Osteopore®

Q1 CY25 Quarterly Report

29 April 2025

ASX: OSX

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Quarterly highlights

Osteopore Limited (ASX:OSX) ("**Osteopore**" or the "**Company**"), a revenue-generating manufacturer of regenerative implants that empower natural tissue regeneration, is pleased to release its quarterly results and Appendix 4C Quarterly Cash Flow Report for the three months ended 31 March 2025.

Osteopore implants added to Singapore's Ministry of Health subsidy list

Osteopore's **craniomaxillofacial and oculoplastic implant**s are now listed on **Singapore's Ministry of Health (MoH) Implant Subsidy List (ISL)**, expanding opportunities for eligible patients to benefit from Osteopore's cutting-edge technology.

Osteopore draws down Tranche 1 of its redeemable convertible notes

Osteopore draws down Tranche 1 of its **Redeemable Convertible Note (RCN)** with the **Advance Opportunities Fund** and **Advance Opportunities Fund I**, subscribing for **8 equal Sub-Tranches** at a **nominal value of A$2 million**.

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Quarterly highlights

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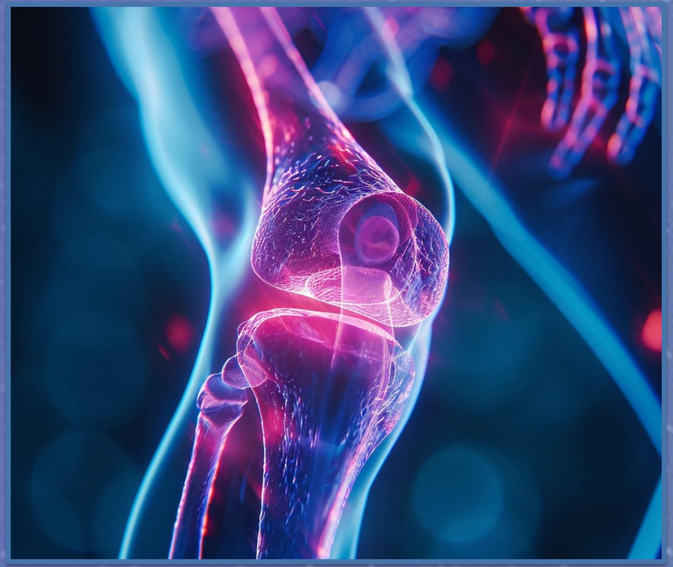
Osteopore enhances strategic refocus with early cessation of dental project

Following a **strategic review**, Osteopore has ceased its $18.7m clinical-industrial project to **strengthen its market position and operational capacity** while driving business sustainability.



Osteopore opens knee preservation clinical centre of excellence

Osteopore sets up a **clinical centre of excellence (CCoE)** for **medial wedge opening high tibial osteotomy (MOWHTO)** with **Total Orthopaedics'** Dr Hamid Razak, demonstrating its commitment to orthopaedic care and patient outcomes.

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Osteopore is excited to see our craniomaxillofacial and oculoplastic implants now listed on the Singapore Ministry of Health (MoH) Implant Subsidy List (ISL), enabling more patients to access our cutting-edge regenerative technology.

Strengthening our presence in knee preservation, we're pleased to announce our MOWHTO Clinical Centre of Excellence (CCoE) spearheaded by prominent consultant orthopaedic surgeon and Osteopore clinical advisory panel member, Dr Hamid Razak.

The business continues to pursue ways to improve cost centre performance and streamline expenses. Following a strategic review and resource reallocation, Osteopore has decided to cease our clinical-industrial project with NDCS, IMCB and SIMTech.

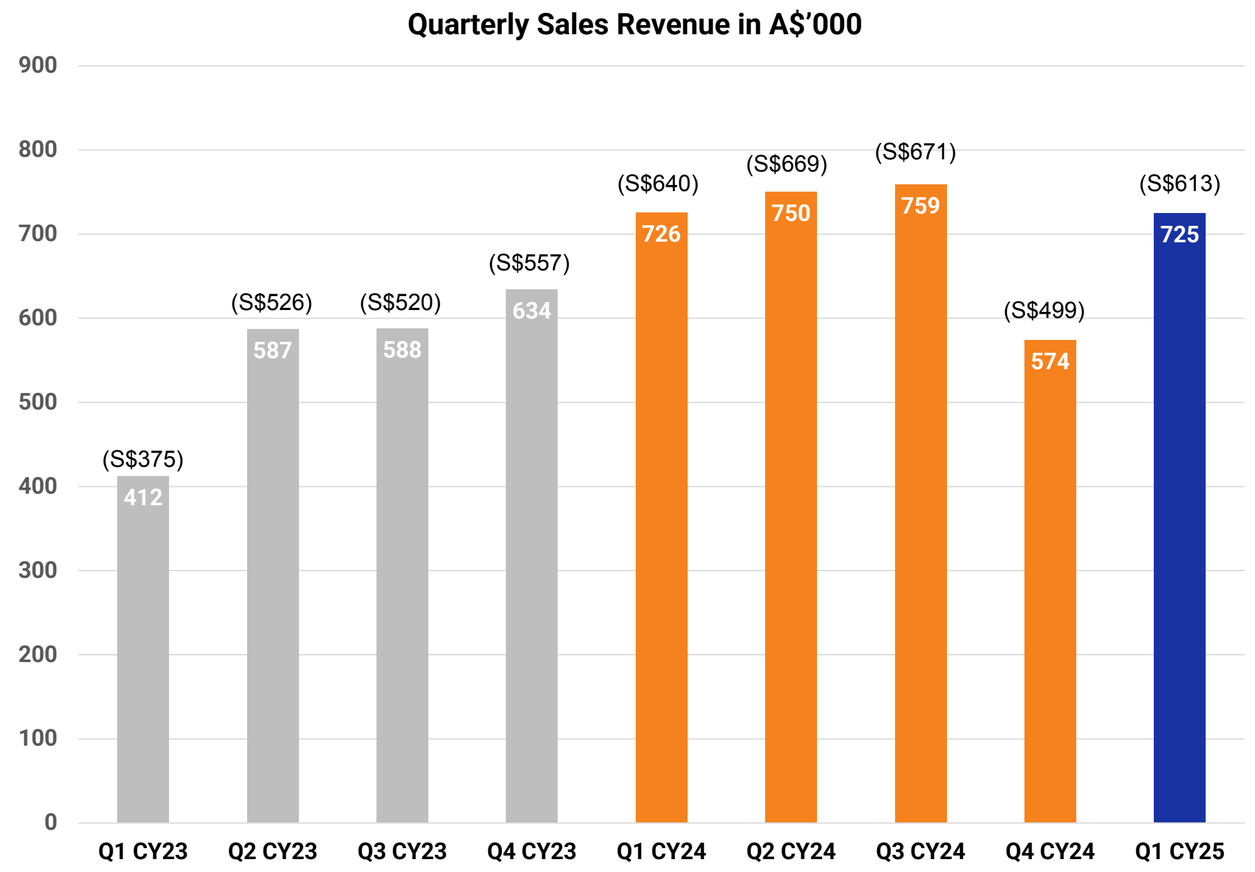
In Q1 CY25, Osteopore was delighted to see our QoQ revenues bounce back by 26% to A$725,000, signalling positive momentum for the business, despite persistent strategic and operational headwinds.

Osteopore has satisfied the conditions precedent in the Subscription Agreement, drawing down Tranche 1 of our Redeemable Convertible Note (RCN) with Advance Opportunities Fund and Advance Opportunities Fund I subscribing for 8 equal Sub-Tranches at a nominal value of A$2m, unlocking capital for business operations and growth opportunities.

Mark Leong
Executive Chairman

Osteopore powers through operational and strategic headwinds with 26% QoQ revenue growth, signalling positive momentum

In Q1 CY25, Osteopore's QoQ revenue bounced back despite the impact of the South Korean medical crisis and the ongoing transformation of the business. Subsequently, Q1 CY25 revenues increased by 26% to A$725,000 (S$613,000).



***A$/S$:** Average exchange rate of each quarter is obtained from https://www.rba.gov.au/

- Osteopore posted a **solid recovery in Q1 CY25**, with revenues up QoQ despite pressures from the South Korean medical crisis, which started in February 2024, and the ongoing transformation of the business.
- In Q1 CY25, **revenues climbed 26% QoQ** to A$725,000 (S$613,000).
- The **exclusive distribution agreement with Zimmer Biomet** (NYSE:ZBH) is **nearing its commercial launch**, with the **first order for off-the-shelf products** already placed.

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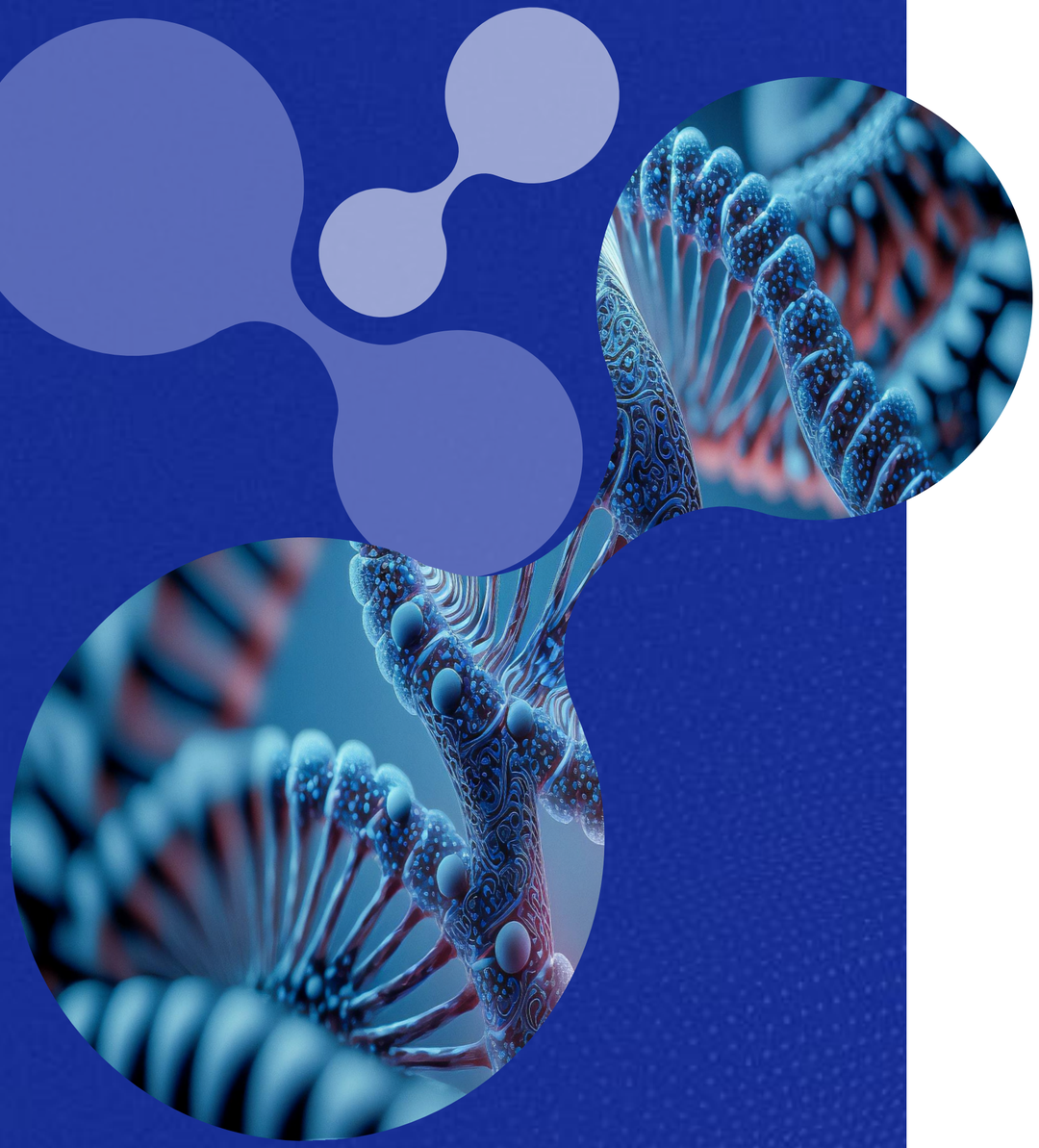

Osteopore implants added to Singapore's Ministry of Health Subsidy List[1]

- Osteopore's **craniomaxillofacial and oculoplastic implants** are now listed on the **Ministry of Health (MoH) Singapore's Implant Subsidy List (ISL)**, which assesses the **safety, clinical and cost-effectiveness of implants**.
- Subsidies are extended to implants listed on the ISL, which seeks to encourage the use of **clinically effective** and **cost-effective implants** to **improve patient outcomes** and **healthcare resource optimisation**.
- The listing of our implants on the ISL enables **public healthcare patients** to **access our cutting-edge solutions** at a subsidised cost, making **regenerative treatments more affordable**.
- This is a **key milestone** in **enhancing patient care** and **optimising resources** in public healthcare. Osteopore remains committed to **advancing effective and affordable healthcare solutions**.

1 ASX announcement: 'Osteopore implants added to Singapore's Ministry of Health subsidy list', 14 January 2025

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Osteopore draws down Tranche 1 of its redeemable convertible notes [2]

- On 24 December 2024, Osteopore entered into a **Subscription Agreement** (Agreement) with **Advance Opportunities Fund** and **Advance Opportunities Fund I** (Subscribers).
- The **conditions precedent** per the Agreement for the issue and subscription of **T1** have been satisfied. The Subscriber has subscribed for **8 equal sub-tranches** – ST01 to ST08 – of T1 Notes at a nominal value of **A$2m**.
- Funds raised from the issue of Notes will be used in the **ordinary course of business** and/or **future developments**, **projects** and **investments** as and when opportunities arise, and for loan discharge and/or reductions.
- Moreover, a portion of the funds raised was used to **offset the repayment of the debt outstanding** between the Company and **Advance Opportunities Fund I (Loan)**. Subsequently, all **indebtedness and obligations** concerning the Loan have been **repaid and satisfied**.

2 ASX announcement: 'Drawdown of Tranche 1 of the Redeemable Convertible Notes', 14 February 2025

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Osteopore enhances strategic refocus with early cessation of dental project[3]

- On 20 March 2025, Osteopore announced the **early cessation** of its $18.7m clinical-industrial dental project following a **strategic review**.
- The Company's decision to cease the project enables the **reallocation of resources** and supports the Company's **near and mid-term goal** of **prioritising commercialisation**.
- Osteopore extends its gratitude to the **National Dental Centre Singapore (NDCS)**, **A*Star's Institute of Molecular and Cell Biology (IMCB)**, and the **Singapore Institute of Manufacturing Technology (SIMTech)**, for their dedication, expertise and contributions to **regenerative dental solutions**.
- The Company has been seeking opportunities to **improve cost centre performance** while **streamlining expenses**.
- This approach, along with the reallocation of resources, will unlock significant resources to **strengthen the Company's market position**, **enhance operational capacity** and **drive sustainable growth**.

3 ASX announcement: 'Osteopore enhances strategic refocus with early cessation of dental grant project ', 20 March 2025

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Osteopore opens knee preservation clinical centre of excellence[4]

- Osteopore opens a **clinical centre of excellence (CCoE)** for **medial wedge opening high tibial osteotomy (MOWHTO)**, in partnership with **Total Orthopaedics Care & Surgery's Dr Hamid Razak**.
- The CCoE is dedicated to improving the **understanding and adoption of MOWHTO** among clinicians.
- The CCoE will serve as a **training hub**, providing education that focuses on the **MOWHTO technique** and **post-surgery rehabilitation protocols**, ensuring clinicians are equipped to deliver optimal care.
- The CCoE comes on the back of **Singapore market approval** for our orthopaedic products and the signing of **Diethelm Keller Siber Hegner (DKSH)** as a strategic partner, highlighting our commitment to **advancing orthopaedic care** and **improving patient outcomes**.[5 6]

4 ASX announcement: *'Osteopore opens knee preservation clinical centre of excellence'*, ***25 March 2025***
5 ASX announcement: *'Osteopore secures Singapore and Vietnam market approvals'*, ***27 March 2024***
6 ASX announcement: *'Osteopore signs exclusive deal with DKSH for orthopaedic products'*, ***6 November 2024***

Professional society engagement

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Philippine Academy of Ophthalmology Annual Congress, Philippines

At the 2025 Philippine Academy of Ophthalmology Annual Congress, Osteopore introduced new possibilities for advancing patient care. With Osteomesh®, surgeons can now deliver immediate, low-risk solutions that put patients first. This innovative approach eliminates delays and integrates seamlessly into surgical workflows, helping surgeons achieve better outcomes while raising the standard of care.

Principles of Flap Design Regenerative Dental Surgery Workshop, Singapore

The Principles of Flap Design Regenerative Dental Surgery Workshop enabled dental practitioners to gain hands-on experience in soft tissue flap design and closure for the use of membranes in guided bone regeneration. Training and education are key elements in advancing patient care and outcomes. Thank you to Essex Biotechnology and NUS Faculty of Dentistry Asst. Professor Raymond Wong, Asst. Professor Intekhab Islam and Dr Sng Jie Han Timothy.

Western Sydney University Facility Tour, Singapore

Thank you to Dr Claire Lewin and students from Western Sydney University for visiting our facility in Singapore. CEO, Dr Yujing Lim and Director of Global Marketing, Mr Khoon Seng Goh shared insights on Osteopore's healthcare journey, along with a valuable discussion. We appreciated the student's enthusiasm and hope the visit was a meaningful learning experience. Osteopore is looking forward to more knowledge-sharing opportunities in the future.

Neuro Endocon 2025, India

Neuro Endocon 2025 brought together global and regional experts in full endoscopic brain and spine surgery, with a strong focus on advancing minimally invasive neurosurgical techniques. Osteopore's regenerative technology was showcased at the event, highlighting its role in supporting surgical innovation and improving long-term patient outcomes. Thank you to ALSTRO MedTech for presenting our solutions.

Appendix 4C - Quarterly cashflow report

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Corporate and financial summary

The attached Appendix 4C provides details of the cashflows for the quarter ended 31 March 2025.

As of 31 March 2025, the Company has a cash balance of approximately A$541,000.

The net cash used by the Company for its operating activities during the quarter amounted to approximately A$780,000, which is lower than the 2024 quarterly average of approximately A$791,000. This reduction is consistent with the Company's ongoing efforts to streamline and manage costs effectively.

Cash flows from financing activities are attributable to the issuance of 4% redeemable convertible notes on 14 February 2025, with an aggregate nominal value of A$2,000,000 (Notes) pursuant to the subscription agreement announced on 24 December 2024. A portion of the funds raised from the subscription of the Notes is used to offset the repayment of the total outstanding amount under the bridging loan agreement dated 28 December 2023 and the loan variation deed dated 9 April 2024, between the Company and Advance Opportunities Fund I (Loan). All indebtedness and obligations of the Company in respect of the Loan have been repaid and satisfied in full.

Related party transactions

Payments in the December quarter to related parties of approximately A$85,000 at Item 6 in Appendix 4C, comprised of director fees and salaries.

Osteopore®

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Osteopore Limited

ABN	**Quarter ended ("current quarter")**
65 630 538 957	31 March 2025

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	454	454
1.2	Payments for		
	(a) research and development	(88)	(88)
	(b) product manufacturing and operating costs	(102)	(102)
	(c) marketing, business development & investor relations (including allocated staff costs)	(337)	(337)
	(d) leased assets	(31)	(31)
	(e) staff costs (other than allocated staff costs under note 1.2(c))	(299)	(299)
	(f) administration and corporate costs	(431)	(431)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(1)	(1)
1.6	Income taxes paid	(3)	(3)
1.7	Government grants and tax incentives	58	58
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	(780)	(780)

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(3)	(3)

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	**Net cash from / (used in) investing activities**	**(3)**	**(3)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	2,000	2,000
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(120)	(120)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(1,177)	(1,177)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	**Net cash from / (used in) financing activities**	**703**	**703**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	638	638

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(780)	(780)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3)	(3)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	703	703
4.5	Effect of movement in exchange rates on cash held	(17)	(17)
4.6	**Cash and cash equivalents at end of period**	**541**	**541**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	535	535
5.2	Call deposits	6	6
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**541**	**541**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	85
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Payments made to Directors related to:

1. Non-executive director fees and superannuation;
2. Executive director fees and salaries

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	20,000,000	2,000,000
7.4	**Total financing facilities**	**20,000,000**	**2,000,000**
7.5	**Unused financing facilities available at quarter end**		**18,000,000**

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

On 24 December 2024, the Company entered into a subscription agreement to issue 4% redeemable convertible notes with an aggregate nominal value of up to $20,000,000 comprising of 4 equal tranches of nominal value of $5,000,000 each. Each tranche comprises 20 equal sub-tranches of $250,000 each. The face value of the convertible notes when issued is $50,000 each.

The interest amount is equivalent to 100% of the nominal value of the convertible notes at the rate of 4.0% per annum. The interest is payable in cash quarterly in arrears.

The maturity date of the notes is 36 months from the closing date of the first tranche. A Noteholder may at any time up to 7 calendar days prior to the maturity date exercise its right to convert all outstanding notes into shares. The convertible notes which are not redeemed or purchased, converted or cancelled by the Company on or before the maturity date shall be converted by the Company on the maturity date.

The conversion price shall be 80% of the average of the closing price per share on any 5 consecutive business days as selected by the noteholder during the 45 business days immediately preceding the relevant Conversion Date on which shares were traded on the ASX.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(780)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	541
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	541
8.5	**Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**	**0.69**

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: With the growth in sales and various cost reduction initiatives, the Company is expected to lower its net operating cash flow level, notwithstanding the progressive settlement of payables.

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: The Company expects to meet its operational costs from proceeds from sales, existing reserves, and from additional funding (as required). The Company also has the ability to obtain further funds through the issue of debt and equity securities when required. As announced on 24 December 2024, the Company entered into a subscription agreement with Advance Opportunities Fund and Advance Opportunities Fund I (Subscribers) to issue 4% redeemable convertible notes (RCNs) – with an aggregate nominal value of up to AUD 20,000,000 – to the Subscribers. The Company has AUD 2,000,000 notes drawndown and AUD 50,000 converted to shares as at 31 March 2025.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the Company expects to be able to continue its operations and meet its objectives through a combination of sales to customers, existing reserves, and potential to obtain future capital through the issue of equity and/or debt, when it is required.

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Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2025

Authorised by: By the Board

.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – e.g., Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.