

Osteopore Limited (ABN 65 630 538 957)

2. Results for Announcement to Market

Final and interim dividends	It is not proposed that either a final or interim dividend be paid.
Record date for determining entitlements to the dividend	N/A
Brief explanation of any of the figures reported above	<p>The Company's revenue for the half-year ended 30 June 2024 grew by 48% year-on-year. While the Company continues its streamlined approach to cost management, expenses have also seen a material reduction. Specifically, the allocation for sales, marketing, and business development expenses have decreased by approximately 36%. With increased revenue and reduced costs, the net loss after tax is significantly lower compared to the previous year.</p> <p>The increase in net loss after tax from ordinary activities during the half-year ended 30 June 2023 was attributable mainly to the share-based payment expense, which is a non-cash item. This increase was primarily due to the options issued to the lead manager of the share placement from December 2022 to June 2023. The Company also reported an increase in administrative expenses, mainly due to higher legal and professional fees. In addition, the Company continues to allocate more resources to sales & marketing and business development activities, to broaden the distribution and business network to grow the Company's market presence.</p>

3. Net Tangible Asset Backing per Ordinary Share		Cents
Net tangible asset backing per ordinary share – current reporting period (30 June 2024)		1.03
Net tangible asset backing per ordinary share – previous reporting period (31 December 2023)		(3.61)
4. Control Gained Over Entities		
Details of entities over which control has been gained or lost		N/A
5. Dividends Paid and Payable		
Details of dividends or distribution payments		No dividends or distributions are payable.
6. Dividend Reinvestment Plans		
Details of dividend or distribution reinvestment plans		N/A
7. Details of Associates		
Details of associates and joint venture entities		N/A
8. Foreign Entities		
Foreign entities to disclose which accounting standards are used in compiling the report		All entities within the Group comply with International Financial Reporting Standards.
9. Review Opinion		
Details of any audit dispute or qualification		There are no audit disputes or qualifications to the review opinion.


Mark Leong
Executive Chairman
30 August 2024



Empowering Natural Tissue Regeneration

**OSTEOPORE LIMITED
AND ITS CONTROLLED ENTITIES**

ACN 630 538 957

**CONSOLIDATED INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 30 JUNE 2024**

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Osteopore Limited and its Controlled Entities
Consolidated Interim Financial Report
For the half-year ended 30 June 2024

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**Osteopore Limited and its Controlled Entities
Consolidated Interim Financial Report
For the half-year ended 30 June 2024**

CORPORATE INFORMATION

Directors

Mark Leong
Professor Teoh Swee Hin
Daniel Ow
Michael Keenan

Company Secretary

Kellie Davis (Resigned on 20 May 2024)
Jack Rosagro (Appointed on 20 May 2024)

Registered Office / Principal Place of Business

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Share Register

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

Auditor

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Central Park
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Perth WA 6000

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DIRECTORS' REPORT

The Directors present their report, together with the consolidated financial report for Osteopore Limited ("Osteopore" or the "Company") and its controlled entities ("Group"), for the half-year ended 30 June 2024.

DIRECTORS

The names of Directors in office at any time during or since the end of the half-year ended 30 June 2024 were as follows:

Name	Position	Date Appointed	Date Resigned
Mark Leong	Executive Chairman	28 December 2021	—
Daniel Ow	Non-Executive Director	7 October 2021	—
Professor Teoh Swee Hin	Non-Executive Director	24 June 2019	—
Michael Keenan	Non-Executive Director	18 July 2023	—

PRINCIPAL ACTIVITIES

Osteopore Limited is a global medical technology company founded in Singapore and listed in Australia that commercialises products designed to enable natural bone healing across multiple therapeutic areas. Osteopore's patented technology fabricates specific micro-structured scaffolds for bone regeneration through 3D printing and bioresorbable material.

Osteopore's patent protected scaffolds are manufactured using a proprietary manufacturing technique with a polymer that naturally dissolves over time to only allow natural and healthy bone tissue, significantly reducing the post-surgery complications commonly associated with permanent bone implants.

REVIEW OF OPERATIONS

Osteopore continues to demonstrate commercial traction during the period to 30 June 2024 with revenues of \$1,476,208 as comparison to 30 June 2023, which was \$997,102. Based on the results, the Company has demonstrated **improved sales effectiveness as revenues increased by 48% year-on-year** with selective allocation of sales and marketing resources.

Additionally, the Company reports improved operating conditions, with **operating losses lowered by 53% during the period ended 30 June 2024** as compared to 30 June 2023. The Company expects to continue closely monitoring its operating costs going forwards.

Apart from reporting traction from approved business units, the Company has shown progress in obtaining market entry for new products, as well as progressing high-value collaborations as summarised below:

- The Company secured regulatory clearance from Singapore's Health Sciences Authority (HSA) and Vietnam's Department of Medical Equipment and Construction (DMEC) for aXOpore®. This includes a suite of off-the-shelf products for High Tibial Osteotomy (HTO), bone grafting, and bespoke implants for severe bone loss.
- The recruitment for cranial and long bone reconstruction trials in Australia using polycaprolactone-tricalcium phosphate customised scaffolds has been completed with results displaying strong clinical outcomes. 9 patients participated in the cranial reconstruction trial, with results demonstrating excellent vascularity and bone regeneration potential of Osteopore's custom-made device.
- The first-in-human knee preservation clinical trial has commenced in Singapore. The first patient was treated on 22 April 2024 for knee preservation with Heparan Sulphate 3 (HS3) and aXOpore® via High Tibial Osteotomy (HTO) at Singapore's National University Hospital (NUH).
- On 14 May 2024, the Company signed a non-exclusive partnership agreement with SingHealth. The partnership seeks to create a Global Centre of Excellence (GCoE) for customised medical devices (CMDs) at the Singapore General Hospital (SGH) Campus. The GCoE enables Osteopore to set up a dedicated

Osteopore Limited and its Controlled Entities
Consolidated Interim Financial Report
For the half-year ended 30 June 2024

workspace on the SGH Campus to co-develop, test, validate, adopt, and scale its CMDs globally while deepening collaboration with SGH's clinicians.

- The Company's partnership with the National Dental Centre Singapore (NDCS) and the Agency for Science, Technology and Research (A*STAR) hit the key milestones. The project seeks to develop next-generation dental implants and has developed a new 3D-printing technology that combines patented biological additives and polymer compounds to accelerate bone regeneration.

RESULTS FOR THE PERIOD

The Group incurred a net loss after tax for the half-year ended 30 June 2024 of \$1,616,629 (30 June 2023: \$2,977,757). As of 30 June 2024, the Group recorded a net asset position of \$1,803,592 (31 December 2023: \$432,603). Net operating cash outflows were \$1,691,857 (30 June 2023: cash outflows of \$1,942,927). Osteopore ends the half-year with a cash balance of \$2,224,952 (31 December 2023: \$1,114,800).

EVENTS SUBSEQUENT TO REPORTING PERIOD

On 2 July 2024, the Company decided to renew its lease agreement relating to its premises in Singapore for another three years, from 2 August 2024 to 1 August 2027. This represents a non-adjusted subsequent event and has resulted in an increase in the right-of-use asset and lease liability by \$169,916 on the date of modification.

On 3 July 2024 the Company issued 5,468 ordinary shares upon options being exercised.

On 11 July 2024 the Company issued 344,828 ordinary shares upon options being exercised.

On 16 July 2024 the Company signed an Exclusive Distribution Agreement with Zimmer Pte Ltd to distribute craniofacial products in Europe, the Middle East and Africa, and Asia Pacific including Australia and New Zealand.

On 17 July 2024 the Company issued 17,972 ordinary shares upon options being exercised.

On 31 July 2024 the Company issued 612,858 ordinary shares upon options being exercised.

Apart from the above, no matter or circumstance has arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial periods.

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 immediately after this directors' report.

Signed in accordance with a resolution of the Directors.



Mark Leong
Executive Chairman
30 August 2024

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Auditor's Independence Declaration

To the Directors of Osteopore Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Osteopore Limited for the half-year ended 30 June 2024. I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J C Rubelli
Partner – Audit & Assurance
Perth, 30 August 2024

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 30 JUNE 2024**

		Consolidated	
		30 June	30 June
		2024	2023
	Note	\$	\$
Revenue	3	1,476,208	997,102
Cost of sales		(212,863)	(349,720)
Gross profit		1,263,345	647,382
Other income	4	62,785	122,481
Product development and laboratory expenses		(521,155)	(802,776)
Sales, marketing, and business development expenses		(810,217)	(1,261,434)
Administrative expenses		(1,045,030)	(989,965)
Other expenses		(299,057)	(161,663)
Share-based payments		(46,173)	(517,668)
Operating loss		(1,395,502)	(2,963,643)
Finance costs		(208,746)	(3,566)
Loss before income tax		(1,604,248)	(2,967,209)
Income tax expenses		(12,381)	(10,548)
Loss after income tax		(1,616,629)	(2,977,757)
Other comprehensive loss			
Exchange differences arising from the translation of foreign subsidiary		(26,454)	(43,300)
Total comprehensive loss, net of tax		(1,643,083)	(3,021,057)
Basic and diluted loss per share (cents)	15	(1.41)	(1.92)

The accompanying notes form part of this financial report.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024**

		Consolidated	
		30 June	31 December
		2024	2023
	Note	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents		2,224,952	1,114,800
Trade receivables	5	755,294	543,654
Other assets	6	446,949	340,782
Inventories		303,795	278,978
Total Current Assets		3,730,990	2,278,214
Non-Current Assets			
Property, plant and equipment	7	197,124	259,479
Right-of-use asset	8	10,320	25,639
Intangible assets	9	607,726	779,889
Total Non-Current Assets		815,170	1,065,007
TOTAL ASSETS		4,546,160	3,343,221
LIABILITIES			
Current Liabilities			
Trade and other payables		1,593,586	1,759,223
Borrowings	10	1,079,146	1,064,215
Provisions		58,344	58,080
Lease liabilities	11	5,848	29,100
Total Current Liabilities		2,736,924	2,910,618
Non-Current Liabilities			
Lease liabilities	11	5,644	-
Total Non-Current Liabilities		5,644	-
TOTAL LIABILITIES		2,742,568	2,910,618
NET ASSETS		1,803,592	432,603
EQUITY			
Issued capital	12	32,497,898	29,529,999
Reserves	13	(14,364,051)	(14,383,770)
Accumulated losses		(16,330,255)	(14,713,626)
TOTAL EQUITY		1,803,592	432,603

The accompanying notes form part of this financial report.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 30 JUNE 2024**

	Note	Issued Capital \$	Share Based Payment Reserve \$	Common Control Reserve \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 January 2023		26,957,056	1,113,860	(14,915,451)	(201,408)	(10,902,191)	2,051,866
Loss after income tax		-	-	-	-	(2,977,757)	(2,977,757)
Other comprehensive loss		-	-	-	(43,300)	-	(43,300)
Total comprehensive loss for the period		-	-	-	(43,300)	(2,977,757)	(3,021,057)
Shares placement		2,688,618	-	-	-	-	2,688,618
Shares issue costs		(175,647)	-	-	-	-	(175,647)
Share-based payments		-	517,668	-	-	-	517,668
Performance rights issued (vendor)		-	204,000	-	-	-	204,000
Balance at 30 June 2023		29,470,027	1,835,528	(14,915,451)	(244,708)	(13,879,948)	2,265,448
Balance at 1 January 2024		29,529,999	795,630	(14,915,451)	(263,949)	(14,713,626)	432,603
Loss after income tax		-	-	-	-	(1,616,629)	(1,616,629)
Other comprehensive loss		-	-	-	(26,454)	-	(26,454)
Total comprehensive loss for the period		-	-	-	(26,454)	(1,616,629)	(1,643,083)
Shares placement	12	3,077,467	-	-	-	-	3,077,467
Shares issue costs	12	(109,568)	-	-	-	-	(109,568)
Share-based payments		-	46,173	-	-	-	46,173
Balance as at 30 June 2024		32,497,898	841,803	(14,915,451)	(290,403)	(16,330,255)	1,803,592

The accompanying notes form part of this financial report.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 30 JUNE 2024**

		Consolidated	
		30 June	30 June
		2024	2023
	Note	\$	\$
Cash flows from operating activities			
Loss before income tax		(1,604,248)	(2,967,209)
<i>Adjustments for</i>			
Amortisation expense	9	176,129	51,858
Depreciation (Property, plant, and equipment)	7	64,466	81,514
Depreciation (Right-of-use asset)	8	22,448	21,919
Finance costs		208,746	3,566
Interest income		(7,510)	(4,318)
Share-based payment expense		46,173	517,668
Operating cash flows before changes in working capital		(1,093,796)	(2,295,002)
Changes in trade receivables		(211,640)	(174,800)
Changes in other assets		(106,167)	(269,180)
Changes in inventories		(24,817)	(24,220)
Changes in trade and other payables		(263,211)	822,441
Changes in provisions		264	(6,484)
Interest received		7,510	4,318
Net cash used in operating activities		(1,691,857)	(1,942,927)
Cash flows from investing activities			
Purchases of plant and equipment		(1,846)	(2,185)
Net cash used in investing activities		(1,846)	(2,185)
Cash flows from financing activities			
Proceeds from shares placement		2,860,159	2,688,618
Proceeds from exercise of share options		217,308	-
Payment of shares issue costs		(109,568)	(148,990)
Repayment of lease principal		(25,347)	(22,223)
Interest paid		(108,622)	(3,566)
Net cash generated from financing activities		2,833,930	2,513,839
Net increase in cash and cash equivalents		1,140,227	568,727
Cash and cash equivalents at the beginning of the half-year		1,114,800	1,334,221
Effects of exchange rate changes on cash		(30,075)	(45,558)
Cash and cash equivalents at the end of the half-year		2,224,952	1,857,390

The accompanying notes form part of this financial report

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

General Information and Basis of Preparation

These half-year financial statements have been prepared in accordance with the requirements of the *Corporations Act 2001*, applicable accounting standards including AASB 134 *Interim Financial Reporting*, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2023 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*. The principal accounting policies adopted are consistent with those of the previous financial year. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of changes in the Group's financial position and performance since the most recent annual report.

The consolidated interim financial report has been approved and authorised for issue by the Board of Directors on 30 August 2024.

New Accounting Policies Adopted

Intangible assets

Distribution agreement

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

The following useful lives are applied:

Class of intangible asset	Amortisation rate
Distribution agreement	33%

At the end of each reporting period, the Company reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Going Concern Assumption

The interim financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Directors note that the Group has net assets of \$1,803,592 as of 30 June 2024, incurred a net loss for the half-year of \$1,616,629 and net operating cash outflow of \$1,691,857 for the period ended 30 June 2024. The Group has cash and cash equivalents as of 30 June 2024 of \$2,224,952.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Going Concern Assumption (Continued)

The Company's ability to continue as a going concern and to pay their debts as and when they fall due is dependent on the Company generating additional revenues from its operations, managing all costs in line with management's forecasts and, if necessary, raising further capital. Management have prepared a cash flow forecast on this basis which indicates that the Consolidated Entity will have sufficient cash flows to meet minimum operating overheads and committed expenditure requirements for the 12-month period from the date of signing the financial report if they are successful in meeting those forecasts.

The Directors believe the Consolidated Entity and Company will continue as a going concern, after consideration of the following factors:

- Regular review of management accounts and cash flow forecast, incorporating expected cash inflows from sales and collection of trade receivables;
- Close management of both its operating costs and corporate overheads;
- Sales pipeline continues to grow and the Company is confident of achieving further sales growth;
- Ability of the Group to be successful in securing additional funds through further debt or equity issues as and when the need to raise working capital arises.

The financial report has therefore been prepared on a going concern basis. Should the Consolidated Entity and the Company be unable to achieve successful outcomes in relation to each of the matters referred to above, there is a material uncertainty whether the Consolidated Entity and the Company will be able to continue as a going concern and, therefore, whether they will realise their assets and discharge their liabilities in the normal course of business.

The financial report does not include adjustments relating to the recoverability and classification of recorded asset amounts, nor to the amounts and classification of liabilities that might be necessary should the Consolidated Entity and the Company not continue as a going concern.

New, Revised or Amended Accounting Standards and Interpretations

During the half-year ended 30 June 2024, the Directors have reviewed all the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the half-year reporting periods beginning on or after 1 January 2024. Accounting pronouncements which have become effective from 1 January 2024 and that have been adopted, do not have a significant impact on the Group's financial results or position.

When preparing the Interim Financial Report, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the Interim Financial Report, including the key sources of estimation uncertainty, were the same as those applied in the Group's last annual financial statements for the year ended 31 December 2023.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2: DIVIDENDS

There have been no dividends declared or recommended and no distributions made to shareholders or other persons during the period.

NOTE 3. REVENUE

	Consolidated	
	30 June 2024	30 June 2023
	\$	\$
Sale of goods	1,476,208	997,102

All sale of goods is recognised at a point in time.

The Group's revenue disaggregated by primary geographical markets is as follows:

	30 June 2024	30 June 2023
	\$	\$
Vietnam	782,091	340,470
South Korea	110,588	192,823
Philippines	110,090	37,382
India	110,045	3,300
Singapore	57,877	82,589
Netherlands	57,051	14,390
Thailand	37,506	36,983
Mongolia	36,668	-
Malaysia	30,841	27,795
South Africa	27,406	18,550
Other countries	116,045	242,820
	1,476,208	997,102

NOTE 4. OTHER INCOME

	Consolidated	
	30 June 2024	30 June 2023
	\$	\$
Bank interest income	851	4,318
Government grant	21,088	61,095
Overprovision for expected credit losses	-	29,935
Overprovision for employees' unutilised annual leave	5,385	7,289
Insurance claim payout	35,174	-
Other income	287	19,844
	62,785	122,481

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 5. TRADE RECEIVABLES

	Consolidated	
	30 June 2024	31 December 2023
	\$	\$
Trade receivables	806,444	587,217
Less: expected credit losses	(51,150)	(43,563)
	755,294	543,654

NOTE 6. OTHER ASSETS

	Consolidated	
	30 June 2024	31 December 2023
	\$	\$
Deposits	50,406	42,570
Prepayments	269,330	198,854
Other receivables	127,213	99,358
	446,949	340,782

NOTE 7. PROPERTY, PLANT AND EQUIPMENT

	Consolidated	
	30 June 2024	31 December 2023
	\$	\$
Cost	1,503,435	1,499,896
Less: accumulated depreciation	(1,306,311)	(1,240,417)
	197,124	259,479

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Computers \$	Furniture & Fittings \$	Consolidated Plant & Machinery \$	Leasehold Improvements \$	Total \$
Cost	225,909	117,736	709,836	449,954	1,503,435
Less: accumulated depreciation	(225,832)	(109,962)	(559,990)	(410,527)	(1,306,311)
	77	7,774	149,846	39,427	197,124
<i>Cost</i>					
Balance at 1 Jan 2024	225,486	117,134	708,170	449,106	1,499,896
Additions	-	380	328	-	708
Exchange rate movement	423	222	1,338	848	2,831
Balance at 30 June 2024	225,909	117,736	709,836	449,954	1,503,435
<i>Accumulated Depreciation</i>					
Balance at 1 Jan 2024	224,941	104,567	524,409	386,500	1,240,417
Depreciation expense	476	5,272	35,087	23,631	64,466
Exchange rate movement	415	123	494	396	1,428
Balance at 30 June 2024	225,832	109,962	559,990	410,527	1,306,311

NOTE 8. RIGHT-OF-USE ASSET

	Consolidated	
	30 June 2024 \$	31 December 2023 \$
Cost	138,868	131,856
Less: accumulated depreciation	(128,548)	(106,217)
	10,320	25,639
<i>Cost</i>		
Balance at the beginning of the period	131,856	130,581
Additions	6,861	-
Exchange rate movement	151	1,275
Balance at the end of the period	138,868	131,856
<i>Accumulated depreciation</i>		
Balance at the beginning of the period	106,217	61,663
Depreciation expense	22,448	44,403
Exchange rate movement	(117)	151
Balance at the end of the period	128,548	106,217

The right-of-use assets relate to the leases for the office premises, production rooms and copier machine in Singapore.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 9. INTANGIBLE ASSETS

	Consolidated	
	30 June 2024	31 December 2023
	\$	\$
Cost	1,041,816	1,039,852
Less: accumulated amortisation	(434,090)	(259,963)
	607,726	779,889
Cost		
Balance at the beginning of the period	1,039,852	-
Additions	-	1,054,000
Exchange rate movement	1964	(14,148)
Balance at the end of the period	1,041,816	1,039,852
Accumulated amortisation		
Balance at the beginning of the period	259,963	-
Amortisation expense	176,129	262,630
Exchange rate movement	(2,002)	(2,667)
Balance at the end of the period	434,090	259,963

NOTE 10. BORROWINGS

	Consolidated	
	30 June 2024	31 Dec 2023
	\$	\$
Bridging loan ¹	1,112,491	1,112,491
Prepaid interest	(33,345)	(100,124)
Insurance premium funding ²	-	51,848
	1,079,146	1,064,215

During the period ended 30 June 2024, total finance costs of \$207,681 were expensed through profit and loss (30 June 2023: \$nil).

¹ On 28 December 2023 the Company entered into a bridging loan agreement of face value S\$1,000,000 to fund its working capital and general corporate purposes. The loan has a term of 90 calendar days from the date of disbursement and can be extended for a maximum period of 2 months. The loan has an upfront interest payable of S\$90,000 and an interest rate of 3% per month for the first 3 months, 4% per month for the fourth month, and 5% per month on the fifth month and thereafter. On 9 April 2024, the Company entered into a variation deed to extend the maturity date to 1 May 2025 and change the interest rate to 3% per month.

² Insurance premium funding relates to funding on Directors' and Officers' Insurance.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11. LEASE LIABILITIES

	Consolidated	
	30 June 2024	31 December 2023
	\$	\$
Current	5,848	29,100
Non-Current	5,644	-
	11,492	29,100
<i>Amounts recognised in the statement of profit or loss and other comprehensive income</i>		
Interest expense	1,143	5,971

NOTE 12. ISSUED CAPITAL

	30 June 2024		31 December 2023	
	No. of Shares	\$	No. of Shares	\$
Fully paid ordinary shares	114,570,011	32,497,898	10,328,689¹	29,529,999

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

Movements in ordinary share capital

	No. of Shares	Issue price (\$)	\$
Balance at 31 December 2022	123,568,238		26,957,056
Placement on 3 January 2023 ¹	366,666	0.150	55,000
Placement on 24 April 2023 ²	20,293,604	0.085	1,724,957
Placement on 28 June 2023 ³	10,690,122	0.085	908,661
Share issue costs			(115,675)
Effect of 15:1 consolidation ⁴	(144,589,941)		
Balance at 31 December 2023	10,328,689¹		29,529,999
Placement on 8 May 2024 ⁵	98,626,144	0.029	2,860,159
Placement on 23 May 2024 ⁶	602,524	0.039	23,318
Placement on 27 May 2024 ⁶	4,045,634	0.039	156,566
Placement on 5 June 2024 ⁶	370,075	0.039	14,322
Placement on 12 June 2024 ⁶	379,581	0.039	14,690
Placement on 19 June 2024 ⁶	181,332	0.039	7,018
Placement on 26 June 2024 ⁶	36,032	0.039	1,394
Share issue costs			(109,568)
Balance at 30 June 2024	114,570,011		32,497,898

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 12. ISSUED CAPITAL (CONTINUED)

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

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

³ On 28 June 2023, the Company issued 10,690,122 shares in relation to the shortfall shares from the Entitlement Offer 2024.

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

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

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

NOTE 13. RESERVES

	Consolidated	
	30 June	31 December
	2024	2023
	\$	\$
Common control reserve	(14,915,451)	(14,915,451)
Share based payment reserve	841,803	795,630
Foreign currency translation reserve	(290,403)	(263,949)
	(14,364,051)	(14,383,770)

Common Control Reserve

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

Share Based Payment Reserve	No. of Options	\$
Share-based payment reserve as at 30 June 2024	17,632,759	841,803
<i>Movements in share-based payment reserve</i>		
Balance at 1 January 2024	3,522,664	795,630
Granted during the period – free-attaching to shareholders	19,725,273	-
Exercised during the period	(5,615,178)	-
Directors' performance rights	-	46,173
Balance at 30 June 2024	17,632,759	841,803

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14. SHARE BASED PAYMENT EXPENSE

Options

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

	30 June 2024		31 December 2023	
	Number	Weighted average exercise price \$	Number	Weighted average exercise price \$
Outstanding at the beginning of year	3,522,664	3.40	3,187,500	1.17
Expired options	-	-	(3,000,000)	1.20
Granted during the period – lead manager	-	-	15,000,000	0.23
Granted during the period – free-attaching to shareholders	19,725,273	0.04	37,650,392	0.23
Exercised during the period	(5,615,178)	0.04		
Effect of 15:1 consolidation ¹	-	-	(49,315,228) ¹	-
Outstanding at the end of the period	17,632,759	0.71	3,522,664	3.40 ¹
Exercisable at the end of the period	17,632,759	0.71	3,522,664	3.40 ¹

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

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

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

Set out below are the options exercisable at the end of the period:

Grant Date	Expiry Date	30 June 2024 No. of Options	31 December 2023 No. of Options ¹
27/06/2021	02/11/2025	12,500	12,500
31/03/2023	24/04/2026	444,445	444,445
24/04/2023	24/04/2026	2,019,574	2,019,574
28/06/2023	24/04/2026	1,046,145	1,046,145
08/05/2024	02/04/2026	14,110,095	
		17,632,759	3,522,664

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14. SHARE BASED PAYMENT EXPENSE (CONTINUED)

Director Performance Rights

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

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

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

For the financial period ended 30 June 2024, a total share-based payment expense of \$46,173 (30 June 2023: \$44,754) was recognised through profit and loss in relation to the director performance rights.

NOTE 15. LOSS PER SHARE

	Consolidated	
	30 June 2024	30 June 2023
	\$	\$
Loss after income tax	(1,616,629)	(2,977,757)
	No.	No.
Weighted average number of ordinary shares¹	114,570,011	154,918,630
	Cents	Cents
Basic and diluted loss per share	(1.41)	(1.92)

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

As the Group incurred a loss for the period, the options on issue have an anti-dilutive effect therefore the diluted EPS is equal to the basic EPS. A total of 17,632,759 share options (2023: 3,522,664) which could potentially dilute EPS in the future have been excluded from the diluted EPS calculation because they are anti-dilutive for the current year presented.

NOTE 16. SEGMENT REPORTING

The Group has identified its operating segments based on the internal reports that are used by the Board in assessing performance and in determining the allocation of resources. Given the Group's operations since incorporation, the Board has identified four relevant business segments based on the Group's geographical office – Singapore, Korea, China and Australia. The following tables are an analysis of the Group's revenue and results by reportable segment for the half-year ended 30 June 2024 and 2023.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 16. SEGMENT REPORTING (CONTINUED)

Profit and Loss	Singapore	Korea	China	Australia	Consolidated
	\$	\$	\$	\$	\$
30 June 2024					
Revenue from customers	675,962	800,246	-	-	1,476,208
Gross revenue	675,962	800,246	-	-	1,476,208
Other income	61,672	108	1	1,004	62,785
Total revenue	737,634	800,354	1	1,004	1,538,993

(Loss)/profit for the half-year ended 30 June 2024	(770,506)	207,783	(286)	(1,053,620)	(1,616,629)
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30 June 2023					
Revenue from customers	661,649	335,453	-	-	997,102
Gross revenue	661,649	335,453	-	-	997,102
Other income	109,603	7,391	2	5,485	122,481
Total revenue	771,252	342,844	2	5,485	1,119,583

(Loss)/profit for the half-year ended 30 June 2023	(1,807,241)	87,563	(256)	(1,257,823)	(2,977,757)
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Financial Position	Singapore	Korea	China	Australia	Consolidated
	\$	\$	\$	\$	\$
30 June 2024					
Current assets	2,583,486	797,208	1,380	348,916	3,730,990
Non-current assets	815,170	-	-	-	815,170
Total assets	3,398,656	797,208	1,380	348,916	4,546,160
Total liabilities	1,238,339	52,949	-	1,451,280	2,742,568

31 December 2023					
Current assets	1,678,867	479,055	1,649	118,643	2,278,214
Non-current assets	1,065,007	-	-	-	1,065,007
Total assets	2,743,874	479,055	1,649	118,643	3,343,221
Total liabilities	1,568,644	57,100	-	1,284,874	2,910,618

NOTE 17. CONTINGENT ASSETS AND LIABILITIES

The Directors of the Group are not aware of any contingent liabilities which require disclosure in the financial period ended 30 June 2024 (2023: nil).

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 18. COMMITMENTS

The Group has expenditure commitments of \$1.8m over 3 years representing the required contribution to a research project developing jaw implants under a clinical-industrial partnership agreement signed in December 2021.

There were no other commitments as of 30 June 2024 (31 December 2023: nil).

NOTE 19. EVENTS SUBSEQUENT TO REPORTING PERIOD

On 2 July 2024, the Company decided to renew its lease agreement relating to its premises in Singapore for another three years, from 2 August 2024 to 1 August 2027. This represents a non-adjusted subsequent event and has resulted in an increase in the right-of-use asset and lease liability by \$169,916 on the date of modification.

On 3 July 2024 the Company issued 5,468 ordinary shares upon options being exercised.

On 11 July 2024 the Company issued 344,828 ordinary shares upon options being exercised.

On 16 July 2024 the Company signed an Exclusive Distribution Agreement with Zimmer Pte Ltd to distribute craniofacial products in Europe, the Middle East and Africa, and Asia Pacific including Australia and New Zealand.

On 17 July 2024 the Company issued 17,972 ordinary shares upon options being exercised.

On 31 July 2024 the Company issued 612,858 ordinary shares upon options being exercised.

Apart from the above, no matter or circumstance has arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial periods.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 20. FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of financial assets and financial liabilities in each category are as follows:

30 June 2024	Amortised Cost \$	Total \$
<i>Financial assets</i>		
Cash and cash equivalents	2,224,952	2,224,952
Trade receivables	755,294	755,294
Other assets	177,619	177,619
Inventories	303,795	303,795
Total financial assets	3,461,660	3,461,660
<i>Financial liabilities</i>		
Trade and other payables	1,651,930	1,651,930
Borrowings	1,079,146	1,079,146
Lease liabilities	11,492	11,492
Total financial liabilities	2,742,568	2,742,568
 31 December 2023	 Amortised Cost \$	 Total \$
<i>Financial assets</i>		
Cash and cash equivalents	1,114,800	1,114,800
Trade receivables	543,654	543,654
Other assets	141,928	141,928
Inventories	278,978	278,978
Total financial assets	2,079,360	2,079,360
<i>Financial liabilities</i>		
Trade and other payables	1,817,303	1,817,303
Borrowings	1,064,215	1,064,215
Lease liabilities	29,100	29,100
Total financial liabilities	2,910,618	2,910,618

Osteopore Limited and its Controlled Entities
Consolidated Interim Financial Report
For the half-year ended 30 June 2024

DIRECTORS' DECLARATION

In the opinion of the Directors of Osteopore Limited and its controlled entities:

1. The financial statements and notes, as set out within this financial report, are in accordance with the *Corporations Act 2001* including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - (b) giving a true and fair view of the Group's financial position as at 30 June 2024 and its performance for the half-year then ended.
2. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to Section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the directors

Mark Leong
Executive Chairman
30 August 2024



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Independent Auditor's Review Report

To the Members of Osteopore Limited

Report on the half year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Osteopore Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, including material accounting policy information, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Osteopore Limited does not comply with the *Corporations Act 2001* including:

- a giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss of \$1,616,629 during the half year ended 30 June 2024 and, as of that date, the Group's net operating cash outflows totalled \$1,691,857. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibility for the half-year financial report

The Directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J C Rubelli
Partner – Audit & Assurance

Perth, 30 August 2024