

BPH Global Limited

ACN 009 104 330

2024 ANNUAL REPORT

For the year ended 30 June 2024

BPH Global Limited

ACN 009 104 330

DIRECTORS' REPORT

The Directors present their report, together with the financial statements, of BPH Global Limited ("the Company" or "BP8") and the entities it controlled (together referred to as "the Group") for the year ended 30 June 2024.

Directors

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

Yanhua Huang (resigned 19 September 2022, re-appointed 6 July 2023)

Mr Huang is a seasoned businessman and management consultant with almost 20 years of experience, accumulated from working in management consulting firm Accenture and audit firm KPMG, and also from managing companies in the construction, manufacturing and trading industries. Mr Huang graduated from Lancaster University with a Bachelor degree and from the London School of Economics with a Master's degree.

Interests in shares: 20,789,474 ordinary shares
Interests in options: 5,000,000 Options exp 07/07/2027 exercisable at \$0.05

Other directorships in past 3 years: None.

Paul Stephenson

Mr Paul Stephenson was a partner in the Sydney Office of HWL Ebsworth Lawyers (HWLE) for thirteen years before retiring from the partnership in 2017. Mr Stephenson remains a consultant with HWLE. Mr Stephenson specialises in public and private equity fundraising, initial public offerings, backdoor listings and reverse mergers (both in Australia and the United States), and mergers and acquisitions involving both private and listed companies. Mr Stephenson has experience in a large number of industry sectors including resources, oil and gas, retailing, financial markets, and cannabis. Mr Stephenson has acted on many cross-border transactions and has expertise in equity capital markets and M&A transactions involving the USA, UK, China, Indonesia, Singapore, Malaysia, Hong Kong and Israel.

Interests in shares: 11,329,172 ordinary shares
Interests in options: 1,000,000 Options exp 28/02/2027 exercisable at \$0.085
833,333 Options exp 07/07/2027 exercisable at \$0.05
9,333,334 Options exp 11/12/2026 exercisable at \$0.02

Other directorships in past 3 years: None.

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Francesco Cannavo

Mr Cannavo is an experienced public company director with significant business and investment experience working with companies operating across various industry sectors. Mr Cannavo is the founder of Golden Venture Capital, a corporate advisory firm based out of Melbourne, Australia. He has been instrumental in assisting many listed and unlisted companies achieve their growth potential by providing strategic advice on raising investment capital and completing strategic acquisitions. He is an entrepreneur with a strong network of investors and industry contacts in the public company sector in Australia and throughout the Asia-Pacific region. He has extensive experience in capital raisings, investment activities and IPOs.

Interests in shares: 10,498,940 ordinary shares
Interests in options: 1,000,000 Options exp 28/02/2027 exercisable at \$0.1
833,334 Options exp 07/07/2027 exercisable at \$0.05
9,333,334 Options exp 11/12/2026 exercisable at \$0.02

Other directorships in past 3 years:

- Golden Mile Resources Ltd (ASX:G88)
- Lightning Minerals Ltd (ASX: L1M)
- Western Mines Group Ltd (ASX: WMG)
- I-Global Holdings Limited (NSX : IGH) Resigned October 2022
- IBP Petroleum Limited (ASX: IPB) Resigned June 2024
- Lifespot Health (ASX:LSH) Resigned July 2021

Matthew Leonard

Mr Leonard is an accomplished and internationally proven business development professional. With over 12 years of outstanding record of achievement in demanding, complex and highly competitive markets. He possesses expertise across advertising, marketing and media event management sectors, with recent focus on linking opportunities with high net worth individuals throughout Asia. Mr Leonard is also a member of Golden Venture Capital which provides corporate advisory and consultancy services. In this role, Mr Leonard has assisted a number of companies to raise capital throughout Asia and Australia.

Interests in shares: 6,166,667
Interests in options: 1,000,000 Options exp 28/02/2027 exercisable at \$0.1
833,334 Options exp 07/07/2027 exercisable at \$0.05
5,333,334 Options exp 11/12/2026 exercisable at \$0.02

Other directorships in past 3 years:

- Agri Skylight Ltd (NSX: AGS)
- GO-DX Ltd (NSX: GD8)

Philip Huanqing Gu (resigned 28 November 2023)

Company Secretaries

Justyn Stedwell (appointed 10 April 2024)

Mr Stedwell has over 17 years's experience as Company Secretary of ASX listed companies and has also served as Non-Executive Director on several ASX listed company boards. He holds a Bachelor of Commerce from Monash University, a Graduate Diploma of Accounting from Deakin University and a Graduate Diploma in Applied Corporate Governance from the Governance Institute of Australia.

Elizabeth Spooner (Joint Company Secretary) (resigned 18 January 2024)

Shelby Coleman (Joint Company Secretary) (appointed 18 January 2024, resigned 10 April 2024)

Belinda Cleminson (Joint Company Secretary) (resigned 10 April 2024)

Principle activities

BPH Global Limited is a plant-focused biotechnology company with focus on producing foods, health and cosmetic products which deliver Traditional Chinese Medicine (TCM)-based health outcomes. It focuses on the research & development, production and commercialisation of TCM products, including raw bird's nest and processed bird's nest products, raw seaweeds and sea plants as sustainable plant-based protein foods and nutraceutical and pharmaceutical ingredients extracted from seaweeds and sea plants for utilisation in the food, nutrition, healthcare, health supplements, cosmetics and personal care industries.

The Company's current product focus is on:

- raw bird's nests;
- higher-end processed bird's nest products; and
- Sea Grapes (*Caulerpa Lentillifera*) and seaweeds.

The Company's key markets are identified as China, Singapore, Australia and Southeast Asia.

Review of Operations

Following on from the 2023 Financial Year, the Company took additional steps during the financial year ending 30 June 2024 (FY24) to restructure and expand its operations including:

- further restructuring of the Board with Michael (Yanhua) Huang re-joining the Board to drive the Company's China based business activities;
- ongoing conduct of a rigorous assessment of the Company's business operations, employees' competencies, organisational culture, and financial position; and
- the continued implementation of a variety of cost-saving measures.

The savings realised through these efforts are reinvested in key operational areas of the Company's business. This focused approach to cost reduction and strategic capital utilisation has and will yield tangible results for the Company and will remain a focus of the Company's Board.

Operational decisions as outcomes of this business review process in FY24 include:

- completion of the acquisition of Foshan Gedishi Biotechnology Co Ltd (**Foshan Gedishi**), the China-based company that conducts the sales of raw bird's nests and bird's nest products in China via China Tobacco in the Guangzhou region, and social media influencers on Douyin, the Chinese version of TikTok;
- execution of a renewed sales agreement with China Tobacco for the sale of the Company's bird's nest products in China Tobacco stores in the Guangzhou region;
- execution of a framework supply agreement with China-based company Guangzhou Xiao Li Pin Biotechnology Co Ltd for the supply of bird's nest products to Foshan Gedishi for on-sale into the Chinese market;
- ongoing engagement of Gaia Mariculture Pte Ltd to manage the Company's research and development program;
- sale of the Company's floating platform in the East Johor Strait; and
- termination of the lease for the R&D facility at the Singapore Marine Aquaculture Centre on St John's Island.

The Group recorded revenue from continuing operations of \$109,965 (FY2023: \$339) and a net loss of \$2,163,076 (FY2023: net loss \$3,626,728) from continuing operations. The increase in revenue is due to the sales of bird's nest products in China. while the decrease in losses is mainly from decrease in staff cost and impairment expenses.

At year end, the Group has a cash balance of \$133,619 (FY2023: \$510,217).

During the 2024 financial year, the Company raised approximately \$691,600 of cash (after costs) via shares and convertible notes placements.

Significant changes in the state of affairs

The following significant changes in the state of affairs of the Group during 2024 financial year:

- **China-based bird's nest business:**

- **Acquisition of Foshan Gedishi Biotechnology Co Ltd:** The Company completed the acquisition of Foshan Gedishi in December 2023. Foshan Gedishi is now a wholly owned subsidiary of the Company. Foshan Gedishi is the China-based company that conducts the sales of raw bird's nests and bird's nest products in China via China Tobacco in the Guangzhou region, and social media influencers on Douyin, the Chinese version of TikTok.
- **China Tobacco:** Following the Company's acquisition of Foshan Gedishi in the December quarter, the Company announced in February 2024 the renewal of the two (2) sales and distribution agreements from 2023 between the Company's now wholly owned subsidiary Foshan and two (2) wholly owned subsidiaries of China Tobacco based in Guangzhou City in the Province of Guangdong. The two wholly owned subsidiaries are Guangzhou Gold Leaves Franchise Co Ltd (**Golden Leaves**) and Guangzhou City Twenty Sticks Commercial Franchise Co Ltd (**Twenty Sticks**).
- **Guangzhou Xiao Li Pin Biotechnology Co Ltd:** After the renewal of the China Tobacco agreement, the Company focused on securing new bird's nest products supply arrangements. In June 2024 the Company entered into a framework supply agreement with China-based company Guangzhou Xiao Li Pin Biotechnology Co Ltd for the supply of bird's nest products to Foshan Gedishi for on-sale into the Chinese market (**Guangzhou Xiao Li Pin Supply Agreement**). The Guangzhou Xiao Li Pin Supply Agreement is a single-supplier framework agreement, pursuant to which Foshan Gedishi places orders for a variety of bird's nest products as and when Foshan Gedishi requires on terms set out in the supply agreement and as otherwise varied by the agreed terms of a purchase order.

- **Seaweed activities:**

- **Singapore activities:** BP8 has developed cultivation methods and nutraceutical extraction technologies to extract proteins, polysaccharides and bioactive ingredients from seaweed for infusion into topical creams and foods for TCM – based health outcomes. The Company continues to work with Gaia Mariculture Pte Ltd to manage the Company's research and development program.
- **Intellectual Property and Assets:** The Company owns various proprietary biotechnology, including macroalgae seed bank, macroalgae proprietary precision cultivation system and key downstream extraction technologies. The Company is constantly seeking opportunities to create operational opportunities to commercialise its intellectual property.
- **Battery manufacturing and energy industries:** In March 2024 the Company announced that it was expanding its R&D program to include R&D into the extraction of individual macro minerals and micro minerals from seaweed and sea plant biomass, to enable the sale of those macro and micro minerals to the commodities markets, and to industry specific markets such as the battery industry, and thereby create additional revenue streams for the Company. The Company considered both pyrolytic and non-pyrolytic/low heat extractive strategies to determine the highest yield of targeted essential minerals and chemical compounds out of selected seaweed species. In June, the Company reported on its review and refinement of its R&D program. In doing so, the Company considered factors such as environmental impacts and benefits; development costs; prospects of achieving proof of concept; and the likelihood of successful commercialisation. The Company announced that it has decided to focus its R&D on the non-pyrolytic/low heat process of fermentation (Anaerobic Digestion) as its preferred extractive strategy. The process of fermentation produces an intermediate liquid product from which essential minerals (and nutraceuticals) can be extracted.
- **Bio-fuel:** The Company also reported that a by-product of the fermentation process is the production of biogases, principally biohydrogen and biomethane. Consequently, the Company has decided it will expand the focus its energy related R&D program to include the production and extraction of biohydrogen/biogases in addition to the extraction of minerals and chemicals.

Other than the matters mentioned or otherwise announced to the ASX, no other significant changes in the Group's state of affairs occurred during the financial year.

Events subsequent to the end of the reporting date

Refer to Note 24 to the Financial Statements.

Future development, prospects and business strategies

The Group's future development, prospects and business strategies are addressed in the "Significant changes in state of affairs" section above.

Environmental issues

The Group is not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia, Singapore and China.

Dividends paid, recommended or declared

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Options

The terms and conditions of each grant of options affecting the current or a future reporting period are as follows:

Options	Number
Options to Directors, exercisable at \$0.05 per option, expiring on 05 Dec 2028 (BP8OPT)	1,020,000
Options to Directors, exercisable at \$0.05 per option, expiring on 16 Dec 2024 (BP8OPT01)	100,000
Options to Directors, exercisable at \$0.05 per option, expiring on 18 Dec 2025 (BP8OPT02)	1,000,000
Options to Director, exercisable at \$0.25 per option, expiring on 01 Nov 2027 (BP8OPT05)	5,000,000
Options to Director, exercisable at \$0.1 per option, expiring on 28 Feb 2027 (BP8OPT08)	1,000,000
Options to Director, exercisable at \$0.085 per option, expiring on 28 Feb 2027 (BP8OPT09)	1,000,000
Options to consultant, exercisable at \$0.125 per option, expiring on 28 Feb 2025 (BP8OPT10)	3,000,000
Options to consultant, exercisable at \$0.25 per option, expiring on 28 Feb 2025 (BP8OPT11)	1,500,000
Options to consultant, exercisable at \$0.375 per option, expiring on 28 Feb 2025 (BP8OPT12)	500,000
Options to Directors, exercisable at \$0.05 per option, expiring on 28 Feb 2027 (BP8OPT13)	100,000
Options to placement investors and manager, exercisable at \$0.009 per option, expiring on 01 Sep 2025 (BP8OPT14)	5,533,338
Listed options to placement investors and manager, exercisable at \$0.05 per option, expiring on 07 Jul 2027 (BP8O)	44,166,876
Options to placement investors and manager, exercisable at \$0.02 per option, expiring on 11 Dec 2026 (BP8OPT15)	121,694,054
TOTAL	185,614,268

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

No shares were issued on them being exercised during the year.

Meetings of Directors

The number of Director Meetings held during the year, and the number of meetings attended by each Director is as follows:

Directors' Name	Board Meetings	
	Number of meetings the Director was eligible to attend	Number of meetings the Director attended
Philip Huanqing Gu (resigned 28/11/2023)	0	0
Yanhua Huang (resigned 19/9/2022, reappointed 6/7/2023)	4	0
Paul Stephenson	4	4
Francesco Cannavo	4	4
Matthew Leonard	4	4

Indemnifying Directors, officers or auditor

During the year, the Company paid a premium to insure officers of the Group. The officers covered by the insurance policy include all Directors. The Contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Company.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer or auditor of the Group against a liability incurred as such by an officer or auditor.

Proceedings on behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

Remuneration Report (Audited)

This report outlines the remuneration arrangements in place for Directors and key management personnel of BPH Global Limited and its controlled entities.

Principles of compensation

The Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors and senior executives. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions, with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

Remuneration of Directors and executives is referred to as compensation as defined in AASB 124.

Compensation levels for key management personnel of the Group are competitively set to attract and retain appropriately qualified and experienced Directors and executives.

The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The compensation structures take into account:

- the capability and experience of the key management personnel;
- the key management personnel's ability to control the relevant segments' performance;
- the Group's performance including:
 - the Group's earnings;
 - the growth in share price and delivering constant returns on shareholder wealth; and
 - The amount of incentives within each key management person's compensation.

Compensation packages include a mix of fixed and variable compensation and short- and long-term performance-based incentives.

In addition to their salaries, the Group also provides non-cash benefits to its key management personnel, and contributes to post-employment superannuation plans on their behalf.

Fixed remuneration

Fixed compensation consists of base compensation (which is calculated on a total cost basis) to the Group, as well as employer contributions to superannuation funds.

Compensation levels are reviewed annually through a process that considers individual, segment and overall performance of the Group.

Performance-linked remuneration

Performance-linked compensation includes both short-term and long-term incentives and is designed to reward key management personnel for meeting or exceeding their financial and personal objectives. The short-term incentive (STI) is an "at risk" bonus provided in the form of cash, while the long-term incentive (LTI) is provided as options over ordinary shares of the Group under the rules of the Employee Share Option Plan.

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Long-term incentive

Options may be issued under the Employee Share Option Plan and it provides for key management personnel to receive options over ordinary shares for no consideration.

The ability to exercise the options may be conditional on the Group achieving certain performance hurdles. The performance hurdles comprise the Group reaching and exceeding its budgeted profit forecast.

Short-term incentive bonus

Financial and non-financial objectives are used to determine key management personnel performance.

No use was made of remuneration consultant during the year.

Directors' and key managements' remuneration

Details of the nature and amount of each element of the remuneration of each Director and key management of the Group as at 30 June 2024 and 30 June 2023 are shown in the tables below:

2024 Group Remuneration									
Directors	Short Term Employee Benefits		Post-Employment Benefits: Superannuation (\$)	Other short-Term Benefits Annual Leaves (\$)	Termination Benefits (\$)	Cash bonus (\$)	Share-Based Payments (\$)	Total (\$)	Performance Based pay as a Percentage of Remuneration
	Cash Salary & Fees (\$)	Non-Monetary Benefits (\$)							
Matthew Leonard ^{1,4}	122,457	-	7,315	9,100	-	-	-	138,872	0%
Yanhua Huang ⁶	120,000	-	-	-	-	-	-	120,000	0%
Paul Stephenson ²	120,000	-	3,465	-	-	-	-	123,465	0%
Francesco Cannavo ³	120,000	-	6,215	9,100	-	-	-	135,315	0%
TOTAL	482,457	-	16,995	18,200	-	-	-	517,652	

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2023 Group Remuneration									
Directors	Short Term Employee Benefits		Post-Employment Benefits: Superannuation (\$)	Other short-Term Benefits Annual Leaves (\$)	Termination Benefits (\$)	Cash bonus (\$)	Share-Based Payments (\$)	Total (\$)	Performance Based pay as a Percentage of Remuneration
	Cash Salary & Fees (\$)	Non-Monetary Benefits (\$)							
Matthew Leonard ^{1,4}	110,000	-	3,150	2,275	-	-	-	115,425	0%
Philip Huanqing Gu ⁸	123,200	-	9,895	15,577	-	-	-	148,672	0%
Chow-Yee Koh ⁵	140,000	-	5,250	30,560	-	-	-	175,810	0%
Yanhua Huang ⁶	15,000	-	-	-	-	-	-	15,000	0%
Qi Lu ⁶	9,000	-	-	-	-	-	-	9,000	0%
Paul Stephenson ²	178,500	-	2,363	-	-	-	-	180,863	0%
Paul Rosen ⁷	54,000	-	-	-	-	-	262,319	316,319	83%
Francesco Cannavo ³	186,000	-	315	2,275	-	-	-	188,590	0%
TOTAL	815,700	-	20,973	50,687	-	-	262,319	1,149,679	

¹ Matthew Leonard was appointed as Director on 30 March 2023.

² Included in the cash salary and fees are professional fees of \$Nil (2023: \$135,000) paid to Director related companies.

³ Included in the cash salary and fees are professional fees of \$Nil (2023: \$135,000) paid to Director related companies.

⁴ Included in the cash salary and fees are professional fees of \$Nil (2023: 80,000) paid to Director related companies.

⁵ Chow Yee Koh resigned as Director on 31 March 2023.

⁶ Yanhua Huang and Qi Lu have as Directors resigned on 19 September 2022. Yanhua Huang was reappointed on 6 July 2023

⁷ Paul Rosen resigned as Director on 12 May 2023.

⁸ Philip Huanqing Gu resigned as Director on 28 November 2023.

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Service agreements

Remuneration and other terms of employment for the Directors and other Key Management Personnel are formalised in a Service Agreement. The major provisions of the agreements relating to remuneration are set out below:

Director	Base Salary/Fees	Terms of agreement	Notice Period
<u>Executive Directors</u>			
Francesco Cannavo	AUD120,000	*	4 months
Matthew Leonard	AUD120,000	*	4 months
<u>Non-executive Directors</u>			
Yanhua Huang	AUD120,000	*	None
Paul Stephenson	AUD120,000	*	None

*Each Director other than the Managing Director, must not hold office (without re-election) past the third annual general meeting of the Company following the Director's appointment or three years following that Director's last election or appointment (whichever is the longer). However, a Director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the Company. At each annual general meeting a minimum of one Director or one third of the total number of Directors must resign. A Director who retires at an annual general meeting is eligible for re-election at that meeting.

Voting and comments made at the company's 2023 Annual General Meeting ('AGM')

At the 2023 AGM, 96.93% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2023. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Directors' shareholdings and option holding

The table below shows the holdings of each Director in number and percentage as at 30 June 2024.

Shareholding

Director	Balance at start of the year or at date of appointment	Net changes during the year	Balance at end of the year
Yanhua Huang	78,947,368	(58,157,894)*	20,789,474
Paul Stephenson	5,812,528	5,516,644*	11,329,172
Francesco Cannavo	1,661,366	8,837,574*	10,498,940
Matthew Leonard	-	6,166,667*	6,166,667
Philip Huanqing Gu	108,500,000	(108,500,000)	-

Option holding

Director	Balance at start of the year or at date of appointment	Net changes during the year	Balance at end of the year (vested and exercisable)
Yanhua Huang	-	5,000,000*	5,000,000
Paul Stephenson	5,000,000	6,166,668*	11,166,668
Francesco Cannavo	5,000,000	6,166,668*	11,166,668
Matthew Leonard	-	7,166,668*	7,166,668
Philip Huanqing Gu	-	-	-

* Includes consolidation of shares and option

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Share based remuneration

No options of the Company were issued to Directors as remuneration during the year ended 30 June 2024.

Additional information

The losses of the group for the five years to 30 June 2024 are summarised below:

	2024	2023	2022	2021	2020
Revenue	109,965	339	494,005	8,495,417	730,356
EBITDA	(2,815,835)	(4,592,402)	(2,818,084)	(2,163,597)	(1,445,817)
EBIT	(2,815,835)	(4,611,894)	(2,945,052)	(2,536,512)	(1,464,312)
Loss after income tax	(2,836,246)	(4,611,894)	(2,945,052)	(2,536,512)	(1,464,312)

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

	2024	2023	2022	2021	2020
Share price at financial year end (A\$)	0.003	0.015	-*	0.08	0.013
Total dividend declared (cents per share)	-	-	-	-	-
Basic earnings per share attributable to owner (cents per share)	(0.17)	(2.07)	(0.35)^	(0.36)^	(0.22)^

* Shares under suspension

^ Unadjusted for the impact of the share consolidation which took place in FY 2024.

End of the audited remuneration report

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Non-Audit Services

During the year HLB Mann Judd, in addition to their statutory audit duties, provided taxation services to BPH Global Limited. Fees of \$3,500 (2023: \$3,500) were paid for the provision of taxation services by an Australian based HLB Mann Judd network firm.

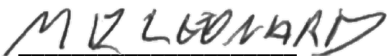
The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are of the opinion that the services do not compromise the auditor's independence as all non-audit services have been reviewed 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 APES110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2024 has been received and can be found on page 14 of the Annual Report.

This Report of the Directors, incorporating the audited Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

Signed by



Matthew Leonard

Director

Dated: 30 September 2024

Auditor's independence declaration

As lead auditor for the audit of the consolidated financial report of BPH Global Limited and its controlled entities for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

This declaration is in relation to BPH Global Limited and the entities it controlled during the year.



HLB Mann Judd
Chartered Accountants

Melbourne
30 September 2024



Jude Lau
Partner

CORPORATE GOVERNANCE STATEMENT

The board of Directors is responsible for the corporate governance of BPH Global Limited ("the Company"). The board of Directors has established a corporate governance framework which follows the recommendations as set out in the ASX Corporate Governance Council's Principles and Recommendations 4th edition ("Principles and Recommendations").

The Company has followed each recommendation where the board has considered the recommendation to be the appropriate benchmark for the Company's corporate governance practises. Where the Company's corporate governance practises follow a recommendation, the board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where the Company's corporate governance practises do not follow a recommendation, the board explained its reasons for not following the recommendation and disclosed what, if any, alternative practises the Company has adopted instead of those in the recommendation.

The Company's corporate governance framework is dated and approved by the board on 30 September 2024 and can be viewed on the Company's website <http://bphglobal.com.au/corporate-governance/>.

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year ended 30 June 2024

		2024 \$	2023 \$
Revenue	3	109,965	339
Cost of Sales		(91,695)	-
Gross profit		18,270	339
Other revenue and income		65	37
Staff costs and directors' fees		(703,547)	(1,352,929)
Professional fees		(475,556)	(586,169)
Research expenses		-	(49,922)
Depreciation and amortisation		-	(19,492)
Impairment of inventory, receivables, intangibles and PPE	4	(407,477)	(1,166,775)
Marketing and travel		(258,748)	(124,333)
Administrative expenses		(277,339)	(327,484)
Loss on conversion of liabilities into equities		(38,333)	-
Interest expense		(20,411)	-
Loss before income tax expense		(2,163,076)	(3,626,728)
Income tax expense	5	-	-
Loss for the year from continuing operations		(2,163,076)	(3,626,728)
Loss from discontinued operation	27	(673,170)	(985,166)
Loss for the year		(2,836,246)	(4,611,894)
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Translation of foreign subsidiary		(10,778)	(44,203)
Total comprehensive loss for the year		(2,847,024)	(4,656,097)

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year ended 30 June 2024

(continued)

		2024 \$	2023 \$
Loss attributable to:			
Owners		(2,651,814)	(4,827,968)
Non-controlling interest		(184,432)	216,074
		<u>(2,836,246)</u>	<u>(4,611,894)</u>
Total comprehensive loss attributable to:			
Owners			
- Continuing operations		(2,128,373)	(3,557,771)
- Discontinued operation		(534,219)	(1,265,429)
		<u>(2,662,592)</u>	<u>(4,823,200)</u>
Non-controlling interest			
- Continuing operations		(45,481)	(15,022)
- Discontinued operation		(138,951)	182,124
		<u>(184,432)</u>	<u>167,103</u>
		<u>(2,847,024)</u>	<u>(4,656,097)</u>
Loss per share from continuing operations attributable to owner			
Basic (cents per share)	6	(0.13)	(1.55)
Diluted (cents per share)	6	(0.13)	(1.55)
Loss per share from discontinued operations attributable to owner			
Basic (cents per share)	6	(0.03)	(0.52)
Diluted (cents per share)	6	(0.03)	(0.52)
Loss per share attributable to owner			
Basic (cents per share)	6	(0.17)	(2.07)
Diluted (cents per share)	6	(0.17)	(2.07)

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

Consolidated Statement of Financial Position as at 30 June 2024

	Note	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		133,619	510,217
Trade and other receivables	7	99,355	21,508
Other assets	8	1,206	97,806
Inventory	9	49,284	-
TOTAL CURRENT ASSETS		283,464	629,531
NON CURRENT ASSETS			
Plant and equipment	10	-	633,440
Intangible assets	11	1	1
Investment at fair value through profit or loss		-	210,000
TOTAL NON CURRENT ASSETS		1	843,441
TOTAL ASSETS		283,465	1,472,972
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	1,402,134	1,267,709
Employee benefit provision		46,050	14,200
Convertible Notes		254,321	-
TOTAL CURRENT LIABILITIES		1,702,505	1,281,909
TOTAL LIABILITIES		1,702,505	1,281,909
NET (LIABILITIES) / ASSETS		(1,419,040)	191,063

Consolidated Statement of Financial Position as at 30 June 2024

(continued)

	Note	2024 \$	2023 \$
EQUITY / (NET DEFICIENCY)			
Contributed equity	14	78,879,134	78,188,156
Option reserve	15	1,890,000	3,100,005
Retained earnings		(82,204,013)	(81,308,147)
Foreign currency translation reserve		29,342	40,120
(NET DEFICIENCY) / EQUITY ATTRIBUTABLE TO SHAREHOLDERS		(1,405,537)	20,134
Non-controlling interest		(13,503)	170,929
TOTAL (DEFICIT) / EQUITY		(1,419,040)	191,063

The Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity for the year ended 30 June 2024

	<-----Attributable to owners of BP8 Global Ltd----->					
	Contributed Equity	Option reserve	Retained Earnings	Foreign currency translation reserve	Non- controlling interest	Total
	\$	\$	\$	\$	\$	\$
Balance at 30 June 2022	76,875,145	4,203,993	(78,119,379)	84,323	1,676,241	4,720,323
Transactions with equity holders in their own capacity						
<i>Placements</i>	1,385,073	151,933	—	—	—	1,537,006
<i>Capital raising costs</i>	(127,062)	85,000	—	—	—	(42,062)
<i>Fair value of options vested during the year</i>	—	358,029	—	—	—	358,029
<i>Fair value of shares/options issued to advisors</i>	55,000	25,250	—	—	—	80,250
<i>Cancellation/Expiry of options</i>	—	(1,724,200)	1,639,200	—	—	(85,000)
	1,313,011	(1,103,988)	1,639,200	—	—	1,848,223
Total comprehensive loss	—	—	—	—	(1,721,386)	(1,721,386)
Loss of non-controlling interest on disposal of subsidiary	—	—	(4,827,968)	(44,203)	216,074	(4,656,097)
Balance at 30 June 2023	78,188,156	3,100,005	(81,308,147)	40,120	170,929	191,063
Transactions with equity holders in their own capacity						
<i>Placements</i>	798,479	384,604	—	—	—	1,183,083
<i>Conversion of convertible notes into shares and options</i>	44,672	90,168	—	—	—	134,840
<i>Capital raising costs</i>	(152,173)	—	—	—	—	(152,173)
<i>Fair value of options vested during the year</i>	—	71,171	—	—	—	71,171
<i>Cancellation/Expiry of options</i>	—	(1,755,948)	1,755,948	—	—	—
	690,978	(1,210,005)	1,755,948	—	—	1,236,921
Total comprehensive loss	—	—	(2,651,814)	(10,778)	(184,432)	(2,847,024)
Balance at 30 June 2024	78,879,134	1,890,000	(82,204,013)	29,342	(13,503)	(1,419,040)

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows for the year ended 30 June 2024

		2024 \$	2023 \$
CASH FLOWS RELATING TO OPERATING ACTIVITIES			
Receipts from customers		109,966	4,685,275
Payment to suppliers and employees		(1,350,138)	(6,009,867)
Interest income		65	37
Interest paid		-	(13,757)
Interest paid on lease liabilities		-	(1,319)
Total cash used in operating activities	17	(1,240,108)	(1,339,631)
CASH FLOWS RELATING TO INVESTING ACTIVITIES			
Payment for plant and equipment		-	(147,119)
Net proceeds from disposal of subsidiary	27B	185,714	65,082
Cash acquired on acquisition of subsidiary	28	266	-
Total cash from/(used in) investing activities		185,980	(82,037)
CASH FLOWS RELATING TO FINANCING ACTIVITIES			
Proceeds from issue of shares and other equity securities, net of costs		321,850	1,490,194
Proceeds from issue of convertible notes		368,750	-
Repayment of lease liabilities		-	(22,878)
Proceeds from borrowings		13,152	10,700
Repayment of borrowings		-	(94,517)
Total cash from financing activities		703,752	1,383,499
Net decrease in cash and cash equivalents		(350,376)	(38,168)
Cash and cash equivalents at beginning of financial year		510,217	624,962
Foreign currency translation differences		(26,222)	(76,577)
Cash and cash equivalents at end of financial year		133,619	510,217

The Statement of Cash Flows should be read in conjunction with the accompanying notes

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION**

These financial statements consist of BPH Global Limited (“the Company”) and its controlled entities (“the Group” or “the consolidated entity”).

The Company is a company domiciled in Australia, and is a listed public and for-profit Company trading on the Australian Securities Exchange.

The Company’s registered office is at Block Arcade, Office 324, Level 3, 96 Elizabeth Street, Melbourne, VIC 3000, Australia.

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (‘AASBs’) (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board (‘AASB’) and the Corporations Act 2001. International Financial Reporting Standards (‘IFRSs’) form the basis of Australian Accounting Standards (‘AASBs’) adopted by the AASB. The financial report of the Group complies with IFRSs and interpretations adopted by the International Accounting Standards Board.

(b) Basis of Presentation

This consolidated entity disclosure statement has been prepared in accordance with the s295(3A)(a) of the Corporations Act 2001 and includes the required information for GO-Dx Corporation (Aust) Ltd and the entities it controls in accordance with AASB 10 Consolidated Financial Statements.

The financial report is presented in Australian dollars, which is the Company’s functional currency.

The financial report has been prepared on an accruals basis and is based on historical cost convention.

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Details of key accounting estimates and judgements are in Notes 11, 15, 27 and 28 to the financial statements.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(c) New, revised or amending Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (“AASB”) that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**(d) Principles of consolidation****Subsidiaries**

Subsidiaries are entities controlled by the Company. Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Investments in subsidiaries are carried at their cost of acquisition in the Company's financial statements.

Transactions eliminated on consolidation

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

(e) Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 29.

(f) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(g) Goods and services tax and other similar taxes

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(h) Income tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(i) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, short term bills and at call deposits.

(k) Trade and other receivables

Trade and other receivables, which generally have 60 day terms, are recognised and carried at original invoice amount less any allowance for expected credit losses. The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade and other receivables have been grouped based on days overdue. Trade and other receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets.

(l) Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated selling expenses.

The cost of inventories is based on the weighed average principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

(m) Plant and equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

(n) Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Machines are depreciated over their estimated useful life, being 10 years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**(o) Impairment of non-financial assets**

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(p) Financial instruments**Recognition and Initial Measurement**

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Financial instruments are classified and measured as set out below.

De-recognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(q) Trade and other payables

Trade and other payables are stated at their fair value at inception and recorded at amortised cost subsequent to initial recognition. Trade payables are non-interest bearing and are normally settled according to term.

(r) Interest bearing borrowings

Interest-bearing borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

(s) Share capital**Ordinary share capital**

Issued and paid up capital is recognised at the fair value of the consideration received by the Company.

Transaction costs

Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**(t) Employee benefits**

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

(u) Earnings/(Loss) per share***Basic earnings/(Loss) per share***

Basic earnings per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings/(Loss) per share

Diluted earnings per share adjust the figures used to determine basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(v) Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill

Goodwill arises on the acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or group of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**(w) Revenue and income recognition*****Revenue from contracts with customers***

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Sale of products or goods

Revenue from goods or product sales is recognized when the Group transfers control of the product. Control of the product transfers upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the product shipped.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest revenue over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(x) Contract liabilities

Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**(y) Share based payments**

Equity-settled share-based compensation is provided to employees and non-employees.

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

The cost of equity-settled transactions are measured at fair value on grant date for employees and measurement date for non-employees. Fair value is determined using Black-Scholes option pricing model.

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.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

(z) Foreign currency translation***Foreign currency transactions***

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

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.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

(aa) Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**NOTE 2: GOING CONCERN**

During the year ended 30 June 2024, the consolidated entity incurred a loss after income tax of \$2,163,076 (2023: \$3,626,728) from continuing operations and net cash outflows from operating activities of \$1,240,108 (2023: \$1,339,631). At 30 June 2024, the consolidated entity had \$133,619 (2023: \$510,217) in cash.

Since the end of the financial year, the Company received a further \$130,000 in debt funding.

The ability of the consolidated entity to continue as a going concern depends on the consolidated entity managing its cash outflow and generating additional cash inflows from:

- Generating sufficient revenue in excess of expenses from sales;
- The receipt of debt funding; or
- The receipt of equity funding which is currently being planned.

The Group has a demonstrated record of raising additional capital and the Board has a reasonable expectation that the Company will be able to successfully raise funds over the 12-month period ending 30 September 2025.

Accordingly, there is material uncertainty that may cast doubt on the consolidated entity's ability to continue as a going concern. No adjustments have been made in relation to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

NOTE 3: REVENUE

	2024 \$	2023 \$
Revenue from contracts with Customers		
Sale of birdnest related products	109,965	-
Sale of hemp related products	-	339
	109,965	339

The Group derives its revenue from contracts with customers for the transfer of goods at a point in time for all its revenue lines.

Geographical region	2024 \$	2023 \$
China	109,965	339
	109,965	339

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**NOTE 4: EXPENSES**

Amounts included in Profit or Loss:	2024 \$	2023 \$
(4a) Impairment		
Receivables	19,627	51,136
Intangibles	387,850	1,010,559
Plant and equipment	-	81,144
Inventory	-	23,936
	<u>407,477</u>	<u>1,166,775</u>
(4b) Share based payments		
Vested portion of options to a director^	-	262,319
Vested portion of options to a former director^	23,316	-
Vested portion of options to an advisor^	47,855	95,710
Shares to be issued to directors*	-	28,000
Waiver of accrued shared based payments	-	(114,000)
	<u>71,171</u>	<u>272,029</u>

*The shares to be issued were valued based upon the value of shares at the date of contract. An expense was recorded for these amounts in relation to services performed.

^The options were valued based on Black Scholes option pricing model at the date of issue (refer note 15 for more details).

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

NOTE 5: INCOME TAX

The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:

	2024 \$	2023 \$
Numerical reconciliation of income tax income to prima facie tax payable		
Net loss before tax	(2,836,246)	(4,611,894)
Tax at the Australian tax rate of 25% (2023: 25%)	(709,061)	(1,152,974)
Effect of different tax rate of subsidiaries operating in other jurisdictions	66,546	91,178
Tax effect of amounts that are not deductible / taxable in calculating taxable income	132,232	684,084
Tax losses and temporary differences not brought to account	510,283	377,712
Income Tax Expense	-	-

Total unrecognised deferred tax asset relating to losses carried forward is \$2,264,115 (2023: \$1,974,435).

NOTE 6: LOSS PER SHARE

	2024 \$	2023 \$
Loss Per Share from continuing operation attributable to owners		
Loss from continuing operations attributable to owners	(2,117,595)	(3,611,707)
Basic loss per share (cents per share)	(0.13)	(1.55)^
Diluted loss per share (cents per share)	(0.13)	(1.55)^
Loss Per Share from discontinued operation attributable to owners		
Loss from discontinued operation attributable to owners	(534,219)	(1,216,261)
Basic loss per share (cents per share)	(0.03)	(0.52)^
Diluted loss per share (cents per share)	(0.03)	(0.52)^
Loss Per Share attributable to owners		
Loss for the period attributable to owners	(2,651,814)	(4,827,968)
Basic loss per share (cents per share)	(0.16)	(2.07)^
Diluted loss per share (cents per share)	(0.16)	(2.07)^
Weighted average number of shares		
Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	1,549,122,306	233,337,568^
Weighted average number of options*	663,991,461	61,699,670^
Weighted average number of ordinary shares outstanding during the year used in calculation of dilutive EPS*	1,549,122,306	233,337,568^

*Options are considered anti-dilutive as at 30 June 2024 and 30 June 2023 and therefore are not included in the computation of the dilutive EPS

^ In accordance with the requirements of para 64 of AASB 133 Earnings per share, the comparative EPS have been retrospectively adjusted to reflect the impact of the share consolidation which took place in FY 2024.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**NOTE 7: TRADE AND OTHER RECEIVABLES**

	2024 \$	2023 \$
CURRENT		
Trade receivables	-	-
Less: allowance for expected credit losses	-	-
	-	-
Other receivables	99,355	21,508
	99,355	21,508

The average credit period on sale of goods is 60 days (2023: 60 days). The trade receivables are interest-free and unsecured. In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period.

The Group's trade and other receivables that are neither past due nor impaired relate to customers that the Group has assessed to be creditworthy.

The Group does not hold any collateral over any receivable balances.

The Group's other receivables are interest-free and repayable on demand and the average age of these receivables is less than 30 days. The Group has not recognised any allowance as the Directors are of the view that these receivables are recoverable.

NOTE 8: OTHER ASSETS

	2024 \$	2023 \$
CURRENT		
Prepayments made to suppliers	-	96,974
Deposits	1,206	832
	1,206	97,806

Notes to the Financial Statements for the Financial Year Ended 30 June 2024
NOTE 9: INVENTORY

	2024	2023
	\$	\$
CURRENT		
Finished goods	49,284	-
	49,284	-

NOTE 10: PLANT AND EQUIPMENT

	Office equipment \$	Machines \$	Capital Work in Progress \$	TOTAL \$
Cost				
At 30 June 2022	3,146	1,481,599	492,680	1,977,425
Addition during the year	-	6,360	140,759	147,119
Disposal during the year	-	(1,470,667)		(1,470,667)
Foreign exchange translation	(130)	(17,292)	-	(17,422)
At 30 June 2023	3,016	-	633,439	636,455
Disposal during the year	(3,016)	-	-	(3,016)
Disposal via sale of subsidiary	-	-	(636,767)	(636,767)
Foreign exchange translation	-		3,328	3,328
At 30 June 2024	-	-	-	-
Accumulated depreciation				
At 30 June 2022	3,145	968,016	-	971,161
Addition during the year	-	82,180	-	82,180
Disposal during the year	-	(1,015,963)	-	(1,015,963)
Foreign exchange translation	(130)	(34,233)	-	(34,363)
At 30 June 2023	3,015	-	-	3,015
Disposal during the year	(3,015)	-	-	(3,015)
At 30 June 2024	-	-	-	-
Carrying amount				
At 30 June 2023	1	-	633,439	633,440
At 30 June 2024	-	-	-	-

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

NOTE 11: INTANGIBLE ASSETS

	Goodwill	Intellectual Properties
	\$	\$
Cost		
At 30 June 2022	-	202,588
Addition during the year	387,850	1,010,559
Impairment	(387,850)	(1,010,559)
At 30 June 2023	-	202,588
Accumulated amortisation		
At 30 June 2023	-	202,587
At 30 June 2024	-	202,587
Carrying amount		
At 30 June 2023	-	1
At 30 June 2024	-	1

	2024	2023
	\$	\$
Balance of intangible assets at beginning of period	1	1
Intellectual property acquired	-	1,010,559
Goodwill on acquisition	387,850	-
Impairment	(387,850)	(1,010,559)
Balance of intangible assets at reporting date	1	1

Intellectual properties

In July 2022, the Company (as licensee) and Lantene (as licensor) entered into an intellectual property licence agreement whereby, with effect on and from completion of the Sale of Lantene subsidiary, the Company is granted an exclusive licence for an initial period of 15 years to continue its use and commercialisation of Lantene's intellectual property, including the patents and software registrations in China covering Sea Grape cultivation techniques and applications developed by Lantene ("IP Licence").

The Company's rights of exclusivity under the IP Licence are worldwide, with the exception of China. The \$1,010,559 intercompany loan previously extended to Lantene in its capacity as a subsidiary of the Company has been treated as the consideration for the licence granted to the Company under the IP Licence. Hence, Lantene has been released from its liability to repay the intercompany loan in consideration for the grant of the exclusive intellectual property licence under the IP Licence.

The IP Licence was fully impaired during the period as the Company was unable to quantify the future cash inflows from the patents' usage.

Goodwill

On 19 December 2023, the Group acquired 100% of the issued shares in Foshan Gedishi Biotechnology Co Ltd, a health care product distribution company incorporated in the People's Republic of China, for a consideration of \$400,000, to allow the Group to develop and expand its operations into China.

The goodwill arising from the acquisition of \$387,850 was fully impaired as the Company was unable to reliably quantify the synergy or future cash inflows of the acquisition, leading to the Group concluding that the recoverable amount was zero.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**NOTE 12: TRADE AND OTHER PAYABLES**

	2024	2023
	\$	\$
CURRENT		
Trade payables	621	621
Other payables	692,344	546,335
Accrued expenses	755,219	734,953
	<u>1,448,184</u>	<u>1,281,909</u>

Included in other payables and accrued expenses are related party balances as disclosed in note 19.

NOTE 13: CONVERTIBLE NOTES

During the year, the Company issued 368,750 convertible notes with an interest rate of 12% per annum and a face value of \$1.00 each for \$368,750. The notes are convertible into ordinary shares of the Company, at the choice of the holder, or repayable on 12 April 2025. The conversion rate is the number of notes divided by the Conversion Price. Conversion Price is the lower of (a) the amount which is 30% less than the 15 days volume-weighted average price (VWAP) of the trading price of Shares on ASX on the Conversion Date; or (b) the amount which is lowest traded price of Shares on ASX in the 15 trading days ending on the Conversion Date, subject always to a maximum conversion price of \$0.002. Each share issued on conversion will have one attaching option with expiry of 11 December 2026 and an exercise price of \$0.004.

The convertible notes are presented in the balance sheet as follows:

	2024	2023
	\$	\$
Face value of Convertible Notes issued	368,750	-
Interest expense	15,321	-
Conversion of Convertible Notes into shares and options	(129,750)	-
Convertible Notes	<u>254,321</u>	<u>-</u>

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**NOTE 14: CONTRIBUTED EQUITY**

	2024 \$	2023 \$
Issued and fully paid ordinary shares	78,879,134	78,188,156
Movements in ordinary shares	Number of shares	\$
At 30 June 2022	1,049,784,349	76,875,145
Shares issued via placement	228,834,321	1,385,073
Shares issued to placement advisor	6,111,111	55,000
Capital raising costs	-	(127,062)
At 30 June 2023	1,284,729,781	78,188,156
Shares issued via placement and debt settlement	450,833,333	598,479
Shares issued to acquire subsidiary	100,000,000	200,000
Conversion of convertible notes into shares	118,552,770	32,602
5 to 1 consolidation	(1,563,291,233)	-
Conversion of convertible notes into shares	5,816,828	12,070
Capital raising costs	-	(92,900)
At 30 June 2024	396,641,479	78,938,407

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.

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.

Capital Management

The management's objectives when managing capital are to ensure that the Company can fund its operations, meet any debt obligations and continue as a going concern.

The Group's debt and capital includes ordinary share capital and financial liabilities supported by financial assets.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in risks and in the market. These responses include the management of debt levels and share issues.

The capital risk management policy remains unchanged from the 30 June 2023 Annual Report.

Foreign currency translation 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.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

NOTE 15: OPTION RESERVE

	2024 \$	2023 \$
Option Reserve	1,890,000	3,100,005
Movements in Option Reserve	Number of options	\$
At 30 June 2022	311,600,000	4,203,993
Vested portion of director options issued in previous year ¹	-	262,319
Vested portion of advisor options issued in previous year ²	-	95,710
Placement attaching options ³	27,666,664	89,640
Placement attaching options and advisor options to be issued ⁴		172,543
Cancellation of options	(100,500,000)	(1,639,200)
Expiry of options	(5,000,000)	(85,000)
At 30 June 2023	233,766,664	3,100,005
Vested portion of director options issued in previous year ¹		23,316
Cancellation of option due to vesting condition not met ¹	(25,000,000)	(435,948)
Vested portion of advisor options issued in previous year ²	-	47,855
Placement attaching options and advisor options ⁴	220,834,319	50,500
Placement attaching options ⁵	579,386,103	420,055
Expiry of options	(110,000,000)	(1,320,000)
5 to 1 consolidation of option	(719,189,646)	-
Placement attaching options ⁵	5,816,828	4,217
At 30 June 2024	185,614,268	1,890,000

¹ On 09 April 2021, 75,000,000 options were issued to a director as approved at the shareholders' meeting held on 26 March 2021. The options will be vested over 3 tranches of 25,000,000 options each. The 1st tranche vested immediately upon issue. The 2nd and 3rd tranche will be vested on the second and third anniversary of the director's appointment, provided the said director is still a director at the Company at the respective vesting dates. The assessed fair value at grant date of the 1st, 2nd and 3rd tranche options were A\$575,000, A\$550,000 and A\$550,000 respectively. The fair value at grant date is determined using the Black Scholes Model.

The director has on 14 March 2023 cancelled 1st tranche of the options, and on 12 May 2023 resigned as director, resulting in 3rd tranche of the option not vested. As at 30 June 2024, 2nd tranche option remains with a recognised value of A\$550,000.

The model inputs for the 1st tranche options granted and vested included:

- (a) exercise price: A\$0.017
- (b) grant date: 26 March 2021
- (c) vesting date: 09 April 2021
- (d) expiry date: 09 April 2026
- (e) share price at grant date: A\$0.027
- (f) expected price volatility of the Company's shares: 112.5%
- (g) risk-free interest rate: 0.81%

The model inputs for the 2nd tranche options granted included:

- (a) exercise price: A\$0.05
- (b) grant date: 26 March 2021
- (c) vesting date: 01 November 2022
- (d) expiry date: 01 November 2027
- (e) share price at grant date: A\$0.027
- (f) expected price volatility of the Company's shares: 112.5%
- (g) risk-free interest rate: 0.81%

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**NOTE 15: OPTION RESERVE (continued)**

The model inputs for the 3rd tranche options granted included:

- (a) exercise price: A\$0.10
- (b) grant date: 26 March 2021
- (c) vesting date: 01 November 2023
- (d) expiry date: 01 November 2028
- (e) share price at grant date: A\$0.027
- (f) expected price volatility of the Company's shares: 112.5%
- (g) risk-free interest rate: 0.81%

² On 28 February 2022, 25,000,000 options were issued to an advisor as approved at the AGM of 31 January 2022. The options can be exercised at different price of 15,000,000 options at \$0.025, 7,500,000 options at \$0.05 and 2,500,000 options at \$0.075 respectively. 1/5 of the total options are vested immediately upon engagement and subsequently every half yearly another 1/5 will be vested. The assessed fair value at grant date of the 15,000,000, 7,500,000 and 2,500,000 options were A\$152,400, A\$66,675 and A\$20,200 respectively and were fully recognised as at 30 June 2024. The fair value at grant date is determined using the Black Scholes Model.

The model inputs for the 15,000,000 options granted at exercise price of A\$0.025 included:

- (a) exercise price: A\$0.025
- (b) grant date: 28 February 2022
- (c) expiry date: 28 February 2025
- (d) share price at grant date: A\$0.014
- (e) expected price volatility of the Company's shares: 145%
- (f) risk-free interest rate: 0.28%

The model inputs for the 7,500,000 options granted at exercise price of A\$0.05 included:

- (a) exercise price: A\$0.05
- (b) grant date: 28 February 2022
- (c) expiry date: 28 February 2025
- (d) share price at grant date: A\$0.014
- (e) expected price volatility of the Company's shares: 145%
- (f) risk-free interest rate: 0.28%

The model inputs for the 2,500,000 options granted at exercise price of A\$0.075 included:

- (a) exercise price: A\$0.075
- (b) grant date: 28 February 2022
- (c) expiry date: 28 February 2025
- (d) share price at grant date: A\$0.014
- (e) expected price volatility of the Company's shares: 145%
- (f) risk-free interest rate: 0.28%

³ On 01 September 2022, 27,666,664 options were issued to investors as part of the placement. The assessed fair value at grant date of options issued were A\$89,640. The fair value at grant date is determined using the Black Scholes Model.

The model inputs for the options granted included:

- (a) exercise price: A\$0.018
- (b) grant date: 01 September 2022
- (c) expiry date: 01 September 2025
- (d) share price at grant date: A\$0.009
- (e) expected price volatility of the Company's shares: 79%
- (f) risk-free interest rate: 3.33%

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**NOTE 15: OPTION RESERVE (continued)**

⁴ On 09 June 2023, shareholders approved the issue of 220,834,319 options to investors that participated in the Company's placement, 25,000,000 options to advisor that manages the placement, and 50,000,000 options to directors for offsetting of amount owing to them. These options were issued after balance date on 7 July 2023. The assessed fair value at grant date of options issued were in aggregate \$223,043. The fair value at grant date is determined using the Black Scholes Model.

The model inputs for the options granted included:

- (a) exercise price: A\$0.01
- (b) grant date: 09 June 2023
- (c) expiry date: 07 July 2027
- (d) share price at grant date: A\$0.003
- (e) expected price volatility of the Company's shares: 78.5%
- (f) risk-free interest rate: 3.8%

⁵ On 22 November 2023, shareholders approved the issue of options to investors that participated in the Company's placement of shares and convertible notes. On 8 December 2023, 460,833,333 options were issued to investors as part of the placement of shares. The assessed fair value at grant date of options issued were A\$334,104. Subsequently, on 2 February 2024 and 21 June 2024, 118,552,770 options and 5,816,828 options (post option consolidation) were issued on conversion of convertible notes with assessed fair value at grant date of options to be \$85,951 and \$4,217 respectively. The fair value at grant date is determined using the Black Scholes Model.

The model inputs for the options granted included:

- (a) exercise price: A\$0.004
- (b) grant date: 22 November 2023
- (c) expiry date: 11 December 2026
- (d) share price at grant date: A\$0.002
- (e) expected price volatility of the Company's shares: 78.5%
- (f) risk-free interest rate: 4.085%

The weighted average exercise price is as follows:

	Opening balance \$	Granted \$	Exercised \$	Forfeited/ expired \$	Closing balance \$
2024	0.026	0.02	-	(0.051)	0.039
2023	0.028	0.01	-	-	0.026

The weighted average share price during the financial year was \$0.008 (2023: \$0.021).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.03 years (2023: 3.01 years).

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**NOTE 16: SUBSIDIARIES**

The subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the Group unless otherwise stated. The proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's principal place of business is also its country of incorporation or registration.

Name of subsidiary	Principal place of business and incorporation	Class of shares	Ownership interest held	
			2024	2023
Stemcell United Pte Ltd	Singapore	Ordinary	100%	100%
Stemcell Essential Pte Ltd	Singapore	Ordinary	100%	100%
SCU (HK) Ltd	Hong Kong	Ordinary	100%	100%
Yunnan Huafang Industrial Hemp Co Ltd	China	Ordinary	51%	51%
SCU Southeast Asia Sdn Bhd	Malaysia	Ordinary	70%	70%
SCU Lab Pty Ltd	Australia	Ordinary	51%	51%
Hainan SCU Biotechnology Co Ltd	China	Ordinary	100%	100%
SCU-RY Farm Pte Ltd	Singapore	Ordinary	-	70%
Foshan Gedishi Biotechnology Co Ltd	China	Ordinary	100%	-

NOTE 17: RECONCILIATION OF CASHFLOW FROM OPERATING ACTIVITIES

	2024	2023
	\$	\$
Loss for the year	(2,836,246)	(4,611,894)
Impairment	617,477	1,586,775
Depreciation of right of use assets		36,235
Depreciation of plant and equipment		82,180
Share based payment expenses	71,171	272,029
Loss on disposal of subsidiary	463,170	1,028,283
Interest expense	20,411	-
Loss on conversion of liabilities into equities	38,333	
Changes in receivables	(80,255)	(457,311)
Changes in other assets	96,600	677,972
Changes in inventory	(16,341)	(126,109)
Changes in payables	385,882	202,209
Total cash used in operating activities	(1,240,108)	(1,339,630)

NOTE 18: KEY MANAGEMENT PERSONNEL DISCLOSURES

Remuneration of key management personnel	2024	2023
	\$	\$
Salary and Fees	482,457	815,700
Post-employment benefits	16,995	20,973
Annual leaves and long service leaves	18,200	50,687
Share-based payments	-	262,319
Total	517,652	1,149,679

Refer to the remuneration report set out within the Directors' Report for individual details of key management personnel remuneration.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

NOTE 19: RELATED PARTY DISCLOSURES

	2024 \$	2023 \$
Related party balances		
Fees and salaries payable to Directors at year end	(447,059)	(749,552)
Annual leave accrued by Directors	(18,200)	(140,057)
Amount owed to a related party*	(13,152)	(10,400)

* The amount owed to a related party is interest free, unsecured and repayable on demand.

NOTE 20: SEGMENT INFORMATION

The Directors have considered the requirements of AASB 8 Operating Segments and the internal reports that are received by the Board in allocating resources and have concluded at this time that there are no separately identifiable segments as the consolidated group operated in one business segment of sourcing, producing, marketing and selling of traditional medicines.

The geographical information of the group is as follows:

2024	Continuing operations					Discontinued operation
	Australia \$	Singapore \$	China \$	Malaysia \$	Total \$	
Revenue	-	-	109,965		109,965	-
Non-current assets	-	-	1	-	1	-

2023	Continuing operations					Discontinued operation
	Australia \$	Singapore \$	China \$	Malaysia \$	Total \$	
Revenue	-	-	339	-	339	5,182,284
Non-current assets	-	633,440	1	-	633,441	210,000

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**NOTE 21: FINANCIAL INSTRUMENTS RISK****Risk management objectives and policies**

The Group is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk, interest rate risk and foreign exchange risk.

The Group's risk management is undertaken by the Board of Directors, and focuses on actively securing the Group's short to medium-term cash flows by minimising the exposure to financial markets.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are described below.

Credit risk

Credit risk is managed and reviewed regularly by the management. It arises from exposures to customers as well as through deposits with financial institutions. Management requires that all surplus funds are only invested with financial institutions with a Standard and Poor's rating of at least A-. All bank balances of the Company at 30 June 2024 and 2023 were held with a bank with this rating.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Liquidity risk

Liquidity risk is the risk that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring scheduled debt servicing payments for financial liabilities and in an effort to remain as a going concern.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

NOTE 21: FINANCIAL INSTRUMENTS RISK (continued)

Maturity analysis table

The maturity analysis table below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments.

2024	Weighted average effective interest rate	Interest bearing maturing within 1 year	Interest bearing maturing between 2 year and 5 years	Non interest bearing maturing within 1 year	TOTAL
	%	\$	\$	\$	\$
Financial assets					
- Cash and cash equivalents	0.02%	133,619	-	-	133,619
- Trade and other receivables		-	-	99,355	99,355
Total financial assets		133,619	-	99,355	232,974
Financial liabilities					
- Trade and other payables		-	-	(1,402,134)	(1,402,134)
- Convertible Notes				(254,321)	(254,321)
Total financial liabilities		-	-	(1,656,455)	(1,656,455)
2023	Weighted average effective interest rate	Interest bearing maturing within 1 year	Interest bearing maturing between 2 year and 5 years	Non interest bearing maturing within 1 year	TOTAL
	%	\$	\$	\$	\$
Financial assets					
- Cash and cash equivalents	0.007%	510,217	-	-	510,217
- Trade and other receivables		-	-	21,508	21,508
Total financial assets		510,217	-	21,508	531,725
Financial liabilities					
- Trade and other payables		-	-	(1,267,709)	(1,267,709)
Total financial liabilities		-	-	(1,267,709)	(1,267,709)

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its short-term deposits placed with financial institutions.

The Group has performed sensitivity analysis relating to its financial instrument's exposure to interest rate at reporting date.

The following table illustrates the sensitivity of loss and equity to a reasonably possible change in interest rates of +/- 0.5%. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

NOTE 21: FINANCIAL INSTRUMENTS RISK (continued)

Interest rate sensitivity

Year ended	Profit and loss		Equity	
	\$	\$	\$	\$
	+0.5%	-0.5%	+0.5%	-0.5%
30 June 2024	668	(668)	668	(668)
30 June 2023	2,551	(2,551)	2,551	2,551

Foreign Exchange Risk

The Group's exposure to foreign currency risk is on the financial assets and liabilities of the Group's operations, denominated in currencies other than the functional currency of operations. Cash, receivables, fixed assets and trade and other creditors have been converted to Australian dollars.

Foreign exchange sensitivity

The following table illustrates the sensitivity of loss and equity to a reasonably possible change in foreign exchange rates of +/- 10%. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average foreign exchange for each period. All other variables are held constant.

Year ended	Net loss attributable to owner		Equity	
	\$	\$	\$	\$
	+10%	-10%	+10%	-10%
30 June 2024	-64,357	+64,357	196	-196
30 June 2023	-84,446	+84,446	-62,082	+62,082

Foreign Exchange Exposure

The group's exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollars, was as follows:

2024	SGD \$	CNY \$	HKD \$	MYR \$
Cash and cash equivalents	27,274	10,673	3,923	272
Receivables		99,355	-	-
Payables	(111,805)	(75,530)	(200,000)	-
2023	SGD \$	CNY \$	HKD \$	MYR \$
Cash and cash equivalents	9,050	1,429	7,270	10,134
Receivables	10,871	11,793		96,600
Payables	(128,466)	(29,532)		(1,782)

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**NOTE 22: FAIR VALUE MEASUREMENT**

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

The carrying amounts of current receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities approximates the carrying amount as the impact of discounting is not significant.

The Group does not hold any other financial assets or liabilities carried at fair value after initial recognition as at 30 June 2024 and 30 June 2023.

NOTE 23: AUDITOR'S REMUNERATION

	2024 \$	2023 \$
Amount received or due and receivables by HLB Mann Judd or its associated entities for:		
- Audit and review of financial report of the consolidated group	58,581	72,000
- Audit fees – Network firm	5,512	-
Other services from HLB Mann Judd		
- Tax advisory – Australian based HLB Mann Judd network firm	3,500	3,500
- Review on the pro forma statement for reinstatement	-	20,500
Total	3,500	24,000

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

NOTE 24: SUBSEQUENT EVENTS

On 31 July 2024, the Company entered into loan agreements to raise \$130,000 to provide short term funding to the Group pending completion of its proposed capital raising of up to \$1,000,000. Each of the four directors will provide loan funding of \$25,000 and a non-related party will provide an additional \$30,000. The loans have an interest rate of 12% per annum and a repayment date of 9 February 2025.

There were no other subsequent events which have arisen since 30 June 2024 that significantly affected or may significantly affect the Group's operations, the results of these operations or its state of affairs in future years.

NOTE 25: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Group is not aware of any Contingent Assets or Liabilities that should be disclosed in accordance with AASB 137, other than those disclosed in note 28.

NOTE 26: COMMITMENTS

The Group has no commitments noted as at 30 June 2024 and 2023.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**NOTE 27: LOSS OF CONTROL OF SUBSIDIARY AND DISCONTINUED OPERATION****A) SHENZHEN LANTENE DINGZHI BIOTECHNOLOGY CO LTD**

On 29 April 2022, the Group announced its intention to dispose all of its 50.1% interest in subsidiary Shenzhen Lantene Dingzhi Biotechnology Co Ltd ("Lantene") to existing shareholder Mr Cao Yueming for a consideration of \$700,000. On 20 July 2022, the Company signed the Share Sale Agreement documenting the proposed transaction, completion of which was subject to and conditional upon the Group obtaining shareholder approvals. Shareholders approved the disposal at the General Meeting of 19 October 2022. Initial payment of \$70,000 was received in the same month, with the remaining to be paid within 6 months from the date the initial payment is made.

Consideration receivable is presented as investment in the statement of financial position as subsequent to shareholders' approval of Share Sale Agreement, the Directors of the Company are of the opinion that it neither controls nor exercises significant influence on Lantene. Hence the remaining holdings in Lantene until fully settled is treated as investment at fair value through profit or loss. The transaction price agreed for disposal of Lantene is deemed to be reasonable proximation of its fair value at the transaction date.

Financial information relating to Lantene is set out below. The 2023 comparative financial information presented are for the 4 months ended 31 October 2022.

Financial performance information

	2024	2023
	\$	\$
Revenue	-	5,182,284
Cost of Sales	-	(4,397,024)
Other income	-	1,030
Expenses	-	(323,173)
Impairment of financial asset	(210,000)	(420,000)
Profit before tax	(210,000)	43,117
Income tax	-	-
Profit after tax	(210,000)	43,117
Loss on disposal	-	(1,028,283)
(Loss)/profit after tax from discontinued operations	(210,000)	(985,166)

Cash flow information

	\$	\$
Net cash from operating activities	-	257,729
Net cash from investing activities	-	(6,030)
Net cash from financing activities	-	(185,266)
Net increase in cash and cash equivalent of discontinued operation	-	66,433

Details of the sale

	\$	\$
Consideration received	-	70,000
Residual equity interest held at fair value through profit or loss	-	630,000
Carrying amount of net assets sold	-	(1,728,283)
Loss recognized on loss of control of subsidiary	-	(1,028,283)

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**NOTE 27: LOSS OF CONTROL OF SUBSIDIARY AND DISCONTINUED OPERATION (continued)****A) SHENZHEN LANTENE DINGZHI BIOTECHNOLOGY CO LTD (continued)****Residual equity interest held at fair value through profit or loss**

Under the terms of Share Sale Agreement, the outstanding transaction price was to be settled within 6 months. However, subsequent to the transaction date, the Company has not received the outstanding balance from the acquirer. The Company has started efforts to recover the outstanding balance but has not been successful in recovering the outstanding balance. For the reasons mentioned, there is increased risk in recoverability of the outstanding transaction price, as such the fair value of the investment has been adjusted down by \$210,000 (2023: \$420,000). The reconciliation of movement in fair value follows:

	2024	2023
	\$	\$
Investment at fair value through profit or loss	210,000	630,000
Fair value adjustment recognised in Profit or loss	(210,000)	(420,000)
Investment at fair value at balance date	-	210,000

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**NOTE 27: LOSS OF CONTROL OF SUBSIDIARY AND DISCONTINUED OPERATION (continued)****B) SCU-RY FARM PTE LTD**

In December 2023, the Group announced that it disposed of its 70% interest in subsidiary SCU-RY Farm Pte Ltd ("SCU-RY") to an external buyer for a net consideration of \$213,483 (SG\$192,500). Payments of \$93,156 (SG\$84,000) were received during the half year period, with the remaining received in January 2024.

SCU-RY was a dormant non-operational company and did not trade during the period which the Company had control of it.

Financial performance information

	2024 \$	2023 \$
Revenue	-	-
Cost of Sales	-	-
Other income	-	-
Expenses	-	-
Profit before tax	-	-
Income tax	-	-
Profit after tax	-	-
Loss on disposal	(463,170)	-
(Loss)/profit after tax from discontinued operations	(463,170)	-

Cash flow information

	\$	\$
Net cash from operating activities	-	-
Net cash from investing activities	-	-
Net cash from financing activities	-	-
Net increase in cash and cash equivalent of discontinued operation	-	-

Details of the sale

	\$
Consideration received & receivable	185,060
Carrying amount of net assets sold	(636,767)
Forex translation released to profit or loss	(11,463)
Loss recognized on loss of control of subsidiary	(463,170)
Non-controlling interest share of the loss	(138,951)

Notes to the Financial Statements for the Financial Year Ended 30 June 2024**NOTE 28: ACQUISITION OF SUBSIDIARY – FOSHAN GEDISHI BIOTECHNOLOGY CO LTD**

On 19 December 2023, the Group acquired 100% of the issued shares in Foshan Gedishi Biotechnology Co Ltd, a health care product distribution company incorporated in the People's Republic of China, for a consideration of \$400,000, to allow the Group to develop and expand its operations into China.

The accounting for the business combination was finalised as at 30 June 2024. Details of the purchase consideration and the net assets acquired are as follows:

Purchase consideration	Fair value \$
Contingent consideration payable	200,000
Fair value of shares issued	200,000
Total consideration	<u>400,000</u>
The provisional fair value of the assets and liabilities acquired	Fair value \$
Cash and cash equivalents	266
Receivables	16,909
Inventory	32,943
Payables	<u>(37,968)</u>
Net identifiable assets acquired	12,150
Non-controlling interest	-
Goodwill	<u>387,850</u>
Consideration	<u>400,000</u>
Cashflow effect of acquisition	Fair value \$
Cash paid	-
Cash acquired	<u>266</u>
Net cash acquired	<u>266</u>

Consideration transferred

The fair value of shares issued were calculated based on the price of shares on issue date. The Group has an obligation to pay the previous owners 10% of monthly revenue until the aggregated payments reach \$200,000 in total, at which point such payments will cease. There were other performance based payments payable should certain milestones be met. The Group has assessed the probability of these milestones being met as improbable and has not recorded those. They have been disclosed as contingent liabilities.

Goodwill

Goodwill arises due to payment in excess of the fair value of assets acquired, with expectation of synergy from acquiring the expertise, know-how and the ability to operate in and having access to China market. The goodwill has been fully impaired at balance date as the Company has been unable to reliably quantify the value of synergy or future cash inflows of the acquisition at the time of finalising its acquisition accounting. The amount of goodwill recognised and impaired is not expected to be deductible for tax purposes.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

NOTE 28: ACQUISITION OF SUBSIDIARY – FOSHAN GEDISHI BIOTECHNOLOGY CO LTD

Acquisition related costs

Direct acquisition related costs relates to expenses incurred for travelling to China for the acquisition. The amount is estimated to be A\$32,000.

Contingent consideration

In addition to the contingent consideration of \$200,000 recognised, the Group is also obligated to pay to the vendors certain performance based payments for a period of 3 years following completion based on the level of revenue achieved. Should the milestones be met, the Group has a contingent liability of up to \$600,000.

These amounts have not been brought to account as part of the acquisition accounting as the Group has considered that the likelihood of the milestones being met to be improbable, based on the historical information considered by the Group.

Revenue and profit contribution

The acquired entity contributed \$109,965 of revenue and a net loss of \$84,197 to the Group for the period from date of acquisition to 30 June 2024.

If the acquisition had occurred on 1 July 2023, the acquired entity would have contributed \$187,733 of revenue and a net loss of \$101,364 to the Group.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

NOTE 29: PARENT ENTITY INFORMATION

Statement of Profit or Loss and Other Comprehensive Income

	2024	2023
	\$	\$
Revenue	-	-
Expenses	(1,410,338)	(2,087,721)
Loss for the year	(1,410,338)	(2,087,721)

Statement of financial position

	2024	2023
	\$	\$
<u>Assets</u>		
Total assets	61,978	452,714
Total liabilities	(1,312,534)	(1,122,129)
	(1,250,556)	(669,415)
<u>Equity</u>		
Contributed equity	78,879,133	78,188,156
Option reserve	1,890,000	3,100,005
Retained earnings	(82,019,689)	(81,957,576)
	(1,250,556)	(669,415)

No guarantee was provided by parent entity in relation to debts of its legal subsidiary at reporting date.

Refer to Note 25 for contingent liabilities or contingent assets at reporting date of the parent entity.

The parent entity has no capital commitments for property, plant and equipment as at 30 June 2024 and 2023.

The registered office of BPH Global Limited is Block Arcade, Office 324, Level 3, 96 Elizabeth Street, Melbourne, VIC 3000, Australia.

NOTE 30: DIFFERENCES BETWEEN PRELIMINARY AND FINAL REPORT

Subsequent to the announcement of its preliminary results on 30 August 2024, the Group reviewed its accounting for goodwill which resulted in full impairment of the goodwill from acquisition.

The material changes between the results disclosed in the preliminary report and the annual report are disclosed below:

	Adjustments	Loss for the year	%
Loss for the year per Appendix 4E		(2,450,754)	
Adjustments:			
- Additional impairment expense	(407,476)		16.6%
- Under accrual of expenses	(37,289)		1.5%
- Additional capitalisation of fund raising cost	<u>59,273</u>		-2.4%
Total adjustments		(385,492)	
Loss for the year per Annual Report		(2,836,246)	

BPH Global Limited

ACN 009 104 330

Consolidated Entity Disclosure Statement

As at 30 June 2024

This consolidated entity disclosure statement has been prepared in accordance with the s295(3A)(a) of the Corporations Act 2001 and includes the required information for BPH Global Ltd and the entities it controls in accordance with AASB 10 Consolidated Financial Statements.

Name of entity	Entity type	Place of incorporation	Country of tax residence	Percentage of share capital held (%)
BPH Global Limited	Body Corporate	Australia	Australia	N/A
Stemcell United Pte Ltd	Body Corporate	Singapore	Australia	100%
Stemcell Essential Pte Ltd	Body Corporate	Singapore	Australia	100%
SCU (HK) Ltd	Body Corporate	Hong Kong	Australia	100%
Yunnan Huafang Industrial Hemp Co Ltd	Body Corporate	China	China	51%
SCU Southeast Asia Sdn Bhd	Body Corporate	Malaysia	Australia	70%
SCU Lab Pty Ltd	Body Corporate	Australia	Australia	51%
Hainan SCU Biotechnology Co Ltd	Body Corporate	China	China	100%
Foshan Gedishi Biotechnology Co Ltd	Body Corporate	China	China	100%

Tax residency

S295(3A)(vi) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency may involve judgement as there are different interpretations that could be adopted and which could give rise to different conclusions regarding residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

Current legislation and judicial precedent has been applied, including having regard to the Tax Commissioner's public guidance.

Foreign tax residency

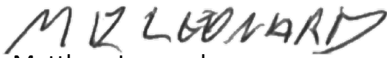
Where appropriate, independent tax advisers have been engaged to assist in the determination of tax residency to ensure applicable foreign tax legislation has been complied with.

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 June 2024

In the Directors' opinion:

1. The financial statements and notes set out on pages 16 to 54 are in accordance with the Corporations Act 2001, including:
 - i. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - ii. giving 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.
2. The attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements.
3. There are reasonable grounds to believe that BPH Global Limited will be able to pay its debts as and when they become due and payable, based on the factors outlined in Note 2 Going Concern.
4. The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer for the financial year ended 30 June 2024.
5. The information contained in the Consolidated Entity Disclosure Statement is true and correct.

This declaration is made in accordance with a resolution of the Directors.


Matthew Leonard
Director

30 September 2024

Independent Auditor's Report to the Members of BPH Global Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of BPH Global Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- (a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (b) 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.

Material Uncertainty Regarding Going Concern

We draw attention to Note 2 *Going Concern* in the financial report, which amongst other factors indicates that as at 30 June 2024 the Group had a net deficiency of assets over liabilities of \$1,419,040, incurred a net loss for the year ended 30 June 2024 of \$2,836,246 and an operating cash outflow of \$1,240,108. These events or conditions, along with other matters outlined in Note 2 *Going Concern*, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most 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, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Regarding Going Concern* section above, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Acquisition of subsidiary Foshan Gedishi Biotechnology Co Ltd Refer to note 28 of the financial report	
<p>The Group settled on the acquisition of a new subsidiary (Foshan Gedishi Biotechnology Co. Ltd or "Gedishi") during the year</p> <p>The considerations paid/payable comprised of multiple elements, including shares and performance based payments, which were dependent on the Gedishi achieving certain revenue milestones over a set period, before they became payable.</p> <p>Accounting for these transactions is a complex and judgemental exercise, requiring management to determine the fair value of acquired assets and liabilities and the associated deferred tax implications, in particular determining the allocation of purchase consideration to goodwill and separately identifiable intangible assets such as the customer relationships.</p> <p>It is due to the size of the acquisitions and the estimation process involved in accounting for them, that this is a key area of audit focus.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • we read the Binding Terms Sheet – Acquisition of Forshan Gedishi Biotechnology Co., Ltd to understand the key terms and conditions and nature of the purchase consideration; • we read and evaluated the valuation report prepared by management's expert and challenged the basis of the assumptions applied by management's expert to arrive at the value of the various intangibles and goodwill acquired, against the requirements of AASB 3 <i>Business Combination</i>; • we evaluated the acquisition accounting, including the determination of the purchase consideration payable against the requirements of Australian Accounting Standards; • we considered the Group's determination of the final fair value at year end and compared them to the provisionally reported values as at 31 December 2023; • we assessed the appropriateness of the impairment testing approach applied by the Group against the requirements of AASB 136 <i>Impairment of Assets</i>; and • we assessed the adequacy of the Group's adopted disclosures against the requirements of Australian Accounting Standards.

Information Other than the Financial Report and Auditor's Report Thereon

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 control 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 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.

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, related safeguards.

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 8 to 12 of the annual report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of the Group 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.



HLB Mann Judd
Chartered Accountants

Melbourne
30 September 2024



Jude Lau
Partner

BPH Global Limited
(Formerly known as Stemcell United Limited)
ACN 009 104 330

ASX Additional Information

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. The information is effective as at 26 September 2024.

Substantial Shareholders

The number of substantial shareholders and their associates are set out below:

		Number Held	% of issued shares
1	MR HUANQING GU	22,533,334	5.68%
2	MR YANHUA HUANG	20,789,474	5.24%

Distribution of equity security holders

Holding Ranges	Ordinary Shares Holders	Total Units	%
above 0 up to and including 1,000	1,924	165,063	0.04%
above 1,000 up to and including 5,000	728	2,152,067	0.54%
above 5,000 up to and including 10,000	397	3,005,381	0.76%
above 10,000 up to and including 100,000	834	30,464,883	7.68%
above 100,000	328	360,854,085	90.98%
Totals	4,211	396,641,479	100.00%

The number of shareholdings held in less than marketable parcel is 4,030.

Twenty largest shareholders

Position	Holder Name	Ordinary Shares Holding	% IC
1	MR HUANQING GU	22,533,334	5.68%
2	MR YANHUA HUANG	20,789,474	5.24%
3	JINGWEN LIANG	15,200,000	3.83%
4	MUNCHA CRUNCH PTY LTD	14,426,442	3.64%
5	CITICORP NOMINEES PTY LIMITED	13,362,194	3.37%
6	MR NAVEEN DANDA	12,199,890	3.08%
7	ATIDIM INVESTMENTS PTY LTD	11,329,172	2.86%
8	APERTUS CAPITAL PTY LTD	10,498,940	2.65%
9	MS CHUNYAN NIU	10,020,331	2.53%
10	MRS LUYE LI	9,461,017	2.39%
11	MR PETER ANDREW PROKSA	8,866,667	2.24%
12	MR CHOW YEE KOH	7,266,667	1.83%
13	BNP PARIBAS NOMS PTY LTD	7,231,472	1.82%
	BNP PARIBAS NOMINEES PTY LTD		
14	<IB AU NOMS RETAILCLIENT>	6,933,912	1.75%
15	MATTHEW LEONARD	6,166,667	1.55%
16	MR ANDREW JOHN FLECK	6,000,000	1.51%
17	MR DAMIAN CHRISTOPHER NORRIS	5,816,828	1.47%
	STATE ONE CAPITAL GROUP P/L		
18	<CJZ - CSABA A/C>	5,328,496	1.34%
19	MR YIHUA HUANG	5,263,158	1.33%
20	INVESTING NEWS NETWORK PTY LTD	5,066,667	1.28%
	Total	203,761,328	48.26%

BPH Global Limited
(Formerly known as Stemcell United Limited)
ACN 009 104 330

Voting Rights

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

Securities exchange

The Company is listed on the Australian Securities Exchange.

On-market buy-back

The Company does not have a current on-market buy-back

Address and telephone number of registered office

Block Arcade, Office 324, Level 3, 96 Elizabeth Street, Melbourne, VIC 3000, Australia
Tel: +61 3 9088 2049

Address and telephone number of Company's share registry

Automic Pty Ltd, Level 5, 126 Phillip Street, Sydney NSW 2000
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