

1. Company details

Name of entity:	Tissue Repair Ltd
ABN:	20 158 411 566
Reporting period:	For the half-year ended 31 December 2024
Previous period:	For the half-year ended 31 December 2023

2. Results for announcement to the market

			\$
Revenues from ordinary activities	up	98.2% to	900,898
Loss from ordinary activities after tax attributable to the owners of Tissue Repair Ltd	up	13.5% to	(2,560,868)
Loss for the half-year attributable to the owners of Tissue Repair Ltd	up	13.5% to	(2,560,868)

Dividends

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

Comments

The loss for the Group after providing for income tax amounted to \$2,560,868 (31 December 2023: \$2,257,013).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	25.77	29.83

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

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

Previous period

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

7. Details of associates and joint venture entities

Not applicable.

8. Foreign entities

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

Not applicable.

9. Audit qualification or review

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


The financial statements were subject to a review by the auditors and the review report is attached as part of the Half Year Financial Report.

10. Attachments

Details of attachments (if any):

The Half Year Financial Report of Tissue Repair Ltd for the half-year ended 31 December 2024 is attached.

11. Signed

Signed  _____

Date: 27 February 2025

Alistair McKeough
Non-Executive Chair

Tissue Repair Ltd

ABN 20 158 411 566

Half Year Financial Report - 31 December 2024

Directors	Tony Charara (Executive Director and Co-Founder) Jack Lowenstein (Non-Executive Director) (resigned 25 October 2024) Bryan Gray (Non-Executive Director) (resigned 25 October 2024) Michael Silberberg (Non-Executive Director) (resigned 25 October 2024) Patryk Kania (Non-Executive Director) (appointed 25 October 2024) Alistair McKeough (Non-Executive Director) (appointed 25 October 2024)
Company secretary	Sushma Kejriwal
Registered office	Tower A the Zenith Level 9, 821 Pacific Highway Chatswood NSW 2067
Principal place of business	Tower A the Zenith Level 9, 821 Pacific Highway Chatswood NSW 2067
Share register	Automic Pty Ltd Deutsche Bank Tower Level 5/126 Phillip Street Sydney NSW 2000
Auditor	Pitcher Partners Sydney Level 16, Tower 2, Darling Park 201 Sussex Street Sydney NSW 2000
Stock exchange listing	Tissue Repair Ltd shares are listed on the Australian Securities Exchange (ASX code: TRP)
Website	www.tissuerepair.com.au

Tissue Repair Ltd
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Tissue Repair Ltd
Directors' report
31 December 2024

The directors present their report, together with the financial statements, of the consolidated entity (referred to hereafter as the 'Group') consisting of Tissue Repair Ltd (referred to hereafter as the 'Company' or 'parent entity') and the entity it controlled at the end of, or during, the half-year ended 31 December 2024.

Directors

The following persons were directors of Tissue Repair Ltd during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Name	Independence status	
Tony Charara	Co-Founder, Executive Director	
Jack Lowenstein	Independent, Non-Executive Director	Resigned 25 October 2024.
Bryan Gray	Independent, Non-Executive Director	Resigned 25 October 2024.
Michael Silberberg	Independent, Non-Executive Director	Resigned 25 October 2024.
Patryk Kania	Independent, Non-Executive Director	Appointed 25 October 2024.
Alistair McKeough	Independent, Non-Executive Director	Appointed 25 October 2024.

Principal activities

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

Financial update

The Group recorded a loss of \$2,560,868 for the six months ending 31 December 2024 (31 December 2023: \$2,257,013). The Group's operating cash outflows for the half year were \$2,438,573 (31 December 2023: \$2,008,171) and reported closing cash of \$14,433,012 at 31 December 2024 (30 June 2024 \$16,441,051).

Review of operations

The loss for the Group after providing for income tax amounted to \$2,560,868 (31 December 2023: \$2,257,013).

TR987® for treatment of chronic wounds – Phase 3 trial

- First patient randomisation for the US Phase 3 study (BG002) has occurred. Recent storms and fires in the US and a request from the FDA requiring some protocol changes (which have required a formal protocol amendment) have hindered enrolment in key sites over the previous several weeks. The protocol amendment is in process, and we expect enrolment to ramp up over the coming months.
- The Company's in-house clinical operations team has identified and qualified more than 30 sites across the US and Australia, with 18 sites initiated and 10 sites activated.
- Pre-clinical work has progressed on a US device application for TR987®. This US device approval is expected within 12-18 months and will allow entry into the US chronic wound market ahead of the Phase 3 drug approval.
- An audit of the Australian-based CMO producing the finished hydrogel product is planned for February 2025 prior to the supply of the TGA labelled product. Potential testing laboratories in Australia are being identified and screened in the lead up to production.
- Stability studies for the Glucoprime® API and the finished product are ongoing and to date have confirmed all measures to be with specifications.
- Results from the collaboration with Dr Allison Cowin at the University of South Australia has provided additional insights into the mechanism of action of the Glucoprime® API. The results from these cell culture and animal studies indicate that the Glucoprime® API can modulate the level of inflammation during the healing process, and this is achieved in part by the production of additional M2 macrophages. It appears that the Glucoprime® API can reduce the inflammatory phase of healing allowing earlier progression to the proliferative phase. This observation aligns comfortably with the real-world experience where clinicians and patients are reporting accelerated healing and reduced downtime. This work is being summarized and will be submitted for publication.
- In February 2025 a Request for Designation (RFD) was filed with the FDA seeking clarification on the status of TR987®. TR987® is currently classified as a drug, however legal counsel has advised that it should be considered a biological. Having TR987® re-classified as a biological affords several advantages in terms of reduced fees, abridged toxicology and increased exclusivity. We expect a response in Q1 2025.
- The quality agreement for the additional development batches of the Glucoprime® API has been completed, which has paved the way for production to commence. This work will involve the production of five batches of the Glucoprime® API and will provide additional in-process information and ensure supply of TGA listed medicine product.
- A detailed protocol for a 28-day repeat dose study in minipigs has been drafted and will be submitted to the FDA during the next quarter.

TR Pro+® for aesthetic and medical procedures

- TR Pro+® sales continue to increase month-on-month. Unaudited revenue in Q4 was 35% higher than for the prior quarter with monthly sales peaking at \$45k per month in December 2024. The strong track record of growth and uptake in the Australian market by TR Pro+® is expected to continue.
- TR Pro+® has been ordered by more than 270 clinics and a quick uptake of a test promotion of the 30g tubes validates market appetite for larger units at a much higher cost point. Plans are underway to produce a batch of larger tubes.
- The Company is in advanced discussions with a distributor for the aesthetics channel in Australia and New Zealand and is exploring several options with parties for a second Australian distributor or partnership to cover medical applications (being acute wounds and other wound types) in Australia and New Zealand which would likely see TR Pro+® enter the pharmacy channel.
- To support expected distribution relationships globally the Company has approved an investment of an additional US\$1M to go towards additional API manufacturing, with the dual aim of also obtaining additional analytics data to support TR987® and to optimize efficiencies in the production process for both the chronic wound drug and TR Pro+® applications. The Company expects to recoup this investment with expected continuous growth in TR Pro+® sales.
- Several local pilot studies have been initiated as we continue to expand the range of indications. Applications to assist healing post-surgery, post actinic keratosis treatment, and in controlling eczema flare ups show early promise and are actively being investigated further.

Rounding

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

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the directors



Alistair McKeough
Non-Executive Chair

27 February 2025

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

In relation to the independent auditor's review of Tissue Repair Ltd for the half year ended 31 December 2024, to the best of my knowledge and belief there have been:

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

This declaration is in respect of Tissue Repair Ltd and the entity it controlled during the period.

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

27 February 2025

Tissue Repair Ltd
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024

	31 Dec 2024	31 Dec 2023
	\$	\$
Revenue		
Revenue from contracts with customers	197,831	58,586
Research and development tax incentives	456,488	-
Interest	246,579	395,850
Total revenue and other income	<u>900,898</u>	<u>454,436</u>
Expenses		
Research and development expenses	(1,758,271)	(987,101)
Employee benefit expenses	(903,400)	(740,895)
General and administration	(406,212)	(186,979)
Share based payment expense	(102,392)	(170,026)
Consulting and professional expenses	(478,644)	(375,036)
Depreciation and amortisation expense	(2,583)	(814)
Advertising and marketing expenses	(195,439)	(131,341)
Net foreign exchange losses / (gains)	385,175	(119,257)
Total expenses	<u>(3,461,766)</u>	<u>(2,711,449)</u>
Loss before income tax expense	(2,560,868)	(2,257,013)
Income tax expense	-	-
Loss after income tax expense for the half-year attributable to the owners of Tissue Repair Ltd	(2,560,868)	(2,257,013)
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Foreign currency translation	<u>1,210</u>	<u>(438)</u>
Other comprehensive income for the half-year, net of tax	<u>1,210</u>	<u>(438)</u>
Total comprehensive loss for the half-year attributable to the owners of Tissue Repair Ltd	<u>(2,559,658)</u>	<u>(2,257,451)</u>
	Cents	Cents
Basic and diluted loss per share	(4.24)	(3.73)
Diluted earnings per share	(4.24)	(3.73)

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

Tissue Repair Ltd
Consolidated statement of financial position
As at 31 December 2024

	Note	31 Dec 2024	30 Jun 2024
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		14,433,012	16,441,051
Other receivables	5	2,010,087	2,527,967
Inventories		24,173	214,722
Other current assets		238,219	202,404
Total current assets		<u>16,705,491</u>	<u>19,386,144</u>
Non-current assets			
Property, plant and equipment		7,535	3,434
Total non-current assets		<u>7,535</u>	<u>3,434</u>
Total assets		<u>16,713,026</u>	<u>19,389,578</u>
Liabilities			
Current liabilities			
Trade and other payables		966,889	1,235,326
Provisions		147,526	101,747
Total current liabilities		<u>1,114,415</u>	<u>1,337,073</u>
Non-current liabilities			
Provisions		17,203	13,831
Total non-current liabilities		<u>17,203</u>	<u>13,831</u>
Total liabilities		<u>1,131,618</u>	<u>1,350,904</u>
Net assets		<u>15,581,408</u>	<u>18,038,674</u>
Equity			
Issued capital		35,037,623	35,037,623
Reserves		2,046,838	1,943,236
Accumulated losses		(21,503,053)	(18,942,185)
Total equity		<u>15,581,408</u>	<u>18,038,674</u>

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

Tissue Repair Ltd
Consolidated statement of changes in equity
For the half-year ended 31 December 2024

	Issued capital \$	Share based payment reserve \$	Foreign currency reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	35,037,623	1,623,314	24,814	(14,804,081)	21,881,670
Loss after income tax expense for the half-year	-	-	-	(2,257,013)	(2,257,013)
Other comprehensive loss for the half-year, net of tax	-	-	(438)	-	(438)
Total comprehensive loss for the half-year	-	-	(438)	(2,257,013)	(2,257,451)
<i>Transactions with owners in their capacity as owners:</i>					
Share-based payments	-	170,026	-	-	170,026
Balance at 31 December 2023	<u>35,037,623</u>	<u>1,793,340</u>	<u>24,376</u>	<u>(17,061,094)</u>	<u>19,794,245</u>
	Issued capital \$	Share based payment reserve \$	Foreign currency reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	35,037,623	1,920,787	22,449	(18,942,185)	18,038,674
Loss after income tax expense for the half-year	-	-	-	(2,560,868)	(2,560,868)
Other comprehensive income for the half-year, net of tax	-	-	1,210	-	1,210
Total comprehensive income/ (loss) for the half-year	-	-	1,210	(2,560,868)	(2,559,658)
<i>Transactions with owners in their capacity as owners:</i>					
Share-based payments	-	102,392	-	-	102,392
Balance at 31 December 2024	<u>35,037,623</u>	<u>2,023,179</u>	<u>23,659</u>	<u>(21,503,053)</u>	<u>15,581,408</u>

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

Tissue Repair Ltd
Consolidated statement of cash flows
For the half-year ended 31 December 2024

	31 Dec 2024	31 Dec 2023
	\$	\$
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	208,071	63,726
Payments to suppliers and employees (inclusive of GST)	(3,917,840)	(2,456,513)
Interest received	181,079	384,616
Research and development tax incentive	1,090,117	-
	<u>(2,438,573)</u>	<u>(2,008,171)</u>
Net cash used in operating activities		
Cash flows from investing activities		
Payments for property, plant and equipment	(6,685)	-
	<u>(6,685)</u>	<u>-</u>
Net cash used in investing activities		
Net decrease in cash and cash equivalents	(2,445,258)	(2,008,171)
Cash and cash equivalents at the beginning of the financial half year	16,441,051	21,396,461
Effects of exchange rate changes on cash and cash equivalents	437,219	(124,584)
	<u>14,433,012</u>	<u>19,263,706</u>
Cash and cash equivalents at the end of the financial half-year		

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

Note 1. General information

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

Tissue Repair Ltd is a listed public company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 27 February 2025.

Note 2. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, with the exception of the below.

Research and development expenditure

With the continued successful track record of the Group in obtaining the Research and Development rebate from the ATO an accrual has been made in the financial statements for \$456,488 representing expenditure which the Group would expect to be compensated for. Had an accrual been included in the 31 December 2023 half-year it would have amounted to \$343,511.

Rounding of amounts

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

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('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.

Note 3. Critical accounting judgements, estimates and assumptions

There have been no significant changes in critical accounting judgements, estimates and assumptions.

Note 4. Operating segments

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

Note 5. Other receivables

	31 Dec 2024 \$	30 Jun 2024 \$
R&D tax incentive - FY25	456,488	-
R&D tax incentive - FY24	1,297,400	1,297,400
R&D tax incentive - FY23	-	1,090,118
Interest receivable	137,637	72,132
GST receivable	118,562	68,317
	<u>2,010,087</u>	<u>2,527,967</u>

Note 6. Fair value measurement

The net value of current assets and liabilities approximates their carrying value, due to their short-term nature. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and notes to the financial statements.

Note 7. Share-based payments

Share-based payments

The following share-based payment arrangements were in existence at the end of the current reporting period.

No. of Options	Grant date	Expiry date	Grant date fair value	Vesting date	Exercise price
11,240,000 ⁸	30/12/2018	30/12/2033	\$0.0071	18/11/2021 ¹	\$0.20
1,265,000 ⁸	30/11/2019	01/10/2034	\$0.0122	18/11/2021 ¹	\$0.37
3,930,000 ⁸	30/11/2019	30/11/2034	\$0.0122	18/11/2021 ¹	\$0.37
5,519,292	27/9/2021	27/09/2036	\$0.2844	27/9/2022 ²	\$1.15
392,753 ³	13/11/2023	27/09/2036	\$0.0452	12/11/2024 ⁴	\$1.15
50,000	27/03/2024	27/03/2036	\$0.0333	27/03/2025 ⁵	\$1.15
120,930	22/08/2024	22/08/2031	\$0.1899	22/08/2024 ⁶	\$1.15
750,000	12/11/2024	25/10/2039	\$0.1202	12/11/2025 ⁷	\$1.15

¹ Options fully vested.

² On 27 September 2022, 25% of the options vested. The remaining options vest equally each month until all options are vested by 27 September 2025.

³ The options were approved by Shareholders at the AGM held on 26 October 2023. The terms remain consistent as outlined in the 2023 Annual Report lodged with the ASX on 31 August 2023.

⁴ On 26 April 2024, 25% of the options vested. The remaining options vest equally each month until all options are vested by 26 April 2027.

⁵ On 27 March 2025, 25% of the options vest. The remaining options vest equally each month until all options are vested by 27 March 2028.

⁶ On 22 August 2024, 100% of the options vested.

⁷ On 12 December 2025, 20,833 of the options vest. The remaining options vest equally each month until all options are vested by 12 November 2028.

⁸ Options issued under the former incentive plan adopted on 1 January 2019 as outlined in the Prospectus. The former incentive plan relates to options issued to the founding team over the 9 year period of development activities from 2012-2021. These options were fully accounted in the capital structure and share offer price at the time of listing.

Note 8. Dividends

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

Note 9. Commitments and contingencies

The directors are of the opinion that there are no significant commitments and contingencies requiring disclosure for the Group as at 31 December 2024.

Note 10. Events after the reporting period

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Tissue Repair Ltd
Directors' declaration
31 December 2024

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the directors



Alistair McKeough
Non-Executive Chair

27 February 2025

**Independent Auditor's Review Report
To the Members of Tissue Repair Ltd
ABN 20 158 411 566****Report on the Half-Year Financial Report****Conclusion**

We have reviewed the half-year financial report of Tissue Repair Ltd ("the Company") and its controlled entity ("the Group") which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other explanatory information, and the directors' declaration.

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

- a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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 review report.

Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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



Rod Shanley
Partner



Pitcher Partners
Sydney

27 February 2025