

1. Company details

Name of entity:	Tissue Repair Ltd
ABN:	20 158 411 566
Reporting period:	For the year ended 30 June 2024
Previous period:	For the year ended 30 June 2023

2. Results for announcement to the market

			\$
Revenues from ordinary activities	up	61.3% to	2,530,436
Loss from ordinary activities after tax attributable to the owners of Tissue Repair Ltd	down	0.9% to	(4,138,104)
Loss for the year attributable to the owners of Tissue Repair Ltd	down	0.9% to	(4,138,104)

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

The loss for the consolidated entity after providing for income tax amounted to \$4,138,104 (30 June 2023: \$4,174,414).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	29.83	36.19

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

## 8. Details of associates and joint venture entities

Not applicable.

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## 9. Foreign entities

*Details of origin of accounting standards used in compiling the report:*

Not applicable.

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## 10. Audit qualification or review

*Details of audit/review dispute or qualification (if any):*

The financial statements have been audited and an unmodified opinion has been issued.

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## 11. Attachments

*Details of attachments (if any):*

The Annual Report of Tissue Repair Ltd for the year ended 30 June 2024 is attached.

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## 12. Signed



Signed \_\_\_\_\_

Date: 22 August 2024

Jack Lowenstein  
Non-Executive Chair

**Tissue Repair Ltd**

**ABN 20 158 411 566**

**Annual Report - 30 June 2024**

**Tissue Repair Ltd**  
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**30 June 2024**

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Directors	Tony Charara (Executive Director and Co-Founder) Jack Lowenstein (Non-Executive Chairman) Bryan Gray (Non-Executive Director) Michael Silberberg (Non-Executive Director)
Company secretary	Sushma Kejriwal (Appointed 1 March 2024) Priyamvada Rasal (Resigned 1 March 2024)
Registered office	Level 10, 255 Pitt Street Sydney NSW 2000
Principal place of business	Level 10, 255 Pitt Street Sydney NSW 2000
Share register	Automic Pty Ltd Deutsche Bank Tower Level 5/126 Philip Street Sydney NSW 2000
Auditor	Pitcher Partners Level 16, Tower 2, Darling Park 201 Sussex Street Sydney NSW 2000
Stock exchange listing	Tissue Repair Ltd shares are listed on the Australian Securities Exchange (ASX code: TRP)
Website	<a href="http://www.tissuerepair.com.au">www.tissuerepair.com.au</a>

**Dear fellow shareholders,**

On behalf of the Board of Directors, we thank you for your support over the last year.

We are pleased to advise that Tissue Repair has made significant progress in the core objectives outlined in the prospectus for its initial public offering, centered around commercialising its unique proprietary technology platform based on its biologically active pharmaceutical ingredient (API) Glucoprime®

The Company's small but dedicated team has advanced its primary objective: progressing a drug label for its Glucoprime® based lead drug candidate, TR987®, which has the promise of being the first drug to be approved in a chronic wound indication in 25 years. Following a series of interactions with the US FDA over the course of the year, the company expects to commence its Phase 3 trial program in the treatment of venous leg ulcers in the first half of this financial year. The two Phase 3 trials will treat more than 600 patients in the US and Australia.

Although the start of these trials has experienced a delay of around six months from that anticipated a year ago, this time has been well spent in refining the Company's manufacturing processes and validating its analytical methods, important work required for an eventual New Drug Application filing, should the company be successful in its clinical trials. We have also used the time to hire and establish an in-house clinical operations team to conduct the trials, which we expect will afford cost efficiencies over an outsourced clinical research organization and greater control and insights into the conduct of the trials across the large number of hospitals and clinics participating.

Besides the significant economic benefits that could flow from TR987®'s novel effective therapy, a successful drug label proving in use superiority of TR987® over the present standard of care in treatment of venous leg ulcers could make a significant difference to the millions of people globally living with debilitating chronic wound conditions.

These are conditions with significant unmet needs and represent a very large and growing market locally and internationally. The Australian Medical Association recently estimated the chronic wound market in Australia to be A\$3b, with the global market for wound care expected to reach over US\$27b in 2027.

Progress over the year has also been made in the Company's second major objective: sales growth for the Company's aesthetic offering, TR Pro+™, which also incorporates our platform technology. Sales have risen steadily over the year, with the last quarter of the financial year achieving growth of 100% over the previous quarter. Feedback from customers remains highly positive about the effectiveness of the product in accelerated healing following a broad range of aesthetic procedures.

Sales growth for TR Pro+™ over the current year should benefit from the recently receipt of a successful TGA listing for the product. The TGA Listing will allow the Company to market its significant scientific and clinical data package over a broader range of indications. As a result the company intends to invest further and build out its sales force over the coming year. The Company is also exploring a number of marketing and licensing partnerships.

Glucoprime® also provides a platform to develop a series of other products which have the potential to treat a broad range of conditions requiring wound care in humans and animals.

The operational report that forms part of the Directors report below outlines in more detail the specific progress we have made over the year.

The Company believes that despite significant cost increases in its program of work as outlined in the original Prospectus it has the financial resources (which includes its estimates of receipts of R&D tax incentive refunds) to complete the planned Phase 3 trials and make good progress on commercialising TR Pro+™.



**Jack Lowenstein**  
Non-Executive Chair



**Tony Charara**  
Co-Founder, Executive Director

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Tissue Repair Ltd (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2024.

## **Directors**

The names and details of the Company's directors in office during the financial year and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

### **Tony Charara**

*Co-Founder, Executive Director*

Tony is a co-founder of Tissue Repair. He has been actively involved in the Company's clinical development program, across its two-phase 2B trials, commercialisation strategy and overall operations as well as a co-inventor of the Company's patents. Tony has a first class honours degree in Commerce from Sydney University and is an investment banker by background with JPMorgan. Tony is also a co-founder of Mable Technologies, Australia's largest health services online platform in the aged care and disability markets delivering around 600,000 hours of care and support every month. Tony was named among the top 100 innovators by The Australian in 2022 and featured in Deloitte's Technology Fast 50 lists from 2018 to 2022. Mable was named in the AFRs Fast 100 2021. Tony is also a finalist in the 2024 Ernst and Young's Entrepreneur of the Year.

As Tony is a co-founder and has been a Director of Tissue Repair since the Company's incorporation, he is considered by the Board not to be an independent director.

### **Jack Lowenstein**

*Independent, Non-Executive Chair*

Jack has over 25 years of senior management experience in financial services and was a pioneer in developing Australian ESG investment, first at Hunter Hall Investment Management from 1997 to 2011, and then from 2012 to 2019 at Morpheic Asset Management. Both companies specialised in investing in ethically screened global mid-cap equities. Morpheic was acquired in 2019 by Ellerston Capital.

He was also a co-founder of Fiji's first investment bank, Kontiki Capital which he chaired from its inception in 1998 to 2017, and remains a director of Kinetic Growth Fund, which is listed on the South Pacific Stock Exchange.

Jack has been a director of several Australian ASX listed public companies, including Hunter Hall International, Hunter Hall Global Value, Kresta Holdings, Reinsurance Australia, Fiji Kava Limited (ASX:FIJ) (appointed 11 August 2020; resigned 29 May 2022) and Calliden Group. He is currently a director of Morpheic Ethical Equities (ASX: MEC) (appointed 15 October 2017). Jack has an MA (Oxon) and completed the Owner/President Management Course at Harvard Business School in 2009.

In June 2024 Jack was appointed as a Responsible Manager and independent, non-executive director of US Masters Responsible Entity Limited, the responsible entity of US Master Residential Property Fund (URF) and its newly stapled trust, US Masters Residential property Fund II (URF II). Units in URF and URF II are stapled and trade under the ASX ticker URF.

Jack is considered by the Board to be an independent director.

### **Bryan Gray**

*Independent, Non-Executive Director*

Bryan has over 35 years' experience in Banking and Financial services in Australia and New Zealand. He spent 20 years at J.P Morgan in the Corporate and Investment Bank, the last 12 years as a Managing Director. Prior to that he held senior roles at State Street Bank and is a Chartered Accountant (CA). He holds a Bachelor of Commerce and Administration from Victoria University of Wellington, New Zealand. He is currently a non-executive director of RFBI a not-for-profit business operating in the Residential Aged Care and Retirement sector.

Bryan is considered by the Board to be an independent director.

**Michael Silberberg, M.D.**

*Independent, Non-Executive Director*

Michael is currently the Global Therapeutic Area Head, Facial Aesthetics for AbbVie, based in England. Prior to that he spent nine years working for Allergan in a variety of senior roles, culminating as Executive Medical Director, Aesthetics, International and Global Plastic Surgery Therapeutic Area Lead after starting as Director, Medical Affairs, Australia/NZ. He holds an MBA from the UCLA Anderson School of Management, where he was a Venture Fellow, and has an MD from Cornell University and AB from Brown University.

Michael is considered by the Board to be an independent director.

**Director's Interest**

The relevant interest of each director in the share capital of the Company, as notified by the Company to the ASX in accordance with S205G (1) of the Corporations Act 2001, as at the date of this report is as follows:

<b>Directors</b>	<b>Number of ordinary shares</b>	<b>Number of options over ordinary shares</b>
Tony Charara	4,895,336	13,640,000 <sup>1</sup>
Jack Lowenstein <sup>2</sup>	123,080	366,060
Bryan Gray	68,759	366,060
Michael Silberberg <sup>3</sup>	-	392,753

<sup>1</sup> A total of 12,040,000 options were issued under the former incentive plan adopted on 1 January 2019 and 1,600,000 under the current incentive plan as outlined in the Prospectus. The former incentive plans relate to options issued to the founding team over the 9 year period of development activities from 2012-2021. These options were fully accounted in the capital structure and share offer price at the time of listing.

<sup>2</sup> Includes 40,000 shares held by spouse, Mare Carevic.

<sup>3</sup> Dr Silberberg was granted 392,753 unlisted options under the Company's Long Term Incentive Plan, exercisable at \$1.15 and expiring 27 September 2036, subject to the following vesting conditions:

98,188 options vesting 12 months from the date of his appointment on 26 April 2023;

294,565 options vesting monthly pro-rata over the next 36 months following the anniversary of his appointment.

**Meetings of directors**

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	<b>Full Board Attended</b>	<b>Full Board Held</b>	<b>Audit and Risk Committee Attended</b>	<b>Audit and Risk Committee Held</b>
Tony Charara	11	11	-	-
Jack Lowenstein	11	11	3	3
Bryan Gray	10	11	3	3
Michael Silberberg	11	11	3	3

Held: represents the number of meetings held during the time the director held office.

**Company secretary**

**Priyamvada (Pia) Rasal (Resigned 1 March 2024)**

**Sushma Kejriwal (Appointed 1 March 2024)**

*Company Secretary FGIA, FICSA*

Ms Sushma Kejriwal is a Corporate Governance Manager at Acclime Australia, managing a portfolio of listed and unlisted clients. She has an extensive experience for more than 15 years both in Australia and India, in corporate secretarial services including ASX and ASIC compliance, corporate restructuring, implementation of corporate governance practices and providing secretariat support to Board and Board Committees. Ms Kejriwal holds a master's degree in business law and bachelor's degree in commerce from India.



### **Principal activities**

Tissue Repair is a clinical stage biopharmaceutical company developing advanced wound healing products targeting applications in the chronic wound and aesthetic procedure aftercare markets, with the potential for further development of related technologies.

### **Financial update**

The Group recorded a loss of \$4,138,104 for the year ending 30 June 2024 (2023: \$4,174,414). The Group's operating cash outflows for the year were \$4,951,212 (2023: \$4,255,456) and reported closing cash of \$16,441,051 at 30 June 2024 (2023 \$21,396,461).

### **Review of operations**

#### **Key Highlights and Update**

#### **TR987® for chronic wounds -On track for Phase 3 commencement**

- The laboratory and pilot work for the Glucoprime® API were completed with efforts focused on summarising the purification process development. Additional development batches are planned to further optimize the production process and reduce costs. This work expected to be completed by Q1 2025.
- Candidate CMOs (contract manufacturing organizations) able to manufacture commercial quantities of the Glucoprime® API are currently being shortlisted.
- Method validation activities for release and stability testing of the Phase 3 hydrogel were completed and the batch record was finalised. Release testing of the Phase 3 lot was completed with all measures falling within required specifications.
- Validation work for most of the 20-plus tests designed to characterise the Glucoprime® API was completed following the resolution of several technical challenges. Full release testing of both GMP lots was undertaken prior to them being released and placed on stability programs.
- Module 3 of the eCTD (electronic common technical document) which describes the chemistry, manufacturing and controls associated with the drug substance (Glucoprime® API) and drug product (TR987®) was finalised and filed with the FDA early July 2024.
- The pilot toxicology study was completed in Q2 2024 and a detailed protocol for the planned 28-day repeat dose study has been drafted and will be filed with the FDA for review in Q3 2024.
- The Company has planned to conduct two sister trials, each with 312 patients, in the US (BG002) and Australia/US (BG003). Five US trial sites will be ready to enrol subjects in BG002 by the end of September 2024, with five sites ready in Australia/US for BG003 shortly thereafter.
- Updated protocols for the US (BG002) and AUS/US (BG003) studies which reflect FDA feedback from the Type C meeting held in Q1 2024 have been finalised and are expected to be filed with the FDA in late August 2024.
- Work undertaken by the University of South Australia on the mechanism of action for the Glucoprime® API is close to completion. A key finding was that the Glucoprime® API can positively influence the immune response in such a way as to induce a greater number of M2-type macrophages.

#### **TR Pro+™ for cosmetic and medical procedures – Early success following product launch**

- TR Pro+™ was launched in June 2023 and has been steadily gaining momentum with only a modest marketing budget.
- While the revenue numbers remain relatively low, the focus is on growing distribution and in line with this the Company is taking a two-pronged approach: (i) expanding the field sales resource from 1.0FTE (NSW) to 3.2FTE (NSW, VIC, QLD), and (ii) increasing the efforts to identify distribution partners both in Australia and offshore.
- The recent TGA approval will facilitate broad communication of the comprehensive clinical and scientific information beyond Health Care Professionals (HCPs). A PR campaign for this is currently being developed.

#### **Financial Position**

- The Company maintains its strong funding position with cash of \$16.4m as of 30 June 2024.

## **KEY OPERATIONAL UPDATES**

### **1. TR987® DEVELOPMENT (for chronic wounds)**

#### **1.1 API (Glucoprime®) Manufacturing Update**

The laboratory and pilot work were completed with efforts focused on summarising the purification process development and outlining areas that may require further development prior to moving to New Drug Application (NDA) development and validation runs. Two batches were produced to support the Phase 3 trials program and provide additional API for TR Pro+™, and both batches were successfully spray dried and sterilised.

Additional development batches are being planned to further optimize the production process and reduce costs with this work expected to be completed by Q1 2025.

Candidate CMOs (contract manufacturing organisations) able to manufacture commercial quantities of the Glucoprime® API are currently being shortlisted.

#### **1.2 TR987® Gel Manufacturing Update**

Following the successful production of a 50kg pilot batch, two larger scale-up batches of TR987® were produced. The first of these was completed and used to finalise the outstanding test methods for release and stability testing of the Phase 3 drug product. The second scale up batch was produced in February 2024 and will be used for the Phase 3 trials program.

Method validation activities for release and stability testing of the Phase 3 hydrogel were completed and the batch record was finalised. Release testing of the Phase 3 lot was completed with all measures falling within the required specifications.

The TR987® hydrogel will be distributed to around 20 clinical trial sites once they have been initiated for the Phase 3 trial program.

The Company's recent manufacturing status is summarised in the table below:

Stage	Update	Status
<b>Stage 1</b> Laboratory scale API	<ul style="list-style-type: none"> <li>Successful production of 3 laboratory scale batches</li> </ul>	Completed
<b>Stage 2</b> Engineering API	<ul style="list-style-type: none"> <li>Successful production of 3 scaled-up engineering batches.</li> <li>Production scheduled with the necessary equipment ordered.</li> <li>Batch record finalised and an agreement reached with contract manufacturer.</li> <li>Terminal sterilization processing</li> </ul>	Completed
<b>Stage 3</b> GMP API	<ul style="list-style-type: none"> <li>Production of three batches has been completed with the final stages in the manufacturing process to be completed following successful production of the engineering batches.</li> </ul>	Completed
<b>Stage 4</b> Production of API into finished gel (6-gram tubes) for Phase 3 clinical supply	<ul style="list-style-type: none"> <li>Formulation of Glucoprime® API material into gel and filling into 6-gram tubes for the Phase 3 trial</li> <li>Contract manufacturer has been appointed and is preparing pilot filling of gel product into tubes.</li> </ul>	Completed
<b>Stage 5</b> Optimization of the API manufacturing process	<ul style="list-style-type: none"> <li>Production of four development batches to assess process changes aimed at reducing manufacturing costs and delivering additional API.</li> </ul>	Expected completion Q4 2024

### **1.3 Analytical Update**

Validation work for most of the 20-plus tests designed to characterise the Glucoprime® API was completed following the resolution of several technical challenges. Full release testing of both GMP lots was undertaken prior to them being released and placed on stability programs. Stability testing of the 3 Glucoprime® API batches (6M Engineering batch and 3M Clinical batches) was completed with all measures within specifications.

Module 3 of the eCTD which describes the chemistry, manufacturing and controls associated with the drug substance (Glucoprime® API) and drug product (TR987®) was finalised and filed with the FDA in early July 2024.

### **1.4 Toxicology Update**

Following an FDA Type C meeting in 2022 the Agency agreed to an abridged toxicology program. Part of this program involved a pilot minipig study to confirm the surgical procedures to be used in a more comprehensive 28-day repeat dose analysis. The pilot toxicology study was completed in Q2 2024 and a detailed protocol for the 28-day repeat dose study has been drafted. While a date has not yet been established to commence this work, the draft protocol will be filed with the FDA for review in Q3 2024.

### **1.5 Phase 3 VLU Trial Management**

The Company has planned to conduct two sister trials, each with 312 patients, in the US (BG002) and Australia/US (BG003). In total, the Phase 3 clinical program will enrol 624 patients in a randomised, double-blinded study design. The primary endpoint of the planned trials will be incidence of complete closure over a 16-week treatment period. The two main secondary endpoints will be reduction in ulcer size and amelioration of pain in affected patients.

A core clinical operations team (eight people) has been established in the US with a small presence in Australia and has been active in identifying potential sites in both countries. In total, more than 150 sites have been approached in the US and 65 sites in Australia. As well as site outreach, the team has also produced the necessary quality framework and documentation to support the clinical program. The electronic trial master file (eTMF) has commenced user acceptance testing.

Five US trial sites will be ready to enrol subjects in BG002 by the end of September 2024 ramping up to 20 sites, with five sites currently ready in Australia/US for the BG003 study.

The Phase 3 protocol was submitted to the FDA in mid-December as part of a Type C meeting request which was necessary to clarify the study design. The FDA written response was received in late February 2024 and provided further clarity on the Phase 3 trial requirements, all of which have been reflected in an updated protocol. The key changes included:

- Clarification of investigations around hypersensitivity and clinical worsening;
- Clarification and analysis of certain endpoints, inclusion and exclusion criteria;
- Clarification around trial design, specifically addressing why a separate vehicle arm should not be included;
- Considerations around blinding of safety as well as efficacy assessment; and
- Stratification of ulcer size.

Institutional ethics boards have reviewed the protocol and provided feedback which required further fine tuning to the document.

Updated protocols for the US (BG002) and AUS/US (BG003) studies which incorporate FDA feedback from the Type C meeting held in Q1 2024 have been finalised and are expected to be filed with the FDA in late August 2024. Based on the detailed feedback received to date the Company and its advisers has formed the view that the risks are low that the Agency will require any further significant changes once the study commences.

### **1.6 Scientific Advisory Board (SAB)**

Input from the Scientific Advisory Board (SAB) has been integral to finalizing the Phase 3 study protocol. Prof Robert Kirsner (Miami, US) and Prof. Michael Woodward (Melbourne, Australia) are the Principal Investigators for Studies BG002 and BG003, respectively.

### **1.7 Pre-clinical work on the mechanism of action**

Work undertaken by the University of South Australia on the mechanism of action for the Glucoprime® API is close to completion. A key finding was that the Glucoprime® API can positively influence the immune response in such a way as to induce a greater number of M2-type macrophages. Macrophages are the cells that control the healing process, and the M2-type macrophages are responsible for creating an environment that supports skin repair and regeneration. Based on what has been published in the scientific literature, it is likely that this observation is integral to the Glucoprime® API being able to exert a positive influence on wound healing and improving skin quality.

### **1.8 Conferences**

Conference sponsorship continues to be an important part of our healthcare professional (HCP) driven strategy for TR Pro+™. In 2024 we have attended several important meetings including the 2024 Non-Surgical Symposium (NSS), Australian College of Dermatologists Annual Scientific Meeting (ACD ASM 56), Australasian Society of Cosmetic Dermatologists Symposium (ASCD), Australasian Skin Cancer Congress 2024, and Aesthetics 24. We also expect to attend the Beauty Expo 2024 and Wounds Australia conferences prior to the year end.

## **2. TR Pro+™ COMMERCIALISATION (for aesthetic and therapeutic procedures)**

### **2.1 Commercial update**

TR Pro+™ was launched in June 2023 and has been steadily gaining momentum with only a modest marketing budget. For the initial 12 months post-launch TR Pro+™ was classified as a cosmetic and an HCP - driven strategy was adopted, aimed at creating awareness of the product benefits amongst key HCPs like plastic surgeons, dermatologists, cosmetic clinicians and dermal therapists. Feedback from patients and clinicians alike has been positive and the range of case studies has increased for both aesthetic (laser, needling, chemical peels, tattoo removal) and medical (biopsy, scar management, skin cancer removal, dermatitis) procedures. New indications around the management of dermatitis, photodynamic treatment of actinic keratoses, and scarring are being explored.

While the revenue numbers remain relatively low, growth has been robust with the Company recording around a 100% growth in revenue in Quarter 4 over the previous quarter. The focus for the Company is on growing its clinic distribution network. In line with this the Company is taking a two-pronged approach: (i) expanding the field sales resource from 1.0FTE (NSW) to 3.2FTE (NSW, VIC, QLD), and (ii) increasing the efforts to identify distribution partners both in Australia and offshore.

TR Pro+™ can be purchased via the Company's website and has been sold to almost 200 clinics which deal with aesthetic and medical procedures. The most common procedure utilising TR Pro+™ is skin needling which creates a defined wound that stimulates the production of new collagen to rejuvenate the skin. Channels created by the needling procedure allow easy access for the Glucoprime® API to move to the dermis and engage with macrophages.

The Company has recently obtained a TGA approval for TR Pro+™ which will facilitate broader communication of the comprehensive clinical and scientific information beyond HCPs and considerably expand the breadth of indications for which TR Pro+™ can be used.

The Company is also currently in discussions with multiple parties, both locally and overseas, regarding potential distribution opportunities.

### **2.2 Regulatory update**

A TGA application to market TR Pro+™ in Australia as an AustL product was approved in July 2024. The TGA Listing has enabled the team to start promoting the science and clinical data more broadly and will increase the credibility of the product with a wider range of users and user types. The Company is pursuing an additional regulatory pathway that involves establishing a compositional guideline specific to the Glucoprime® API which, once successful, will afford additional IP protection.

Regulatory work is also progressing to enable the launch of TR Pro+™ in China, as well as the UK/EU, although there are several considerations around formulation alignment which will need to be considered before these can be finalised.

### **2.3 Manufacturing update**

The Australian-based CMO that produced the initial batch of TR Pro+™ will be producing a second batch in early Q4 which should maintain adequate stock levels. The team expect that the four batches of API used to refine the production process can be utilised to manufacture additional 10g tubes as well as 3g sample sachets. Based on feedback from clinics there is also a strong demand for a 50g tube that can be used as a professional size or on-sold to patients having procedures that cover large areas.

### **3. Other Business Activities**

#### **3.1 Intellectual property**

A third US Patent application was allowed by the US Patent and Trademark Office (USPTO). The patent is entitled **BIOLOGICAL POLYSACCHARIDE COMPOUND** (US Patent No. 2023/0085802 A1) with the claims allowed in the application covering the Glucoprime® API compound and the molecule itself for any application whatsoever.

This third patent allowance follows the earlier allowance of Tissue Repair's USA second patent (US Patent No. 11,572,420 B1), with claims for use of the Glucoprime® API for topically applied methods of treating any skin condition and its first patent allowance in April 2022, with claims on the method of manufacturing for the Glucoprime® API (US Patent No. 11,384,160 on 12 July 2022).

#### **3.2 Quality Update**

The scope Quality requirements has been refined and where possible and appropriate, the Company will rely on quality oversight by vendors as directed in a TR Quality Agreement.

#### **3.2 Australian Government R&D Tax Incentive**

Based on the two R&D Overseas Certificates awarded in 2013 by the Australian Government that pre-approve R&D expenditure for the TR987® project, the Company has received cash tax rebates on the costs associated with this project. Once the Phase 3 program commences patient enrolments these rebates are expected to become more substantial.

### **4. Work streams planned for the 2023/24 financial year**

The following are the key work streams planned over the 2024/25 financial year:

#### **TR987® – for treatment of chronic wounds**

- Further refinement of the manufacturing process for the Glucoprime® API to reduce production costs and the identification of a CMO for ongoing commercial supply.
- Progression of the Phase 3 clinical trial program for the US (BG002) and Australia/US (BG003) studies.
- Continued outreach to clinical sites to accelerate patient enrolment in the clinical program.
- Advancement of the toxicology program and preclinical mechanism of action studies.

#### **TR Pro+™ Commercialisation (for aesthetic and therapeutic procedures)**

- Continued promotion of TR Pro+™ with a focus on increasing distribution and the range of indications.
- Exploration of potential partnerships and growth opportunities.

### **5. Business risks**

The material business risks faced by the company that are likely to have an effect on the financial prospects of the company include:

#### **5.1 Products not yet launched and the therapeutic product is not yet approved for commercial sale**

Tissue Repair's ability to achieve profitability is dependent on a number of factors, including, for its therapeutic product, its ability to commence and complete successful Phase 3 clinical trials and obtain regulatory approval in the USA and Australia (at a minimum), and Tissue Repair's ability to successfully commercialise either or both of its aesthetic or therapeutic products. There is no guarantee that Tissue Repair's products (either or both its aesthetic or therapeutic product/s) will be commercially successful. Revenue from Tissue Repair's therapeutic product will not be possible until FDA approval is granted in the USA and the product is successfully launched. Clinical trials for Tissue Repair's therapeutic product may also be suspended for safety or efficacy reasons, following development it may prove difficult or impossible to replicate and manufacture any of Tissue Repair's products on a large scale, or, during the period of development, competitors (including those with greater resources) may emerge with competing or alternative treatments or technologies.

## **5.2 Product acceptance**

Tissue Repair's growth and the commercial success of Tissue Repair's current and future products is reliant on the acceptance of Tissue Repair's products by healthcare professionals, including the relevant medical and wound care specialists.

The degree of market acceptance and continued adoption of Tissue Repair's products will depend on a number of factors, including:

- the potential and perceived advantages of Tissue Repair's products over competitor products and the preference by healthcare professionals of competitor's products due to familiarity with those products or for other reasons;
- Tissue Repair's products performing to expected standards of care and quality;
- Tissue Repair's ability to successfully market its products by providing clinical and economic data that show the safety, clinical efficacy, cost effectiveness and patient benefits from Tissue Repair's products; and
- Tissue Repair's ability to deliver consistent clinical results for indications when approved.

The acceptance of Tissue Repair's products may be slower than planned, or the products may not gain broad market acceptance by healthcare professionals which, should it arise, would impact Tissue Repair's operating and financial performance and viability.

## **5.3 Clinical trial risk for therapeutic product**

There is no guarantee that Tissue Repair's technology will prove to be safe and efficacious in the planned Phase 3 clinical trials, or that the regulatory approval to manufacture and market its therapeutic products will be received. The clinical trials could be put on hold or terminated, which will likely have a significant adverse effect on the Company, the value of its securities and the future commercial development of its technology.

## **5.4 Manufacturing risk**

Tissue Repair may face potential scale-up challenges as it seeks to increase the output of its manufacturing for commercialisation of its products and may have difficulty reproducing the API material and/or drug product and producing it in large quantities.

The Company expects to be dependent on one or more Contract Manufacturing Companies (CMC), exposing it to additional risks through these counterparties.

## **5.5 Regulatory and reimbursement approvals**

The research, development, manufacture, marketing and sale of products using Tissue Repair's technology are subject to varying degrees of regulation by government authorities in Australia, USA, Europe and Asia. Products developed using Tissue Repair's technology must undergo a comprehensive and highly regulated development and review process.

For Tissue Repair's therapeutic product, that process also includes the requirement to obtain regulatory approval for marketing. This additional process includes the provision of clinical data relating to the quality, safety and efficacy of the therapeutic product for its proposed use, and therapeutic products may also need to be submitted for reimbursement approval. The availability and timing of that reimbursement approval may have an impact upon the uptake and profitability of therapeutic products in some jurisdictions.

Any of the products utilising Tissue Repair's technology may be shown to be unsafe, non-efficacious, difficult or impossible to manufacture on a large scale, uneconomical to market, compete with superior products marketed by third parties or not be as attractive as alternative treatments or technologies.



## **5.6 Commercialisation of products, revenue, and expenditure**

Tissue Repair has not yet commercialised its technology. Tissue Repair is also dependent on commercially attractive markets remaining available to it during the commercialisation phase and there is a risk that, once developed and ready for sale, commercial sales (to fund sufficient revenues for continued operations and growth) may not be achieved.

Tissue Repair may experience delay or adverse outcomes in achieving a number of critical milestones, including securing commercial partners, completion of clinical trials for its therapeutic products, obtaining regulatory approvals, manufacturing, pre-launch market research, product launch and sales. Any material delays may impact Tissue Repair adversely, including the timing of any revenues.

The Company may require substantial additional financing in the future to sufficiently fund its operations, commercialisation, and development.

Without revenue from commercialisation, the Company may be required to raise additional equity or debt capital in the future. There is no assurance that it will be able to raise that capital when it is required or, even if available, the terms may be unsatisfactory. If the Company is unsuccessful in obtaining funds when they are required, Tissue Repair may need to delay or scale down its operations.

While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it is able to issue within a 12-month period without Shareholder approval (other than where exceptions apply), Shareholders may be diluted as a result of any issues and fundraisings.

## **5.7 Intellectual property**

Tissue Repair's ability to leverage its innovation and expertise depends upon its ability to protect its intellectual property and any improvements to it. The intellectual property may not be capable of being legally protected, it may be the subject of unauthorised disclosure or be unlawfully infringed, or Tissue Repair may incur substantial costs in asserting or defending its intellectual property rights. This includes the Company's ability to obtain commercially valuable patent claims.

If relevant patents or trademarks are not granted to Tissue Repair, then the value of the intellectual property rights may be significantly diminished. Further, any information contained in patent applications will become part of the public domain, and so will not be protected as confidential information.

## **5.8 Dependence upon key personnel, and growth management**

Tissue Repair depends on the talent and experience of its personnel (employees and consultants) as its primary asset. There may be a negative impact on Tissue Repair if any of its key personnel leave. It may be difficult to replace them, or to do so in a timely manner or at comparable expense. Additionally, any key personnel who leave to work for a competitor may adversely impact Tissue Repair. There is a corresponding risk that Tissue Repair may be unable to manage its future growth successfully. The ability to hire and retain skilled personnel as outlined above may be a significant obstacle to growth.

## **5.9 Arrangements with contract manufacturers and third-party collaborators**

Tissue Repair itself has not produced active pharmaceutical ingredient (API) material and has appointed a contract manufacturer to undertake manufacture of engineering and production batches of its unique active ingredient, named Glucoprime®.

The service provided by contracted parties to Tissue Repair may be disrupted or terminated for a variety of reasons which may result in manufacturing disruptions or an inability to manufacture and produce its products for some time. This has the potential to limit, delay or prevent supply of Tissue Repair's products and have an adverse impact on the availability of Tissue Repair's products to customers.

Tissue Repair may pursue collaborative arrangements with pharmaceutical and life science companies, academic institutions or other partners to complete the development and commercialisation of its products. These collaborators may be asked to assist with funding or performing clinical trials, manufacturing, regulatory approvals, or product marketing. There is no assurance that the technology will attract and retain appropriate strategic partners or that any such collaborators will perform and meet commercialisation goals.



## **5.10 Competition**

The biotechnology and pharmaceutical industries are intensely competitive and subject to rapid and significant technological change. Other companies, both in Australia and abroad, may be pursuing the development of products that target the same therapeutic conditions or markets that Tissue Repair is targeting. Tissue Repair's products may compete with existing alternative treatments or technologies that are already available to customers. Some of these companies may have, or develop, technologies superior to Tissue Repair's own technology. Tissue Repair may face competition from parties who have substantially greater resources than the Company.

## **5.11 Product liability**

Any defects in Tissue Repair's products may harm Tissue Repair and its customers' reputation and business. Tissue Repair may also be subject to warranty and liability claims for damages related to defects in its products. In addition, the products may be subject to a recall, withdrawal, or other regulatory action. This risk exists even if a product is cleared or approved for commercial sale by the TGA, FDA or other regulatory authorities and is manufactured in appropriately licensed and regulated facilities.

There may also be adverse events reported from the use, misuse or defect of Tissue Repair's products which could expose Tissue Repair to product liability claims or litigation. Tissue Repair may be subject to product liability claims if its products cause, or merely appear to have caused, patient injury or death. The industry in which Tissue Repair operates has historically been subject to extensive litigation over product liability claims, especially in the USA market. Product liability claims may result in substantial litigation costs, product recalls or market withdrawals, suppressed demand for Tissue Repair products and damage to Tissue Repair's reputation, regardless of merit or eventual outcome. If this were to occur, it would adversely impact Tissue Repair's operating and financial performance.

## **5.12 Country/region specific risks**

Tissue Repair has operations in the USA and must comply with a range of different USA legal and regulatory regimes. As Tissue Repair expands the sales of its products geographically into new international jurisdictions, it is subject to the risks associated with conducting business in those new international jurisdictions, which include adapting to, and complying with, the differing laws and regulations, business and clinical practices, and patient preferences in foreign countries, developing and managing foreign relationships and operations and being subject to the political and economic climate of the various countries. A breach of any of these areas could result in fines or penalties, the payment of compensation or the cancellation or suspension of Tissue Repair's ability to carry on certain activities or product offerings. It could also interrupt or adversely affect parts of Tissue Repair's business and may have an adverse effect on Tissue Repair's operating and financial performance.

## **5.13 Currency risk**

A significant proportion of Tissue Repair's costs are incurred in the USA. There is a risk that unfavourable exchange rate movements may cause higher than expected costs. Tissue Repair does hedge some of its USD foreign exchange rate exposure by holding some cash in a USD bank account, however other hedging arrangements may be considered closer to product launch and bulk manufacturing.

## **Significant changes in the state of affairs**

There were no significant changes in the state of affairs of the consolidated entity during the financial year.

## **Dividends**

There were no dividends paid, recommended or declared during the current or previous financial year.

## **Options granted**

During the financial year, the following options were granted:

<b>No. of Options</b>	<b>Grant date</b>	<b>Expiry date</b>	<b>Vesting and first exercising date</b>	<b>Exercise price</b>	<b>Grant date fair value</b>
392,753	13/11/2023	27/09/2036	26/04/2024 <sup>1</sup>	\$1.1500	\$0.0452 <sup>2</sup>
50,000	27/03/2024	27/03/2036	27/03/2025 <sup>3</sup>	\$1.1500	\$0.0333

<sup>1</sup> On 26 April 2024, 25% of the options vested. The remaining options vest equally each month until all options are vested by 26 April 2026.

<sup>2</sup> Dr Silberberg was granted 392,753 unlisted options. The options were approved by Shareholders at the AGM held on 26 October 2023. The terms remain consistent as outlined in the 2023 Annual Report lodged with the ASX on 31 August 2023. Noting the expiry date in the 2023 Annual Report was incorrect, the expiry date of the options issued is 27 September 2036.

<sup>3</sup> On 27 March 2025, 25% of the options vest. The remaining options vest equally each month until all options are vested by 27 March 2028.

### **Shares under option**

Unissued ordinary shares of Tissue Repair Ltd under option at the date of this report are as follows:

Number on issue	Exercise price	Expiry date
11,240,000 <sup>1</sup>	\$0.2055	30/12/2033
1,265,000 <sup>1</sup>	\$0.3715	01/10/2034
3,930,000 <sup>1</sup>	\$0.3715	30/11/2034
5,519,292 <sup>2</sup>	\$1.1500	27/09/2036
392,753 <sup>2</sup>	\$1.1500	27/09/2036
50,000 <sup>2</sup>	\$1.1500	27/03/2036

<sup>1</sup> Options issued under the former incentive plan adopted on 1 January 2019 as outlined in the Prospectus. The former incentive plan relates to options issued to the founding team over the 9 year period of development activities from 2012-2021. These options were fully accounted in the capital structure and share offer price at the time of listing.

<sup>2</sup> Options issued under the current incentive plan.

### **Shares issued on the exercise of options**

There were no ordinary shares of Tissue Repair Ltd issued on the exercise of options during the year ended 30 June 2024 and up to the date of this report.

### **Matters subsequent to the end of the financial year**

Other than those matters referred to in note 10, no matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

### **Likely developments and expected results of operations**

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

### **Rounding**

The Group is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191* issued by the Australian Securities and Investments Commission (ASIC), relating to the rounding off of amounts in the consolidated financial statements. Amounts in the consolidated financial statements have been rounded off in accordance with that legislative instrument to the nearest dollar, unless specifically stated to be otherwise.

### **Environmental regulation**

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

### **Non-audit services**

There were no non-audit services provided during the financial year by the auditor.

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 22 to the financial statements.

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

The directors are of the opinion that the services as disclosed in note 22 to the financial statements do not compromise the external auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

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

#### **Indemnity and insurance of officers**

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

#### **Indemnity and insurance of auditor**

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

#### **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.

#### **Proceedings on behalf of the company**

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

#### **Remuneration report (audited)**

The Directors of Tissue Repair Limited present the Remuneration Report (the Report) for the Company and its controlled entities for the year ended 30 June 2024. This Report forms part of the Directors' Report and has been audited in accordance with section 300A of the *Corporations Act 2001*.

The Report details the remuneration arrangements for the Company's key management personnel (KMP):

- ▶ Non-executive directors (NEDs)
- ▶ Executive directors and senior executives (collectively the executives).

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The table below outlines the KMP of the Group during the year:

<b>Name</b>	<b>Position</b>
<i>Non-executive</i>	
Jack Lowenstein	Non-Executive Chairman
Bryan Gray	Non-Executive Director
Michael Silberberg	Non-Executive Director
<i>Executive</i>	
Tony Charara	Executive Director

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

***Principles used to determine the nature and amount of remuneration***

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

***Non-executive directors remuneration***

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors may also receive share options or other incentives.

Below is the summary of Board fees payable to NEDs for the year (inclusive of superannuation):

<b>Board Fees</b>	<b>\$</b>
Non-Executive Chair	\$80,000
Non-Executive Director	\$50,000

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. Under the constitution the maximum annual aggregate remuneration is set at \$500,000 as approved by shareholders at the AGM.

***Executive remuneration - Tony Charara***

The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The Company has an Executive Director Agreement with Spark Capital Pty Ltd a company operated by the Executive Director Tony Charara. Effective 1 February 2024, the Executive Director received fixed remuneration of \$200,000 per annum (2023: \$50,000). Under updated Executive Director Agreement, the Executive Director is entitled to a cash bonus payment of up to 20% of base salary for the year to 30 June 2025 subject to a range of performance hurdles related to execution of the TR-987 clinical trials and sales growth for TR Pro+™. Future STIs will be based on the short term objectives of the company in each year ahead. The Executive Director Agreement specifies that the agreement shall continue in force until it is terminated by either party. Either party may terminate the Agreement by providing at least three months written notice.

The executive remuneration and reward framework has three components:

- service fees
- short-term performance incentives
- share-based payments

The combination of these comprises the executive's total remuneration.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives.

The long-term incentives ('LTI') include share-based payments. Options may be awarded to executives over a period of years based on long-term incentive measures. These include increase in shareholders value relative to the entire market and the increase compared to the consolidated entity's direct competitors.

**Details of remuneration**

*Amounts of remuneration*

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

	Short-term benefits		Post-employment benefits	Long-term benefits	Share-based payments		
	Cash salary and fees	Cash bonus	Super-annuation	Long service leave	Option-settled <sup>1</sup>	Share-settled	Total
	\$	\$	\$	\$	\$	\$	\$
<b>2024</b>							
<i>Non-Executive Directors:</i>							
Jack Lowenstein	72,072	-	7,928	-	20,168	-	100,168
Bryan Gray	50,000	-	-	-	20,168	-	70,168
Michael Silberberg	50,000	-	-	-	6,572	-	56,572
<i>Executive Directors:</i>							
Tony Charara	112,500	-	-	-	88,150	-	200,650
	<u>284,572</u>	<u>-</u>	<u>7,928</u>	<u>-</u>	<u>135,058</u>	<u>-</u>	<u>427,558</u>

<sup>1</sup> The value included in the share-based payment options column is calculated using sophisticated financial models. The expense is apportioned from the grant date to the date the options vest. As at the date of this report no KMP options have been exercised and this amount does not represent a cash benefit to the key management personnel.

	Short-term benefits		Post-employment benefits	Long-term benefits	Share-based payments		
	Cash salary and fees	Cash bonus	Super-annuation	Long service leave	Option-settled <sup>5</sup>	Share-settled	Total
	\$	\$	\$	\$	\$	\$	\$
<b>2023</b>							
<i>Non-Executive Directors:</i>							
Jack Lowenstein	72,398	-	7,602	-	43,325	-	123,325
Max Johnston <sup>1</sup>	41,667	-	-	-	38,099	-	79,766
Craig Stamp <sup>1</sup>	37,707	-	3,959	-	38,099	-	79,765
Bryan Gray	50,000	-	-	-	43,325	-	93,325
Michael Silberberg <sup>2</sup>	9,041	-	-	-	1,541	-	10,582
<i>Executive Directors:</i>							
Tony Charara <sup>4</sup>	50,000	50,000	-	-	189,366	-	289,366
	<u>260,813</u>	<u>50,000</u>	<u>11,561</u>	<u>-</u>	<u>353,755</u>	<u>-</u>	<u>676,129</u>

<sup>1</sup> Max Johnston and Craig Stamp resigned 26 April 2023.

<sup>2</sup> Michael Silberberg was appointed 26 April 2023.

<sup>3</sup> Share based payments relate to options that require shareholder approval.

<sup>4</sup> Tony Charara received a bonus which was determined by the Board. Under Tony Charara's service agreement, the Board has complete discretion on awarding any bonus payment.

<sup>5</sup> The value included in the share-based payment options column is calculated using sophisticated financial models. The expense is apportioned from the grant date to the date the options vest. As at the date of this report no KMP options have been exercised and this amount does not represent a cash benefit to the key management personnel.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	2024	2023	2024	2023	2024	2023
<i>Non-Executive Directors:</i>						
Jack Lowenstein	100%	100%	-	-	-	-
Max Johnston <sup>1</sup>	-	100%	-	-	-	-
Craig Stamp <sup>1</sup>	-	100%	-	-	-	-
Bryan Gray	100%	100%	-	-	-	-
Michael Silberberg <sup>2</sup>	100%	100%	-	-	-	-
<i>Executive Directors:</i>						
Tony Charara <sup>3</sup>	80%	50%	20%	50%	-	-

<sup>1</sup> Max Johnston and Craig Stamp resigned 26 April 2023.

<sup>2</sup> Michael Silberberg was appointed 26 April 2023.

<sup>3</sup> Effective 1 February 2024, an updated Executive Director Agreement was signed. Under updated Executive Director Agreement, the Executive Director is entitled to a cash bonus payment of up to 20% of base salary for the year to 30 June 2025 subject to a range of performance hurdles. No cash bonus was paid in current financial year.

### **Share-based compensation**

#### **Issue of shares**

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2024.

#### **Options**

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows. The majority of the options were issued under the former incentive plan and relates to options issued to the founding team over the 9 year period of development activities from 2012-2021.

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Tony Charara	9,540,000	30/12/2018	18/11/2021 <sup>1</sup>	30/12/2033	\$0.2000	\$0.007
Tony Charara	608,758	30/11/2019	18/11/2021 <sup>1</sup>	01/10/2034	\$0.3700	\$0.046
Tony Charara	1,891,242	30/11/2019	18/11/2021 <sup>1</sup>	30/11/2034	\$0.3700	\$0.046
Tony Charara	1,600,000	27/09/2021	27/09/2022 <sup>2</sup>	27/09/2036	\$1.1500	\$0.847
Jack Lowenstein	366,060	27/09/2021	27/09/2022 <sup>2</sup>	27/09/2036	\$1.1500	\$0.847
Bryan Gray	366,060	27/09/2021	27/09/2022 <sup>2</sup>	27/09/2036	\$1.1500	\$0.847
Michael Silberberg <sup>3</sup>	392,753	13/11/2023	27/04/2025 <sup>4</sup>	27/09/2036	\$1.1500	\$0.045

<sup>1</sup> These options vested on IPO and became exercisable as of that date.

<sup>2</sup> The first 25% of these options vested on 27 September 2022. The remaining options vest equally each month until all options are vested by 27 September 2025.

<sup>3</sup> The options were approved by Shareholders at the AGM held on 26 October 2023. The terms remain consistent as outlined in the 2023 Annual Report lodged with the ASX on 31 August 2023. Noting the expiry date in the 2023 Annual Report was incorrect, the expiry date of the options issued is 27 September 2036.

<sup>4</sup> On 26 April 2024, 25% of the options vested. The remaining options vest equally each month until all options are vested by 26 April 2026.

Options granted carry no dividend or voting rights.



### **Additional information**

The earnings of the consolidated entity for the five years to 30 June 2024 are summarised below:

	2024 \$	2023 \$	2022 \$	2021 \$	2020 \$
Sales revenue	152,240	3,076	-	-	-
Loss after income tax	4,138,104	4,174,414	6,837,589	915,228	352,214

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2024	2023	2022 <sup>1</sup>	2021	2020
Share price at financial year end (\$)	0.23	0.27	0.25	-	-
Total dividends declared (cents per share)	-	-	-	-	-
Basic loss per share (cents per share)	6.84	6.90	13.74	5.57	21.50
Diluted loss per share (cents per share)	6.84	6.90	13.74	5.57	21.50

<sup>1</sup> Tissue Repair Limited listed on the ASX during the year ended 30 June 2022 and therefore for years prior the share price at year end is not available.

### **Additional disclosures relating to key management personnel**

#### **Shareholding**

The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Balance on resignation	Balance at the end of the year
<b>Ordinary shares</b>					
Tony Charara	4,895,336	-	-	-	4,895,336
Jack Lowenstein	123,080	-	-	-	123,080
Bryan Gray	68,759	-	-	-	68,759
Michael Silberberg	-	-	-	-	-
	<u>5,087,175</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,087,175</u>

#### **Option holding**

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Balance on resignation	Balance at the end of the year
<b>Options over ordinary shares</b>					
Tony Charara	13,640,000	-	-	-	13,640,000
Jack Lowenstein	366,060	-	-	-	366,060
Bryan Gray	366,060	-	-	-	366,060
Michael Silberberg	-	392,753	-	-	392,753
	<u>14,372,120</u>	<u>392,753</u>	<u>-</u>	<u>-</u>	<u>14,764,873</u>

### **Consequences of performance on shareholder wealth**

In considering the Group's performance and how best to generate shareholder value, the Board has regard to a broad range of factors, some of which are financial and others of which relate to the technical and commercial progress on the Group's projects. The Board has some but not absolute regard to the Group's result and cash consumption for the year. It does not utilise earnings per share as a performance measure and does not contemplate consideration of any dividends in the short to medium term given that all efforts are currently being devoted to obtaining value for the Group's assets. The Group is of the view that any short term, adverse movements in the Company's share price should not necessarily be taken into account in assessing the performance of KMP's.

**This concludes the remuneration report, which has been audited.**



**Tissue Repair Ltd**  
**Directors' report**  
**30 June 2024**

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



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Jack Lowenstein  
Non-Executive Chair

22 August 2024

**Auditor's Independence Declaration  
To the Directors of Tissue Repair Ltd  
ABN 20 158 411 566**

In relation to the independent audit of Tissue Repair Ltd for the year ended 30 June 2024, I declare that to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor's independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

**Rod Shanley**  
Partner**Pitcher Partners**  
Sydney

22 August 2024

**Tissue Repair Ltd**  
**Consolidated statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2024**

	<b>Note</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
		<b>\$</b>	<b>\$</b>
<b>Revenue</b>			
Revenue from contracts with customers		152,240	3,076
Research and development tax incentives		1,638,620	968,579
Interest		743,376	430,157
Net foreign exchange (losses) / gains	6	(3,800)	167,182
Total revenue and other income		<u>2,530,436</u>	<u>1,568,994</u>
<b>Expenses</b>			
Research and development expenses		(3,236,348)	(2,612,158)
Employee benefits expense		(1,646,294)	(1,138,226)
Consulting and professional expenses		(777,539)	(812,680)
Share-based payment expenses		(297,473)	(705,423)
General and administration expenses		(443,094)	(386,506)
Advertising and Marketing		(266,063)	(85,767)
Depreciation and amortisation expense		(1,729)	(2,648)
Total expenses		<u>(6,668,540)</u>	<u>(5,743,408)</u>
<b>Loss before income tax expense</b>		<b>(4,138,104)</b>	<b>(4,174,414)</b>
Income tax expense	7	-	-
<b>Loss after income tax expense for the year attributable to the owners of Tissue Repair Ltd</b>		<b>(4,138,104)</b>	<b>(4,174,414)</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(2,365)	12,723
Other comprehensive income for the year, net of tax		<u>(2,365)</u>	<u>12,723</u>
<b>Total comprehensive income for the year attributable to the owners of Tissue Repair Ltd</b>		<b><u>(4,140,469)</u></b>	<b><u>(4,161,691)</u></b>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	8	(6.84)	(6.90)
Diluted earnings per share	8	(6.84)	(6.90)

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

**Tissue Repair Ltd**  
**Consolidated statement of financial position**  
**As at 30 June 2024**

	<b>Note</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
		<b>\$</b>	<b>\$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	16,441,051	21,396,461
Other receivables	10	2,527,967	829,679
Inventories	11	214,722	20,285
Other current assets	12	202,404	130,784
Total current assets		<u>19,386,144</u>	<u>22,377,209</u>
<b>Non-current assets</b>			
Property, plant and equipment	13	<u>3,434</u>	<u>1,808</u>
Total non-current assets		<u>3,434</u>	<u>1,808</u>
<b>Total assets</b>		<u>19,389,578</u>	<u>22,379,017</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	14	1,235,326	444,770
Provisions	15	<u>101,747</u>	<u>46,027</u>
Total current liabilities		<u>1,337,073</u>	<u>490,797</u>
<b>Non-current liabilities</b>			
Provisions	15	<u>13,831</u>	<u>6,550</u>
Total non-current liabilities		<u>13,831</u>	<u>6,550</u>
<b>Total liabilities</b>		<u>1,350,904</u>	<u>497,347</u>
<b>Net assets</b>		<u>18,038,674</u>	<u>21,881,670</u>
<b>Equity</b>			
Issued capital	16	35,037,623	35,037,623
Reserves	17	1,943,236	1,648,128
Accumulated losses		<u>(18,942,185)</u>	<u>(14,804,081)</u>
<b>Total equity</b>		<u>18,038,674</u>	<u>21,881,670</u>

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

**Tissue Repair Ltd**  
**Consolidated statement of changes in equity**  
**For the year ended 30 June 2024**

	<b>Issued capital \$</b>	<b>Share based payment reserve \$</b>	<b>Foreign currency reserve \$</b>	<b>Accumulated losses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2022	35,037,623	917,891	12,091	(10,629,667)	25,337,938
Loss after income tax expense for the year	-	-	-	(4,174,414)	(4,174,414)
Other comprehensive income for the year, net of tax	-	-	12,723	-	12,723
Total comprehensive income for the year	-	-	12,723	(4,174,414)	(4,161,691)
<i>Transactions with owners in their capacity as owners:</i>					
Share-based payments (note 18)	-	705,423	-	-	705,423
Balance at 30 June 2023	<u>35,037,623</u>	<u>1,623,314</u>	<u>24,814</u>	<u>(14,804,081)</u>	<u>21,881,670</u>
	<b>Issued capital \$</b>	<b>Share based payment reserve \$</b>	<b>Foreign currency reserve \$</b>	<b>Accumulated losses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2023	35,037,623	1,623,314	24,814	(14,804,081)	21,881,670
Loss after income tax expense for the year	-	-	-	(4,138,104)	(4,138,104)
Other comprehensive income for the year, net of tax	-	-	(2,365)	-	(2,365)
Total comprehensive income for the year	-	-	(2,365)	(4,138,104)	(4,140,469)
<i>Transactions with owners in their capacity as owners:</i>					
Share-based payments (note 17, 18)	-	297,473	-	-	297,473
Balance at 30 June 2024	<u>35,037,623</u>	<u>1,920,787</u>	<u>22,449</u>	<u>(18,942,185)</u>	<u>18,038,674</u>

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

**Tissue Repair Ltd**  
**Consolidated statement of cash flows**  
**For the year ended 30 June 2024**

	<b>Note</b>	<b>2024</b> <b>\$</b>	<b>2023</b> <b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		164,801	3,384
Payments to suppliers and employees (inclusive of GST)		(5,828,695)	(5,227,150)
Interest received		712,682	418,796
Research and development tax incentive		-	549,514
Net cash used in operating activities	20	(4,951,212)	(4,255,456)
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(3,355)	(2,244)
Net cash used in investing activities		(3,355)	(2,244)
<b>Cash flows from financing activities</b>			
Net cash from financing activities		-	-
Net decrease in cash and cash equivalents		(4,954,567)	(4,257,700)
Cash and cash equivalents at the beginning of the financial year		21,396,461	25,455,289
Effects of exchange rate changes on cash and cash equivalents		(843)	198,872
Cash and cash equivalents at the end of the financial year	9	<u>16,441,051</u>	<u>21,396,461</u>

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

## **Note 1. General information**

The financial statements cover Tissue Repair Ltd as a consolidated entity consisting of Tissue Repair Ltd and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Tissue Repair Ltd's functional and presentation currency.

Tissue Repair Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 10, 255 Pitt Street, Sydney NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 22 August 2024.

## **Note 2. Material accounting policy information**

The accounting policies that are material to the consolidated entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

### **New or amended Accounting Standards and Interpretations adopted**

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period including AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates ("AASB 2021-2"). These Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

Issued in 30 March 2021, AASB 2021-2 amends AASB Standards to improve accounting policy disclosures and clarify the distinction between accounting policies and accounting estimates. Specifically, AASB 2021-2 amendments clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements. The amendments require entities to disclose their material accounting policy information rather than their significant accounting policies. AASB 2021-2 clarifies how entities should distinguish changes in accounting policies and changes in accounting estimates; aims to identify material accounting policy information as a component of a complete set of financial statements; and provides guidance on how to apply the concept of materiality to accounting policy disclosures. These amendments had no impact in the Company's financial statements, nor is there expected to be any future impact.

### **(a) Basis of preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standard Board and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

Except for cash flow information, the financial report has been prepared on an accruals basis and is based on historical costs, except for selected financial assets for which the fair value basis of accounting has been applied.

### **Critical accounting estimates**

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

**Note 2. Material accounting policy information (continued)**

**(b) Foreign currency translation**

*Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

*Foreign operations*

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

**(c) Revenue recognition**

*Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer.

*Sale of goods*

Revenue from the sale of goods is recognised at transaction price at the point in time when the customer obtains control of the goods, net of any discounts, which is generally at the time of delivery.

*Interest income*

Interest income is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rates which is the rate that exactly discounts the estimated future cash receipts over the expected future life of the financial asset.

**(d) Government grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the profit and loss over the period necessary to match them with the costs that they are intended to compensate.

**(e) Income tax**

Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

**(f) Cash and cash equivalents**

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash on hand and at bank, deposits held at call with financial institutions, other short-term, highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(g) Other receivables**

Other receivables are recognised at amortised cost, less any allowance for credit losses.

**(h) Trade and other payables**

Trade and other payables are measured at amortised cost. These represent liabilities for goods and services provided to the Company prior to the year end and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

**(i) Contributed equity**

Costs directly attributable to the issue of new shares are shown as a deduction from the equity as a deduction proceeds net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

**(j) Rounding of amounts**

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts in the director's report and in the financial report have been rounded to the nearest dollar.



**Note 2. Material accounting policy information (continued)**

**(k) Share-based payments**

Equity-settled benefits are provided to employees and directors.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

**(r) Inventory**

Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

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

**(s) Leases**

For short-term leases and leases of low-value assets, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less. During the period the Company entered into an office lease agreement for a period of 12 months.

**Note 3. Critical accounting judgements, estimates and assumptions**

**(i) Share-based payment transactions**

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Further information about share-based payments is set out in Note 18.

**(ii) Research and development expenditure**

With the successful track record of the Group in obtaining the Research and Development rebate from the ATO, an estimated rebate of \$1,297,400 has been accrued as income for the year ended 30 June 2024 (30 June 2023: \$748,898). Total revenue of \$1,638,620 relating to research and development tax incentive has been recognised in FY24, with the \$341,220 difference relating to FY23 actual refund lodged and received as per note 10. The company is entitled to claim grant credits from the Australian Government in recompense for its research and development program expenditure. The program is overseen by AusIndustry, which is entitled to audit and/or review claims lodged for the past 4 years. In the event of a negative finding from such an audit or review AusIndustry has the right to rescind and clawback those prior claims, potentially with penalties. Such a finding may occur in the event that those expenditures do not appropriately qualify for the grant program. In their estimation, considering also the independent external expertise they have contracted to draft and claim such expenditures, the directors of the company consider that such a negative review has a remote likelihood of occurring.

**(iii) Deferred tax assets**

As per policy (note 2(e)) deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

#### **Note 4. Going concern**

For the period ended 30 June 2024 the entity has incurred a loss after tax of \$4,138,104 (2023: \$4,174,414) and incurred a net cash outflow from operating activities of \$4,951,212 (2023: \$4,255,456). As at 2024, the entity has net assets of \$18,038,674 (2023: \$21,881,670) and cash reserves of \$16,441,051 (2023: \$21,396,461).

The directors are satisfied that at the date of the signing of the financial report, there are reasonable grounds to believe that the company will be able to meet its debts as and when they fall due and that it is appropriate for the financial report to be prepared on a going concern basis.

#### **Note 5. Operating segments**

A segment is a component of the Group entity that earns revenues or incurs expenses whose results are regularly reviewed by the chief operating decision makers and for which discrete financial information is prepared. The Group has no operating segments, management review financial information on a consolidated basis. It has established entities in more than one geographical area, however the activities from these entities comparative to the Group are considered immaterial for the purposes of segment reporting.

#### **Note 6. Net foreign exchange gains**

	2024 \$	2023 \$
Realised exchange losses	(12,940)	(19,300)
Unrealised exchange gains	9,140	186,482
	<u>(3,800)</u>	<u>167,182</u>

#### **Note 7. Income tax expense**

	2024 \$	2023 \$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(4,138,104)	(4,174,414)
Tax at the statutory tax rate of 30%	(1,241,431)	(1,252,324)
Permanent differences	89,544	408,552
Tax effect of accounting R&D tax incentive not deductible	(491,586)	(290,574)
Timing differences	762,544	320,171
Carried forward tax benefit not recognised	880,286	929,645
Foreign entity losses	643	(115,470)
Income tax expense	<u>-</u>	<u>-</u>

The Company has revenue losses of approximately \$8.8m for which no deferred tax asset has been recognised.

The Company has no franking credits currently available for future offset.

**Note 8. Earnings per share**

	2024 \$	2023 \$
Loss after income tax attributable to the owners of Tissue Repair Ltd	<u>(4,138,104)</u>	<u>(4,174,414)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	60,464,843	60,464,843
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>60,464,843</u>	<u>60,464,843</u>
	Cents	Cents
Basic earnings per share	(6.84)	(6.90)
Diluted earnings per share	(6.84)	(6.90)

**Note 9. Cash and cash equivalents**

	30 June 2024 \$	30 June 2023 \$
<i>Current assets</i>		
Cash at bank	9,634,549	7,640,303
Cash on deposit	<u>6,806,502</u>	<u>13,756,158</u>
	<u>16,441,051</u>	<u>21,396,461</u>

The term deposits have maturities ranging from 3 to 12 months. The Company has the ability to terminate a term deposit by providing the institution with notice, typically no longer than 30 days with minor financial penalties and therefore term deposits are considered cash and cash equivalents.

**Note 10. Other receivables**

	30 June 2024 \$	30 June 2023 \$
<i>Current assets</i>		
R&D tax incentive - FY24	1,297,400	-
R&D tax incentive - FY23	1,090,118	748,898
Interest receivable	72,132	41,363
GST receivable	<u>68,317</u>	<u>39,418</u>
	<u>2,527,967</u>	<u>829,679</u>

Receivable relating to the tax incentive outstanding at 30 June 2023 exceeded the estimate by \$341,220, which has been included in income in the current period. R&D tax incentive - FY23 of \$1,090,118 was received on 8 August 2024.

**Note 11. Inventories**

	30 June 2024 \$	30 June 2023 \$
<i>Stock on hand - at cost</i>		
TR Pro+	<u>214,722</u>	<u>20,285</u>

**Note 12. Other current assets**

	30 June 2024 \$	30 June 2023 \$
<i>Current assets</i>		
Prepayments	178,018	109,059
Other current assets	24,386	21,725
	<u>202,404</u>	<u>130,784</u>

**Note 13. Property, plant and equipment**

	30 June 2024 \$	30 June 2023 \$
<i>Non-current assets</i>		
Computer equipment - at cost	9,523	6,168
Less: Accumulated depreciation	(6,089)	(4,360)
	<u>3,434</u>	<u>1,808</u>

**Note 14. Trade and other payables**

	30 June 2024 \$	30 June 2023 \$
<i>Current liabilities</i>		
Trade payables	639,919	82,298
Other payables	61,831	31,898
Accrued expenses	533,576	330,574
	<u>1,235,326</u>	<u>444,770</u>

Amounts are classified as current as they expected to be settled within 12 months.

Refer to note 21 for further information on financial instruments.

**Note 15. Provisions**

	30 June 2024 \$	30 June 2023 \$
<i>Current liabilities</i>		
Annual leave	101,747	46,027
<i>Non-current liabilities</i>		
Long service leave	13,831	6,550
	<u>115,578</u>	<u>52,577</u>

**Note 16. Issued capital**

	30 June 2024 Shares	30 June 2023 Shares	30 June 2024 \$	30 June 2023 \$
Ordinary shares - fully paid	<u>60,464,843</u>	<u>60,464,843</u>	<u>35,037,623</u>	<u>35,037,623</u>

**Note 16. Issued capital (continued)**

*Ordinary shares*

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.

Through a poll, 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.

*Capital risk management*

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

**Note 17. Reserves**

	<b>30 June 2024</b>	<b>30 June 2023</b>
	\$	\$
Foreign currency reserve	22,449	24,814
Share-based payments reserve	1,920,787	1,623,314
	<u>1,943,236</u>	<u>1,648,128</u>

*Foreign currency reserve*

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

*Share-based payments reserve*

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Further information on share based payments can be found at note 18.

**Note 18. Share-based payments**

Set out below are summaries of options granted that are deemed share based payments:

30 June 2024

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Other	Balance at the end of the year
30/12/2018	30/12/2033	\$0.2055	11,240,000	-	-	-	11,240,000
30/11/2019	01/10/2034	\$0.3715	1,265,000	-	-	-	1,265,000
30/11/2019	30/11/2034	\$0.3715	3,930,000	-	-	-	3,930,000
27/09/2021	27/09/2036	\$1.1500	5,519,292	-	-	-	5,519,292
13/11/2023	27/09/2036	\$1.1500	-	392,753	-	-	392,753
27/03/2024	27/03/2036	\$1.1500	-	50,000	-	-	50,000
			<u>21,954,292</u>	<u>442,753</u>	<u>-</u>	<u>-</u>	<u>22,397,045</u>

Weighted average exercise price	\$0.4900	\$1.1500	\$0.0000	\$0.0000	\$0.4900
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30 June 2023

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Other <sup>1</sup>	Balance at the end of the year
30/12/2018	30/12/2033	\$0.2055	11,240,000	-	-	-	11,240,000
30/11/2019	01/10/2034	\$0.3715	1,265,000	-	-	-	1,265,000
30/11/2019	30/11/2034	\$0.3715	3,930,000	-	-	-	3,930,000
27/09/2021	27/09/2036	\$1.1500	6,035,580	-	-	(516,288)	5,519,292
			<u>22,470,580</u>	<u>-</u>	<u>-</u>	<u>(516,288)</u>	<u>21,954,292</u>

Weighted average exercise price	\$0.5000	\$0.0000	\$0.0000	\$1.1500	\$0.4900
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<sup>1</sup> Options lapsed on resignation of Max Johnston and Craig Stamp on 26 April 2023.

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

Grant date	Expiry date	30 June 2024 Number	30 June 2023 Number
30/12/2018	30/11/2033	11,240,000	11,240,000
30/11/2019	01/10/2034	1,265,000	1,265,000
30/11/2019	30/11/2034	3,930,000	3,930,000
27/09/2021	27/09/2036	3,440,917	2,216,108
		<u>19,875,917</u>	<u>18,651,108</u>

On 27 September 2022 for those options granted 27 September 2021 25% vested. The remaining options vest equally each month until all options are vested by 27 September 2025.

The weighted average remaining contractual life of options outstanding at the end of the financial year was 0.44 years (2023: 1.36 years).

For the options granted during the current and prior financial years, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Assumed expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
13/11/2023 <sup>1</sup>	13/11/2028	\$0.2450	\$1.1500	100.00%	-	4.35%	\$0.045 <sup>2</sup>
27/03/2024 <sup>3</sup>	27/03/2029	\$0.2200	\$1.1500	100.00%	-	4.35%	\$0.033

**Note 18. Share-based payments (continued)**

<sup>1</sup> On 26 April 2024, 25% of the options vested. The remaining options vest equally each month until all options are vested by 26 April 2026.

<sup>2</sup> The options were approved by Shareholders at the AGM held on 26 October 2023. The terms remain consistent as outlined in the 2023 Annual Report lodged with the ASX on 31 August 2023. Noting the expiry date in the 2023 Annual Report was incorrect, the expiry date of the options issued is 27 September 2036.

<sup>3</sup> On 27 March 2025, 25% of the options vest. The remaining options vest equally each month until all options are vested by 27 March 2028.

The vesting condition of options is based on service conditions.

**Note 19. Dividends**

There were no dividends paid, recommended or declared during the current or previous financial year.

**Note 20. Reconciliation of loss after income tax to net cash used in operating activities**

	<b>30 June 2024</b>	<b>30 June 2023</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax expense for the year	(4,138,104)	(4,174,414)
Adjustments for:		
Depreciation and amortisation	1,729	2,648
Share-based payments	297,473	705,423
Foreign exchange differences	(1,522)	(186,150)
Change in operating assets and liabilities:		
Increase in other receivables	(1,698,289)	(452,032)
Increase in inventories	(194,436)	(20,285)
Decrease in other assets	(71,620)	(68,348)
Increase/(decrease) in trade and other payables	790,556	(102,929)
Increase in other provisions	63,001	40,631
Net cash used in operating activities	<u>(4,951,212)</u>	<u>(4,255,456)</u>

**Note 21. Financial instruments**

	<b>30 June 2024</b>	<b>30 June 2023</b>
	<b>\$</b>	<b>\$</b>
<b>Financial assets</b>		
Cash	16,441,051	21,396,461
Other current assets (note 12)	24,386	21,725
	<u>16,465,437</u>	<u>21,418,186</u>
<b>Financial liabilities</b>		
Accounts payable and other current liabilities	<u>1,200,599</u>	<u>418,591</u>

**Financial risk management objectives**

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

**Note 21. Financial instruments (continued)**

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

**Market risk**

*Foreign currency risk*

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting. The Group closely monitors the US foreign exchange rate movements.

The Group undertakes transactions denominated in foreign currencies, mainly in US dollars; consequently, exposures to exchange rate fluctuations arise. At 30 June 2024, the Company has cash denominated in US dollars of US\$2,706,071 (2023: US\$3,323,897). The A\$ equivalent at 2024 is \$3,856,126 (2023: \$5,003,496). A 5% movement in foreign exchange rates would increase or decrease the Group's loss before tax by approximately \$202,954 (2023: \$250,175).

*Interest rate risk*

Interest earned on cash at bank is determined in accordance with published bank interest rates. The Group's exposure to interest rate risk is limited to interest received on cash held. The Group conducts a tender process with a number of large Australian banks when considering Term Deposits and new interest bearing accounts. As at 30 June 2024, the Group had cash assets of \$6,806,502 (2023: \$13,756,158) attracting interest at a weighted average interest rate of 4.84% (2023: 4.66%). An increase or decrease of 0.50% in interest rates applied for 12 months to the cash balances at reporting date would have increased or decreased profit or loss by \$34,033 (2023: \$68,781), if all other variables, including foreign currency rates, remain constant.

**Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major counterparties. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The credit risk is on cash held at bank institutions and is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

**Liquidity risk**

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity by maintaining adequate banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

	Carrying amount	Less than 3 months	3-12 months	1 year to 5 years	Total contractual cash flows
Contractual cash flows at 30 June	\$	\$	\$	\$	\$
2024 - Trade and other payables	1,235,326	1,235,326	-	-	1,235,326
2023 - Trade and other payables	444,770	444,770	-	-	444,770

**Fair value of financial instruments**

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value due to their short maturities.



**Note 22. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by , the auditor of the company:

	2024 \$	2023 \$
<i>Audit services -</i>		
Audit or review of the financial statements	77,000	72,500

**Note 23. Parent entity information**

Set out below is the supplementary information about the parent entity.

*Statement of profit or loss and other comprehensive income*

	Parent 30 June 2024 \$	30 June 2023 \$
Loss after income tax	(4,135,961)	(3,651,439)
Total comprehensive income	(4,135,961)	(3,651,439)

The loss after income tax includes an impairment of the intercompany loan to TR Therapeutics Inc of \$NIL (2023: \$653,895).

*Statement of financial position*

	Parent 30 June 2024 \$	30 June 2023 \$
Total current assets	19,370,116	22,356,667
Total assets	19,373,550	22,358,475
Total current liabilities	1,337,072	490,798
Total liabilities	1,350,903	497,348
Equity		
Issued capital	35,037,606	35,037,623
Share-based payments reserve	1,920,788	1,623,314
Accumulated losses	(18,935,747)	(14,799,810)
Total equity	18,022,647	21,861,127

The difference in equity to the consolidated balance sheet relates to the retained earnings of subsidiary TR Therapeutics Inc.

*Guarantees entered into by the parent entity in relation to the debts of its subsidiaries*

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2024.

*Contingent liabilities*

The parent entity had no contingent liabilities as at 30 June 2024.

*Capital commitments - Property, plant and equipment*

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2024.

**Note 23. Parent entity information (continued)**

*Material accounting policy information*

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment

**Note 24. Related party transactions**

*Parent entity*

Tissue Repair Ltd is the parent entity.

*Subsidiaries*

Interests in subsidiaries are set out in note 25.

*Key management personnel*

Disclosures relating to key management personnel are set out below and in the remuneration report included in the directors' report.

	30 June 2024	30 June 2023
Short-term benefits (excluding performance bonus)	284,572	260,813
Short-term benefits - performance bonus	-	50,000
Post-employment benefits	7,928	11,561
Share based payments	135,058	353,755
	<u>427,558</u>	<u>676,129</u>

*Transactions with related parties*

There were no transactions with related parties during the current and previous financial year other than in respect of remuneration arrangements as disclosed above.

*Receivable from and payable to related parties*

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

*Loans to/from related parties*

There were no loans to or from related parties at the current and previous reporting date.

**Note 25. Interests in subsidiaries**

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		30 June 2024 %	30 June 2023 %
TR Therapeutics, Inc.	United States of America	100.00%	100.00%

**Note 26. Commitments and contingencies**

As at 30 June 2024, the Group had entered into a material agreement related to research and development activities, under the agreement, the Group is committed to making payments over future periods, as follows:

	30 June 2024	30 June 2023
During the period 1 July 2023 - 30 June 2024	-	271,433

Where commitments are denominated in foreign currencies, the amounts have been converted to Australian dollars based on exchange rates prevailing as at 30 June 2024.

**Note 27. Events after the reporting period**

Other than those matters referred to in note 10, no matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Tissue Repair Ltd  
Consolidated entity disclosure statement  
As at 30 June 2024

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
Tissue Repair Ltd	Company	Australia	n/a	Australia
TR Therapeutics Inc	Company	USA	100.00%	USA

**Tissue Repair Ltd**  
**Directors' declaration**  
**30 June 2024**

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

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

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

On behalf of the directors



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Jack Lowenstein  
Non-Executive Chair

22 August 2024

**Independent Auditor's Report  
To the Members of Tissue Repair Ltd  
ABN 20 158 411 566****Report on the Audit of the Financial Report***Opinion*

We have audited the financial report of Tissue Repair Ltd ("the Company") and the entity it controlled ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information, the consolidated entity disclosure statement, and the directors' declaration.

In our opinion, the accompanying financial report of Tissue Repair Ltd is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

*Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Company, would be in the same terms if given to the Directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Key Audit Matters*

Key audit matters are those that, in our professional judgement, were of more significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

### *Other Information*

The Directors are responsible for the other information. The other information comprises the information included in the Group's Annual Report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of the Directors for the Financial Report*

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

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

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

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

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

### *Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

*Auditor's Responsibilities for the Audit of the Financial Report*

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



**Report on the Remuneration Report***Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 16 to 21 of the Directors' Report for the year ended 30 June 2024. In our opinion, the Remuneration Report of Tissue Repair Ltd, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

*Responsibilities*

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



**Rod Shanley**  
Partner



**Pitcher Partners**  
Sydney

22 August 2024

**Tissue Repair Ltd**  
**Shareholder information**  
**30 June 2024**

The shareholder information set out below was applicable as at 7 August 2024.

**Distribution of equitable securities**

Analysis of number of equitable security holders by size of holding:

	Ordinary shares	
	Number of holders	% of total shares Issued
1 to 1,000	40	0.04
1,001 to 5,000	236	1.16
5,001 to 10,000	141	1.91
10,001 to 100,000	341	18.77
100,001 and over	73	78.13
	<u>831</u>	<u>100.00</u>
Holding less than a marketable parcel	<u>70</u>	<u>0.10</u>

**Equity security holders**

*Twenty largest quoted equity security holders*

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares Issued
1 SELENE HOLDINGS LTD	5,955,980	9.85%
2 SPARK CAPITAL PTY LIMITED	4,822,260	7.98%
3 CREIGHT INVESTMENTS PTY LTD <987 TRUST A/C>	3,031,720	5.01%
4 WELAS PTY LTD <WALES FAMILY TRUST A/C>	2,317,580	3.83%
5 MARK DEACON-SHAW	2,035,160	3.37%
6 HISHENK PTY LTD	2,000,000	3.31%
7 BANNABY INVESTMENTS PTY LIMITED	1,690,580	2.80%
8 MOORE FAMILY NOMINEE PTY LIMITED	1,217,400	2.01%
9 GIDLEY-BAIRD HOLDINGS PTY LTD	1,055,440	1.75%
10 MR GUY BANDUCCI & MRS LISA MAREE BANDUCCI <KALI SUPER FUND A/C>	1,050,000	1.74%
10 SUPER SECRETY PTY LIMITED <TKOCS SF A/C>	1,050,000	1.74%
11 CREIGHT INVESTMENTS PTY LTD <SCUTT RETIREMENT FUND A/C>	990,540	1.64%
12 WARWICK NETTLE PTY LIMITED <WARWICK NETTLE SUPERANNUATIONFUND A/C>	967,040	1.60%
13 PHYTOSE CORPORATN LIMITED <BOUNDARYONE S/F A/C>	793,940	1.31%
14 TERRENCE JOSEPH CAPLICE	730,440	1.21%
15 CITICORP NOMINEES PTY LIMITED	687,913	1.14%
16 DC SCUTT PTY LTD <DCS PENSION A/C>	642,095	1.06%
17 CINDERELLA MANAGEMENT COMPANY PTY LTD <THE CINDERELLA UNIT A/C>	608,694	1.01%
18 RG RODEN PTY LIMITED	608,680	1.01%
19 MR PAUL MAXWELL BIDE	600,000	0.99%
20 BMY GROUP PTY LTD	543,478	0.90%
Total	<b>33,398,940</b>	<b>55.26%</b>
Total issued capital – selected security class(es)	<b>60,464,843</b>	<b>100.00%</b>

*Unquoted equity securities*

	<b>Number on issue</b>	<b>Number of holders</b>
Options over ordinary shares issued	22,397,045	16

The following person holds 20% or more of unquoted equity securities:

<b>Name</b>	<b>Class</b>	<b>Number held</b>
SPARK CAPITAL PTY LIMITED	Options over ordinary shares issued	13,640,000

**Substantial holders**

Substantial holders in the company are set out below:

	<b>Ordinary shares</b>	
	<b>Number held</b>	<b>% of total shares issued</b>
SELENE HOLDINGS LTD	5,955,980	9.85%
SPARK CAPITAL PTY LIMITED	4,822,260	7.98%
CREIGHT INVESTMENTS PTY LTD <987 TRUST A/C>	3,031,720	5.01%

**Voting rights**

The voting rights attached to ordinary shares are set out below:

*Ordinary shares*

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 are no other classes of equity securities.