

Osteopore Limited and Its Controlled Entities
Appendix 4E
For the year ended 31 December 2025

1. Company Details

Name of entity: Osteopore Limited
ABN: 65 630 538 957
Reporting period: For the year ended 31 December 2025
Previous period: For the year ended 31 December 2024

2. Results for Announcement to the Market

Revenues from ordinary activities	up	11%	to	\$3,057,098
Loss from ordinary activities after tax attributable to the owners of Osteopore Limited	up	11%	to	\$3,722,331
Loss for the year attributable to the owners of Osteopore Limited	up	11%	to	\$3,722,331

Dividends

No dividend has been declared or paid for the year ended 31 December 2025 (31 December 2024: \$nil).

Brief Explanation of Results

During the financial year ended 31 December 2025, Osteopore Limited (**Osteopore** or the **Company**) maintained its strategic emphasis on driving top-line expansion while progressing key development and commercialisation initiatives across its regenerative medicine portfolio.

The Company delivered record revenue of \$3,057,098, an 11% increase compared with \$2,762,782 in the prior year, reflecting stronger traction across core markets and product segments. This performance demonstrates continued growth in demand and the effective execution of the Company's market engagement strategies.

Operating expenses were higher year-on-year, primarily attributable to increased product development and laboratory expenditure. These investments were aligned with expanding compliance requirements associated with broader commercial deployment, introduction of new products, and growth across additional geographies. The Company also recognised a higher expected credit loss provision as part of credit risk management.

Consequently, the net loss after tax increased to \$3,722,331, representing an 11% rise from the prior year's net loss of \$3,352,436. Despite the widened loss, the Board remains focused on financial discipline, allocating resources to support initiatives necessary for long-term growth, regulatory readiness, and sustainable commercial scale.

3. Net Tangible Assets

	Reporting Period (Cents)	Previous Period (Cents)
Net tangible assets per ordinary security	(0.67)	(0.27)

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

4. Details of Associates and Joint Venture Entities

There are no associates or joint venture entities.

Osteopore Limited and Its Controlled Entities
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For the year ended 31 December 2025

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

Osteopore International Pte Ltd has incorporated a wholly owned subsidiary, OsteoRx Pte Ltd on 31 August 2025.

6. Audit Qualification or Review

The financial statements are in the process of being audited.

7. Attachments

The Preliminary Financial Report of Osteopore Limited for the year ended 31 December 2025 is attached.



Mark Leong
Executive Chairman
Singapore
27 February 2026

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Empowering Natural Tissue Regeneration

**OSTEOPORE LIMITED
AND ITS CONTROLLED ENTITIES**

ACN 630 538 957

**PRELIMINARY FINANCIAL REPORT
FOR THE YEAR ENDED 31 December 2025**

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Osteopore Limited and its Controlled Entities
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2025

	Note	Consolidated	
		31 Dec 2025	31 Dec 2024
		\$	\$
Revenue		3,057,098	2,762,782
Cost of sales		(687,670)	(467,328)
Gross profit		2,369,428	2,295,454
Other income		93,195	149,298
Product development and laboratory expenses		(1,454,564)	(1,137,032)
Sales, marketing, and business development expenses		(1,475,402)	(1,475,333)
Administrative expenses		(1,964,131)	(2,032,191)
Other expenses		(832,886)	(531,067)
Share-based payments		(145,612)	(176,384)
Operating loss		(3,409,972)	(2,907,255)
Finance costs		(279,965)	(426,016)
Fair value loss on derivatives		(30,722)	-
Loss before income tax		(3,720,659)	(3,333,271)
Income tax expenses		(1,672)	(19,165)
Loss after income tax		(3,722,331)	(3,352,436)
Other comprehensive (loss)/income			
<i>Exchange differences arising from the translation of foreign subsidiary</i>		(105,806)	43,413
Total comprehensive loss attributable to the owners		(3,828,137)	(3,309,023)
Basic and diluted loss per share (\$)		(0.02)	(0.04)

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

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**Osteopore Limited and its Controlled Entities
Consolidated Statement of Financial Position
As at 31 December 2025**

		Consolidated	
	Note	31 Dec 2025	31 Dec 2024
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents		626,972	638,498
Trade receivables		1,046,301	763,023
Other assets		554,761	569,368
Inventories		362,856	379,515
Total Current Assets		2,590,890	2,350,404
Non-Current Assets			
Property, plant and equipment		84,950	160,908
Right-of-use asset		98,450	161,603
Intangible assets		-	461,862
Total Non-Current Assets		183,400	784,373
TOTAL ASSETS		2,774,290	3,134,777
LIABILITIES			
Current Liabilities			
Trade and other payables		1,620,121	1,436,302
Borrowings		47,287	1,163,316
Financial liabilities	6	1,231,069	-
Provisions		85,529	61,513
Lease liabilities		64,523	57,633
Total Current Liabilities		3,048,529	2,718,764
Non-Current Liabilities			
Financial liabilities	6	1,408,571	-
Lease liabilities		43,495	109,793
Total Non-Current Liabilities		1,452,066	109,793
TOTAL LIABILITIES		4,500,595	2,828,557
NET (LIABILITIES)/ASSETS		(1,726,305)	306,220
EQUITY			
Issued capital	3	34,307,083	32,600,120
Reserves	4	(14,315,523)	(14,227,838)
Accumulated losses		(21,717,865)	(18,066,062)
TOTAL (DEFICIENCY)/ EQUITY		(1,726,305)	306,220

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

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Osteopore Limited and its Controlled Entities
Consolidated Statement of Changes in Equity
For the year ended 31 December 2025

	Issued Capital	Share-Based Payment Reserve	Common Control Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$	\$
Balance at 31 December 2023	29,529,999	795,630	(14,915,451)	(263,949)	(14,713,626)	432,603
Loss after income tax	-	-	-	-	(3,352,436)	(3,352,436)
Other comprehensive income	-	-	-	43,413	-	43,413
Total comprehensive loss for the year	-	-	-	43,413	(3,352,436)	(3,309,023)
Share placement	3,115,824	-	-	-	-	3,115,824
Share issue costs	(109,568)	-	-	-	-	(109,568)
Share-based payments	63,865	112,519	-	-	-	176,384
Balance at 31 December 2024	32,600,120	908,149	(14,915,451)	(220,536)	(18,066,062)	306,220
Loss after income tax	-	-	-	-	(3,722,331)	(3,722,331)
Other comprehensive loss	-	-	-	(105,806)	-	(105,806)
Total comprehensive loss for the year	-	-	-	(105,806)	(3,722,331)	(3,828,137)
Shares placement	1,650,000	-	-	-	-	1,650,000
Share-based payments	-	145,612	-	-	-	145,612
Employee share scheme – shares issued	56,963	(56,963)	-	-	-	-
Expired options	-	(53,315)	-	-	53,315	-
Rights forfeited	-	(17,213)	-	-	17,213	-
Balance at 31 December 2025	34,307,083	926,270	(14,915,451)	(326,342)	(21,717,865)	(1,726,305)

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

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Osteopore Limited and its Controlled Entities
Consolidated Statement of Cash Flows
For the year ended 31 December 2025

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Cash flows from operating activities		
Loss before income tax	(3,720,659)	(3,333,271)
<i>Adjustments for</i>		
Amortisation expense	370,814	354,212
Allowance for expected credit loss	156,812	-
Depreciation (Property, plant, and equipment)	97,894	124,787
Depreciation (Right-of-use asset)	61,755	52,068
Finance costs	279,965	426,016
Fair value loss on derivatives	30,722	-
Impairment on intangible assets	92,704	-
Interest income	(4,621)	(1,596)
Share-based payment expense	145,612	176,384
Operating cash flows before changes in working capital	<u>(2,489,002)</u>	<u>(2,201,400)</u>
Changes in trade receivables	(433,751)	(219,369)
Changes in other assets	14,607	(228,586)
Changes in inventories	16,659	(100,537)
Changes in trade and other payables	321,899	(343,109)
Changes in provisions	24,016	3,433
Interest paid	(60)	-
Interest received	4,621	1,596
Net cash used in operating activities	<u>(2,541,011)</u>	<u>(3,087,972)</u>
Cash flows from investing activity		
Purchases of plant and equipment	(10,789)	(14,590)
Net cash used in investing activity	<u>(10,789)</u>	<u>(14,590)</u>
Cash flows from financing activities		
Proceeds from shares placement	-	2,860,160
Proceeds from exercise of share options	-	255,664
Payment of shares issue costs	-	(109,568)
Repayment of borrowing	(1,268,058)	-
Proceeds from issue of convertible debt securities	4,250,000	-
Transaction costs for the issue of convertible debt securities	(255,000)	-
Repayment of lease principal	(57,839)	(50,596)
Interest paid	(15,987)	(325,892)
Net cash generated from financing activities	<u>2,653,116</u>	<u>2,629,768</u>
Net increase/(decrease) in cash and cash equivalents	101,316	(472,794)
Cash and cash equivalents at the beginning of the year	638,498	1,114,800
Effects of exchange rate changes on cash	(112,842)	(3,508)
Cash and cash equivalents at the end of the year	<u>626,972</u>	<u>638,498</u>

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

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**Osteopore Limited and its Controlled Entities
Notes to the Preliminary Financial Statements
For the year ended 31 December 2025**

Note 1. Significant Accounting Policies

General

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

Basis of Preparation

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

As such, this preliminary financial report does not include all the notes of the type included in an annual financial report and accordingly, should be read in conjunction with the interim financial report for the half-year ended 30 June 2025 and with any public announcement made by Osteopore Limited during the period in accordance with the continuous disclosure requirement of the *Corporations Act 2001*.

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

New or Amended Accounting Standards and Interpretations Adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. Accounting pronouncements that have become effective from 1 January 2025 and that have been adopted, do not have a significant impact on the Group’s financial results or position.

Intangible assets

Distribution agreement

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

The following useful lives are applied:

Class of intangible asset	Amortisation rate
Distribution agreement	33%

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

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

Note 1. Significant Accounting Policies (cont.)

Financial Liabilities – Host Component of Convertible Notes

Financial liabilities are initially recognised at fair value (being the proceeds received), net of transaction costs, and subsequently measured at amortised cost using the effective interest method as described in AASB 9. The difference between proceeds and the redemption amount is amortised over the life of the instrument, creating a constant periodic rate of interest yield. Interest expense is recognised in profit or loss under finance costs.

Embedded Derivative – Conversion Option

The convertible notes contain an embedded derivative (conversion option) that is separated from the host contract if not closely aligned with the host risk profile. The derivative is measured at fair value through profit or loss (FVTPL), with subsequent changes in fair value recognised immediately in profit or loss under net finance income/(expense).

Interest

Interest income and interest expense are recognised on an accrual basis using the effective interest method.

Presentation

The host component of the convertible notes is classified as non-current financial liabilities. The embedded derivative is recognised as a separate liability and presented separately in the statement of financial position. In accordance with IAS 1, if significant, the derivative is separately presented.

The convertible note is recognised as a financial liability comprising:

- the Host Debt, representing the contractual obligation to deliver cash (interest and potential redemption amounts); and
- an Embedded Derivative, being the conversion feature that results in a variable number of shares.

In accordance with AASB 9, the Company is required to measure the fair value of the Embedded Derivative separately on initial recognition. The residual value of the proceeds is then allocated to the Host Debt and measured at amortised cost using the effective interest method.

The Embedded Derivative arises from the conversion feature, whereby noteholders may convert at 80% of the 5-day volume-weighted average price (VWAP) of the Company's shares, calculated over five consecutive business days selected by the noteholder within 45 business days prior to conversion. This results in the issue of a variable number of shares, and therefore the conversion feature does not meet the fixed-for-fixed test under AASB 132 and must be accounted for as a derivative liability at fair value through profit or loss.

The embedded derivative is measured at fair value through profit or loss, with the fair value calculated based on recognised valuation techniques. A Monte Carlo simulation model is used to determine the fair value of the derivative at each reporting date, and uses observable inputs comprising of share prices, risk free rate, volatility assumptions. Subsequent movements in the deferred consideration derivative are recorded in the statement of comprehensive income.

Going Concern Assumption

The 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 asset deficiency of \$1,726,305 as of 31 December 2025, incurred a net loss for the year of \$3,722,331 and net operating cash outflow of \$2,541,011 for the year ended 31 December 2025. The Group has cash and cash equivalents of \$626,972 as at 31 December 2025.

**Osteopore Limited and its Controlled Entities
Notes to the Preliminary Financial Statements
For the year ended 31 December 2025**

Note 1. Significant Accounting Policies (cont.)

Going Concern Assumption (cont.)

The net asset deficiency is primarily attributable to the outstanding redeemable convertible notes of approximately \$2.65 million as of 31 December 2025. These notes are redeemable by the Company in cash or convertible into ordinary shares by the subscriber. Subsequent to the reporting date, \$800,000 of the notes were converted into ordinary shares.

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, continuing to draw down further funds under the convertible note subscription agreement 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:

- The Company entered into a subscription agreement on 24 December 2024 with Advance Opportunities Fund and Advance Opportunities Fund I ("AOF") for provision of redeemable convertible notes amounting in aggregate to a sum of up to \$20,000,000;
- The Directors expect that AOF will continue to agree to the drawdown of further funds during the forecast period.
- Directors undertake regular review of management accounts and cash flow forecast, incorporating expected cash inflows from sales and collection of trade receivables;
- There is ongoing close management of both its operating costs and corporate overheads;
- The sales pipeline continues to grow and the Company is confident of achieving further sales growth;
- The group has the ability 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 Accounting Standards and Interpretations Not Yet Mandatory

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

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Osteopore Limited and its Controlled Entities
Notes to the Preliminary Financial Statements
For the year ended 31 December 2025

Note 2. Segment Reporting

The Company has identified its operating segments based on the internal reports that are used by the Board in assessing performance and in determining the allocation of resources. Given the Company's operations since incorporation, the Board has identified four relevant business segments based on the Group's geographical presence – Singapore, Korea, China and Australia. The following tables are an analysis of the Group's revenue and results by reportable segment for the year ended 31 December 2025 and 2024.

	Singapore \$	Korea \$	China \$	Australia \$	Consolidated \$
2025					
External revenue	1,766,511	1,290,587	-	-	3,057,098
Gross revenue	1,766,511	1,290,587	-	-	3,057,098
Other income	88,575	319	-	4,301	93,195
Total revenue	1,855,086	1,290,906	-	4,301	3,150,293
Loss for the year	(1,878,452)	(118,565)	(293)	(1,725,021)	(3,722,331)
Current assets	1,067,843	1,324,910	1,137	197,000	2,590,890
Non-current assets	183,400	-	-	-	183,400
Total assets	1,251,243	1,324,910	1,137	197,000	2,774,290
Total liabilities	878,373	53,061	-	3,569,161	4,500,595
2024					
External revenue	1,297,987	1,425,903	-	38,892	2,762,782
Gross revenue	1,297,987	1,425,903	-	38,892	2,762,782
Other income	105,726	41,862	(7)	1,717	149,298
Total revenue	1,403,713	1,467,765	(7)	40,609	2,912,080
(Loss)/profit for the year	(1,480,314)	198,034	(280)	(2,069,876)	(3,352,436)
Current assets	1,238,143	981,441	1,472	129,348	2,350,404
Non-current assets	784,373	-	-	-	784,373
Total assets	2,022,516	981,441	1,472	129,348	3,134,777
Total liabilities	1,213,217	53,743	-	1,561,597	2,828,557

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Osteopore Limited and its Controlled Entities
Notes to the Preliminary Financial Statements
For the year ended 31 December 2025

Note 3. Issued Capital

	2025		2024	
	No. of Shares	\$	No. of Shares	\$
Fully paid ordinary shares	272,501,807	34,307,083	116,801,137	32,600,120

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 2023	10,328,689		29,529,999
Placement on 8 May 2024 ¹	98,626,144	0.029	2,860,160
Placement on 23 May 2024 ²	602,524	0.039	23,318
Placement on 27 May 2024 ²	4,045,634	0.039	156,566
Placement on 5 June 2024 ²	370,075	0.039	14,322
Placement on 12 June 2024 ²	379,581	0.039	14,690
Placement on 19 June 2024 ²	181,332	0.039	7,017
Placement on 26 June 2024 ²	36,032	0.039	1,394
Placement on 3 July 2024 ²	5,468	0.039	212
Placement on 10 July 2024 ²	344,828	0.039	13,345
Placement on 17 July 2024 ²	17,972	0.039	695
Placement on 31 July 2024 ²	612,858	0.039	23,718
Placement on 1 November 2024 ²	10,000	0.039	387
Issuance of shares on 15 November 2024 ³	763,246	0.056	44,795
Issuance of shares on 19 November 2024 ³	476,754	0.044	19,070
Share issue costs			(109,568)
Balance at 31 December 2024	116,801,137		32,600,120
Issuance of shares on 14 February 2025 ⁴	1,567,398	0.032	50,000
Shares conversion on 10 March 2025 ⁵	2,500,000	0.020	50,000
Shares conversion on 9 April 2025 ⁵	19,480,519	0.015	300,000
Shares conversion on 23 April 2025 ⁵	5,376,344	0.019	100,000
Shares conversion on 28 April 2025 ⁵	6,493,506	0.015	100,000
Shares conversion on 6 May 2025 ⁵	10,869,565	0.014	150,000
Issuance of shares on 7 May 2025 ³	2,000,000	0.019	38,000
Issuance of shares on 8 May 2025 ³	526,754	0.036	18,963
Shares conversion on 8 May 2025 ⁵	7,812,500	0.013	100,000
Shares conversion on 19 June 2025 ⁵	9,615,384	0.010	100,000
Shares conversion on 14 July 2025 ⁵	24,096,385	0.008	200,000
Shares conversion on 31 July 2025 ⁵	30,120,481	0.008	250,000
Shares conversion on 19 November 2025 ⁵	18,292,682	0.008	150,000
Shares conversion on 11 December 2025 ⁵	16,949,152	0.006	100,000
Balance at 31 December 2025	272,501,807		34,307,083

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Osteopore Limited and its Controlled Entities
Notes to the Preliminary Financial Statements
For the year ended 31 December 2025

Note 3. Issued Capital (cont.)

¹ 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.

² This refers to the exercise of options on the respective dates noted.

³ This refers to the issuance of shares under Employee Securities Incentive Plan.

⁴ This refers to the issuance of commitment shares in accordance with the terms of the subscription agreement (Subscription Agreement) with Advance Opportunities Fund and Advance Opportunities Fund I.

⁵ This refers to the conversion of redeemable convertible notes in accordance with the terms of the Subscription Agreement.

Note 4. Reserves

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Common control reserve	(14,915,451)	(14,915,451)
Share based payment reserve	926,270	908,149
Foreign currency translation reserve	(326,342)	(220,536)
	<u>(14,315,523)</u>	<u>(14,227,838)</u>

Common Control Reserve

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

Share-Based Payment Reserve

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

	No. of Options & Performance Rights	\$
Share-based payment reserve as at 31 December 2025	<u>28,254,133</u>	<u>926,270</u>
<i>Movements in share-based payment reserve</i>		
Balance at 1 January 2025	28,266,633	908,149
Share-based payments	-	88,649
Rights forfeited	-	(17,213)
Expired options	(12,500)	(53,315)
Balance at 31 December 2025	<u>28,254,133</u>	<u>926,270</u>

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Osteopore Limited and its Controlled Entities
Notes to the Preliminary Financial Statements
For the year ended 31 December 2025

Note 5. Share-Based Payment Expense

Options

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

	31 December 2025		31 December 2024	
	Number	Weighted average exercise price \$	Number	Weighted average exercise price \$
Outstanding at the beginning of year	16,641,633	0.75	3,522,664	3.40
Expired options	(12,500)	9.36	-	-
Granted during the year – free-attaching to shareholders	-	-	19,725,273	0.04
Exercised during the year	-	-	(6,606,304)	0.04
Exercisable at the end of the year	<u>16,629,133</u>	<u>0.74</u>	<u>16,641,633</u>	<u>0.75</u>

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

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

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

Grant Date	Expiry Date	31 December 2025 No. of Options	31 December 2024 No. of Options
27/06/2021	02/11/2025	-	12,500
31/03/2023	24/04/2026	444,445	444,445
24/04/2023	24/04/2026	2,019,574	2,019,574
28/06/2023	24/04/2026	1,046,145	1,046,145
08/05/2024	02/04/2026	13,118,969	13,118,969
		<u>16,629,133</u>	<u>16,641,633</u>

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

Osteopore Limited and its Controlled Entities
Notes to the Preliminary Financial Statements
For the year ended 31 December 2025

Note 5. Share-Based Payment Expense (cont.)

Director Performance Rights

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

	Tranche A	Tranche B	Tranche C	Tranche D	Tranche E
Grant Date	23 Dec 2024	23 Dec 2024	23 Dec 2024	23 Dec 2024	23 Dec 2024
Expiry Date	23 Dec 2029	23 Dec 2029	23 Dec 2029	23 Dec 2029	23 Dec 2029
Share Price at Grant Date (\$)	0.036	0.036	0.036	0.036	0.036
VWAP Hurdle (\$)	0.077	0.115	0.154	0.192	0.231
Risk-free rate (%)	4.311	4.311	4.311	4.311	4.311
Volatility (%)	70	70	70	70	70
Fair value per Performance Right	0.0302	0.0261	0.0232	0.0207	0.0187

For the financial year ended 31 December 2025, a total share-based payment expense of \$107,612 (31 December 2024: \$93,556) was recognised through profit and loss in relation to the director performance rights.

Note 6. Financial Liabilities

	2025	2024
	\$	\$
Convertible notes – host debt liability (non-current liability)	1,408,571	-
Convertible notes – derivative liability (current liability)	1,231,069	-
	2,639,640	-

During the financial year ended 31 December 2025, the Company issued convertible notes pursuant to a Subscription Agreement dated 24 December 2024. The facility provides up to \$20,000,000 in funding, structured across four tranches of \$5,000,000, with each tranche comprising 20 sub-tranches of \$250,000.

The instrument was initially valued as the total fair value of the embedded derivative and host debt contract at issue date, resulting in the following impact to the Financial Statements during the financial year ended 31 December 2025.

	Host Debt Liability	Derivative Liability	Total
Balance at 1 January 2025	-	-	-
Proceeds from drawdowns	2,320,091	1,929,909	4,250,000
Conversions to equity	(870,438)	(729,562)	(1,600,000)
Interest accrued	82,296	-	82,296
Transaction costs	(166,828)	-	(166,828)
Amortisation of transaction costs	43,450	-	43,450
Fair value remeasurement	-	30,722	30,722
Balance at 31 December 2025	1,408,571	1,231,069	2,639,640

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