relationships with surgeons, market knowledge and commercial reach.

Rather than attempting to address the entire US nerve-repair market at once, the Company has focused initially on the surgeons, procedures and institutions where Remplir offers an immediate advantage and does not compete directly with existing products. This focus includes microsurgically trained hand and plastic surgeons treating crush, compression and short-gap nerve injuries, where the Company believes Remplir can address clear clinical needs and support meaningful adoption.

Driving adoption, one surgeon at a time

Regulatory clearance opens a market, but it does not translate immediately into revenue.

In the United States, an interested surgeon will commonly need to sponsor Remplir through the hospital's Value Analysis Committee before the product can be purchased and used. Surgeons must then become familiar with the device, identify appropriate patients, undertake initial procedures and build confidence through clinical experience.

The commercial pathway therefore develops in stages:
Surgeon engagement → hospital approval → first use → repeat use

The timing varies between institutions and can extend over several months. Broader market access should therefore be viewed as a leading indicator of commercial development rather than an immediate proxy for revenue. Revenue builds progressively as hospitals begin purchasing and surgeons move from initial procedures towards more regular use.

By 30 June 2026, Remplir had secured 44 Value Analysis Committee approvals, providing access to 151 hospitals. Seventy hospitals had purchased the product and 76 surgeons had used it.

These figures demonstrate an expanding commercial platform, while also reflecting that the US rollout remains in an adoption phase. Orthocell's strategy is to build a network of trained distributors, engaged surgeons and approved hospitals capable of supporting repeat clinical use over time.

> We are laying quality foundations that set the business up for long-term, sustainable growth.
>
> **Paul Anderson**
> CEO and Managing Director

Our Business Model

Building capacity ahead of demand

Orthocell continued to strengthen the infrastructure supporting this model during FY26.

A new enterprise resource planning system went live in April 2026, alongside improvements to the Company's customer relationship management and other digital platforms. Together, these systems are intended to improve visibility across finance, inventory, orders, customer activity and operations as the international business expands.

The Company also began introducing greater automation into its manufacturing processes and commenced the first stage of an expansion of its Perth facility. The program includes additional manufacturing and warehousing capacity, together with process improvements intended to increase production efficiency and shorten manufacturing cycle times.

Once complete, the expansion is expected to increase installed collagen-device manufacturing capacity to approximately four times its current level, with investment continuing through FY27 as the project progresses.

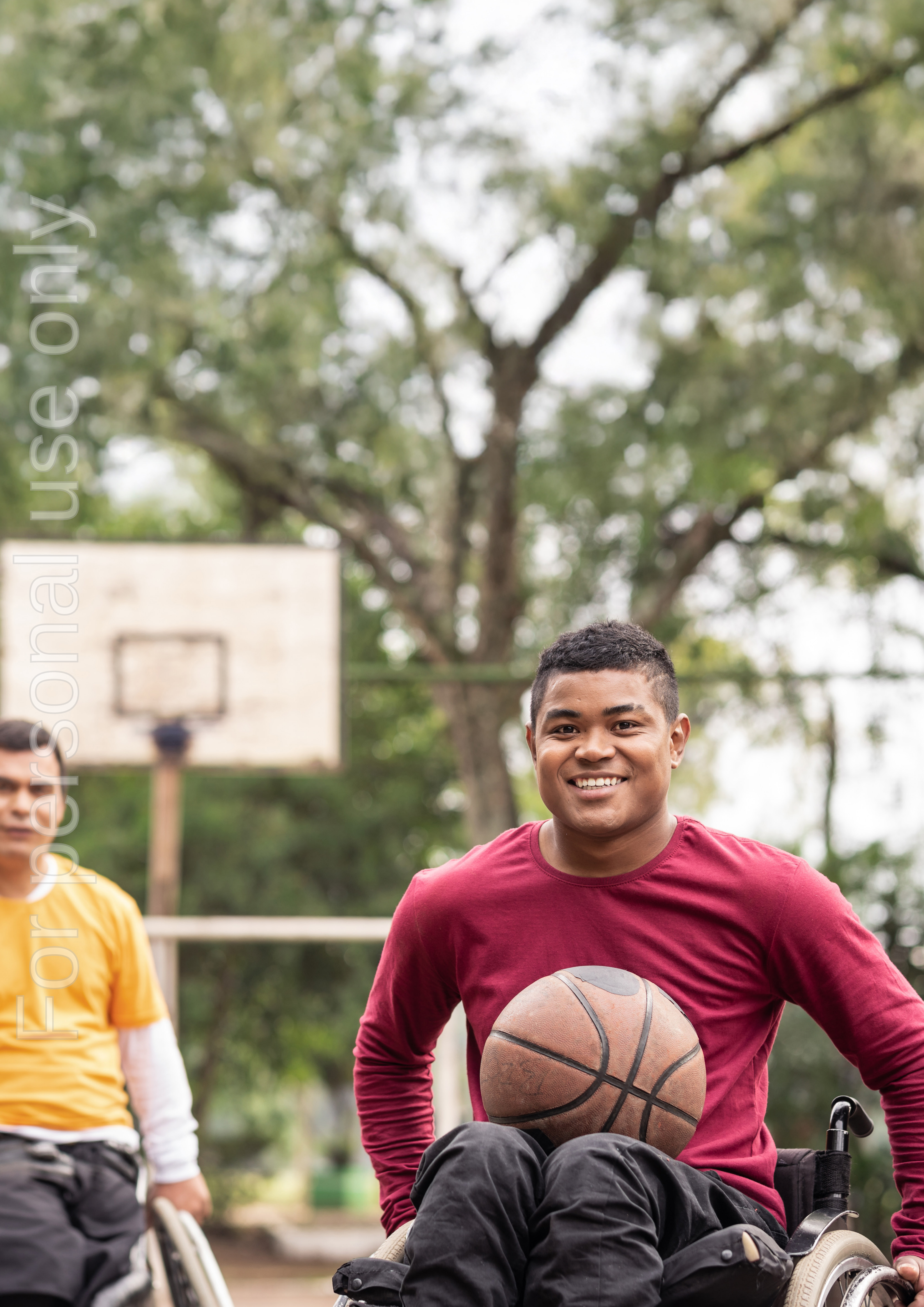
These investments are being made ahead of anticipated demand. The objective is to ensure that growth across products, markets and customers can be supported within the existing operating model, rather than requiring Orthocell to rebuild its infrastructure at each stage of expansion.

A platform for continued expansion

Orthocell's business model has already been applied across bone and nerve repair and is now being extended into tendon repair. The Company's longer-term strategy is to build value around products that can draw on capabilities already established across product development, manufacturing, regulatory execution and commercial relationships.

Each new product or application will still require appropriate clinical evidence, regulatory approval and market development. The advantage is that Orthocell can build from an established operational base rather than starting again from the beginning.

The result is a model designed for progressive global growth: products developed and manufactured in Australia, commercialised through the route best suited to each market, and supported by infrastructure that can expand as adoption develops.



Our Board of Directors

John Van Der Wielen

Chairman

Qualifications: MBA, FAICD

Current listed directorships: Nil

Former listed directorships (last 3 years): Nil

John is an accomplished executive leader with more than 30 years' experience across wealth management, private banking, investments and insurance. He has held senior roles with global financial services groups and has extensive experience in capital markets, institutional investor engagement, acquisitions, integration and business transformation. John has served on listed ASX, FTSE, European and Asian boards, was CEO of HBF Health Ltd and is currently Chairman of Perth Mint & Future Health Innovation Research Fund. He is also a senior adviser to Appian Capital Advisory LLP & Bridgewest Group.

Mr Van Der Wielen holds a Master of Business Administration from The University of Western Australia, has undertaken executive studies at London Business School and Oxford University, and is a Fellow of the Australian Institute of Company Directors.

Paul Anderson

Chief Executive Officer and Managing Director

Qualifications: BHSc

Current listed directorships: Nil

Former listed directorships (last 3 years): Nil

Paul has more than 25 years' experience in medical devices and cellular therapeutics, with expertise in translating research into clinical and commercial products. His experience spans strategic planning, new product development, product launches, international regulatory pathways, reimbursement, marketing, sales and key opinion leader engagement. Paul previously held the Managing Director's position with Verigen Australia Pty Ltd, a human cell therapies company acquired by Nasdaq-listed Vericel Corporation, a multi-billion-dollar biotechnology company focused on advanced cell therapies and specialty biologics. He has more than 20 years' experience in executive leadership and board roles and has extensive experience in bringing regenerative medicine technologies from research through to clinical adoption and market entry.

Professor Fiona Wood AM

Non-Executive Director

Qualifications: MBBS, FRACS, AM

Current listed directorships: Nil

Former listed directorships (last 3 years): Nil

Professor Fiona Wood AM is a highly regarded plastic and reconstructive surgeon with more than 30 years' experience. She is internationally recognised for co-inventing the "spray-on skin" treatment for burns and for her contribution to burns care, research and innovation. Professor Wood is a Consultant Plastic Surgeon at Fiona Stanley Hospital and Perth Children's Hospital, Winthrop Professor of Surgery at the University of Western Australia, co-founder of the Wood Foundation and a board member of organisations including the Royal Flying Doctor Service.

Professor Wood was appointed a Member of the Order of Australia in 2003 and was named Australian of the Year in 2005 for her contribution to medicine and burns treatment.

Our Board of Directors

Dr Ravi I. Thadhani

Non-Executive Director

Qualifications: MD, MPH

Current listed directorships: Nil

Former listed directorships (last 3 years): Nil

Dr Ravi Thadhani is a globally recognised healthcare executive, physician and researcher with more than 30 years' experience in clinical medicine, research, medical administration and commercialisation. He is Executive Vice President, Chief Physician Executive and Dean of the Medical Faculty at Cedars-Sinai, where he oversees the organisation's academic and clinical enterprises.

Dr Thadhani has authored more than 300 scientific publications and has extensive experience in patient care, novel research programs, US regulatory pathways and the commercialisation of medical devices and therapeutics. He has served on multiple US FDA advisory committees and has acted as an adviser to a number of global pharmaceutical and healthcare organisations.

Michael McNulty

Non-Executive Director, Chair of Audit and Risk Management Committee,
Chair of Remuneration and Nomination Committee

Qualifications: BCom, FCA, GAICD

Current listed directorships: Southern Cross Electrical Engineering Limited (ASX:SXE)

Former listed directorships (last 3 years): Nil

Michael is a Fellow of Chartered Accountants Australia and New Zealand and a Graduate Member of the Australian Institute of Company Directors, is currently a director of Gold Corporation, which operates The Perth Mint, and an Independent Non-Executive Director of Southern Cross Electrical Engineering Limited, where he chairs the Audit and Risk Management Committee. He has more than 35 years' professional experience, including 22 years as a Deloitte partner and senior leadership roles across Deloitte Australia and Asia Pacific. He is also Vice-President and Board member of Cancer Council WA.

Kim Beazley AC

Non-Executive Director (Resigned 25 July 2025)

Qualifications: MPhil, MA

Current listed directorships: Nil

Former listed directorships (last 3 years): Nil

Kim Beazley AC is a former Australian politician, diplomat and Governor of Western Australia. He served almost three decades in Federal Parliament, including as Deputy Prime Minister, Leader of the Opposition and a senior minister across Defence and Finance portfolios.

He later served as Australian Ambassador to the United States and has held senior roles across public policy, international relations, defence and strategic engagement. Kim was awarded Companion of the Order of Australia in 2009 for service to Parliament and the community.

Our Board of Directors

Peter Webse

Company Secretary

Qualifications: BBus FGIA, FCG

Peter Webse has over 30 years of company secretarial and corporate governance experience. He is a Director of Governance Corporate Pty Ltd, a company specialising in the provision of company secretarial, corporate governance and corporate advisory services.

Mr Webse holds a degree in Accounting and Finance from Edith Cowan University and acts as Company Secretary for a number of ASX-listed companies. He is a Fellow of the Governance Institute of Australia (FGIA) and a Fellow of The Chartered Governance Institute (FCG).

Our Executive Team

Senior Leadership Team

Paul Anderson

Chief Executive Officer and Managing Director

Paul has more than 25 years' experience in medical devices and cellular therapeutics, translating research into clinical and commercial products across strategic planning, product development, regulatory affairs, reimbursement and commercialisation. He previously served as Managing Director of Verigen Australia Pty Ltd, a human cell therapies company acquired by Nasdaq-listed Vericel Corporation. Paul brings more than 20 years' executive leadership and board experience, with a strong track record in guiding regenerative medicine technologies from research through to market.

Professor Ming Hao Zheng AM

Chief Scientific Officer

Professor Zheng is the inventor of Orthocell's core technology and brings extensive scientific, clinical and commercial experience to the Company. He holds a PhD and Doctor of Medicine from the University of Western Australia and is a Fellow of the Royal College of Pathologists. He is Director of Research in Orthopaedic Surgery at the University of Western Australia, with a research focus on cellular and molecular approaches to treating osteoporosis, osteoarthritis and tendon injuries.

Jim Piper

Chief Financial Officer

Jim is a Chartered Accountant with two decades of strategic finance and governance experience across ASX-listed and high-growth companies. As Chief Financial Officer, he leads capital management and financial governance for Orthocell, and oversees the Company's Corporate Services functions — HR, Technology and Procurement/Supply Chain — as the Company scales its clinical, regulatory and commercialisation strategy. Jim previously held senior finance roles at Pilbara Minerals and Fortescue Metals Group, and led CFO advisory work at Accenture. Prior to his finance career, Jim represented Australia in swimming at the 2004 Athens Olympic Games and won two Commonwealth Games gold medals.

Our Executive Team

Senior Leadership Team

Alex McHenry

Chief Operating Officer

Alex brings more than 20 years' experience in corporate strategy, capital raising, business transformation and corporate development across the biotechnology and resources sectors. He began his career with Arthur Andersen, supporting transformation and operational improvement programs, before advising clients on acquisitions, financing and development programs across Australia and South-East Asia. At Orthocell, Alex supports planning and execution discipline, investor and public relations, transaction execution, and the Company's R&D and Regulatory divisions as it scales its international commercial platform.

Tony Macintyre

Chief Technical Operations Officer

Tony has more than 25 years' experience in medical science, spanning laboratory operations, commercial functions, manufacturing, research and development across medical devices, pharmaceuticals and in vitro diagnostics. He has led Australian and international sites and has extensive experience in team leadership, facility design and construction, technology transfer, regulatory compliance and manufacturing efficiency. Tony also served as a director of CareDx Pty Ltd, a subsidiary of US-based CareDx Inc.

Adam Wood

Chief Commercial Officer

Adam brings more than 17 years' experience in sales, marketing and corporate strategy across the MedTech sector in Australia, New Zealand and South-East Asia. He previously held senior roles with LifeHealthcare and EBOS MedTech, leading marketing, strategy, supplier sourcing, digital and brand initiatives, professional education, regulatory affairs, reimbursement and clinical research. He has also supported business strategy and merger and acquisition activity across the MedTech sector.

Directors' Report

Your directors present their report, together with the consolidated financial statements, on the Consolidated Entity ('Consolidated Entity') consisting of Orthocell Limited ('Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026 (FY26).

1. Principal activities and significant changes during the financial year

During the financial year, the principal continuing activities of the Consolidated Entity consisted of the development, manufacture and commercialisation of collagen-based medical devices and cell therapies for the repair and regeneration of bone, nerve, tendon and cartilage defects. These activities were undertaken across the Group's key markets and remain aligned with its strategy to deliver innovative regenerative medicine solutions.

In January 2026, the Group completed the acquisition of an associate interest in Marine Biomedical. This strategic acquisition is intended to expand the Group's capabilities, enhance its product and research pipeline, and support long-term growth by providing access to complementary technologies and expertise.

Other than the acquisition noted above, there were no significant changes in the state of affairs of the Consolidated Entity during the financial year.

2. Summary review of operations

FY26 represented a period of accelerating commercial momentum, underpinned by strong revenue growth and continued execution of the Group's global expansion strategy. A key milestone during the period was the full year commencement of Remplir™ sales in the United States — representing a significant inflection point for the Company — alongside initial commercialisation in Canada. These developments position the Group to capture market share across major global nerve repair markets and support the transition from early market entry to scaled revenue generation.

The Group continued to advance its international expansion initiatives, with further progress across Canada and Hong Kong, and the submission of a regulatory application for approval in the European Union and the United Kingdom. These initiatives materially expand the Group's prospective addressable markets and provide a clear pathway for geographic diversification. In anticipation of regulatory approval, a distributor has been appointed in the United Kingdom to support market readiness, establish commercial infrastructure and facilitate an efficient product launch.

During the period, the Group also strengthened its management team through the appointment of key executives with deep experience in international commercialisation, particularly in the United States. These appointments enhance the Group's capability to execute its global strategy, build high-performing distribution networks and support the scaling of operations across priority markets.

The Company successfully completed a $30 million capital raise during the period, strengthening the balance sheet and providing the financial capacity to scale manufacturing, support global commercialisation activities and continue investment in product development and regulatory programs. The strengthened capital position ensures the Group is well placed to execute its growth strategy through FY26 and beyond, including continued expansion into key international markets and further development of its product portfolio.

A comprehensive review of the Group's financial performance and operational progress for FY26 is set out in the Financial and Operational Review (which forms part of this Directors' Report) on pages 10 to 13.

Directors' Report

3. Significant changes in the state of affairs

There were no significant changes in the Group's state of affairs during the financial year, other than the acquisition of an associate interest in Marine Biomedical in January 2026.

4. Material business risks

The Group is subject to a range of risks that may individually or in combination materially affect its operating performance, financial position and future prospects. The Board and management are responsible for identifying, assessing and managing these risks through the Group's risk management framework, which incorporates appropriate controls, monitoring processes and governance oversight. While a number of risks can be mitigated through these measures, certain risks are inherently outside the control of the Group. The key material risks currently identified by management, together with the principal actions taken to manage those risks, are set out below.

Risk	Description	Mitigation / Management Actions
Clinical development risk	The development of medical devices and cellular therapies is inherently high risk, with a significant proportion of product candidates failing to achieve successful clinical or commercial outcomes. Clinical trials may be delayed, fail to recruit sufficient patients, be terminated for safety reasons, or demonstrate insufficient safety or efficacy. Adverse outcomes may materially impact future commercialisation, financial performance and the value of the Company's securities. Clinical activities may also expose the Company to potential product liability claims.	The Group mitigates this risk through robust preclinical validation, careful clinical trial design, and the use of independent data and safety monitoring boards. Trials are supported by experienced contract research organisations and conducted at high-quality clinical sites with relevant expertise.
Regulatory risk	The Group operates in a highly regulated environment, with the development, manufacture and commercialisation of its products subject to extensive regulatory approval processes across multiple jurisdictions. There is no assurance that approvals for clinical trials, manufacturing or commercialisation will be obtained within expected timeframes or at all. In addition, reimbursement approvals in certain markets may impact product uptake and profitability.	The Group engages experienced regulatory specialists and continuously monitors evolving regulatory requirements across key jurisdictions. Regulatory considerations are embedded in business planning, and development programs are aligned with regulatory expectations to maximise approval success.

Directors' Report

4. Material business risks (continued)

Risk	Description	Mitigation / Management Actions
Manufacturing risk	The Group's products rely on specialised and proprietary manufacturing processes and require the ongoing supply of critical raw materials and consumables from third-party suppliers. Disruptions or inconsistencies in supply may adversely affect development timelines, product availability and financial performance.	The Group conducts comprehensive supplier due diligence and engages reputable suppliers with demonstrated capability. Supplier performance is actively monitored, and oversight is supported by dedicated senior management responsible for supply chain management.
Market and financial risk	The Group is exposed to market-related financial risks, including foreign exchange risk, interest rate risk and liquidity risk. Foreign currency exposure arises from international operations, particularly movements between the Australian and US dollar. Interest rate fluctuations may impact returns on cash holdings, while liquidity risk arises from the need to meet short-term financial obligations.	The Group manages foreign currency risk through natural hedging by matching foreign currency inflows and outflows and, where appropriate, using foreign exchange contracts. Interest rate risk is managed through diversification of cash holdings across term deposits. Liquidity risk is monitored through active cash flow management, and capital is managed to ensure the Group maintains sufficient funding to meet its operational and strategic requirements.

5. Directors

The following persons were directors of Orthocell Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

- **John Van Der Wielen**, Independent Non-Executive Chairman
- **Paul Anderson**, CEO & Managing Director
- **Professor Fiona Wood**, Independent Non-Executive Director
- **Dr Ravi Thadhani**, Independent Non-Executive Director
- **Michael McNulty**, Independent Non-Executive Director (Appointed 1 September 2025)
- **Kim Beazley**, Independent Non-Executive Director (Resigned 25 July 2025)

Information about the Directors who held office during or since the end of FY26, including their names, background and term of office, is provided in the Our Board of Directors section on pages 18 to 20.

Directors' Report

5. Directors (continued)

Directors' relevant interest in shares

As at the date of this report, the interests of the Directors in the shares and options of Orthocell Limited were:

Director	Shares (#)	Equity Incentives (#)
John Van Der Wielen	637,741	4,000,000
Paul Anderson	7,378,900	2,573,586
Professor Fiona Wood	27,740	2,000,000
Dr Ravi Thadhani	16,603	3,000,000
Michael McNulty	144,959	2,000,000

Further information can be found in our Remuneration Report on pages 30 to 44.

Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2026, and the number of meetings attended by each director was:

	Board		Audit and Risk Management Committee		Remuneration and Nomination Committee	
Director	Held	Attended	Held	Attended	Held	Attended
John Van Der Wielen	5	5	4	4	1	1
Paul Anderson	5	5	4	3	-	-
Professor Fiona Wood	5	4	-	-	-	-
Dr Ravi Thadhani	5	5	-	-	1	1
Michael McNulty	3	3	4	4	1	1
Kim Beazley (Resigned 25 July 2025)	1	-	-	-	-	-

6. Remuneration Report

The Remuneration report, set out on pages 30 to 44, forms part of the Directors' report.

Directors' Report

7. Environmental regulation

The Consolidated Entity is not subject to any significant environmental regulation under Australian Commonwealth or State legislation. We seek to be compliant with all applicable environmental laws and regulations relevant to our operations. The Board monitors compliance with applicable environmental requirements and is not aware of any material breaches during the financial year.

8. Therapeutic Goods Administration and United States Food and Drug Administration Regulation

Orthocell Limited operates in a highly regulated environment and is subject to regulatory oversight in the jurisdictions in which its products are developed, manufactured and supplied. In Australia, the Company is subject to Commonwealth legislation administered by the Therapeutic Goods Administration (TGA) and holds a TGA manufacturing licence (MI-19052008-LI-002420-11) covering tissue processing, on-site storage and the release for supply of autologous tenocytes and chondrocytes.

Orthocell also conducts commercial activities in the United States and is subject to applicable requirements administered by the United States Food and Drug Administration (FDA), including those relating to the registration, marketing and ongoing regulatory compliance of its medical products.

The Directors are satisfied that the Consolidated Entity has complied in all material respects with its regulatory obligations during the financial year.

9. Compliance with Laws and Regulations

During and subsequent to the financial year, the Consolidated Entity did not identify any instances of significant non-compliance with applicable laws and regulations, nor were any material fines, non-monetary sanctions or prosecutions incurred. Significant non-compliance is assessed with reference to internal materiality thresholds and may include matters resulting in material health, safety, community, reputational, legal or financial impacts. Any prosecutions, fines or non-monetary sanctions relating to such matters are disclosed accordingly.

10. Indemnifying officers

During the financial year, the Company paid premiums to insure the Directors and Key Management Personnel of the Company and its controlled entities. The insurance provides cover for legal costs that may be incurred in defending civil or criminal proceedings brought against such officers in their capacity as officers of the Group, as well as for certain liabilities arising in connection with those proceedings.

The insurance does not cover liabilities arising from conduct involving a wilful breach of duty or the improper use of position or information to gain an advantage for oneself or another person, or to cause detriment to the Company. The Company is prohibited from disclosing the nature of the liabilities covered and the amount of the premium paid in respect of this insurance contract.

Directors' Report

11. Court Proceedings on Behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act for leave to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party. No proceedings have been brought or intervened in on behalf of the Company with the leave of the Court under that section.

12. Diversity representation

The Group is committed to building and maintaining an inclusive and diverse workforce. The Board recognises that diversity supports a safe working environment and drives improved collaboration, innovation and organisational performance, while reflecting the communities in which the Group operates.

13. Dividends

No dividends were declared or paid during the current or prior financial years, and no dividends have been declared since the end of the financial year up to the date of this report.

14. Matters subsequent to the end of the financial year

Other than as disclosed in this Directors' Report and information as disclosed in Note 35 of the Financial Statements, the directors are not aware of any other matter or circumstance which has arisen since the end of FY26 which has significantly affected or may significantly affect the operations of the Group, results of those operations or the state of affairs of the Group in subsequent financial years.

15. Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in Note 26 to the consolidated financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in Note 26 to the consolidated financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Directors' Report

16. Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 47.

17. Auditor

In accordance with section 327 of the Corporations Act 2001, PKF Perth acted as the Company's external auditor for FY2026. Following the completion of the FY2026 audit, PKF Perth intends to resign as auditor and a resolution to appoint Deloitte Touche Tohmatsu as auditor will be considered by shareholders at the 2026 Annual General Meeting

18. Directors' resolution

This Directors' Report, which includes the Financial and Operational Review (on pages 10 to 13), the information on the Board and the Executive Team (on pages 18 to 22), the Remuneration Report (on pages 30 to 44), and the other sections of the Annual Report expressly referred to in this report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

Paul Anderson
CEO & Managing Director

31 August 2026
Perth

Remuneration Report

Letter from Chair of the Audit and Risk Management Committee & Remuneration and Nomination Committee

Dear Fellow Shareholder,

On behalf of the Board, I am pleased to present Orthocell's Remuneration Report for the financial year ended 30 June 2026 (FY26). This Report outlines the remuneration arrangements for the Company's Key Management Personnel (KMP) and the framework used to align executive rewards with the delivery of the Company's strategy and the creation of long-term shareholder value.

FY26 Performance

FY26 was a year of continued strategic progress for Orthocell, with progress measured against an annual company scorecard set at the start of the year to build a company ready for its next phase of growth.

A key milestone was the launch of Remplir™ sales in the United States — a significant inflection point for the Company's commercial strategy and a platform for future growth in a key global market. Alongside this, the Company continued to expand market access internationally, invest in the internal capabilities needed to support that growth, advance its regulatory and product development pipeline, and secure key approvals.

The Company also made meaningful progress in advancing its regulatory and product development pipeline, securing key approvals and continuing to invest in research and development to support long-term revenue diversification.

Operationally, Orthocell continued to scale its manufacturing and supply chain capabilities, maintaining cost discipline and supporting the transition to a more commercially focused operating model.

Targeted investment in leadership capability and organisational structure was also made to support the next phase of growth, particularly across the commercial, regulatory and operational functions.

Overall, the Board considers FY26 a year in which Orthocell laid the foundations for its strategic priorities, positioning the Company for sustained growth and long-term value creation.

FY26 Executive Reward Outcomes

The executive remuneration framework remained unchanged during the year, comprising fixed remuneration, a short-term incentive (STI) and a long-term incentive (LTI) designed to align executive outcomes with the Group's strategic and financial performance and long-term shareholder value.

Fixed remuneration for Executive KMP was reviewed during the year, with a cost-of-living (CPI) adjustment applied, consistent with broader workforce movements.

STI outcomes are determined against the Annual Company Scorecard, which measures performance across key strategic pillars, including market access and revenue growth, regulatory execution, operational performance, and organisational capability. The Board assessed FY26 performance, taking into account the successful US commercial launch of Remplir™, continued expansion of market access, and progress against regulatory and operational deliverables. Following this assessment, the CEO and all other Executive KMP achieved an STI outcome of 85% of their respective maximum opportunities.

The Board retains discretion to adjust STI outcomes to ensure alignment with underlying performance and shareholder outcomes, and did not make any material discretionary adjustments in FY26.

Remuneration Report

Letter from Chair of the Audit and Risk Management Committee & Remuneration and Nomination Committee

FY26 Executive Reward Outcomes (continued)

The LTI framework aligns executive remuneration with long-term shareholder value creation through equity-based awards subject to multi-year performance conditions, primarily Total Shareholder Return (TSR). No LTI awards were tested against performance measures or vested in FY26, as the relevant performance periods remain ongoing.

Consistent with the Company's stage of growth and the need to retain key capabilities, equity-based retention awards remain integral to the remuneration framework. These awards vest over multi-year periods and are designed to retain key executives and specialist talent, support organisational stability during a period of commercial expansion, and align employees with the Company's long-term success. The Board considers this approach appropriate given the competitive market for skilled talent and the importance of continuity in executing the Company's strategy.

Overall, the Board considers the FY26 remuneration outcomes appropriately aligned with the Group's performance over the period, supporting the retention, motivation, and alignment of the executive team with long-term shareholder value creation.

Looking Forward to FY27

The Board will continue to review the executive remuneration framework to ensure it remains aligned with the Group's strategic objectives and supports the next phase of commercial growth. As the Group builds on the FY26 launch of Remplir™ in the United States, the FY27 scorecard — currently progressing through Board approval — will be more heavily weighted towards driving revenue generation in this key market, alongside continued operational execution and advancement of the product pipeline.

The Board will also continue to assess the appropriateness of STI and LTI performance measures to ensure they remain fit for purpose during the business transition, including the balance between financial metrics and strategic, operational and regulatory milestones. No material structural changes to the executive remuneration framework are proposed for FY27; the Board will continue to monitor market practice and stakeholder feedback to keep the framework competitive and aligned with shareholder interests.

The Board remains committed to a remuneration framework that supports the attraction, retention and motivation of high-calibre executives, and is strongly aligned with performance, accountability and long-term value creation.

On behalf of the Board, I thank you for your continued support and look forward to updating you on Orthocell's ongoing progress.

Michael McNulty
Chair, Audit and Risk Management Committee and Remuneration and Nomination Committee

Remuneration Report

The Remuneration Report for the year ended 30 June 2026 (FY26) forms part of the Directors' report. It has been prepared in accordance with the Corporations Act 2001 (Cth) (the Act), Corporations Regulation 2M.3.03 and audited as required by section 308(3C) of the Act. It also includes additional information and disclosures that are intended to support a deeper understanding of remuneration governance and practices, where statutory requirements are not sufficient.

This Remuneration Report for the year ended 30 June 2026 (Report) has been audited by PKF Perth. Please see pages 107 to 112 of the Financial Statements for PKF Perth's report.

Contents | Remuneration Report

1. Key Management Personnel

This Remuneration Report sets out remuneration information for Key Management Personnel (KMP) of the Company and its controlled entities. KMP are those persons who have the authority and responsibility for planning, directing and controlling the activities of the Consolidated Entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company (together, KMP).

The KMP of the Company during the financial year ended 30 June 2026 (FY26), and changes during the year, are set out below.

Non-Executive Directors

Name	Position	Term as KMP
John Van Der Wielen	Chair, Independent Non-Executive Director	Full year
Dr Ravi Thadhani	Independent Non-Executive Director	Full year
Professor Fiona Wood	Independent Non-Executive Director	Full year
Michael McNulty	Chair of Audit and Risk Management Committee, Chair of Remuneration and Nomination Committee, Independent Non-Executive Director	Part year – from 1 September 2025

Remuneration Report

1. Key Management Personnel (continued)

Executive KMP

Name	Position	Term as KMP
Paul Anderson	Chief Executive Officer and Managing Director	Full year
Alex McHenry	Chief Operating Officer	Full year
Jim Piper	Chief Financial Officer	Part year – from 1 August 2025

Former KMP

Name	Position	Term as KMP
Kim Beazley	Independent Non-Executive Director	Part year – until 25 July 2025

‘’Full year” refers to the period from 1 July 2025 to 30 June 2026.
“Part year” reflects appointment or cessation during the financial year.

2. Link Between Remuneration and Performance

Overview of Remuneration Framework

The Company’s remuneration framework is designed to align executive remuneration outcomes with the delivery of the Group’s strategic priorities and the creation of long-term shareholder value.

The framework reflects the Company’s stage of growth and focuses on driving commercialisation, regulatory progress, operational execution and capability build-out, while ensuring the retention of critical talent in a competitive market.

Executive remuneration comprises fixed remuneration and at-risk components, including a short-term incentive (STI), long-term incentive (LTI) and retention rights. A significant proportion of total remuneration is performance-based and contingent on the achievement of defined financial and non-financial objectives aligned to the Group’s strategy.

To support the establishment of executive remuneration arrangements that are fair, competitive and aligned with shareholder interests, the Remuneration and Nomination Committee engages REMSMART as its independent remuneration adviser. REMSMART is appointed by and reports directly to the Committee and operates independently of management. Executive KMP do not participate in the development of remuneration recommendations relating to their own remuneration and are not involved in the decision-making process. The Committee considers REMSMART’s independent advice, together with Company and individual performance outcomes, when determining executive remuneration.

Remuneration Report

2. Link Between Remuneration and Performance (continued)

Remuneration Structure and Strategic Alignment

Component	Structure	Key Features	Strategic Alignment
Fixed Remuneration (TFR)	Base salary + superannuation	Set with regard to role, experience and market positioning	Supports attraction and retention of executives to deliver strategy
Short-Term Incentive (STI)	Annual equity-based performance rights	~30–40% of TFR; paid 70% cash / 30% equity	Drives delivery of annual operational and strategic objectives
Long-Term Incentive (LTI)	Triennial equity-based performance rights	~70% of TFR; 3-year vesting	Aligns remuneration with shareholder value creation
Retention and Capability Rights (RAC)	Triennial equity-based time retention rights	Typically ~75% of base salary for senior executives	Ensures retention of key talent and capability over critical growth period

The mix of remuneration is designed to provide a balance between short-term performance delivery and long-term value creation, with a strong emphasis on equity-based reward to align executives with shareholders.

Link to Company Performance and Strategy

Short-Term Incentive (STI)

STI outcomes are determined with reference to the Annual Company Scorecard (ACS), which measures performance against key strategic and operational objectives.

The ACS comprises three weighted pillars:

Sustainable Growth (55%)

- Revenue growth targets
- US market access
- Expenditure control

Operational Excellence (35%)

- Manufacturing scale-up and delivery
- Customer outcomes and product quality

Leadership and Accountability (10%)

- Leadership effectiveness
- Capability development and organisational performance

STI awards vest after 12 months with outcomes ranging from 0% to 100% depending on performance achieved. For FY26, the Company achieved 85% of its STI performance targets, reflecting strong outcomes across revenue growth, regulatory approvals and operational execution.

Remuneration Report

2. Link Between Remuneration and Performance (continued)

Long-Term Incentive (LTI)

The LTI is delivered through performance rights granted under the Company's Employee Incentive Plan and is designed to align executive remuneration with long-term shareholder value creation.

Feature	Description
Instrument	Performance Rights (one right converts to one ordinary share)
Issue price	Nil
Performance metric	Absolute Total Shareholder Return (TSR)
Initial Share Price	Share price at the beginning of the TSR performance period ($0.70 per share)
Vesting period	Approximately three years, with performance measured over the period to November 2027
Vesting date	28 November 2027
Expiry date	28 November 2029
Grant date	Determined based on acceptance of the offer and Board approval
Exercise price	Nil
Service condition	Continued employment to vesting date required

Performance rights vest on satisfaction of both performance and service conditions, with vested rights exercisable up to the expiry date.

Vesting is determined based on Absolute Total Shareholder Return over the performance period:

3-year TSR	Proportion vesting	Absolute share price
Less than 20%	0%	Less than $0.84
20% – 30%	33%	$0.84 to $0.91
30% – 40.5%	75%	$0.91 to $0.98
Greater than 40.5%	100%	Greater than $0.98

The use of Absolute TSR as the primary performance measure ensures a direct link between executive reward outcomes and shareholder returns over the long term, reinforcing alignment with shareholders.

Remuneration Report

2. Link Between Remuneration and Performance (continued)

Retention and Capability (RAC) Rights

Retention Rights form a key component of the Company's remuneration framework, reflecting the importance of retaining critical talent during a period of growth and commercial expansion.

Feature	Description
Nature	Time-based (non-performance) equity awards
Vesting period	Approximately three years
Allocation	Based on role criticality and salary banding
Value	Typically up to ~75% of base salary for senior executives
Performance conditions	None (service-based)

Retention Rights are designed to secure key executives and specialised talent in a competitive market; support continuity of leadership and capability during a critical growth phase; and align employees with the long-term success of the Company through equity participation.

Alignment with Strategy

The Company's remuneration framework is directly aligned with its strategic priorities, including expansion into global markets, particularly the United States, the commercialisation of its product portfolio, the achievement of regulatory approvals and market access, the scaling of manufacturing capability, and the advancement of the product pipeline. The Board regularly reviews performance measures and remuneration structures to ensure continued alignment with the Company's evolving strategy and stage of development.

Board Discretion and Risk Alignment

The Board retains discretion to adjust remuneration outcomes where required to ensure they appropriately reflect underlying performance, risk outcomes and shareholder experience.

In assessing remuneration outcomes, the Board considers company performance against strategic objectives, individual performance and contribution and alignment with shareholder outcomes.

Remuneration Report

3. Statutory Remuneration Disclosures (KMP)

Remuneration of Non-Executive Directors

The table below sets out the remuneration of Non-Executive Directors of the Company for FY26. Amounts represent remuneration recognised in the financial statements for the period during which individuals were Key Management Personnel. Share-based payment amounts are disclosed in accordance with *AASB 2* and represent the accounting expense recognised during the year, which may differ from grant date values.

Name		Director Fees ($)[1]	Other Benefits ($)[2]	Super-annuation ($)[3]	Share-based payments ($)[4]	Total ($)
John Van Der Wielen	**FY26**	**168,453**	**-**	**10,714**	**29,167**	**208,334**
	FY25	150,000	-	-	-	150,000
Professor Fiona Wood	**FY26**	**89,583**	**-**	**-**	**8,750**	**98,333**
	FY25	75,000	-	-	-	75,000
Dr Ravi Thadhani[5]	**FY26**	**129,335**	**-**	**-**	**12,554**	**141,889**
	FY25	115,285	-	-	-	115,285
Michael McNulty	**FY26**	**74,404**	**-**	**8,929**	**313,750**	**397,083**
	FY25	-	-	-	-	-
Kim Beazley (Resigned 25 July 25)	**FY26**	**6,250**	**-**	**-**	**-**	**6,250**
	FY25	75,000	-	-	-	75,000
Total	**FY26**	**468,025**	**-**	**19,643**	**364,221**	**851,889**
	FY25	415,285	-	-	-	415,285

1 Director fees comprise base Board fees and committee fees earned during the financial year.

2 Other benefits comprise non-monetary benefits and any associated fringe benefits tax, where applicable.

3 Superannuation represents contributions paid, or payable, during the financial year. In accordance with individual elections, a portion of the director fees payable to certain Non-executive directors was paid as superannuation contributions. These amounts form part of the total approved director remuneration and do not represent additional remuneration.

4 Share-based payments represent the accounting expense recognised during the financial year in accordance with *AASB 2 Share-based Payment*. These amounts are non-cash in nature and reflect the fair value of equity instruments recognised over the applicable vesting period. The share-based payment expense recognised for Michael McNulty relates to equity incentives approved by shareholders and granted under the Company's Employee Incentive Plan. The expense represents the portion recognised during the financial year and does not reflect the current market value of the underlying equity instruments.

5 Dr Ravi Thadhani is a US-based Non-Executive Director and receives director fees denominated in USD. Amounts disclosed in this table have been translated into Australian dollars using exchange rates applicable during the reporting period.

Remuneration Report

3. Statutory Remuneration Disclosures (KMP) (continued)

Remuneration of executive KMP

The table below sets out the remuneration of Executive KMP for FY26. Amounts represent remuneration recognised in the financial statements for the period during which individuals were KMP. Amounts are disclosed in accordance with *AASB 2* and represent the accounting expense recognised during the year, which may differ from grant date values.

Name		Salary & Fees ($)[1]	STI (Cash) ($)[2]	Non-Monetary Benefits ($)	Leave Benefits ($)	Super-annuation ($)	Share-Based Payments – STI ($)[3]	Share-Based Payments – LTI ($)[4]	Retention Rights ($)[5]	Total ($)
Paul Anderson	**FY26**	**475,859**	**120,395**	**347**	**52,623**	**30,000**	**30,916**	**77,595**	**364,500**	**1,152,235**
	FY25	462,000	137,741	-	3,548	29,932	39,612	45,305	141,750	859,888
Alex McHenry[6]	**FY26**	**329,821**	**63,922**	**329**	**26,534**	**26,394**	**19,562**	**74,280**	**79,448**	**620,290**
	FY25	-	-	-	-	-	-	-	-	-
Jim Piper[6]	**FY26**	**297,923**	**57,986**	**241**	**32,945**	**29,000**	**19,349**	**73,481**	**81,832**	**592,757**
	FY25	-	-	-	-	-	-	-	-	-
Total	**FY26**	**1,103,603**	**242,303**	**917**	**112,102**	**85,394**	**69,827**	**225,356**	**525,780**	**2,365,282**
	FY25	462,000	137,741	-	3,548	29,932	39,612	45,305	141,750	859,888

1 Salary & Fees comprise fixed remuneration, including base salary and any contractual allowances earned during the financial year.

2 STI (Cash) represents the cash component of short-term incentives earned in respect of performance during the financial year, whether paid during the year or subsequently following Board approval.

3 Share-Based Payments – STI represents the accounting expense recognised during the financial year in accordance with *AASB 2 Share-based Payment* in respect of performance rights granted as part of the annual short-term incentive arrangements. These amounts are non-cash in nature.

4 Share-Based Payments – LTI represents the accounting expense recognised during the financial year in accordance with *AASB 2 Share-based Payment* in respect of long-term incentive performance rights. These amounts are non-cash in nature and are recognised over the relevant vesting period.

5 Retention Rights represent the accounting expense recognised during the financial year in accordance with *AASB 2 Share-based Payment* in respect of time-based retention rights granted under the Company's retention incentive arrangements. These amounts are non-cash in nature and are recognised over the applicable vesting period.

6 Alex McHenry and Jim Piper became key management personnel during FY26. As they were not considered KMP in FY25, no comparative remuneration disclosures are presented for the prior period.

Remuneration Report

3. Statutory Remuneration Disclosures (KMP) (continued)

Share-Based Payment Interests (Options, Performance and Retention Rights) held by KMP

The table below summarises movements in performance rights and retention rights held by KMP during FY26.

Name	Opening Balance (#)	Granted (#)	Exercised (#)	Lapsed (#)	Closing Balance (#)[1,2,3]
John Van Der Wielen	4,000,000	38,575	-	-	4,038,575
Professor Fiona Wood	2,000,000	11,573	-	-	2,011,573
Dr Ravi Thadhani	3,000,000	16,603	-	-	3,016,603
Michael McNulty	-	2,011,573	-	-	2,011,573
Kim Beazley	2,000,000	-	(2,000,000)	-	-
Paul Anderson	2,648,000	51,078	(126,580)	-	2,573,586
Alex McHenry	2,846,133	-	(1,024,161)	-	1,821,972
Jim Piper	-	448,755	-	-	448,755

1 The closing balance comprises performance rights, retention rights and options held as at 30 June 2026.

2 Performance rights are granted under the Company's employee incentive arrangements and are subject to applicable performance and/or service conditions. Long-term incentive (LTI) performance rights are generally subject to performance hurdles, including Total Shareholder Return (TSR) conditions where applicable.

3 Retention rights are subject to service-based vesting conditions and are designed to support the retention of key personnel. Subject to the applicable vesting conditions being satisfied, vested rights may convert into fully paid ordinary shares on a one-for-one basis.

Remuneration Report

3. Statutory Remuneration Disclosures (KMP) (continued)

Shareholdings (ordinary shares) held by KMP

The table below summarises movements in ordinary shares held by KMP during FY26.

Name	Opening Balance (#)	Acquired (#)	Disposed (#)	Closing Balance (#)
John Van Der Wielen	491,666	107,500	-	599,166
Professor Fiona Wood	16,167	-	-	16,167
Dr Ravi Thadhani	-	-	-	-
Michael McNulty	59,169	74,217	-	133,386
Kim Beazley[1]	-	1,350,900	-	1,350,900
Paul Anderson	7,252,320	126,580	-	7,378,900
Alex McHenry	231,319	924,228	-	1,155,547
Jim Piper	-	86,922	-	86,922

[1] Kim Beazley ceased to be a Non-Executive Director and KMP on 25 July 2025. The table above includes movements in securities during the period in which he was a KMP and holdings at year end.

Executive Employment Agreements

The Company has entered into employment agreements with each Executive KMP. The agreements are ongoing and do not contain fixed terms. Executive KMP participate in the Company's remuneration framework, comprising fixed remuneration, short-term incentives, long-term incentives and, where applicable, retention and capability rights.

Executive KMP	Position	Notice Period by Company or Employee	Termination Benefit
Paul Anderson	Chief Executive Officer and Managing Director	6 months	Up to 6 months' fixed remuneration
Jim Piper	Chief Financial Officer	13 weeks	Up to 13 weeks' fixed remuneration
Alex McHenry	Chief Operating Officer	6 months	Up to 6 months' fixed remuneration

Remuneration Report

3. Statutory Remuneration Disclosures (KMP) (continued)

If an Executive KMP's employment is terminated by the Company, other than for serious misconduct or other circumstances justifying summary dismissal, the executive may be entitled to receive payment in lieu of notice in accordance with the terms of their employment agreement.

The Company may terminate an Executive KMP's employment without notice where grounds exist for summary dismissal, including serious misconduct.

Executive employment agreements contain provisions customary for senior executive arrangements, including confidentiality, intellectual property, leave entitlements and post-employment restraint obligations.

Non-Executive Director Agreements

Non-Executive Directors are appointed by letter of appointment and are not engaged under employment contracts. It is not customary for Non-Executive Directors to have notice periods. A director may resign by providing written notice, and an appointment may terminate immediately if the director becomes disqualified from acting as a director under applicable laws.

Director	Date Appointed	Annual Director Fee
John Van Der Wielen (Independent Non-Executive Chairman)	1 June 2023	$200,000
Dr Ravi Thadhani (Lead Independent Director)	8 March 2023	US$100,000
Professor Fiona Wood AM (Independent Non-Executive Director)	1 November 2023	$100,000
Michael McNulty (Independent Non-Executive Director)	1 September 2025	$100,000
Kim Beazley AC (Independent Non-Executive Director, resigned 25 July 2025)	15 January 2024	$100,000

Remuneration Report

4. Governance

Role of the Board

The Board is responsible for reviewing and approving the Company's remuneration framework and outcomes for Key Management Personnel (KMP), including Non executive directors and Executive KMP.

In discharging this responsibility, the Board:

- reviews the structure and appropriateness of remuneration arrangements to ensure alignment with the Company's strategic objectives and shareholder outcomes;
- assesses performance against approved financial and non-financial measures; and
- exercises judgement and discretion in determining final remuneration outcomes where appropriate.

The Board retains discretion to adjust incentive outcomes to ensure they appropriately reflect overall Company performance, individual performance, risk outcomes and shareholder experience.

Role of the Remuneration and Nomination Committee

The Remuneration and Nomination Committee (Committee) assists the Board in overseeing the Company's remuneration framework and practices.

The Committee:

- reviews and makes recommendations to the Board on remuneration policies, structures and frameworks;
- considers the design and operation of the Company's incentive arrangements, including STI, LTI, options and retention rights;
- assesses the performance of the Managing Director & Chief Executive Officer and other Executive KMP; and
- reviews proposed remuneration outcomes to ensure alignment with Company performance, strategy and risk considerations.

The Committee operates under a formal Charter and reports to the Board on its activities and recommendations. Final decisions on remuneration outcomes are made by the Board.

Role of the Audit and Risk Management Committee

The Audit and Risk Management Committee supports the Board in overseeing risk management and internal control frameworks, which are relevant to remuneration outcomes.

The Committee considers risk-related matters that may impact remuneration outcomes and provides input to the Board to ensure remuneration decisions appropriately reflect risk, compliance and governance considerations.

4. Governance (continued)

Use of external advisors

The Board and the Remuneration and Nomination Committee may engage external remuneration advisors from time to time to provide independent advice and market benchmarking.

Where external advice is obtained, it is used to inform, but not determine, the Board's decision-making, and the Board ensures that such advice is independent and free from undue influence.

Executive service agreements

Executive KMP are employed under service agreements which set out the terms of employment, including fixed and variable remuneration components.

Key features of these agreements include:

- no fixed term of employment;
- termination provisions incorporating notice periods (typically 6–12 months); and
- eligibility to participate in STI, LTI and equity-based incentive plans.

The treatment of incentives on cessation of employment is governed by the relevant plan rules and subject to Board discretion.

Treatment of unvested equity awards

The treatment of unvested STI equity, LTI awards, options and retention rights on cessation of employment is determined in accordance with the rules of the relevant plans and, where applicable, Board discretion.

In general, unvested awards lapse on resignation or termination for cause, while awards may remain on foot or be pro-rated in cases such as retirement, redundancy or other circumstances determined by the Board, which retains discretion to determine the appropriate outcome.

Risk, conduct and board discretion

The Company's remuneration framework incorporates governance mechanisms to ensure remuneration outcomes appropriately reflect risk and conduct.

The Board may adjust, defer or forfeit incentive outcomes where there has been misconduct or a breach of Company policies, where outcomes do not reflect underlying performance, or where material risk, compliance or reputational considerations arise.

Remuneration Report

4. Governance (continued)

Hedging of equity incentives

Participants in the Company's equity incentive plans are prohibited from entering into arrangements that limit the economic risk of unvested or restricted equity instruments. Compliance with this requirement is a condition of participation in the Company's equity plans.

Securities trading policy

Directors and KMP must comply with the Company's securities trading policy, including restrictions on trading during blackout periods and at any time when in possession of inside information.

Consolidated Financial Statements

For the year Ended 30 June 2026

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AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF ORTHOCELL LIMITED

In relation to our audit of the financial report of Orthocell Limited for the year ended 30 June 2026, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

PKF Perth

PKF PERTH

SIMON FERMANIS
PARTNER

31 August 2026
PERTH,
WESTERN AUSTRALIA

Financial Report

Consolidated Statement of Profit or Loss & Other Comprehensive Income

For the year ended 30 June 2026

AUD$	Note	30 June 2026	30 June 2025
Consolidated statement of profit and loss			
Revenue	4	11,407,156	7,846,788
Cost of goods sold	6	(4,714,051)	(4,264,339)
Gross profit		**6,693,105**	**3,582,449**
Finance income	5	1,820,291	1,300,904
Grant income	5	2,998,237	3,245,026
Research and development expenses	6	(4,021,764)	(6,011,894)
Selling and marketing expenses	6	(8,513,612)	(5,263,440)
Administration and general expenses	6	(9,524,893)	(4,212,562)
Share-based payments expense	6	(3,015,788)	(1,226,395)
Currency (loss)/gain		(251,104)	19,272
Share of investee's loss	15	(99,166)	-
Loss before income tax		**(13,914,694)**	**(8,566,640)**
Income tax expense	7	-	-
Loss after income tax attributable to the owners of the parent entity	33	**(13,914,694)**	**(8,566,640)**
Other comprehensive income			
Exchange differences arising on retranslation of foreign operations		331,806	-
Total other comprehensive income		**331,806**	**-**
Total comprehensive loss attributable to the owners of the parent entity		**(13,582,888)**	**(8,566,640)**
Loss per share		$	$
Basic loss per share	34	(0.053)	(0.038)
Diluted loss per share	34	(0.053)	(0.038)

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

Financial Report

Consolidated Statement of Financial Position

As at 30 June 2026

AUD$	Note	30 June 2026	30 June 2025
Assets			
Current assets			
Cash and cash equivalents	8	9,452,893	28,619,929
Investments – term deposits with original maturities over 3 months	8	34,500,000	-
Trade and other receivables	9	2,851,987	1,846,517
Inventories	10	1,690,536	1,202,912
Prepayments and other current assets	11	1,309,172	165,324
Total current assets		**49,804,588**	**31,834,682**
Non-current assets			
Property, plant and equipment	12	2,473,431	1,802,443
Right-of-use assets	13	849,911	527,702
Intangible assets	14	773,207	1,072,270
Investment in associate	15	905,834	-
Total non-current assets		**5,002,383**	**3,402,415**
Total assets		**54,806,971**	**35,237,097**
Liabilities			
Current liabilities			
Trade and other payables	16	4,222,569	3,136,250
Lease liabilities	17	397,925	165,323
Employment benefit liabilities	18	827,704	799,055
Contract liabilities	19	2,312,556	2,304,000
Insurance premium finance liability	20	579,984	-
Total current liabilities		**8,340,738**	**6,404,628**
Non-current liabilities			
Lease liabilities	17	572,267	411,572
Employment benefit liabilities	18	22,160	84,835
Contract liabilities	19	11,463,228	13,767,228
Total non-current liabilities		**12,057,655**	**14,263,635**
Total Liabilities		**20,398,393**	**20,668,263**
Net assets		**34,408,578**	**14,568,834**
Equity			
Issue capital	21	114,753,311	83,486,251
Share-based payment reserve	22	7,261,496	5,152,985
Foreign currency translation reserve		331,806	-
Accumulated losses	23	(87,938,035)	(74,070,402)
Total equity		**34,408,578**	**14,568,834**

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

Financial Report

Consolidated Statement of Changes in Equity

For the year ended 30 June 2026

AUD$	Issued Capital	Share-based payment reserve	Accumulated losses	Foreign currency translation reserve	Total equity
Balance at 1 July 2024	62,219,668	7,939,296	(65,626,390)	-	4,532,574
Loss after income tax expense	-	-	(8,566,640)	-	(8,566,640)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss	-	-	**(8,566,640)**	-	**(8,566,640)**
Issues of ordinary shares	17,445,750	-	-	-	17,445,750
Share issue costs - cash	(882,000)	-	-	-	(882,000)
Share issues costs - equity	(691,169)	691,169	-	-	-
Transfer of options lapsed	-	(122,628)	122,628	-	-
Share-based payments expense	-	1,094,640	-	-	1,094,640
Transfer on exercise of performance rights	258,125	(258,125)	-	-	-
Transfer on exercise of options	5,135,877	(4,191,367)	-	-	944,510
Total transactions with owners	**21,266,583**	**(2,786,311)**	**122,628**	**-**	**18,602,900**

AUD$	Issued Capital	Share-based payment reserve	Accumulated losses	Foreign currency translation reserve	Total equity
Balance at 30 June 2025	**83,486,251**	**5,152,985**	**(74,070,402)**	**-**	**14,568,834**
Balance at 1 July 2025	83,486,251	5,152,985	(74,070,402)	-	14,568,834
Loss after income tax expense	-	-	(13,914,694)	-	(13,914,694)
Other comprehensive income	-	-	-	-	-
Foreign currency translation of foreign subsidiaries	-	-	-	331,806	331,806
Total comprehensive loss	**-**	**-**	**(13,914,694)**	**331,806**	**(13,582,888)**
Issues of ordinary shares	30,000,001	-	-	-	30,000,001
Share issue costs - cash	(1,593,908)	-	-	-	(1,593,908)
Share issue costs - equity	(633,950)	633,950	-	-	-
Share-based payments expense	-	3,015,788	-	-	3,015,788
Transfer on exercise of options	3,494,917	(1,494,166)	-	-	2,000,751
Transfer of options lapsed	-	(39,675)	39,675	-	-
Transfer of options forfeited	-	(7,386)	7,386	-	-
Total transactions with owners	**31,267,060**	**2,108,511**	**47,061**	**-**	**33,422,632**
Balance at 30 June 2026	**114,753,311**	**7,261,496**	**(87,938,035)**	**331,806**	**34,408,578**

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

Financial Report

Consolidated Statement of Cash Flows

For the year ended 30 June 2026

AUD$	Note	30 June 2026	30 June 2025
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		7,961,048	5,147,802
Payments to suppliers and employees (inclusive of GST)		(25,648,166)	(18,506,724)
R&D tax incentive received		2,998,237	3,185,026
Grant revenue received		30,000	30,000
Interest received		1,935,489	1,474,966
Interest paid		(13,733)	(13,998)
Net cash from/(used in) operating activities		**(12,737,125)**	**(8,682,928)**
Cash flows from investing activities			
Investments in term deposits		(42,000,000)	-
Proceeds from disposal of term deposits		7,300,000	-
Payments to acquire investments in associates		(1,005,000)	-
Payments for property, plant and equipment		(1,109,851)	(260,420)
Payments for intangible assets		(158,897)	(98,635)
Net cash used in investing activities		**(36,973,748)**	**(359,055)**
Cash flows from financing activities			
Proceeds from the issue of shares		30,000,001	17,662,700
Proceeds from the exercise of options		1,799,249	483,310
Proceeds from insurance premium funding		579,985	-
Share issue costs - cash		(1,593,908)	(882,000)
Lease payments		(241,490)	(216,538)
Net cash from/(used in) financing activities		**30,543,837**	**17,047,472**
Net (decrease)/increase in cash and cash equivalents		(19,167,036)	8,005,489
Cash and cash equivalents at the beginning of the financial year		28,619,929	20,614,440
Cash and cash equivalents at the end of the financial year	8	**9,452,893**	**28,619,929**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes to the Consolidated Financial Statements.

Notes to the Consolidated Financial Statements

Note 1. Material accounting policies

The principal accounting policies adopted in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Reporting entity

Orthocell Limited (the "Company" or "Parent Entity") is a listed public company, limited by shares, incorporated and domiciled in Australia. The consolidated financial statements of the Group as at and for the year to 30 June 2026 comprise the Company and its subsidiaries (together referred to as ''Orthocell'', ''The Group'' or ''The Consolidated Entity'').

Orthocell Limited is a for-profit entity for the purpose of preparing the financial statements. The Group is primarily involved in developing world-leading regenerative medicine products to unlock the power of the human body to heal. A detailed description of the nature of the Group's principal activities are included in the Directors' report on pages 23 to 29.

Basis of preparation

Statement of compliance

These consolidated financial statements are general purpose financial statements which 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 ('*AASB*') and the International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB').

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new or amended accounting standards and interpretations as disclosed in the relevant notes to the financial statements.

The financial statements were authorised for issue by the Board of Directors on 31 August 2026.

Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for those financial instruments that are measured at fair value in accordance with applicable Australian Accounting Standards. Fair value measurements are determined using valuation techniques that maximise the use of observable inputs and minimise the use of unobservable inputs, as described in the relevant accounting policies.

Notes to the Consolidated Financial Statements

Note 1. Material accounting policies (continued)

Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of Orthocell Limited and its subsidiaries (the 'Group').

Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with an investee and has the ability to affect those returns through its power over the investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control is obtained until the date on which control ceases.

All intercompany balances, transactions, income and expenses, and unrealised gains and losses resulting from intra-group transactions are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the functional currency of the Group and the presentation currency for the Consolidated Entity.

Critical accounting estimates and significant judgements

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

These judgements, estimates and assumptions are based on historical experience and other factors considered reasonable in the circumstances. Actual outcomes may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, and revisions are recognised prospectively in the period in which the estimates are revised and in any future periods affected.

Information about material areas of estimation uncertainty and significant judgement is included in the relevant notes to the financial statements.

Notes to the Consolidated Financial Statements

Note 1. Material accounting policies (continued)

Going concern

The financial report has been prepared on a going concern basis. In arriving at this position, the Directors have had regard to the fact that the Company has sufficient cash to fund all forecast and committed expenditure for a period of not less than 12 months from the date of this report.

The Group has net assets of $34,408,578 as at 30 June 2026 (30 June 2025: $14,568,834) and cash and cash equivalents and term deposits balance of $43,952,893(30 June 2025: $28,619,929). The Group incurred a total comprehensive loss of $13,582,888 (30 June 2025: $8,566,640) and net operating cash outflow of $12,737,125 for the period ended 30 June 2026 (30 June 2025: $8,682,928).

The Directors have considered the expenditure obligations and operational requirements over the 12 months from the date of this report. In making this assessment, the Directors have also identified discretionary expenditure that can be reduced or deferred, if required, and consider that the going concern basis of preparation is appropriate.

New and amended standards adopted by the Group

The Group has adopted all new and amended Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘*AASB*’) that are mandatory for the current reporting period. The adoption of these standards and interpretations did not have a material impact on the Group’s financial statements.

Standards issued but not yet effective

Certain new accounting standards and interpretations have been issued but are not yet mandatory for the current reporting period. These standards and interpretations have not been early adopted by the Group. The Group does not expect the adoption of these standards to have a material impact on the amounts recognised or disclosed in the financial statements.

Notes to the Consolidated Financial Statements

Note 1. Material accounting policies (continued)

Investment in associate

Investments in associates are accounted for using the equity method and are initially recognised at cost. The carrying amount of the investment is adjusted after acquisition to recognise the Group's share of the associate's profit or loss and other comprehensive income. The Group's share of the associate's profit or loss is recognised in profit or loss and its share of movements in other comprehensive income is recognised in other comprehensive income.

Distributions received from an associate reduce the carrying amount of the investment.

Where the Group's share of losses in an associate equals or exceeds the carrying amount of the investment, including any unsecured receivables or other exposures that form part of the net investment, the Group does not recognise further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

Unrealised gains arising from transactions with an associate are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

The investment in associate is assessed for impairment whenever there is objective evidence that the investment may be impaired.

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing at the reporting date. Foreign exchange differences arising on translation are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars at the exchange rates prevailing at the reporting date. Income and expenses are translated at the exchange rates at the dates of the transactions, or at average rates where these approximate the actual rates. Exchange differences arising on translation of foreign operations are recognised in the foreign currency translation reserve within equity.

Notes to the Consolidated Financial Statements

Note 1. Material accounting policies (continued)

Revenue recognition

Revenue is recognised when control of goods or services is transferred to the customer in an amount that reflects the consideration to which the Group expects to be entitled. Revenue is measured net of trade discounts, rebates, returns and amounts collected on behalf of third parties.

The Group recognises revenue from the following principal sources:

Sale of goods

Revenue from the sale of goods, including biological medical device products, is recognised at the point in time when control of the product passes to the customer. Depending on the contractual terms, this can occur on delivery to the customer but may occur at an earlier point, including under certain FCA arrangements, where control transfers prior to delivery.

Revenue from cell therapy products is recognised when the relevant performance obligation has been satisfied. Where the Group's performance obligation is satisfied at a point in time, revenue is recognised when the processed cells are ready for delivery in accordance with the contractual arrangement. Where a contract includes multiple performance obligations, the transaction price is allocated to each performance obligation based on relative stand-alone selling prices.

Revenue from contracts with customers

Revenue from licence fees and similar arrangements is recognised in accordance with the substance of the relevant agreement. Where the promise transfers a right to access the Group's intellectual property over time, revenue is recognised over time. Where the promise transfers a right to use intellectual property as it exists at a point in time, revenue is recognised when control transfers.

Interest income

Interest income is recognised using the effective interest method.

Other income

Other income is recognised when the Group obtains the right to receive the income and the amount can be measured reliably.

Notes to the Consolidated Financial Statements

Note 1. Material accounting policies (continued)

Research and development tax incentive

The Group accounts for research and development tax incentives as government grants in accordance with *AASB 120 Accounting for Government Grants and Disclosure of Government Assistance*, as the incentives are not within the scope of *AASB 112 Income Taxes*.

The Group recognises the research and development tax incentive when there is reasonable assurance that the incentive will be received and that the Group will comply with all attached conditions.

The benefit is recognised in profit or loss as grant income, presented within other income, on a systematic basis over the periods in which the Group recognises the related research and development expenditure for which the incentive is intended to compensate.

The incentive is measured at the amount expected to be received from the relevant taxation authority.

Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except to the extent that recognition is prohibited under *AASB 112*. Deferred tax assets are recognised for deductible temporary differences, unused tax losses and unused tax credits only to the extent that it is probable that future taxable profits or reversing taxable temporary differences will be available against which they can be utilised.

Deferred tax is not recognised for:

- the initial recognition of goodwill
- the initial recognition of assets or liabilities in a transaction that is not a business combination and affects neither accounting profit nor taxable profit
- temporary differences relating to investments in subsidiaries, associates and joint arrangements to the extent that the Group can control the timing of reversal and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured using the tax rates expected to apply in the period in which the asset is realised or the liability is settled, based on tax rates and tax laws enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to income taxes levied by the same taxation authority.

Note 1. Material accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are recognised initially at the transaction price and subsequently measured at amortised cost, less any allowance for expected credit losses.

The Group applies the simplified approach to measuring expected credit losses for trade receivables, which requires lifetime expected credit losses to be recognised from initial recognition.

Receivables are written off when there is no reasonable expectation of recovery.

Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is determined using the first-in, first-out basis and includes costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost includes direct materials, direct labour, import duties and an appropriate allocation of variable and fixed production overheads based on normal operating capacity.

Work in progress includes patient-specific cell therapies and scaffold batches in production.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Judgement is applied in assessing whether patient-specific inventory should continue to be carried as work in progress or written down, including consideration of ageing, expected patient conversion and other relevant facts and circumstances.

Notes to the Consolidated Financial Statements

Note 1. Material accounting policies (continued)

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses.

Depreciation is recognised in profit or loss on either a straight-line or diminishing value basis over the estimated useful lives of each asset, as appropriate to the nature of the asset. Useful lives, residual values and depreciation methods are reviewed at each reporting date and adjusted prospectively where appropriate.

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are recognised in profit or loss.

Useful lives include:

- Leasehold improvements: over lease term or useful life, whichever is shorter
- Plant and equipment: 3–7 years
- Computer software: 2–3 years
- Furniture and fittings: 10–15 years

Intangible assets

Research and development

Research expenditure is recognised as an expense as incurred.

Development expenditure is capitalised only when the Group can demonstrate:

- the technical feasibility of completing the intangible asset;
- its intention to complete and use or sell the asset;
- its ability to use or sell the asset;
- the manner in which the asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete development; and
- the ability to measure reliably the expenditure attributable to the asset.

Capitalised development costs are subsequently measured at cost less accumulated amortisation and impairment losses.

Patents and trademarks

Expenditure directly attributable to securing patents and trademarks is capitalised where recognition criteria are met. Capitalised patent and trademark costs are amortised on a straight-line basis over their estimated useful lives from the date the asset is available for use.

Costs of maintaining patents and trademarks are expensed as incurred. Where a patent or trademark application is unsuccessful, the associated capitalised costs are written off to profit or loss.

Notes to the Consolidated Financial Statements

Note 1. Material accounting policies (continued)

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. Where such an indication exists, the recoverable amount of the asset or cash-generating unit is estimated.

An impairment loss is recognised where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and value in use.

Impairment losses are recognised in profit or loss and are reversed only to the extent permitted by the relevant accounting standards.

Leases

At the commencement date of a lease, the Group recognises a right-of-use asset and a lease liability, except for short-term leases and leases of low-value assets.

Right-of-use assets

Right-of-use assets are initially measured at cost, comprising the initial amount of the lease liability adjusted for lease payments made at or before commencement, lease incentives received, initial direct costs and estimated restoration costs.

Right-of-use assets are subsequently depreciated on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset, and are assessed for impairment where indicators exist.

Lease liabilities

Lease liabilities are initially measured at the present value of lease payments not paid at commencement, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease liabilities are subsequently measured at amortised cost using the effective interest method and are remeasured when there is a change in future lease payments, lease term or other relevant lease assumptions.

Payments relating to short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the reporting date that are unpaid. These amounts are initially recognised at fair value and subsequently measured at amortised cost. They are generally unsecured and are usually settled within normal supplier terms.

Notes to the Consolidated Financial Statements

Note 1. Material accounting policies (continued)

Contract liabilities

Contract liabilities represent the Group's obligation to transfer goods or services to a customer for which consideration has been received, or is due, from the customer. Contract liabilities are recognised as revenue when the Group satisfies the related performance obligations under the contract.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, annual leave and other employee benefits expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

Employee benefit obligations not expected to be settled within 12 months are measured at the present value of expected future payments, taking into account expected future wage and salary levels and employee service patterns. Where the effect of discounting is immaterial, the obligation may be measured at the undiscounted amount.

Defined contribution plans

Obligations for contributions to defined contribution superannuation funds are recognised as an expense in profit or loss when they are incurred.

Share-based payments

Equity-settled share-based payments to employees and other eligible participants are measured at the fair value of the equity instruments granted at grant date.

The fair value determined at grant date is recognised as an expense over the vesting period, with a corresponding increase in equity, based on the Group's estimate of the equity instruments that will ultimately vest.

Market-based vesting conditions are reflected in the grant date fair value. Non-market vesting conditions are not taken into account in measuring fair value at grant date, but are taken into account when estimating the number of awards expected to vest.

Where share-based payment awards are modified, cancelled or forfeited, the accounting treatment is determined in accordance with *AASB 2 Share-based Payment.*

Notes to the Consolidated Financial Statements

Note 1. Material accounting policies (continued)

Fair value measurement

Fair value is 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.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available, maximising the use of observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into levels 1, 2 and 3 in the fair value hierarchy based on the significance of the inputs used in making the measurements.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are recognised in equity as a deduction from the proceeds received, net of any related tax effects.

Dividends

Dividends are recognised as a liability in the period in which they are declared and no longer at the discretion of the Company.

Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the taxation authority, in which case it is recognised as part of the cost of the asset or expense.

Receivables and payables are stated inclusive of GST where applicable. The net amount of GST recoverable from, or payable to, the relevant taxation authority is included in the statement of financial position.

Cash flows are presented on a gross basis. GST components of cash flows arising from investing and financing activities that are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Notes to the Consolidated Financial Statements

Note 1. Material accounting policies (continued)

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares on issue during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the amounts used in the determination of basic earnings per share to reflect the after-tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming conversion of all dilutive potential ordinary shares.

Operating segments

Operating segments are identified based on the internal reports regularly reviewed by the chief operating decision maker in order to assess performance and allocate resources.

Parent entity information

These consolidated financial statements present the results and financial position of the Group. Supplementary information about the parent entity is disclosed separately in the notes to the financial statements.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These judgements, estimates and assumptions are based on historical experience and other factors considered reasonable in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised prospectively in the period in which the estimate is revised and in any future periods affected.

The areas involving significant judgement or estimation uncertainty that are material to the financial statements are set out below.

Notes to the Consolidated Financial Statements

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Significant judgements

Revenue recognition – licence and distribution agreement

Judgement is required in determining the nature of the Group's performance obligations under the BioHorizons licence and distribution agreement for Striate+™, including whether the promise represents a right to access intellectual property over time or a right to use intellectual property at a point in time.

The Group has concluded that the arrangement provides BioHorizons with a right to access intellectual property over the licence term, as the Group is required to continue to support and maintain the underlying intellectual property and related rights throughout the term of the arrangement. Accordingly, the upfront consideration is recognised over time as the related performance obligations are satisfied. This judgement directly affects the timing of revenue recognition and the measurement of contract liabilities, which were $13,775,784 at 30 June 2026 (2025: $16,071,228). Refer to Notes 1, 4 and 19.

Research and development tax incentive / grant income

Judgement is required in determining whether research and development tax incentive income is appropriately accounted for as government grant income rather than income tax, and in assessing when there is reasonable assurance that the amount will be received and that the Group will comply with the relevant conditions.

The Group has concluded that the incentive is within the scope of *AASB 120* and should be presented as grant income, consistent with the nature of the arrangement and the related accounting policy. Grant income recognised during the year was $2,998,237 (2025: $3,245,026). Refer to Notes 1 and 5.

Investment in associate

Judgement is required in assessing whether the Group has significant influence over Marine Biomedical Pty Ltd and therefore whether the investment should be accounted for as an associate using the equity method. In making this assessment, management considered not only the Group's 12.17% equity interest, but also its board representation, participation in governance and policy-making activities, and rights obtained under the investment agreement, including the right to appoint a director while maintaining a specified shareholding.

The Group concluded that it has significant influence and therefore accounts for the investment as an associate in accordance with *AASB 128*. The investment is initially recognised at cost and subsequently adjusted to recognise the Group's share of the associate's profit or loss and other comprehensive income, less any dividends received. During FY26, the Group recognised its share of Marine Biomedical's post-acquisition losses of $99,166, reducing the carrying amount of the investment accordingly. At 30 June 2026, the carrying amount of the investment in associate was approximately $905,834. Refer to Note 15.

Notes to the Consolidated Financial Statements

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Significant judgements (continued)

Contingent asset recognition

Judgement is required in assessing whether the potential refund of import tariffs paid in the United States meets the recognition criteria for an asset or should remain disclosed as a contingent asset.

Management has concluded that, while recovery is considered probable, the inflow of economic benefits is not yet virtually certain at 30 June 2026 and therefore no asset has been recognised. The potential refund is USD $301,765 (AUD $439,314) (2025: nil). Refer to Note 28.

Key sources of estimation uncertainty

Inventory valuation and impairment

Inventories are carried at the lower of cost and net realisable value. Estimation uncertainty arises in assessing the recoverability of raw materials, finished goods and work in progress, including patient-specific cell therapy inventory, having regard to expected demand, product shelf life, ageing, conversion rates and estimated selling prices. Where inventory is no longer expected to be sold or consumed in production at carrying value, a write-down is recognised. Inventories totalled $1,690,536 at 30 June 2026 (2025: $1,202,912). Refer to Note 1 and Note 10.

Expected credit losses on receivables

The Group applies the simplified approach under *AASB 9* to measure lifetime expected credit losses for trade receivables. Estimation uncertainty arises in assessing recoverability based on customer ageing profiles, historical loss experience, known counterparty circumstances and forward-looking information. While no material impairment has been recognised, changes in customer credit risk or recoverability assumptions could affect the carrying amount of receivables. Trade and other receivables were $2,851,987 at 30 June 2026 (2025: $1,846,517). Refer to Notes 9 and 24.

Deferred tax assets

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits or taxable temporary differences will be available against which deductible temporary differences and tax losses can be utilised. Estimation uncertainty arises in assessing the timing and amount of future taxable profits and the recoverability of deferred tax assets.

The Group recognises deferred tax liabilities arising from taxable temporary differences in full. Deferred tax assets are recognised only to the extent that they can be offset against recognised deferred tax liabilities or where their recovery is otherwise considered probable. Given the Group's recent loss history, deferred tax assets have been recognised only to the extent of available taxable temporary differences, with the remaining deductible temporary differences and tax losses not recognised. Refer to Note 7.

Notes to the Consolidated Financial Statements

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Key sources of estimation uncertainty (continued)

Useful lives and impairment of non-financial assets

The Group assesses the useful lives of property, plant and equipment and intangible assets at each reporting date and reviews those assets for indicators of impairment. Estimation uncertainty exists in determining the period over which future economic benefits are expected to be consumed and, where impairment indicators arise, in estimating recoverable amount. Changes in these assumptions may result in higher depreciation or amortisation charges or impairment write-downs in future periods. At 30 June 2026, property, plant and equipment amounted to $2,473,431 (2025: $1,802,443) and intangible assets amounted to $773,207 (2025: $1,072,270). Refer to Notes 1, 12 and 14.

Investment in associate – impairment assessment

The Group holds an investment in Marine Biomedical Pty Ltd that is accounted for as an associate under the equity method in accordance with *AASB 128*.

At each reporting date, management assesses whether objective evidence of impairment exists in relation to the investment. This assessment requires significant judgement and includes consideration of the associate's financial position and funding activities, regulatory progress, intellectual property, research and development activities, commercialisation pathway and other events that may affect the estimated future economic benefits expected to be derived from the investment.

In performing its assessment at 30 June 2026, management considered the successful January 2026 capital raising completed by Marine Biomedical at $1.34 per share with participation from multiple investors, continued progress of the PearlBone™ development programme, the FDA 510(k) submission lodged during FY26 and ongoing regulatory review activities, the status of the company's intellectual property and technology platform, ongoing research, development and commercialisation activities, and the absence of any identified adverse financial, regulatory, technical or commercial developments that would indicate a deterioration in the expected future economic benefits associated with the investment.

The carrying amount of the investment exceeds the Group's share of Marine Biomedical's accounting net assets. Management does not consider this fact, in isolation, to constitute objective evidence of impairment, particularly given the nature of the investee as a development-stage biotechnology company and the existence of recent arm's-length capital raising activity.

Based on the assessment performed, management concluded that no objective evidence of impairment existed at 30 June 2026. Accordingly, no impairment test under *AASB 136* was required and no impairment charge has been recognised in relation to the investment during the year.

Notes to the Consolidated Financial Statements

Note 3. Operating segments

The Consolidated Entity has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance. The financial information presented in the statement of profit or loss and other comprehensive income and statement of financial position is the same as that presented to the chief operating decision makers. The Consolidated Entity operates in one segment and predominately operates in the regenerative medicine industry in Australia with products sold in Australia and internationally.

Note 4. Revenue

AUD$	30 June 2026	30 June 2025
Revenue from sales of goods	8,672,727	5,246,681
Revenue from contracts with customers	2,304,000	2,304,000
Sundry revenue from customers	430,429	296,107
Total revenue from ordinary activities	**11,407,156**	**7,846,788**

Certain items previously presented within Revenue and Other revenue have been reclassified to more appropriately reflect their nature and to improve consistency with the current-year presentation. Comparative information has been retrospectively reclassified accordingly to ensure comparability between periods, specifically $2,304,000 of contract revenue and $296,107 of other revenue has been reclassified and presented within revenue; $1,300,904 of finance income has been reclassified from other revenue to finance income; and $60,000 of grant income has been reclassified from other revenue to grant income. These retrospective reclassifications affect presentation only and have no impact on loss after income tax, total comprehensive loss, or net assets for the current or comparative periods.

Notes to the Consolidated Financial Statements

Note 5. Other income

AUD$	30 June 2026	30 June 2025
Finance income	1,820,291	1,300,904
Grant income	2,998,237	3,245,026

Income tax benefit and grant income have been reclassified to more appropriately reflect their nature and to improve consistency with current year presentation. Comparative information has been retrospectively reclassified accordingly to ensure comparability between periods, specifically research and development grant income of $3,185,026 has been reclassified from income tax benefit to grant income and $19,272 of currency gains have been reclassified from other revenue and reclassified to currency (losses)/gains. These retrospective reclassifications affect presentation only and have no impact on loss after income tax, total comprehensive loss, or net assets.

Note 6. Expenses

AUD$	30 June 2026	30 June 2025
Employee and directors' expenses	9,773,541	7,943,970
Contracted services and studies expenses	4,087,797	3,100,651
Share-based payments expense	3,015,788	1,226,395
Other staff expenses	1,740,168	101,024
Other research and development expenses	1,632,404	1,433,463
Distribution and logistics expenses	1,598,086	809,781
Regulatory, compliance, quality and assurance expenses	1,570,935	1,740,229
General selling and marketing expenses	1,543,232	1,467,183
Facility, depreciation and amortisation expenses	1,386,019	1,015,543
Raw materials and consumables expenses	1,135,108	394,435
IT expenses	1,093,486	646,191
Insurance expenses	676,585	490,183
All other expenses	536,959	609,582
Total expenses	**29,790,108**	**20,978,630**

Notes to the Consolidated Financial Statements

Note 6. Expenses (continued)

Comparative information has been reclassified to conform with the current year's presentation and to improve comparability between reporting periods. In the current year, the Group adopted a functional expense presentation within the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Accordingly, certain comparative expenses previously presented within research, development and laboratory expenses, administrative and corporate expenses, and sales, marketing and business development expenses have been reclassified to cost of goods sold, research and development expenses, selling and marketing expenses, and administration and general expenses to better reflect the nature of the underlying activities performed. This reclassification resulted in an increase of $1,518,518 in cost of goods sold, $1,028,840 in selling and marketing expenses and $259,581 in administration and general expenses, offset by a decrease of $2,806,939 in research and development expenses. In addition, share-based payment expense of $1,226,395, previously included within operating expenses, has been separately presented in the Consolidated Statement of Profit or Loss and Other Comprehensive Income due to its significance. These reclassifications had no impact on the Group's loss before income tax, loss after income tax, total comprehensive loss, earnings per share, total assets, total liabilities, cash flows or net assets.

Note 7. Income taxes

Income tax

AUD$	30 June 2026	30 June 2025
Current tax	-	-
Deferred tax	-	-
Income tax (benefit)	**-**	**-**

Numerical reconciliation of income tax benefit to prima facie tax

AUD$	30 June 2026	30 June 2025
Loss before income tax expense	(13,914,694)	(8,566,640)
Tax at statutory rate of 25% (2025: 25%)	(3,478,674)	(2,141,660)
Tax effect of:		
Non-deductible expenses	760,886	322,847
Non-assessable income	(749,559)	(796,256)
Impact for differences in foreign tax rates	(56,533)	-
Movement in deferred taxes not brought to account	3,523,880	2,615,069
Income tax (benefit)	**-**	**-**

Notes to the Consolidated Financial Statements

Note 7. Income taxes (continued)

Research and development tax incentive reclassification

During the current financial year, the Group reassessed the presentation of the Australian Research and Development Tax Incentive and concluded that the incentive is more appropriately presented as government grant income in accordance with *AASB 120 Accounting for Government Grants and Disclosure of Government Assistance*.

Comparative information has been retrospectively reclassified to conform with the current year presentation. Accordingly, an amount of $3,185,026 previously recognised within income tax benefit has been reclassified to grant income within other income for the prior year.

The comparative numerical reconciliation of income tax benefit to prima facie tax has been updated to reflect this reclassification. The reclassification affects presentation only and has no impact on the Group's loss after income tax, total comprehensive loss, earnings per share or net assets.

Deferred tax assets and liabilities

The Group recognises deferred tax assets and liabilities arising from temporary differences in accordance with *AASB 112 Income Taxes.*

Deferred tax assets have been recognised only to the extent that their recovery is supported by the existence and expected reversal of recognised taxable temporary differences. The Group has not recognised deferred tax assets in respect of the remaining carried forward tax losses and deductible temporary differences as management has concluded that it is not currently probable that sufficient future taxable profits will be available against which those benefits can be utilised.

Recognised deferred tax assets and liabilities at 25% (2025: 25%)

AUD$	30 June 2026	30 June 2025
Deferred tax assets recognised	1,370,857	1,241,086
Deferred tax liabilities recognised	(1,370,857)	(1,241,086)
Net deferred tax asset/(liability)	-	-

Components of recognised deferred tax liabilities at 25% (2025: 25%)

AUD$	30 June 2026	30 June 2025
Contract liabilities	1,092,523	1,126,380
Prepayments	255,396	-
Accrued revenue and accrued interest receivable	22,938	114,706
Total recognised deferred tax liabilities	**1,370,857**	**1,241,086**

Notes to the Consolidated Financial Statements

Note 7. Income taxes (continued)

Components of recognised deferred tax assets at 25% (2025: 25%)

AUD$	30 June 2026	30 June 2025
Carried forward tax losses recognised	1,370,857	1,241,086
Total recognised deferred tax assets	**1,370,857**	**1,241,086**

Unrecognised deferred tax assets at 25% (2025: 25%)

AUD$	30 June 2026	30 June 2025
Capital raising costs	463,339	221,237
Employee benefit provisions	212,466	200,915
Lease liability	30,070	12,299
Investment in associate	24,792	-
Deferred revenue	2,139	-
Domestic carried forward tax losses	4,910,638	5,302,293
Foreign carried forward tax losses (at 26%)	2,054,948	-
Total deferred tax assets not recognised	**7,698,392**	**5,736,744**

Note 7. Income taxes (continued)

Recognition of deferred tax assets

Deferred tax assets have been recognised to the extent that their recovery is supported by the expected reversal of recognised deferred tax liabilities. The recognised deferred tax assets primarily relate to carried forward tax losses that are expected to be utilised against future taxable amounts arising from the reversal of recognised taxable temporary differences.

The Group has not recognised deferred tax assets in respect of the remaining tax losses and deductible temporary differences as management has concluded that it is not currently probable that sufficient future taxable profits will be available against which those benefits can be utilised.

The tax benefits will only be realised if the Group generates sufficient future taxable income, continues to satisfy the relevant tax requirements, and there are no adverse changes in taxation legislation.

In assessing the recoverability of deferred tax assets, management considered forecast taxable income, the timing of reversal of existing temporary differences and the requirements of *AASB 112*. While the Group continues to incur accounting losses, the recognised deferred tax liabilities provide a source of future taxable amounts against which a portion of the Group's deferred tax assets are expected to be recovered.

Significant judgement is required in assessing the recoverability of deferred tax assets. Management has concluded that recognition criteria are satisfied only to the extent of recognised taxable temporary differences. Deferred tax assets relating to the remaining tax losses and deductible temporary differences have not been recognised due to the Group's history of tax losses and uncertainty regarding the timing and amount of future taxable profits.

Note 8. Cash, cash equivalents and term deposits

Cash and cash equivalents comprise cash at bank and on hand together with highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. This includes investments – term deposits with original maturities under 3 months.

Investments – term deposits with original maturities over 3 months represent term deposits held for treasury management purposes and are measured at amortised cost. Term deposits with original maturities over three months have been prospectively reclassified from cash and cash equivalents to investments to better reflect the nature of the underlying instruments. Comparative information has not been restated. The reclassification has no impact on loss after income tax, total comprehensive loss or net assets.

AUD$	30 June 2026	30 June 2025
Cash and cash equivalents	9,452,893	28,619,929
Investments – term deposits with original maturities over 3 months	34,500,000	-
Total cash, cash equivalents and term deposits	**43,952,893**	**28,619,929**

Notes to the Consolidated Financial Statements

Note 9. Trade and other receivables

Trade receivables represent amounts due from customers for goods sold and services performed in the ordinary course of business. Trade receivables are initially recognised at the transaction price and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

Trade receivables generally have credit terms of 30 to 60 days (2025: 30 to 60 days) and are therefore classified as current. Due to the short-term nature of these balances, their carrying amount is considered to approximate fair value. The Group applies the simplified approach to measuring expected credit losses under *AASB 9*, which requires lifetime expected credit losses to be recognised from initial recognition. Trade receivables are assessed on a collective basis where appropriate, having regard to historical credit loss experience and forward-looking factors.

GST receivable represents amounts recoverable from taxation authorities. Accrued contract revenue represents the Group's right to consideration for goods or services transferred to customers where revenue has been recognised in accordance with contractual arrangements but billing has not yet occurred at the reporting date. Accrued interest on term deposits represents interest earned but not yet received on term deposits held with financial institutions and is expected to be received within 12 months of the reporting date. Further information relating to the Group's exposure to credit risk is disclosed in the financial risk management note.

AUD$	30 June 2026	30 June 2025
Trade receivables	2,293,944	1,291,252
GST receivable	277,664	218,442
Accrued contract revenue	72,799	33,000
Accrued interest on term deposits	207,580	303,823
Total trade and other receivables	**2,851,987**	**1,846,517**

Note 10. Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is determined using the first-in, first-out basis and includes costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Work in progress comprises patient-specific cell therapies and scaffold products in the production process. Judgement is applied in assessing whether these items continue to meet the criteria for recognition as inventory, including consideration of ageing, expected customer conversion and other relevant factors.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Notes to the Consolidated Financial Statements

Note 10. Inventories (continued)

AUD$	30 June 2026	30 June 2025
Finished goods	846,995	414,595
Raw materials, stores and consumables	747,593	460,013
Work in progress	95,948	328,304
Total inventories	**1,690,536**	**1,202,912**

Note 11. Prepayments and other current assets

Prepayments and other current assets represent amounts recognised in advance of receiving goods or services or other amounts expected to be realised within 12 months of the reporting date. Due to their short-term nature, the carrying amounts of these balances are considered to approximate their fair value.

Prepayments primarily relate to amounts paid in advance for goods and services to be received in future periods and are recognised as an expense over the periods to which the related benefits are consumed.

Restricted term deposits represent funds held as security for the Group's virtual credit card facility. The deposits are pledged to the financial institution providing the facility and are therefore not available for general operating purposes. Management expects the restriction to be released within 12 months of the reporting date and accordingly the balances have been classified as current assets.

Refundable deposits represent amounts paid to third parties that are recoverable upon satisfaction of specified contractual conditions and are expected to be recovered within 12 months of the reporting date.

AUD$	30 June 2026	30 June 2025
Prepayments	1,021,582	165,324
Restricted term deposits	200,000	-
Refundable deposits	87,590	-
Total prepayments and other current assets	**1,309,172**	**165,324**

Notes to the Consolidated Financial Statements

Note 12. Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. Depreciation is recognised in profit or loss over the estimated useful lives of the assets using methods appropriate to the nature of the asset. Useful lives, residual values and depreciation methods are reviewed at each reporting date and adjusted prospectively where appropriate.

Year ended 30 June 2025

AUD$	Leasehold improvements	Plant and equipment	Furniture and fittings	Total
Year ended 30 June 2025				
Opening net book value as at 1 July 2024	1,436,388	325,316	135,445	1,897,149
Additions	23,499	132,161	15,621	171,281
Depreciation	(40,168)	(168,059)	(57,760)	(265,987)
Closing net book value as at 30 June 2025	**1,419,719**	**289,418**	**93,306**	**1,802,443**
As at 30 June 2025				
Cost	1,614,190	1,318,006	224,325	3,156,521
Accumulated depreciation	(194,471)	(1,028,588)	(131,019)	(1,354,078)
Net book value as at 30 June 2025	**1,419,719**	**289,418**	**93,306**	**1,802,443**

Notes to the Consolidated Financial Statements

Note 12. Property, plant and equipment (continued)

Year ended 30 June 2026

AUD$	Leasehold improvements	Plant and equipment	Furniture and fittings	Assets under construction	Total
Year ended 30 June 2026					
Opening net book value as at 1 July 2025	1,419,719	289,418	93,306	-	1,802,443
Additions	-	239,988	-	950,736	1,190,724
Depreciation	(165,178)	(175,593)	(30,201)		(370,972)
Write off	(132,529)	(15,149)	(1,086)	-	(148,764)
Reclassification	2,251	(7,031)	4,780	-	-
Closing net book value as at 30 June 2026	**1,124,263**	**331,633**	**66,799**	**950,736**	**2,473,431**
As at 30 June 2026					
Cost	1,382,107	987,746	199,026	950,736	3,519,615
Accumulated depreciation	(257,844)	(656,113)	(132,227)	-	(1,046,184)
Net book value as at 30 June 2026	**1,124,263**	**331,633**	**66,799**	**950,736**	**2,473,431**

Note 13. Right-of-use assets

Right of use assets relate to property leases for office and production facilities and are recognised in accordance with *AASB 16 Leases*. The assets are initially measured at cost and subsequently depreciated on a straight line basis over the lease term.

The Group assesses leases for remeasurement where there are changes in lease terms, including rent reviews or modifications to contractual arrangements.

During the year, the Group entered into a new lease for office accommodation within Building 161, resulting in the recognition of additional right-of-use assets. The Group continues to occupy its existing office and clean room facilities within Building 191 under a separate lease arrangement.

The lease remeasurement recognised during the year reflects increases in lease payments arising from contractual rent reviews under the Building 191 lease, including annual CPI-based adjustments in accordance with the lease agreement.

The Group also leases certain office equipment under short-term and low-value lease arrangements. These leases are exempt from recognition under *AASB 16* and the related lease payments are recognised as an expense in profit or loss as incurred.

Notes to the Consolidated Financial Statements

Note 13. Right-of-use assets (continued)

AUD$	Total
Year ended 30 June 2025	
Opening carrying amount as at 1 July 2024	664,606
Lease remeasurement	34,243
Depreciation charge	(171,147)
Closing carrying amount as at 30 June 2025	**527,702**

AUD$	Total
Year ended 30 June 2026	
Opening carrying amount as at 1 July 2025	527,702
Additions	547,390
Lease remeasurement	31,201
Depreciation charge	(256,382)
Closing carrying amount as at 30 June 2026	**849,911**

Note 14. Intangible assets

Intangible assets comprise patents, trademarks, website development costs and intangible assets under development. Intangible assets are initially recognised at cost and, where applicable, are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite useful lives are amortised on a straight-line basis over their estimated useful lives. Amortisation is recognised in profit or loss and reflects the pattern in which the future economic benefits of the assets are expected to be consumed. The estimated useful lives, residual values and amortisation methods are reviewed at each reporting date and adjusted prospectively where appropriate.

Intangible assets under development represent capitalised costs relating to projects that are not yet available for use. These assets are not amortised until the underlying asset is completed and available for its intended use.

The Group’s intangible assets primarily comprise intellectual property, including patents and trademarks supporting the protection and commercialisation of its regenerative medicine products. The balance also includes website development costs and other immaterial intangible assets.

Notes to the Consolidated Financial Statements

Note 14. Intangible assets (continued)

Year ended 30 June 2025

AUD$	Total – patent and trademarks
Year ended 30 June 2025	
Opening net book value as at 1 July 2024	1,046,200
Additions	136,467
Amortisation expense	(110,397)
Closing net book value as at 30 June 2025	**1,072,270**

Year ended 30 June 2026

AUD$	Patents and trademarks	Other intangibles	Intangible Assets Under Development	Total
Year ended 30 June 2026				
Opening net book value as at 1 July 2025	983,409	88,861	-	1,072,270
Additions	15,431	88,376	66,480	170,287
Reclassification	-	(71,089)	71,089	-
Amortisation expense	(62,660)	(29,442)	-	(92,102)
Write off	(377,248)	-	-	(377,248)
Closing net book value as at 30 June 2026	**558,932**	**76,706**	**137,569**	**773,207**

Notes to the Consolidated Financial Statements

Note 15. Investment in associate

The Group holds an investment in Marine Biomedical Pty Ltd, an Australian biotechnology company focused on the development of bone regeneration technologies, including its lead product PearlBone™. The associate is progressing towards regulatory approval, including lodging a U.S. FDA 510(k) submission.

The investment is accounted for using the equity method in accordance with *AASB 128 Investments in Associates and Joint Ventures*, reflecting the Group's ability to exercise significant influence over the financial and operating policies of the investee. Significant influence arises through a combination of the Group's equity interest, board representation and participation in governance and policy-making activities. Refer to the Significant Judgements section.

AUD$	30 June 2026	30 June 2025
Opening carrying amount	-	-
Acquisition of investment in associate	1,005,000	-
Share of profit/(loss) of associate	(99,166)	-
Closing carrying amount	**905,834**	**-**

During the year, the Group acquired 750,000 shares in Marine Biomedical Pty Ltd for consideration of $1,005,000, increasing its ownership interest to approximately 12.17% of the issued share capital. As part of the investment arrangement, the Group obtained certain strategic rights, including a first right of refusal in relation to the future distribution of products being developed by Marine Biomedical Pty Ltd.

The investment is initially recognised at cost and subsequently adjusted to reflect the Group's share of the associate's profit or loss and other comprehensive income. The Group's share of the associate's loss recognised during the year was $99,166.

Marine Biomedical Pty Ltd remains in the development phase and is progressing the development and commercialisation of its bone regeneration technologies. At 30 June 2026, management assessed the investment for impairment in accordance with *AASB 128* and *AASB 136*. In performing this assessment, management considered recent arm's-length equity raisings completed by Marine Biomedical Pty Ltd, together with other available evidence regarding the associate's development activities and future prospects. No impairment was recognised at 30 June 2026. Refer to the Key Sources of Estimation Uncertainty section.

Notes to the Consolidated Financial Statements

Note 16. Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the reporting date that remain unpaid.

Trade payables are initially recognised at fair value and subsequently measured at amortised cost. Due to the short-term nature of these balances, their carrying amounts are considered to approximate fair value. Trade and other payables are generally unsecured and are typically settled within normal supplier payment terms.

Application funds received for option exercises represent amounts received from option holders in respect of exercised share options where the related shares had not yet been allotted at the reporting date. Following allotment, these amounts were transferred to contributed equity.

Accrued payroll and payroll-related expenses include employee-related obligations such as salaries and wages, bonuses, superannuation, payroll tax and PAYG withholding payable. Accrued expenses and other payables comprise liabilities recognised for goods and services received but not invoiced, together with other amounts payable in the ordinary course of business.

AUD$	30 June 2026	30 June 2025
Trade payables	1,955,854	1,688,666
Accrued payroll and payroll-related expenses	1,795,533	960,123
Accrued expenses	453,951	285,961
Application funds received for option exercises	-	201,500
Other payables	17,231	-
Total trade and other payables	**4,222,569**	**3,136,250**

Notes to the Consolidated Financial Statements

Note 17. Lease liabilities

Lease liabilities are initially recognised at the present value of future lease payments in accordance with *AASB 16 Leases*. Lease payments are discounted using the interest rate implicit in the lease or, where that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease liabilities are subsequently measured at amortised cost using the effective interest method. The carrying amount is increased to reflect interest on the lease liability and reduced by lease payments made. Lease liabilities are remeasured when there is a change in future lease payments arising from lease modifications, changes in lease terms, or changes in an index or rate used to determine lease payments.

The increase in lease liabilities during the year primarily reflects the commencement of a new office lease within Building 161 and the remeasurement of the Building 191 lease arising from contractual rent reviews, as disclosed in Note 13.

Lease liabilities are classified as current or non-current based on the timing of the contractual lease payments.

AUD$	30 June 2026	30 June 2025
Current lease liabilities	397,925	165,323
Non-current lease liabilities	572,267	411,572
Total lease liabilities	**970,192**	**576,895**

Notes to the Consolidated Financial Statements

Note 18. Employee benefit liabilities

Employee benefit obligations represent amounts payable to employees in respect of wages and salaries, annual leave and long service leave.

Short term employee benefits are measured at the amounts expected to be paid when the liabilities are settled. Long service leave obligations expected to be settled beyond 12 months are measured at the present value of expected future payments, taking into account expected future wage and salary levels, employee service patterns and attrition rates.

AUD$	30 June 2026	30 June 2025
Current		
Annual leave liability	540,457	415,221
Long service leave liability	287,247	383,834
Total current employee benefit liabilities	**827,704**	**799,055**
Non-current		
Long service leave liability	22,160	84,835
Total non-current employee benefit liabilities	**22,160**	**84,835**

The current provision for employee benefits includes unconditional entitlements where employees have completed the required period of service and are entitled to pro rata payments in certain circumstances.

Although a portion of these entitlements is classified as current, the Group does not expect all amounts to be settled within 12 months of the reporting date. This reflects the nature of employee leave patterns, where a portion of accrued leave is typically carried forward for longer periods.

The classification of liabilities between current and non current reflects the Group's lack of an unconditional right to defer settlement, consistent with the requirements of *AASB 101 Presentation of Financial Statements*.

Notes to the Consolidated Financial Statements

Note 19. Contract liabilities

Contract liabilities represent the Group's obligation to transfer goods or services to a customer for which consideration has been received, or consideration is due, before the related performance obligations have been satisfied. Revenue is recognised as, or when, the Group satisfies its performance obligations in accordance with the terms of the underlying contracts.

The Group's contract liabilities primarily relate to an upfront licence payment received under a long-term licensing and distribution agreement with BioHorizons Implant Systems Inc. Contract liabilities also include other immaterial deferred revenue balances arising in the ordinary course of business.

(a) Balance

AUD$	30 June 2026	30 June 2025
Current		
Unearned revenue	2,304,000	2,304,000
Deferred revenue	8,556	-
Total current contract liabilities	**2,312,556**	**2,304,000**
Non-current		
Unearned revenue	11,463,228	13,767,228
Total non-current employee benefit liabilities	**11,463,228**	**13,767,228**
Total contract liabilities	**13,775,784**	**16,071,228**

(b) Movement

AUD$	30 June 2026	30 June 2025
Opening balance	16,071,228	18,375,228
Revenue recognised from opening contract liabilities	(2,304,000)	(2,304,000)
Deferred revenue recognised during the year	8,556	-
Total current contract liabilities	**13,775,784**	**16,071,228**

Notes to the Consolidated Financial Statements

Note 19. Contract liabilities (continued)

(c) Ageing analysis

AUD$	30 June 2026	30 June 2025
Within 1 year	2,312,556	2,304,000
1 to 2 years	2,304,000	2,304,000
2 to 5 years	6,912,000	6,912,000
Over 5 years	2,247,228	4,551,228
Total contract liabilities	**13,775,784**	**16,071,228**

(d) Nature of material contract

On 22 June 2022, the Group entered into a global exclusive licence and distribution agreement with BioHorizons Implant Systems Inc in relation to Striate+™, a resorbable collagen membrane used for dental guided bone and tissue regeneration procedures.

Under the terms of the agreement, the Group received upfront consideration of $23,225,432 (US$16,000,000). In exchange, the Group granted BioHorizons exclusive rights to distribute the product and to utilise certain intellectual property, including trademarks and patents, within the defined field of use.

(e) Performance obligations

The contract liability reflects the portion of the upfront consideration for which performance obligations remain unsatisfied. The Group's primary ongoing obligation is to provide access to intellectual property over the term of the agreement, including maintaining and supporting the underlying patents and trademarks that enable BioHorizons to benefit from the licence.

Revenue is recognised over time as these performance obligations are satisfied, reflecting the continuous transfer of benefits to the customer over the licence term.

(f) Key terms and judgements

The licence term extends until expiry of the underlying patents, estimated to be approximately 10 years. The Group has assessed that:

- the licence provides a right to access intellectual property over time, rather than a right to use at a point in time;
- there is no significant financing component, as the upfront payment reflects the agreed commercial value of the licence rather than financing; and
- revenue recognition appropriately reflects the pattern of satisfaction of the performance obligations over the licence period.

Notes to the Consolidated Financial Statements

Note 19. Contract liabilities (continued)

(f) Key terms and judgements (continued)

The contract includes customary termination provisions for material breach. In certain circumstances involving supply default, BioHorizons may access contractual remedies, including release of know how from escrow or partial refund mechanisms. These provisions have been considered in assessing the transaction price and revenue recognition profile.

Note 20. Insurance premium finance liability

During the year, the Group entered an insurance premium funding facility with Westpac Banking Corporation to finance annual insurance premiums. The facility is secured by the underlying insurance policies and is repayable through monthly instalments ending in February 2027.

The liability is initially recognised at the amount of funds received and subsequently measured at amortised cost using the effective interest method. Finance costs are recognised in profit or loss over the term of the facility using the effective interest rate.

AUD$	30 June 2026	30 June 2025
Insurance premium liability	579,984	-
Total insurance premium liability	**579,984**	**-**

Note 21. Equity – issued capital

Issued capital represents the equity attributable to ordinary shareholders of the Company. Ordinary shares are classified as equity and are measured at the proceeds received, net of directly attributable transaction costs.

Incremental costs directly attributable to the issue of shares or options are recognised in equity as a deduction from the proceeds received, net of any related income tax effects.

The Group manages its capital structure through a combination of equity issuances and the management of its cash resources, having regard to its funding requirements and development pipeline.

Notes to the Consolidated Financial Statements

Note 21. Equity – issued capital (continued)

Issued capital

	30 June 2026 Shares	30 Jun 2025 Shares	30 June 2026 AUD$	30 Jun 2025 AUD$
Ordinary shares – fully paid	272,253,637	243,344,093	121,756,644	88,261,726
Share equity costs	-	-	(7,003,333)	(4,775,475)
Total issued share capital	**272,253,637**	**243,344,093**	**114,753,311**	**83,486,251**

Movements in ordinary share capital

Details	Date	Shares	Issue price	AUD$
Balance at 30 June 2024		209,326,818		62,219,668
Issue of shares	8 Aug 2024	250,000	$0.385	96,250
Exercise of options	15 Oct 2024	1,099,811	$0.330	3,331,230
Exercise of options	29 Oct 2024	171,134	$0.00	163,183
Exercise of options	30 Oct 2024	100,000	$0.360	54,285
Issue of shares	31 Oct 2024	28,166,664	$0.600	16,900,000
Share equity costs – cash	31 Oct 2024	-	$0.00	(882,000)
Share equity costs – options	23 Oct 2024	-	$0.00	(691,169)
Issue of shares	3 Dec 2024	166,666	$0.600	100,000
Cashless exercise of options	10 Dec 2024	421,779	$0.00	112,145
Issue of shares	14 Jan 2025	160,000	$1.375	220,000
Cashless exercise of options	14 Jan 2025	84,603	$0.00	24,675
Exercise of options	18 Feb 2025	400,000	$0.403	224,680
Cashless exercise of options	18 Feb 2025	373,363	$0.00	107,740
Exercise of options	18 Feb 2025	500,000	$0.600	340,094
Exercise of performance rights	28 Feb 2025	625,000	$0.00	258,125
Issue of shares	3 Mar 2025	100,000	$1.295	129,500
Cashless exercise of options	27 Mar 2025	30,403	$0.00	7,314
Exercise of options	10 June 2025	1,091,000	$0.410	447,310
Cashless exercise of options	10 June 2025	276,852	$0.00	323,221
Total movement in issued share capital		**34,017,275**		**21,266,583**
Balance at 30 June 2025		**243,344,093**		**83,486,251**

Notes to the Consolidated Financial Statements

Note 21. Equity – issued capital (continued)

Movements in ordinary share capital (continued)

Details	Date	Shares	Issue price	AUD$
Balance at 1 July 2025		243,344,093		83,486,251
Exercise of options	10 July 2025	1,250,000	$0.40	702,125
Exercise of options - cashless	10 July 2025	205,911	$0.00	47,610
Exercise of options	3 Sep 2025	1,500,000	$0.75	1,457,706
Expensing of fully vested performance rights	30 Sep 2025	212,371	$0.00	54,854
Exercise of options - cashless	30 Sep 2025	1,350,900	$0.00	416,580
Issue of shares	24 Oct & 14 Nov 2025	23,076,924	$1.30	30,000,001
Share equity costs - cash	24 Oct & 14 Nov 2025	-	$0.00	(1,500,015)
Share equity costs - options	24 Oct & 14 Nov 2025	-	$0.00	(633,950)
Exercise of options	21 Oct 2025	150,000	$0.48	109,833
Exercise of STI performance rights	22 Dec 2025	217,742	$0.00	220,585
Exercise of options - cashless	5 May 2026	445,696	$0.00	145,530
Exercise of options	14 May 2026	500,000	$0.60	340,094
Share equity costs - cash	29 June 2026	-	-	(93,893)
Total movement in issued share capital		**28,909,544**		**31,267,060**
Balance as at 30 June 2026		**272,253,637**		**114,753,311**

Terms and conditions of issued capital

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held.

Each fully paid ordinary share carries one vote per share on a poll. The Company has no par value shares and does not have a limited amount of authorised capital.

Capital management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital on the basis of its cash position, funding requirements and development pipeline. In order to maintain or adjust its capital structure, the Group may issue new shares, adjust dividend payments or dispose of assets where appropriate.

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

Notes to the Consolidated Financial Statements

Note 22. Share-based payment reserve

The share-based payment reserve is used to recognise the fair value of equity-settled share-based payments granted to employees and other eligible participants. The share-based payment reserve represents the cumulative expense recognised in respect of equity-settled share-based payment arrangements that remains outstanding at the reporting date. Amounts are transferred from this reserve to issued capital when the related instruments are exercised, or to retained earnings when they expire or are forfeited.

Share-based payment reserve

	30 June 2026 Instruments	30 Jun 2025 Instruments	30 June 2026 AUD$	30 Jun 2025 AUD$
Total share-based payment reserve	**30,989,954**	**31,492,915**	**7,261,496**	**5,152,985**

Notes to the Consolidated Financial Statements

Note 22. Share-based payment reserve (continued)

Movement in share-based payment reserve

Details	Security Code	Date	No of options/ rights	AUD$
Balance at 30 June 2024			42,265,000	7,939,296
Expiry of options	OCCOPT22	16 Sep 2024	(100,000)	(25,290)
Expiry of options	OCCOPT19	14 Oct 2024	(320,000)	(64,960)
Exercise of options	OCCOPT19	15 Oct 2024	(16,410,000)	(3,331,230)
Exercise of options	OCCOPT23	29 Oct 2024	(630,000)	(163,183)
Expiry of options	OCCOPT23	26 Oct 2024	(125,000)	(32,378)
Exercise of options	OCCOPT29	30 Oct 2024	(100,000)	(18,285)
Vesting of performance rights	OCCPR1	31 Dec 2024	-	54,759
Issue of performance rights	OCCPR2	8 Aug 2024	250,000	26,615
Issue of performance rights	OCCPR3	29 Nov 2024	126,580	7,996
Issue of performance rights	OCCPR4	29 Nov 2024	821,508	10,872
Issue of performance rights	OCCRR1	29 Nov 2024	1,200,000	20,250
Cashless exercise of options	OCCOPT29	10 Dec 2024	(150,000)	(27,427)
Cashless exercise of options	OCCOPT33	10 Dec 2024	(500,000)	(84,718)
Issue of options	OCCOPT38	3 Dec 2024	1,500,000	332,706
Issue of options	OCCOPT39	3 Dec 2024	2,000,000	358,463
Cashless exercise of options	OCCOPT25	14 Jan 2025	(150,000)	(24,675)
Cashless exercise of options	OCCOPT17	18 Feb 2025	(500,000)	(107,740)
Exercise of options	OCCOPT27	18 Feb 2025	(400,000)	(63,480)
Cashless exercise of options	OCCOPT30	18 Feb 2025	(500,000)	(40,094)
Vesting of performance rights	OCCPR1&2	24 Feb 2025	-	37,558
Exercise of performance rights	OCCPR1&2	28 Feb 2025	(625,000)	(258,124)
Cashless exercise of options	OCCOPT29	31 Mar 2025	(40,000)	(7,314)
Vesting of performance rights	OCCPR2	30 Jun 2025	-	11,406
Issue of options	OCCOPT40	30 Jun 2025	3,000,000	313,995
Cashless exercise of options	OCCOPT17	10 Jun 2025	(409,000)	(323,222)
Cash exercise of options	OCCOPT17	10 Jun 2025	(1,091,000)	-
Vesting of performance rights	OCCPR3	30 Jun 2025	91,162	103,733
Vesting of performance rights	OCCPR4	30 Jun 2025	709,045	158,666
Vesting of performance rights	OCCRR1	30 Jun 2025	-	121,500
Vesting of performance rights	OCCRR2	30 Jun 2025	1,579,620	227,290
Total movement in share-based payment reserve			**(10,772,085)**	**(2,786,311)**
Balance at 30 June 2025			**31,492,915**	**5,152,985**

Notes to the Consolidated Financial Statements

Note 22. Share-based payment reserve (continued)

Movement in share-based payment reserve (continued)

Details	No of options/ rights	AUDS$
Balance at 1 July 2025	31,492,915	5,152,985
Expensing of share-based payments granted in previous period	-	1,986,288
Expensing of share-based payments granted during the period	7,048,725	1,663,442
Forfeited during the period	(33,945)	(7,386)
Exercised during the period	(7,267,741)	(1,494,158)
Expired during the period	(250,000)	(39,675)
Total movement in share-based payment reserve	**(502,961)**	**2,108,511**
Balance at 30 June 2026	**30,989,954**	**7,261,496**

Share-based payment expense

The share-based payment reserve represents the number of outstanding equity-settled share-based payment instruments granted under the Group's employee incentive and remuneration arrangements. The reserve balance is affected by the grant, exercise, forfeiture and expiry of options and rights during the year.

During the year, 7,048,725 options and rights were granted, 7,267,741 options and rights were exercised, 33,945 instruments were forfeited and 250,000 instruments expired. The Group recognised share-based payment expense of $3,015,788 (2025: $1,226,395) in profit or loss during the year.

The number of options outstanding and their respective weighted average exercise prices are summarised in the table above. The weighted average exercise price reflects the average price at which outstanding options may be exercised, weighted by the number of instruments at each price point.

Weighted average exercise price

At the reporting date, the weighted average exercise price of options outstanding was $0.443 (2025: $0.471), compared to the Company's share price of $0.73 (2025: $1.52). Accordingly, the options outstanding were, on average, in the money at both reporting dates.

During the year, options exercised had a weighted average exercise price of $0.491 (2025: $0.550), while options forfeited or expired had a weighted average exercise price of $0.403 (2025: $0.560).

No weighted average exercise price is presented for performance or retention rights, as these instruments typically have a nil exercise price.

Notes to the Consolidated Financial Statements

Note 22. Share-based payment reserve (continued)

Options and performance rights – weighted average remaining contractual life

The weighted average remaining contractual life of share-based payment instruments represents the average period over which the outstanding options and performance rights are expected to remain exercisable or vested, weighted by the number of instruments at each maturity.

At the reporting date, the weighted average remaining contractual life of options outstanding was 1.69 years (2025: 2.29 years), and for retention rights outstanding was 3.23 years (2025: 4.42 years). This reflects the remaining duration over which these instruments may be exercised or converted into ordinary shares, subject to the satisfaction of applicable vesting conditions.

Nature of share-based payment arrangements

The Group operates an employee incentive plan under which options and performance rights are granted to employees and key management personnel. These instruments typically vest over a period of time, subject to service and/or performance conditions.

Options generally have an exercise price and are exercisable over a specified period, while performance and retention rights typically have a nil exercise price and convert to shares upon vesting if conditions are satisfied.

Valuation of share-based payments

The fair value of equity-settled share-based payments is determined at grant date and recognised as an expense over the vesting period.

Fair values are estimated using appropriate valuation models, including the Black-Scholes model and Monte Carlo simulation, depending on the nature of the instrument and vesting conditions. Key inputs used in the valuation include:

- share price at grant date
- exercise price
- expected volatility
- risk-free interest rate
- expected life of the instrument
- vesting conditions (service, performance and market-based conditions)

Notes to the Consolidated Financial Statements

Note 22. Share-based payment reserve (continued)

Summary of key assumptions - current year grants

Grant Date	Expiry Date	Exercise Price	Share price at grant date	Expected volatility	Risk free rate	Vesting conditions	Fair Value per Instrument
8/07/2025	28/07/2028	$1.17	$1.2250	50%	3.34%	Retention	$0.4750
8/07/2025	28/07/2029	$1.46	$1.2250	50%	3.34%	Retention	$0.4571
25/07/2025	28/07/2029	$1.17	$1.3300	50%	3.40%	Retention	$0.5504
11/08/2025	31/08/2028	$0.00	$1.2250	50%	3.32%	Retention	$0.3660
25/09/2025	28/09/2028	$1.2456	$1.1550	50%	3.48%	Retention	$0.3992
9/10/2025	24/10/2028	$0.00	$1.4400	50%	3.49%	Equity raise	$0.4787
9/10/2025	24/10/2028	$0.00	$1.4400	50%	3.49%	Equity raise	$0.3946
20/10/2025	28/11/2028	$0.00	$1.3300	50%	3.31%	Scorecard	$1.3300
20/10/2025	28/11/2029	$0.00	$1.3300	50%	3.31%	Absolute ''TSR''	$1.0477
20/10/2025	28/02/2029	$0.00	$1.3300	50%	3.31%	Retention	$1.3300
6/11/2025	28/11/2028	$0.00	$1.1450	50%	3.59%	Scorecard	$1.1450
19/12/2025	28/02/2029	$0.00	$1.0700	50%	4.04%	Retention	$1.0700
19/12/2025	28/02/2029	$0.00	$1.0700	50%	4.04%	Retention	$1.0700
31/12/2025	28/02/2029	$0.00	$1.0850	50%	4.06%	Retention	$1.0850
05/01/2026	28/02/2029	$0.00	$1.0950	50%	4.05%	Retention	$1.0950
06/01/2026	28/02/2029	$0.00	$1.0700	50%	4.06%	Retention	$1.0700
08/01/2026	28/02/2029	$0.00	$1.0750	50%	3.97%	Retention	$1.0750
12/01/2026	28/02/2029	$0.00	$1.0600	50%	3.59%	Retention	$1.0600
23/03/2026	28/02/2029	$0.00	$0.7200	55%	4.70%	Retention	$0.7200
27/03/2026	28/02/2029	$0.00	$0.7500	55%	4.69%	Retention	$0.7500
13/05/2026	28/02/2029	$0.00	$0.8300	55%	4.63%	Retention	$0.8300
31/05/2026	17/07/2029	$0.00	$0.7650	55%	4.38%	Retention	$0.3045
01/06/2026	28/02/2029	$0.00	$0.7700	55%	4.46%	Retention	$0.7700
01/06/2026	28/11/2029	$0.00	$0.7700	55%	4.46%	Absolute ''TSR''	$0.3832
12/06/2026	30/07/2029	$0.00	$0.7400	55%	4.46%	Retention	$0.7561

Notes to the Consolidated Financial Statements

Note 23. Accumulated losses

Accumulated losses represent the cumulative net losses recognised by the Group since inception, net of transactions recognised directly in equity. The increase in accumulated losses during the year reflects the Group's ongoing investment in commercialisation, clinical programmes and operating capability.

AUD$	30 June 2026	30 June 2025
Opening balance as at 1 July 2025	74,070,402	65,626,390
Loss after income tax for the year	13,914,694	8,566,640
Expired/forfeited options transferred from share-based payment reserve	(47,061)	(122,628)
Total accumulated losses as at 30 June 2026	**87,938,035**	**74,070,402**

Note 24. Financial instruments

(a) Overview and risk management

The Group's principal financial instruments comprise cash and cash equivalents, trade and other receivables, and trade and other payables, which arise directly from its operations. These instruments are used to fund the Group's activities and support ongoing operations. The Group does not undertake trading in financial instruments.

Details of significant accounting policies, including recognition, measurement and income and expense recognition, are disclosed in Note 1.

(b) Interest rate risk

The Group is exposed to interest rate risk through its cash balances, which are held at variable rates.

AUD$	30 June 2026	30 June 2025
Cash and cash equivalents	9,452,893	28,619,929
Investments – term deposits with original maturities over 3 months	34,500,000	-
Restricted term deposit	200,000	-

Weighted average interest rate: 4.2% (2025: 4.5%)

Notes to the Consolidated Financial Statements

Note 24. Financial instruments (continued)

(c) Foreign currency risk

Foreign currency risk arises when the Group undertakes transactions denominated in a currency other than its functional currency. The Group's primary exposure to foreign currency risk relates to transactions and monetary balances denominated in United States dollars (USD).

The Group derives a portion of its revenue from international customers and may hold USD-denominated cash, receivables and payables in the normal course of business. The Group does not currently enter into derivative financial instruments to hedge foreign currency exposures and manages this risk through ongoing monitoring of foreign currency balances and expected cash flows.

At reporting date, the Group's net exposure to USD-denominated monetary assets and liabilities was not considered material to the Group's financial position. Accordingly, a reasonably possible movement in foreign exchange rates would not have a material impact on the Group's profit or loss or equity.

(d) Credit risk

Credit risk arises from the potential failure of counterparties to meet their contractual obligations.

The Group's maximum exposure to credit risk at reporting date is the carrying value of its financial assets. The Group manages credit risk by:

- transacting with reputable counterparties;
- limiting exposure to individual institutions where appropriate; and
- holding cash balances with large, investment-grade financial institutions.

The Group does not hold collateral in respect of its financial assets.

Trade receivables – ageing

AUD$	30 June 2026	30 June 2025
Current (not past due)	1,496,139	1,130,188
0–90 days past due	501,720	133,399
91–180 days past due	241,528	20,735
>181 days past due	54,557	6,930
Total trade receivables	**2,293,944**	**1,291,252**

The Group applies expected credit loss principles in assessing recoverability; no material impairment has been recognised where balances remain recoverable based on historical collection experience and current conditions.

Notes to the Consolidated Financial Statements

Note 24. Financial instruments (continued)

(e) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group manages liquidity risk by maintaining sufficient cash reserves and monitoring forecast cash flows to ensure liabilities can be met under both normal and stressed conditions.

Contractual maturity analysis

AUD$	<6 Months	6-12 months	1-2 years	2-5 years	>5 years	Total
Year ended 30 June 2025						
Trade and other payables	1,993,803	-	-	-	-	1,993,803
Lease liabilities	88,107	123,350	211,457	229,078	-	651,992
Total	**2,081,910**	**123,350**	**211,457**	**229,078**	**-**	**2,645,795**
Year ended 30 June 2026						
Trade and other payables	4,222,569	-	-	-	-	4,222,569
Lease liabilities	169,279	306,045	557,906	46,492	-	1,079,722
Total	**4,391,848**	**306,045**	**557,906**	**46,492**	**-**	**5,302,291**

(f) Fair value

The carrying amounts of financial assets and liabilities approximate their fair value due to the short-term nature of these instruments or because they are measured at amortised cost using market-based inputs.

(g) Sensitivity analysis

The Group is exposed to interest rate movements on cash balances. A reasonably possible change of ±1% in interest rates would have the following impact:

AUD$	Balance ($)	Impact on profit (–1%)	Impact on profit (+1%)
Cash, equivalents and term deposits as at 30 June 2025	28,619,929	(286,199)	286,199
Cash, equivalents and term deposits as at 30 June 2026	43,952,893	(439,529)	439,529

Notes to the Consolidated Financial Statements

Note 25. Key management personnel

Key management personnel (KMP) include the Directors and those executives having authority and responsibility for planning, directing and controlling the activities of the Group.

The aggregate remuneration recognised for KMP during the financial year is as follows:

AUD$	30 June 2026	30 June 2025
Short-term employee benefits	1,906,986	1,015,026
Post-employment benefits	105,037	29,932
Other long-term benefits	19,964	3,548
Share-based payments	1,185,184	226,667
Total compensation	**3,217,171**	**1,275,173**

Total KMP compensation increased during the year, reflecting higher overall remuneration levels as well as the inclusion of additional employees designated as key management personnel and a non-executive director appointed. Share-based payments are recognised in accordance with *AASB 2* and represent the amortisation of equity-settled awards granted to KMP.

Further details of individual Director and executive remuneration, including fixed and variable components, are disclosed in the Remuneration Report.

Note 26. Remuneration of auditor

The following fees were paid or are payable for services provided by PKF Perth (the auditor of the Company), its network firms and unrelated firms during the financial year:

(a) Audit and review services

AUD$	30 June 2026	30 June 2025
PKF Perth - Audit and review of the consolidated financial statements	95,500	87,200

Notes to the Consolidated Financial Statements

Note 26. Remuneration of auditor (continued)

(b) Non-audit services

AUD$	30 June 2026	30 June 2025
PKF Perth -Tax compliance services	12,875	9,400
PKF Melbourne - Transfer pricing services	26,200	14,380
PKF Littlejohn LLP - Other services	15,930	6,450
Total non-audit services	**55,005**	**30,230**

(c) Total remuneration of auditor

AUD$	30 June 2026	30 June 2025
Total audit and non-audit services	**150,505**	**117,430**

Non-audit services provided during the year relate primarily to tax compliance and transfer pricing support. The Directors are satisfied that the provision of these services does not compromise the auditor's independence, having regard to the nature and scope of the services provided. Details of the auditor's independence declaration are set out on page 47.

Note 27. Contingent liabilities

The Group does not have any contingent liabilities as at 30 June 2026 (2025: nil). The Directors are not aware of any material claims or circumstances that would give rise to a contingent liability at the reporting date.

Notes to the Consolidated Financial Statements

Note 28. Contingent assets

The Group has identified a potential refund of import tariffs paid in the United States in connection with product shipments during the financial year.

As at 30 June 2026, the Group has incurred tariffs totalling approximately USD $301,765 (AUD $439,314). Management considers recovery of these amounts to be probable but not yet virtually certain, with recovery expected to occur through the US Customs and Border Protection (CBP) refund process, subject to completion of administrative requirements and regulatory approval.

The refund meets the definition of a contingent asset under *AASB 137*, as it represents a possible inflow of economic benefits arising from past events, the realisation of which is dependent on uncertain future events outside the Group's control.

Key uncertainties affecting recoverability include:

- completion of required filings and administrative steps (including ACE account setup and CAPE submissions);
- confirmation of eligibility, including applicable tariff regimes; and
- timing and approval by US Customs and Border Protection.

Note 29. Commitments

(a) Patent annuity commitments

Commitments relating to maintaining patent rights are payable as follows:

AUD$	30 June 2026	30 June 2025
Within one year	73,690	85,646
One to five years	345,026	360,512
More than five years	493,843	47,565
Total patent annuity commitments	**912,559**	**493,723**

Notes to the Consolidated Financial Statements

Note 29. Commitments (continued)

b) Capital commitments

Committed at the reporting date but not recognised as liabilities, payable:

AUD$	30 June 2026	30 June 2025
Within one year	984,020	-
One to five years	-	-
More than five years	-	-
Total capital commitments	**984,020**	**-**

Capital commitments primarily relate to the office fit-out and expansion of manufacturing facilities, supporting the Group's operational scale-up and growth initiatives.

The Group has immaterial commitments in respect of short-term and low-value leases not recognised on the statement of financial position.

c) Total commitments

Total committed at the reporting date but not recognised as liabilities, payable:

AUD$	30 June 2026	30 June 2025
Total capital commitments	**1,896,579**	**493,723**

Notes to the Consolidated Financial Statements

Note 30. Related party transactions

(a) Subsidiaries

Interests in subsidiaries are disclosed in Note 31.

(b) Key management personnel

Disclosures relating to key management personnel, including compensation, are set out in Note 25 and the Remuneration Report within the Directors' Report.

(c) Transactions with related parties

The Group enters into transactions with its subsidiaries in the normal course of business. These transactions include the sale and transfer of inventory, intercompany service charges and funding arrangements. All such transactions are eliminated on consolidation.

(d) Loans to/from related parties

The Group has funding arrangements in place with its subsidiaries, giving rise to intercompany loan balances at the reporting date. These balances are unsecured, interest-bearing and repayable on demand, and are eliminated on consolidation. There were no loans to or from other related parties (2025: nil).

(e) Outstanding balances

At the reporting date, the Group had intercompany receivables and payables arising from trading and funding activities with its subsidiaries. These balances are unsecured, interest-bearing and repayable on demand. All balances are eliminated on consolidation.

(f) Terms and conditions

All transactions with related parties are conducted on normal commercial terms and conditions and are performed on an arm's length basis.

Notes to the Consolidated Financial Statements

Note 31. Parent entity and interest in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of Orthocell Limited and its controlled entities in accordance with the accounting policy described in Note 1.

The following entities were wholly owned subsidiaries of the Group during the financial year:

Name of entity	Country of incorporation	30 June 2026	30 Jun 2025
Orthocell US LLC	United States of America	100%	100%
Orthocell UK Ltd	United Kingdom	100%	100%
Ausbiomedical Pty Ltd	Australia	100%	100%

Nature of interests

The subsidiaries are controlled entities of the Group and are consolidated from the date on which control is obtained until the date control ceases.

Operating status

At the reporting date, certain subsidiaries are largely dormant or in the early stages of operation and do not have significant trading activity or material assets and liabilities. Accordingly, the financial position and results of the Group are substantially consistent with those of the parent entity.

Parent entity information

In accordance with the Corporations Act 2001, financial information for the parent entity is disclosed in Note 32.

Note 32. Parent entity information

The following information relates to the parent entity, Orthocell Limited, at the reporting date:

AUD$	30 June 2026	30 June 2025
Statement of financial position		
Total assets	65,153,817	38,862,546
Total liabilities	(20,397,693)	(20,668,264)
Net assets	**44,756,123**	**18,194,283**

Notes to the Consolidated Financial Statements

Note 32. Parent entity information (continued)

AUD$	30 June 2026	30 June 2025
Statement of changes in equity		
Issued capital	114,753,311	83,486,251
Share-based payments reserve	7,261,496	5,152,985
Retained earnings	(77,258,684)	(70,444,953)
Total equity	**44,756,123**	**18,194,283**

AUD$	30 June 2026	30 June 2025
Statement of profit or loss and other comprehensive income		
Profit / (loss) for the year	(6,860,790)	(8,566,640)
Total comprehensive income / (loss)	(6,860,790)	(8,566,640)

(a) Parent entity

Orthocell Limited is the ultimate parent entity of the Group.

(b) Accounting policies

The accounting policies of the parent entity are consistent with those applied by the Group, as disclosed in Note 1, except that investments in subsidiaries are accounted for at cost.

(c) Guarantees

Orthocell Limited has not entered into any guarantees in respect of the liabilities of its subsidiaries.

(d) Contingent liabilities

The parent entity had no contingent liabilities as at the reporting date (2025: nil).

(e) Capital commitments

The parent entity has no material capital commitments as at the reporting date (2025: nil).

Notes to the Consolidated Financial Statements

Note 33. Reconciliation of loss after income tax to net cash used in operating activities

AUD$	30 June 2026	30 June 2025
Loss after income tax expense for the year	**(13,914,694)**	**(8,566,640)**
Adjustments for:		
Depreciation and amortisation	863,903	547,531
Share-based payments	3,015,788	1,540,390
Lease interest	53,703	52,546
Bad debt write off	57,642	-
Asset write off	387,475	-
Intangible assets write-off	-	41,953
Revaluation of right-of-use asset	-	1,030
Share of profit/(loss) of associate	99,166	-
Change in operating assets and liabilities:		
(Increase)/decrease in trade and the receivables	(1,061,913)	(541,153)
(Increase)/decrease in prepayments	(856,259)	(155,614)
(Increase)/decrease in inventories	(487,624)	(68,227)
(Increase)/decrease in accrued revenue	56,443	21,478
(Increase)/decrease in other current assets	(287,590)	471,123
Increase/(decrease) in trade and other payables	82,920	211,554
Increase/(decrease) in accrued expenses	1,003,399	-
Increase/(decrease) in contract liabilities	(2,295,444)	-
Increase/(decrease) in employee benefits	(34,025)	(2,304,000)
Increase/(decrease) in insurance premium liability	579,985	65,101
Net cash used in operating activities	**(12,737,125)**	**(8,682,928)**

Net cash used in operating activities increased to $12,737,125 (2025: $8,682,928), primarily driven by the increase in operating loss for the year offset by the reduction in contract liabilities.

Notes to the Consolidated Financial Statements

Note 34. Earnings (loss) per share

AUD$	30 June 2026	30 June 2025
Loss after income tax expense for the year	**(13,914,694)**	**(8,566,640)**
Weighted average number of ordinary shares used in calculating basic and diluted loss per share	263,320,720	223,260,569
Loss per share (dollars per share):		
Basic loss per share	**(0.053)**	**(0.038)**
Diluted loss per share	**(0.053)**	**(0.038)**

Options granted to employees are considered potential ordinary shares. As the Group has reported a loss for both the current and prior year, these instruments are anti-dilutive and have therefore not been included in the calculation of diluted loss per share.

Note 35. Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Consolidated Entity Disclosure Statement

Basis of preparation

The Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with section 295(3A) of the Corporations Act 2001. The entities listed in the statement are those entities controlled by the Group in accordance with *AASB 10 Consolidated Financial Statements.*

Key assumptions and judgements

Determination of tax residency

Section 295(3A) of the Corporations Act 2001 requires the tax residency of each entity included in the Consolidated Entity Disclosure Statement (CEDS) to be disclosed. In the context of an entity that was an Australian resident, "Australian resident" has the meaning provided in the Income Tax Assessment Act 1997 (Cth).

The determination of tax residency requires judgement, as tax residency is highly dependent on the specific facts and circumstances applicable to each entity. Different interpretations may be available and could result in a different conclusion regarding residency.

In determining tax residency, the Group has applied the following interpretations:

Australian tax residency

The Group has applied current legislation and relevant judicial precedent, including the Commissioner of Taxation's public guidance in Taxation Ruling TR 2018/5, in determining Australian tax residency.

Foreign tax residency

The Group has applied current legislation and, where available, relevant judicial precedent in determining foreign tax residency. Where necessary, the Group has engaged independent tax advisers in relevant foreign jurisdictions to assist in determining tax residency and to ensure compliance with applicable foreign tax laws.

Bodies Corporate

The following entities were part of the Consolidated Entity at the end of, or during, the financial year ended 30 June 2026:

Entity Name	Entity type	Australian resident	Country of incorporation	Ownership interest (%)	Tax residency
Orthocell Limited	Body corporate	Yes	Australia	100%	Australia
Orthocell US LLC	Body corporate	No	United States of America	100%	United States of America
Orthocell UK Ltd	Body corporate	No	United Kingdom	100%	United Kingdom
Ausbiomedical Pty Ltd	Body corporate	Yes	Australia	100%	Australia

Directors' Declaration

In the Directors' opinion:

- The attached consolidated financial statements and notes thereto, together with the Remuneration Report contained in the Directors' Report, comply with the Corporations Act 2001, Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements.
- The consolidated financial statements and notes thereto also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board, as disclosed in Note 1.
- The consolidated financial statements and notes thereto give a true and fair view of the financial position of the Consolidated Entity as at 30 June 2026 and of its financial performance for the financial year ended on that date.
- There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- The information disclosed in the Consolidated Entity disclosure statement is true and correct.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the directors pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Paul Anderson
Director

31 August 2026
Perth

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ORTHOCELL LIMITED

Report on the Financial Report

Opinion

We have audited the financial report of Orthocell Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2026, 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 statements, including material accounting policy information, the consolidated entity disclosure statement, and the directors' declaration of the Company and the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

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

i) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the consolidated entity in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (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

Key Audit Matters

Key audit matters are matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. 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 separate opinions on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Revenue recognition – Notes 4 and 19

Why significant

The consolidated entity has two distinct categories of revenue being revenue with performance obligations recognised at a point in time of $9,103,156 (2025: $5,542,788) and revenue with performance obligations recognised over time of $2,304,000 (2025: $2,304,000), as disclosed in Note 4.

In prior years, Orthocell Limited signed an exclusive patent and trademark agreement, which provided an upfront consideration (contract liability) of AUD$23,225,432 (US$16,000,000). As at balance date the remaining contract liability is $13,775,784 (2025: $16,071,228), as disclosed in the Note 19.

The recognition of revenue and associated contract liability is considered a key audit matter due to the varied timing of recognition relative to the different revenue streams and separate performance obligations, and the application of AASB 15 *Revenue from Contracts with Customers*.

How our audit addressed the key audit matter

Our work included, but was not limited to, the following procedures:

- Identified the various revenue streams;
- Obtained an understanding and documented the design and implementation of internal controls in operation for the significant revenue streams;
- Reviewed significant contracts with customers to ensure revenue was recognised in line with the revenue recognition policy;
- Tested substantively the revenue recognised in the financial statements;
- Reviewed post year end receipts to ensure the revenue has been recorded in the correct accounting period;
- With respect to contract liability applicable to the exclusive patent and trademark agreement we have:
  - Agreed the revenue amount recognised in the statement of profit or loss; and
  - Confirmed the accuracy of the contract liability in the financial statements and the recognition over time of the consideration received upfront from the contract
- Assessed the appropriateness of the related disclosures.

Intangible assets – Note 14

Why significant	How our audit addressed the key audit matter
The consolidated entity has recognised intangible assets of $773,207 (2025: 1,072,270) as disclosed in Note 14. AASB 136 *Impairment of Assets* requires an entity assesses at the end of each reporting period whether there is any indication that an asset may be impaired, and where such indication exists the entity is required to determine the recoverable amount of the asset. Management undertook an impairment test in accordance with AASB 136 to ensure that the recoverable amounts of the CGUs (cash-generating units) exceed their carrying amounts, using their respective values in use. Considering the significant estimates and judgement involved in assessing the recoverable amount, this was considered to be a key audit matter.	Our work included, but was not limited to, the following procedures: • Understood and documented management's process and controls related to the assessment of impairment, including management's identification of CGU and the calculation of the recoverable amount for the CGU; • Evaluated the reasonableness of assumptions used in the value-in-use model and, given the significant estimation uncertainty associated with forecast EBITDA and future cash flows, independently assessed recoverability using observable market-based evidence, including Orthocell Limited's market capitalisation; • Compared the carrying value of the CGU, including the associated intangible assets, to the implied enterprise value derived from the market capitalisation of the listed parent entity; • Evaluated peer group selection and assessed EV/Revenue and Price-to-Sales multiples used as corroborative evidence supporting the market-based valuation assessment; • Performed sensitivity analysis over significant assumptions and valuation inputs to assess the impact of reasonably possible changes on the recoverable amount; • Verified the existence of the patents and trademarks through the confirmation that the status of the patents and trademarks is active; • Performed test of details for any additions / disposals in the current year; and • Assessed the appropriateness of the related disclosures.

Share-based payments – Note 6 and 22

Why significant	How our audit addressed the key audit matter
During the year, the Group recorded the following transactions related to share-based payments - Issuance and amortisation of performance and retention rights issued to employees and KMP (classified in share-based payments expense) for the total of $3,015,788. - Issuance of options to in relation to capital raise (classified in cost of issued capital) for the total of $633,950. - Exercise of share-based payments (classified in issued capital) for the total of $1,494,166. - Lapse of options (classified in retained earnings) for the total of $39,675. - Forfeiture of options (classified in retained earnings) for the total of $7,386. The Group grants share-based payments to employees and directors in the form of options, performance rights and retention rights, some of which include market and non-market vesting conditions. Accounting for these arrangements requires the use of complex valuation models and significant management judgement in determining key assumptions such as volatility, risk-free interest rate, expected life, share price at grant date, and the probability of meeting performance conditions. Due to the complexity of these calculations and the level of judgement involved, we considered share-based payments to be a key audit matter.	Our work included, but was not limited to, the following procedures: • Inspecting Board and Remuneration Committee minutes and agreements to identify all new share-based payment arrangements during the year; • Evaluating the appropriateness of the Group's accounting policies for share-based payments against AASB 2 *Share-based Payment*; • Assessing the valuation methodologies applied (Monte Carlo simulation for market conditions, Black-Scholes model for options) by external valuation specialists where necessary; • Testing the accuracy of key inputs and assumptions used in the valuations, including volatility, expected life, risk-free rate, share price and dividend yield, by comparing them to observable market data; • Recalculating the expense recognised during the year, including the impact of forfeitures, to confirm the correct application of amortisation over the vesting period; and • Evaluating the adequacy of the disclosures in the financial report in accordance with AASB 2.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the consolidated entity’s annual report for the year ended 30 June 2026, but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report.

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 Directors’ for the Financial Report

The Directors of the Company are responsible for the preparation of:-

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and
b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act2001; and

for such internal control as the Directors determine is necessary to enable the preparation of:-

i) the financial report (other than the consolidated entity disclosure statements) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

Auditor’s Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

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

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

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

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

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

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.
From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion

We have audited the Remuneration Report included in the Directors' Report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Orthocell Limited for the year ended 30 June 2026, 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.

PKF Perth

PKF PERTH

SIMON FERMANIS
PARTNER
31 August 2026
PERTH,
WESTERN AUSTRALIA

Shareholder Information

Additional information required by the ASX Listing Rules and not disclosed elsewhere in this Annual Report is set out below. The information is current as at 25 August 2026.

Substantial shareholders

As at 25 August 2026, the Company was not aware of any shareholder holding a substantial interest (being 5% or more of the Company's issued share capital) based on substantial holder notices lodged with the ASX.

Top 20 largest shareholders

Rank	Name	Number of Shares	% of Total Shares
1	Ming Hao Zheng & Ying Fan <The Zheng A/C>	7,098,346	2.61
2	HSBC Custody Nominees (Australia) Limited	6,572,292	2.41
3	Paul Frederick Anderson & Nicole Jane Telford	6,233,335	2.29
4	Qixiao Zhou	6,223,925	2.29
5	Citicorp Nominees Pty Limited	5,223,772	1.92
6	Wyllie Group Pty Ltd	5,076,924	1.86
7	Wyllie Group Pty Ltd	4,501,072	1.65
8	Jiaxun Xu	4,478,480	1.64
9	Patrick John McHale	4,380,000	1.61
10	J P Morgan Nominees Australia Pty Limited	4,086,065	1.50
11	Rubino Group Pty Ltd <Rubino Group A/C>	2,506,411	0.92
12	The University of Western Australia	2,360,973	0.87
13	John Clifford Philpott & Rebecca Anne Philpott <Philpott Super Fund A/C>	2,124,677	0.78
14	Sandini Pty Ltd <Karratha Rigging Unit A/C>	1,977,219	0.73
15	BNP Paribas Nominees Pty Ltd	1,759,342	0.65
16	John Clifford Philpott	1,620,520	0.60
17	CG Nominees (Australia) Pty Ltd	1,500,000	0.55
18	David Gordon Trainer	1,375,000	0.50
19	Kim Christian Beazley	1,350,900	0.50
20	Shortclan Investments Pty Ltd <Short Family Super Fund A/C>	1,300,000	0.48
Total Top 20 Holdings		**71,749,253**	**26.35**

The Top 20 shareholders table has been extracted from the Company's share registry records. Shareholders may appear more than once where shares are held through separate registered holdings.

Shareholder Information

Voting rights

Ordinary shares

On a show of hands, every member present at a meeting in person or by proxy is entitled to one vote. On a poll, each share carries one vote.

Distribution of ordinary shares

Range	Holders	Shares	% of Total Shares
1 – 1,000	1,467	922,074	0.34%
1,001 – 5,000	3,076	8,559,066	3.14%
5,001 – 10,000	1,377	11,084,969	4.07%
10,001 – 100,000	2,519	82,875,706	30.43%
100,001 and over	404	168,890,146	62.02%
Total	**8,843**	**272,331,961**	**100.00%**

Unmarketable parcels

As at 25 August 2026, holdings of less than a marketable parcel: 705 shareholders holding 258,902 shares.

On-market buy-back

The Company does not currently have an on-market buy-back program in place.

Restricted securities

There are no restricted securities on issue.

Securities exchange listing

Orthocell Limited was admitted to the Official List of ASX Limited on 12 August 2014 and its ordinary shares are quoted on the Australian Securities Exchange under ASX code OCC.

Unlisted options and rights

As at 25 August 2026, unlisted options and rights on issue total 29,719,472, representing 10.91% of the Company's ordinary shares on issue. These securities do not carry voting rights and have been issued under the Company's employee incentive plans to directors, employees and key consultants.

Shareholder Information

Summary of unlisted options and rights

Range	Holders	Holdings
Options	37	24,190,000
Performance and Retention Rights	60	5,529,472
Total	**97**	**29,719,472**
Percentage of ordinary shares on issue: 10.91%		

Options and rights held by Key Management Personnel and their related parties

The following table sets out the percentage of total unlisted options and rights held by Key Management Personnel and their related parties.

Name	Position	% of total unlisted options and rights on issue
John Van Der Wielen	Chair, Independent Non-Executive Director	13.46%
Dr Ravi Thadhani	Independent Non-Executive Director	10.09%
Paul Anderson	Chief Executive Officer and Managing Director	8.66%
Professor Fiona Wood	Independent Non-Executive Director	6.73%
Michael McNulty	Chair of Audit and Risk Management Committee, Chair of Remuneration and Nomination Committee, Independent Non-Executive Director	6.73%
Alex McHenry	Chief Operating Officer	6.13%
Jim Piper	Chief Financial Officer	1.51%

No individual security holder controls more than 20% of the unlisted securities.

Shareholder Information

Distribution of Unlisted Options and Performance and Retention Rights

Range	Holdings	% of Total Unlisted Securities
1 – 1,000	-	-
1,001 – 5,000	4,246	0.01%
5,001 – 10,000	28,548	0.10%
10,001 – 100,000	1,810,725	6.09%
100,001 and over	27,875,953	93.80%
Total	**29,719,472**	**100.00%**

Of the unlisted options and performance and retention rights on issue, a portion are exercisable at the reporting date, while the remainder are subject to vesting conditions and are not yet exercisable.

Corporate Directory

Board of Directors

John Van Der Wielen - Independent Non-Executive Chair

Paul Anderson - Chief Executive Officer & Managing Director

Professor Fiona Wood - Independent Non-Executive Director

Dr Ravi Thadhani - Independent Non-Executive Director

Michael McNulty - Independent Non-Executive Director (Appointed 1 September 2025)

Company Secretary

Peter Gordon Webse

Registered Office and Principal Place of Business

Level 2, 161 Campus Drive,
Murdoch University,
Murdoch WA 6150,
Australia

Share Register

Automic Registry Services
Level 5, 191 St Georges Terrace,
Perth WA 6000,
Australia

Auditor

PKF Perth
Dynons Plaza, Level 8, 905 Hay Street,
Perth WA 6000,
Australia

Solicitors

Gilbert + Tobin
Level 16, Brookfield Place Tower 2,
123 St Georges Terrace,
Perth WA 6000, Australia

Bankers

Westpac Banking Corporation

Securities Exchange Listing

Australian Securities Exchange, ASX code: **OCC**

Website

www.orthocell.com

ortho·cell

orthocell.com