

Oakridge International Limited

ABN 89 122 203 196

Oakridge International Limited

**Annual Financial Report
for the financial year ended
30 June 2024**

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Corporate directory

Directors	Mr. Con Unerkov (Executive chairman and director) Mr. Elvis Diao (Non-executive director) Mr. Peter John Whelan (Non-executive director)
Company secretary	Ms. Julie Edwards
Registered office in Australia	Level 6, 412 Collins Street Melbourne VIC 3000
Principal office in Australia	Suite 3, Level 3, 89 Pirie Street Adelaide SA, 5000 Phone: +61 8 8223 0200
Share registry	Link Market Services Limited Tower 4, 727 Collins Street Melbourne VIC 3008
Auditor	Moore Australia Audit (Vic) Level 44 600 Bourke Street Melbourne, Victoria, 3000
Stock exchange listing	Australian Securities Exchange Ltd OAK - listed ordinary shares
Website address	www.oakridgeint.com

Directors' Report

Your directors present their report on the consolidated entity (referred to hereafter as the "Group" or "Oakridge International" or "the Company") consisting of Oakridge International Limited and its controlled entities for the financial year ended 30 June 2024.

Directors

The following persons were directors of Oakridge International Limited during the financial year and up to the date of this report unless otherwise stated:

Mr. Con Unerkov	Executive Chairman, CEO and director
Mr. Elvis Diao	Non-executive director
Mr. Peter John Whelan	Non-executive director

Company secretaries

Ms. Julie Edwards

Principal activities and changes in state of affairs

Oakridge International is engaged in the business of selling professional healthcare technology equipment and solutions to healthcare facilities. Oakridge International develops and distributes its own range of nurse call hardware and software solutions for use across multiple healthcare sectors including hospitals, aged care, disability care and supported independent living. Oakridge International has recently focused on expanding into delivering assisted independent living technologies utilising synergies with Oakridge International's Internet of Things (IoT) platform.

The Company continues to look for opportunities to expand its business and revenue base by exploring other emerging business in the technology sector focusing on renewable energy, energy storage solutions, new energy vehicles and energy saving materials. These activities remain at an exploratory stage which may require shareholders and/or regulatory approval but there is no guarantee that the Company will enter any of these sectors. We shall keep the shareholders and the market informed if we decide to pursue any new such business or opportunity, if at all. The IoT and Healthcare sectors remain the focus of the Company.

There were no significant changes in the nature of the Group's activities. There were no significant changes in the state of the Group's affairs during the year.

Dividends

No amounts have been paid or declared by way of dividend during the year.

Significant events after the balance date

The significant events after the balance sheet date are set out in Note 27 of the financial statements.

Review and results of operations

The Group realised a loss after tax for the full-year of \$761,248 (2023: loss of \$116,112) from its continuing operations. The following provides a summary of the Group's activities and achievements during the course of the financial year:

- Continued to successfully streamline the Company's operations in areas of inventory management and internal ticketing systems to provide better client services.
- Focused on enhancing the Company's healthcare sales activities, delivering customer projects and improving our existing product offerings within the healthcare sector.
- Continued to actively pursue strategic acquisition opportunities in the healthcare sector and continued to expand our healthcare operations by pursuing new sales partners throughout Australia.
- Actively engaged in several business development activities, including marketing outreach, participation in project briefings and discussions with organisations to expand our channel partner representation and footprint across the country.
- Witnessed a significant rise in interest in Assistive Technology solutions, particularly from occupational therapists and NDIS participants.
- Continued to focus on a significant application upgrade designed to enhance our software and services.
- In July 2023, the Company facilities incurred water damage to its equipment and other assets due to a water leak on the premises. In December 2023, the Company received \$178,907 as a result of an insurance claim made on the water damage incurred.

Directors' Report (continued)

- In March 2022, Oakridge International received a notification of intent to develop a portion of the project which resulted in a payment from KS Orka of US\$157,939. During the current financial year, the Group received a payment of US\$94,763.80 or approximately \$144,810. Oakridge International may receive additional payments if KS Orka commits to further development.
- Received the Research and Development Tax Refund of \$176,383.80 attributable to the R&D Tax Incentive Refund application made for the financial year ended 30 June 2023.
- The Company issued 403,733 Ordinary shares under the Employee Incentive Plan approved by shareholders.
- The Company issued 306,480 unlisted options to its employees which are exercisable at \$0.10 per option and expire on 13 November 2026.
- The Company issued 599,970 unlisted options exercisable at \$0.10 expiring 19 December 2026 to an entity associated with a director of the Company.
- At a members meeting, the shareholders approved the issuance of 9,398,496 shares at a share price of \$0.0532 and 7,142,857 unlisted options with an exercise price of \$0.07 and an expiry date of 30 June 2026 to Montague Capital Pty Ltd. As at the balance date and the date of this report, none of the 7,142,857 unlisted options have been exercised.
- In February 2024, the Company received an email from KS Orka in relation to the Sokoria Geothermal Project that they have activated clause 2.3 of the payment commitment agreement, which entitles the Company to the additional payment of Total Committed Capacity x Base Tariff for an additional 3MW. In April 2024, the Company received a further payment of US\$94,763.80 or approximately \$144,810. The Company may receive additional payments if KS Orka commits to further development.

Prospects

The Group will continuously monitor its overhead costs and cashflow, continue to look at strengthening its capital base and seek strategic partners to further develop its business.

Information on directors

The names and details of Oakridge International Limited's directors as at balance date and up to the date of this report are set out below, unless noted otherwise.

Mr. Con Unerkov (Executive chairman, CEO and director)

Experience and expertise

Mr. Con Unerkov ("Mr. Unerkov"), was originally appointed non-executive chairman and director on 31 December 2019. On the 3 February 2021, Mr. Unerkov was appointed into an executive role as CEO and remained as Chairman and Director.

Mr. Unerkov is an Australian based businessman with more than 25 years of local and international senior executive experience. Throughout his career, Mr. Unerkov has worked as an executive and chief executive officer for a number of companies both in the private and public sectors. He has significant experience in the financial markets with a focus on structuring, M&A and corporate financing for both private and public companies, simultaneously providing parallel guidance for companies to gain market recognition, shareholder value and liquidity.

Mr. Unerkov is also the Chairman of a company focussed on providing clean energy charging, energy storage solutions and zero emission mobility. Mr. Unerkov is a former Chairman and Executive director of Integrated Media Technology Limited, a company listed on the Nasdaq Capital Markets.

Other current ASX directorships

Nil

Former ASX directorships in last 3 years

Nil

Special responsibilities

Executive Chairman of the Board of Directors

Chief Executive Officer

Member of the Nomination and Remuneration Committee

Interests in shares and options

11,898,496 fully paid ordinary shares in the Company through an entity associated with Con Unerkov.

7,142,857 unlisted options in the Company through an entity associated with Con Unerkov, exercisable at 7 cents per option, expiring 30 June 2026.

599,970 unlisted options in the Company through an entity associated with Con Unerkov, exercisable at 10 cents per option, expiring 19 December 2026.

Mr. Elvis Diao (Non-executive director)

Experience and expertise

Mr. Elvis Diao ("Mr. Diao"), was appointed non-executive director on 24 April 2020. Mr. Diao is the Managing Director of Gold Times Holdings Limited focusing on providing investor relations and business consulting services for the Greater China and Southeast Asia region.

Prior to joining GTHL, Mr. Diao worked in Asia Times (Hong Kong) Limited focusing on business development in the media and consultancy for the Greater China area. Mr. Diao has broad experience in marketing, communications and financial consulting services. Mr. Diao is currently a guest professor for the Business School at the Guizhou Education University in China.

Mr. Diao holds a Master's Degree in Social Policy from the Chinese University of Hong Kong and also holds dual degrees in Bachelor of Business Administration and English Literature from Shanghai International Studies University.

Other current ASX directorships

Nil

Former ASX directorships in last 3 years

Nil

Special responsibilities

Member of the Audit Committee

Member of the Nomination and Remuneration Committee (Chair)

Interests in shares and options

Nil

Mr. Peter John Whelan (Non-executive director)

Experience and expertise

Mr. Peter John Whelan ("Mr. Whelan"), was appointed non-executive director on 29 January 2021. Mr Whelan is a Chartered Accountant with over 50 years' experience as a professional accountant. He has held positions as Managing Partner and Chairman of Partners of a major mid-tier accounting firm in South Australia. He practiced mainly in the areas of corporate advisory and audit.

Mr Whelan has extensive experience as an auditor and adviser in the aged care and retirement living sectors. He has also prepared experts reports for capital raisings and company listings.

Mr Whelan is currently a member of the Board and Finance Committee of a major South Australian charity that provides affordable accommodation to those in need, a member of the Adelaide Motorsport Festival Advisory Committee and a director of a family business operating in the retail clothing and foot-wear sector.

Other current ASX directorships

Nil

Former ASX directorships in last 3 years

Nil

Special responsibilities

Member of the Audit Committee (Chair)

Member of the Nomination and Remuneration Committee

Interests in shares and options

Nil

Company secretaries

Ms. Julie Edwards

Ms. Julie Edwards ("Ms. Edwards") has had significant experience and involvement in the management of accounting and finance functions of companies. Ms. Edwards holds a Bachelor of Commerce, is a member of CPA Australia, holds a CPA Public Practice Certificate and is a registered Tax Agent.

Meetings of directors

The number of meetings of the Group's Board of Directors (including meetings of the Board committees) held during the year, and the numbers of meetings attended by each director are as follows:

	Board of Directors		Audit Committee	
	Eligible	Attended	Eligible	Attended
Mr. Con Unerkov	5	5	-	-
Mr. Elvis Diao	5	4	2	2
Mr. Peter John Whelan	5	5	2	2

There were no remuneration committee meetings during the financial year. The above does not include any circular resolutions approved by the board and independent board committee meetings during the year from 1 July 2023 to 30 June 2024.

Shares under option

At the end of the financial year and at the date of this report, the outstanding options over ordinary shares in the Group are:

On 14 November 2023, the Company issued 306,480 unlisted options to its employees which are exercisable at \$0.10 per option and expire on 13 November 2026. As at the balance date and the date of this report, none of the 306,480 unlisted options have been exercised.

On 20 December 2023, the Company issued 599,970 unlisted options exercisable at \$0.10 expiring 19 December 2026 to an entity associated with Con Unerkov, a director of the Company. As at the balance date and the date of this report, none of the 599,970 unlisted options have been exercised.

On 20 June 2024 at a members meeting, the shareholders approved the issuance of 7,142,857 unlisted options with an exercise price of \$0.07 and an expiry date of 30 June 2026 to Montague Capital Pty Ltd, an entity associated with Con Unerkov, a director of the Company. As at the balance date and the date of this report, none of the 7,142,857 unlisted options have been exercised.

The holders of these options do not have any rights to participate in any share issue of the company or receive dividends before the options are exercised.

Remuneration report (audited)

(a) Policy for determining the nature and amount of key management personnel remuneration

The remuneration committee of Oakridge International Limited is responsible for determining and reviewing compensation arrangements for the directors and the executive team. The Board's remuneration policy is to ensure that the remuneration package properly reflects the person's duties and responsibilities, with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality board and executive team. Such officers are given the opportunity to receive their base emolument in a variety of forms, with the intention that the manner of payment chosen by the recipient is optimal to the recipient without creating an undue cost on the Group.

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

The Board remains confident that its remuneration policy and the level and structure of its executive remuneration is suitable for the Group and its shareholders.

(i) Non-executive director remuneration

Objective

The Board seeks to set aggregate remuneration at a level which provides the Group with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

Remuneration of non-executive directors is determined by the Board, within the maximum amount approved by the shareholders from time to time (currently set at an aggregate of \$300,000 per annum). The Board intends to undertake an annual review of its performance and the performance of the Board committees against goals set at the start of the year.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers advice from time to time from external consultants as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process. During the financial year, the Board did not receive any advice from external consultants in respect to the annual review process.

Certain directors received a fee for being a director of the Group, which was not linked to director's performance. Directors who are called upon to perform extra services beyond the director's ordinary duties may be paid additional fees for those services.

The remuneration of non-executive directors for the year ended 30 June 2024 is detailed in this remuneration report.

(ii) Senior executive remuneration

Objective

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group so as to:

- Reward executives for Group and individual performance against targets set by reference to appropriate benchmarks;
- Align the interest of executives with those of shareholders;
- Link reward with the strategic goals and performance of the Group; and
- Ensure total remuneration is competitive by market standards.

Structure

In determining the level and make-up of executive remuneration, the Board has had regard to market levels of remuneration for comparable executive roles. It is the Board's policy that employment contracts are entered into with all senior executives.

Remuneration report (continued)

(iii) Variable remuneration – short and long term incentives

Objective

The objectives of the incentive arrangements are to:

- Recognise the ability and efforts of the employees of the Group who have contributed to the success of the Group and to provide them with rewards where deemed appropriate;
- Provide an incentive to the employees to achieve the long-term objectives of the Group and improve the performance of the Group; and
- Attract persons of experience and ability to employment with the Group and foster and promote loyalty between the Group and its employees.

Structure

The following short or long-term incentives were provided to executive management and staff during the reporting period.

On 14 November 2023, the Company issued 306,480 unlisted options to its employees which are exercisable at \$0.10 per option and expire on 13 November 2026. As at the balance date and the date of this report, none of the 306,480 unlisted options have been exercised.

On 20 December 2023, the Company issued 599,970 unlisted options exercisable at \$0.10 expiring 19 December 2026 to an entity associated with Con Unerkov, a director of the Company. As at the balance date and the date of this report, none of the 599,970 unlisted options have been exercised.

(b) Remuneration, Group performance and shareholder wealth

The development of remuneration policies and structure are considered in relation to the effect on Group performance and shareholder wealth. They are designed by the Board to align Director and Executive behaviour with improving Group performance and ultimately shareholder wealth.

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

	2024	2023	2022	2021	2020
(Loss)/profit attributable to owners of the Group (dollars)	(761,248)	(116,112)	(531,030)	603,219	(132,755)

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

	2024	2023	2022	2021	2020
Share price (dollars)	0.071	0.072	0.073	0.001	0.001
Change in share price	0.001	0.001	0.072	-	-
Dividends declared	Nil	Nil	Nil	Nil	Nil
Basic and diluted EPS (cents) ⁽¹⁾	(0.03)	(0.01)	(0.03)	0.05	(0.01)

(1) All previously reported share amounts have been restated to reflect the consolidated its shares share capital of 200 ordinary shares in the Company into 1 ordinary share in the Company effective on 1 December 2021.

(c) Key management personnel

KMP are the non-executive directors, executive directors, and employees who have the authority and responsibility for planning, directing and controlling the activities of the consolidated entity. On that basis, the individuals classified as KMP are set out below:

Name	Title
Mr. Con Unerkov	Executive chairman, CEO and director
Mr. Elvis Diao	Non-executive director
Mr. Peter John Whelan	Non-executive director

Remuneration report (continued)

(d) Details of remuneration

Compensation paid, payable or provided by the Group or on behalf of the Group, to key management personnel is set out below. Key management personnel include all directors of the Group and certain executives who, in the opinion of the Board and Chairman, have authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly.

No employees of the Company, other than the Executive Chairman, are considered by the Board to have executive responsibility.

2024	Short-term employee benefits	Post-employment benefits	Termination benefits	Share-based payments		Long-term employee benefits	Total	Proportion of remuneration that is performance based %
Name	Cash salary and fees \$	Super-annuation \$	Cash \$	Shares \$	Options \$	\$	Total \$	
<i>Non-executive directors</i>								
Mr. Elvis Diao	22,500	-	-	-	-	-	22,500	-
Mr. Peter John Whelan	22,500	-	-	-	-	-	22,500	-
Total non-executive directors	45,000	-	-	-	-	-	45,000	-
<i>Executive directors</i>								
Mr. Con Unerkov (1)	199,992	-	-	-	21,239	-	221,231	-
Total executive directors	199,992	-	-	-	21,239	-	221,231	-
Total KMP compensation	244,992	-	-	-	21,239	-	266,231	-

(e) Details of remuneration

2023	Short-term employee benefits	Post-employment benefits	Termination benefits	Share-based payments		Long-term employee benefits	Total	Proportion of remuneration that is performance based %
Name	Cash salary and fees \$	Super-annuation \$	Cash \$	Shares \$	Options \$	\$	Total \$	
<i>Non-executive directors</i>								
Mr. Elvis Diao	18,000	-	-	-	-	-	18,000	-
Mr. Peter John Whelan	18,000	-	-	-	-	-	18,000	-
Total non-executive directors	36,000	-	-	-	-	-	36,000	-
<i>Executive directors</i>								
Mr. Con Unerkov (1)	201,867	-	-	-	-	-	201,867	-
Total executive directors	201,867	-	-	-	-	-	201,867	-
Total KMP compensation	237,867	-	-	-	-	-	237,867	-

(1) Mr. Con Unerkov's remuneration is paid via a consultancy agreement to a company controlled by Mr. Unerkov.

Remuneration report (continued)

(f) Service & consultancy agreements

On appointment to the Board, non-executive directors enter into a service agreement with Oakridge International Limited in the form of a letter of appointment ("Director Agreement"). The letter summarises the Board policies and terms, including compensation, relevant to the office of director. Remuneration and other terms of employment for the CEO and the other key management personnel are also formalised in service agreements.

Mr. Con Unerkov (Executive Chairman and Chief Executive Officer)

Mr. Con Unerkov was originally appointed Chairman and Non-Executive Director on 31 December 2019. On 3 February 2021, Mr. Unerkov was appointed into an executive role as Chief Executive Officer and remained as Chairman and Director. Mr. Unerkov is contracted at a monthly remuneration of \$16,666 via a consultancy agreement with a company controlled by Mr Unerkov. The consultancy agreement has no fixed term and is terminatable by either party with six months' notice.

Mr. Elvis Diao (Non-executive director)

Mr. Diao was appointed Non-Executive Director on 24 April 2020. Mr. Diao was not originally entitled to remuneration under his Director Agreement and from 1 April 2022 his remuneration was changed to \$1,500 per month and subsequently from 1 October 2023 was changed to \$2,000 per month. Mr. Diao's contract may be terminated with no notice from either party.

Mr. Peter John Whelan (Non-executive director)

Mr. Whelan was appointed Non-Executive Director on 29 January 2021. Mr. Whelan' was originally entitled to remuneration under his Director Agreement of \$1,500 per month which was changed to \$2,000 per month from 1 October 2023.

(g) Share-based compensation

Options may be granted to attract and retain key management personnel. The Board has rules that contain restrictions on removing the 'at risk' aspect of the options granted to executives. Executives may not enter into any transactions designed to remove the 'at risk' aspect of an instrument before it vests.

There are no performance hurdles attached to options granted. In the event of termination (specified circumstances) only vested options are entitled to be exercised. Unvested options are forfeited.

The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

No options were outstanding at the beginning of the financial year and the following options were granted to directors, other key personnel and staff during the financial year.

On 14 November 2023, the Company issued 306,480 unlisted options to its employees (none of which are considered by the Board to be Executive) which are exercisable at \$0.10 per option and expire on 13 November 2026. As at the balance date and the date of this report, none of the 306,480 unlisted options have been exercised.

On 20 December 2023, the Company issued 599,970 unlisted options exercisable at \$0.10 expiring 19 December 2026 to an entity associated with Con Unerkov, a director of the Company. As at the balance date and the date of this report, none of the 599,970 unlisted options have been exercised.

(h) Equity instruments disclosures relating to key management personnel

(i) Unlisted option holdings

The following unlisted options were granted to directors and other key personnel during the financial year, including their personally related parties.

On 20 December 2023, the Company issued 599,970 unlisted options exercisable at \$0.10 expiring 19 December 2026 to an entity associated with Con Unerkov, a director of the Company. As at the balance date and the date of this report, none of the 599,970 unlisted options have been exercised.

(ii) Ordinary share holdings

Ordinary shares held directly, indirectly or beneficially by each key management person, including their personally related entities, are shown below.

2024²	Balance at start of the year	Acquired during the year	Other changes¹	Balance at the end of the year
Mr. Con Unerkov ³	-	11,898,496	-	11,898,496
Mr. Elvis Diao	-	-	-	-
Mr. Peter John Whelan	-	-	-	-

2023²	Balance at start of the year	Acquired during the year	Other changes¹	Balance at the end of the year
Mr. Con Unerkov	-	-	-	-
Mr. Elvis Diao	-	-	-	-
Mr. Peter John Whelan	-	-	-	-

1. the amount in other changes is the individual's shareholding at the date he commenced or ceased to be a key management person, as applicable, in addition to the individual's on-market trading.

2. all previously reported share amounts have been restated to reflect the consolidated its shares share capital of 200 ordinary shares in the Company into 1 ordinary share in the Company effective on 1 December 2021.

3. Held through Montague Capital Pty Ltd, an entity associated with Con Unerkov, a Director of the Company.

(iii) Listed option holdings

No listed options over ordinary shares in the Group were held during the year by directors of the Group and other key management personnel of the Group, including their personally related parties.

(i) Loans to key management personnel

There were no loans to key management personnel at any time during the financial year.

(j) Other transactions with key management personnel

Other than as disclosed in Note 19, there were no other transactions with key management personnel at any time during the financial year.

(k) External remuneration consultant advice

No external remuneration consultant has been utilised during the financial year.

END OF REMUNERATION REPORT

Insurance of officers and indemnities

During or since the end of the year, the Group has not given any indemnity to a current or former officer or auditor against a liability or made any agreement under which an officer or auditor may be given any indemnity of the kind covered by the *Corporations Act 2001*.

During the year, the Group paid premiums in respect of directors' and officers' indemnity insurance contracts for the period ended 30 June 2024. The insurance contracts offer continuing indemnity to officers of the Group where the person is no longer an officer at the time the claim is made. The Group paid premiums of \$35,670 (2023: \$32,000) to insure the directors of the Group during the financial year. This does not include such liabilities that arise from 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 them or someone else or to cause detriment to the Group. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Proceedings on behalf of the Group

The Group is not aware that any person has applied to the court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings in which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings. No proceedings have been brought or intervened in on behalf of the Group with leave of the court under section 237 of the *Corporations Act 2001*.

Environmental regulation and performance

The Group is not subject to any particular or significant environmental regulations.

Non-audit services

Moore Australia continues in office in accordance with section 327 of the *Corporations Act 2001*. The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important. Fees the Group paid or owed to the auditors for these services during the year are included in the following table:

	2024 \$	2023 \$
<u>Audit and other assurance services:</u>		
Audit and review of financial report	63,648	51,177
<u>Non-audit services:</u>		
Tax and other services	-	-
Total remuneration	63,648	51,177

The Board of directors has considered the position and, in accordance with advice received from the Audit Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

Rounding of amounts

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191, relating to the "rounding" of amounts in the directors' report and financial report. The Group has rounded amounts in the directors' report and financial report to the nearest dollar, in accordance with that instrument.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is attached to this report.

This report is made in accordance with a resolution of directors.



Con Unerkov
Executive Chairman and CEO
Date: 29 August 2024

VICTORIA

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TASMANIA

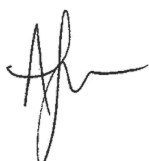
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**AUDITOR'S INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF OAKRIDGE INTERNATIONAL LIMITED AND CONTROLLED ENTITIES**

I declare that, to the best of my knowledge and belief, during the period ended 30 June 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.



ANDREW JOHNSON
Partner – Audit and Assurance
[Moore Australia Audit \(VIC\)](#)
Melbourne, Victoria

29 August 2024



Moore Australia Audit (VIC)
ABN 16 847 721 257
Chartered Accountants

Corporate governance statement

Oakridge International Limited has published its corporate governance statement on its website. It can be found at <https://www.oakridgeint.com/wp-content/uploads/2024/08/Oakridge-Corporate-Governance-Statement-2024.pdf>

Annual financial report

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These financial statements cover the Group consisting of Oakridge International Limited and its subsidiaries. The financial report is presented in Australian currency.

Oakridge International Limited is a listed public company limited by shares, incorporated and domiciled in Australia and listed on the Australian Securities Exchange.

The principal place of business is:
Suite 3, Level 3, 89 Pirie Street
Adelaide SA 5000

The registered office is:
Level 6, 412 Collins Street
Melbourne VIC 3000

A description of the nature of the Group's operations and its principal activities is included in the review of operations and activities on page 2.

The financial statements were authorised for issue by the directors on 29 August 2024. The Group has the power to amend and reissue the financial statements.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete, and available globally at minimum cost to the Group. All press releases, financial reports and other information are available on our website: www.oakridgeint.com.

Oakridge International Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue and other income	5	1,177,029	1,261,002
Cost of sales: inventories and other cost of sales		(333,003)	(398,284)
Employee and contracting expenses		(632,834)	(576,058)
Finance costs		(42,302)	(27,795)
Directors' remuneration		(244,992)	(235,992)
Consulting and advisory fees		(150,165)	(600)
Occupancy costs		(56,196)	(76,362)
Travel		(22,113)	(31,471)
Marketing and promotion costs		(25,832)	(10,169)
Professional and legal fees		(199,107)	(149,504)
Recovery of bad debts expenses		145,618	-
Depreciation expense	12	(15,795)	(11,346)
Foreign currency losses		(3,277)	(14,812)
Other expenses		(197,205)	(191,106)
Insurance claim write offs		(70,765)	-
Reversal of impairment loss on inventory		-	100,000
Reversal of borrowings	14	-	269,434
ROU amortisation expense	16	(90,309)	(23,049)
Loss before income tax		(761,248)	(116,112)
Income tax expense	7	-	-
Loss from continuing operations		(761,248)	(116,112)
Loss from discontinued operations, net of income tax		-	-
Total loss for the financial year		(761,248)	(116,112)
Other comprehensive income		-	-
Total comprehensive income		(761,248)	(116,112)
Total loss and comprehensive income for the financial year attributable to:			
Owners of the parent		(761,248)	(116,112)
Non-controlling interests		-	-
		(761,248)	(116,112)
Total loss and comprehensive income for the financial year attributable to:			
Continuing operations		(761,248)	(116,112)
Discontinued operations		-	-
		(761,248)	(116,112)
Earnings per share for loss from continuing operation attributable to the shareholders of the Group		Cents	Cents
Basic and diluted loss per share	21	(0.03)	(0.01)
Earnings per share for loss attributable to the shareholders of the Group		Cents	Cents
Basic and diluted loss per share	21	(0.03)	(0.01)

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

Oakridge International Limited
Consolidated Statement of Financial Position
As at 30 June 2024

		2024	2023
	Notes	\$	\$
Current assets			
Cash and cash equivalents	8	961,575	1,091,900
Other financial asset	9	64,100	48,448
Trade and other receivables	10	170,991	100,890
Prepayments		5,621	8,535
Inventory	11	305,688	441,242
Total current assets		1,507,975	1,691,015
Non-current assets			
Plant and equipment	12	41,354	40,578
Right of use assets	16	258,462	253,530
Total non-current assets		299,816	294,108
TOTAL ASSETS		1,807,791	1,985,123
Current liabilities			
Trade and other payables	13	193,073	231,574
Borrowings	14	32,548	32,548
Provisions	15	218,584	196,661
Lease liabilities	16	99,106	63,324
Unearned revenue		43,584	22,431
Total current liabilities		586,895	546,538
Non-current liabilities			
Provisions	15	20,461	15,760
Lease liabilities	16	169,394	192,903
Total non-current liabilities		189,855	208,663
TOTAL LIABILITIES		776,750	755,201
NET ASSETS		1,031,041	1,229,922
EQUITY			
Contributed equity	17	29,329,690	28,799,411
Reserves		32,088	-
Accumulated losses	18	(28,330,737)	(27,569,489)
TOTAL EQUITY		1,031,041	1,229,922

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

Oakridge International Limited
Consolidated Statement of Changes in Equity
For the year ended 30 June 2024

	Contributed equity \$	Share option reserve \$	Accumulated losses \$	Total \$
2023				
Balance at 1 July 2022	28,799,411	-	(27,453,377)	1,346,034
Loss for the year	-	-	(116,112)	(116,112)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(116,112)	(116,112)
Transactions with owners in their capacity as owners:				
Ordinary shares issued, net of transaction costs	-	-	-	-
Balance at 30 June 2023	28,799,411	-	(27,569,489)	1,229,922
2024				
Balance at 1 July 2023	28,799,411	-	(27,569,489)	1,229,922
Loss for the year	-	-	(761,248)	(761,248)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(761,248)	(761,248)
Transactions with owners in their capacity as owners:				
Share issuance to employees	30,279	-	-	30,279
Ordinary shares issued, net of transaction costs	500,000	-	-	500,000
Issuance of share options	-	32,088	-	32,088
Balance at 30 June 2024	29,329,690	32,088	(28,330,737)	1,031,041

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

Oakridge International Limited
Consolidated Statement of Cash Flows
For the year ended 30 June 2024

		2024	2023
	Notes	\$	\$
Cash flows from operating activities			
Receipts from customers		568,247	1,090,606
Interest received		7,006	13,423
Interest paid		(9,991)	(3,138)
Government grants and R&D incentives received		176,384	281,242
Payments to suppliers and employees		(1,272,318)	(1,796,735)
Net cash outflow from operating activities	20	(530,672)	(414,602)
Cash flows from investing activities			
Payments for plant and equipment		(16,685)	(28,461)
Payment of rental holding security		-	(48,448)
Release of funds held in trust		-	100,101
Net cash inflow/(outflow) from investing activities		(16,685)	23,192
Cash flows from financing activities			
Ordinary shares issued, net of transaction costs		500,000	-
Payment of lease liability	16	(82,968)	(20,352)
Repayment of convertible note		-	(221,611)
Net cash outflow from financing activities		417,032	(241,963)
Net decrease in cash and cash equivalents		(130,325)	(633,373)
Cash and cash equivalents at the beginning of the year		1,091,900	1,725,273
Cash and cash equivalents at the end of the year	8	961,575	1,091,900

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

1. Summary of material accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements relate to the Group consisting of Oakridge International Limited and its subsidiaries.

Oakridge International Limited is a publicly listed company limited by shares, incorporated and domiciled in Australia and listed on the Australian Securities Exchange (ASX: OAK). Its registered office is:

Level 6, 412 Collins Street, Melbourne VIC 3000.

Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001*. Oakridge International Limited is a for-profit entity for the purpose of preparing financial statements. All amounts are presented in Australian Dollars unless otherwise noted.

Compliance with IFRS

This financial report also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Historical cost convention

These financial statements have been prepared under the historical cost convention except for share-based payments which are measured in accordance with AASB 2 *Share-based Payments*.

Rounding of amounts

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, relating to the "rounding off" of amounts in the directors' report and financial report. The Group has rounded off amounts in the directors' report and financial report to the nearest dollar, in accordance with that instrument.

Critical accounting estimates and judgements

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.

New and amended standards adopted by the Group

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 by the consolidated entity for the annual reporting period ended 30 June 2024. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

1. Summary of material accounting policies (continued)

(a) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Oakridge International Limited ("Company" or "Parent Entity") as at 30 June 2024 and the results of all subsidiaries for the year then ended. Oakridge International Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group 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 Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in subsidiaries are accounted for at cost in the individual financial statements of Oakridge International Limited and are eliminated on consolidation for the purpose of preparing these financial statements.

(b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operated ("the functional currency"). The consolidated financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency 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 year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

(iii) Group companies

No subsidiaries in the Group have a functional currency which is different to the presentation currency of the Group.

1. Summary of material accounting policies (continued)

(c) Revenue from contracts with customers

Revenue comprises revenue from the sale of goods, rendering of services, government grants and interest.

(i) Revenue recognised at a point in time

Revenue is recognised at a point in time (e.g. sale of goods) when the goods are received at a customer's specified location or control by the customer pursuant to a sales order, the risks of obsolescence and loss have passed to the customer, and the customer has either accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group have objective evidence that all criteria for acceptance have been satisfied.

(ii) Revenue recognised over time

Revenue is recognised over time (e.g. project or services) based on our achievement of milestones, if specified in the contract, or costs incurred as a percentage of estimated total costs for each contract where the Group have an enforceable right to payment for performance completed. Where it is probable that a loss will arise from a fixed price service contract, the Group immediately recognise the excess of total costs over revenue as an expense.

(iii) Government grants - cash flow boost assistance

Government assistance payments are recognised in the statement of profit or loss and other comprehensive income when the Group has reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them.

(iv) Interest revenue

Interest revenue is recognised as it accrues using the effective interest rate method.

1. Summary of material accounting policies (continued)

(d) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amounts and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Tax consolidation legislation

Oakridge International Limited and its wholly owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

Current tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated Group are recognised in the separate financial statements of the members of the tax consolidated Group, using the 'separate taxpayer within Group' approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

Any current tax liabilities or assets and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity in the tax-consolidated Group and are recognised as amounts payable (receivable) to (from) other entities in the tax-consolidated Group in conjunction with any tax funding arrangement amounts referred to in the following section. Any difference between these amounts is recognised by the Group as an equity contribution or distribution.

The Group recognises deferred tax assets arising from unused tax losses of the tax-consolidated Group to the extent that it is probable that future taxable profits of the tax-consolidated Group will be available against which the asset can be utilised. Any subsequent period adjustment to deferred tax assets arising from unused tax losses, as a result of revised assessments of the probability of recoverability, is recognised by the head entity only.

Nature of tax funding arrangements and tax sharing arrangements

The head entity, in conjunction with other members of the tax-consolidated Group, has entered into a tax funding arrangement, which sets out the funding obligations of members of the tax-consolidated Group in respect of tax amounts.

The tax funding arrangements require payments to/from the head entity equal to the current tax liability (asset) assumed by the head entity and any tax-loss deferred tax asset assumed by the head entity, resulting in the head entity recognising an inter-entity receivable (payable) equal in amount to the tax liability (asset) assumed.

Contributions to fund the current tax liabilities are payable as per the tax funding arrangement and reflect the timing of the head entity's obligation to make payments for tax liabilities to the relevant tax authorities.

The head entity, in conjunction with other members of the tax-consolidated Group, has also entered into a tax sharing agreement. The tax sharing agreement provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements.

1. Summary of material accounting policies (continued)

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value represents the estimate selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(f) Plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 the income statement during the financial period in which they are incurred.

Depreciation of assets is calculated on the straight line and diminishing value methods to allocate their cost, net of their residual values, over their estimated useful lives. The depreciation rates used for each class of depreciable asset are:

Classification	Useful life	Depreciation basis
Plant and equipment	1-5 years	Diminishing value
Office equipment	1-20 years	Straight line
Computer equipment	1-4 years	Straight line
Software	2-2.5 years	Straight line
Motor vehicles	4 years	Diminishing value
Leasehold improvements	40 years	Straight line

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet 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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. The difference between the sale proceeds and the carrying amount of an asset is recognised in the statement of profit or loss and other comprehensive income.

(g) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors.

(h) Earnings per share

(i) Basic earnings per share

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

ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of 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 additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(i) New accounting standards interpretations

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Standard Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

2. Critical accounting estimates, judgements and errors

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. The critical estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Recoverability and classification of other receivable from K.S Orka

The Group has a receivable in relation to an additional payment from the sale of its interest in PT Sokoria Geothermal Indonesia. The payment of the receivable under the Payment Commitment Agreement between Oakridge International Limited and KS Orka Renewables Pte. Ltd. ('KS Orka') is triggered by KS Orka's Notice of Intent to Develop ('NOID') which is to be approved by PT PLN (Persero) under the Power Purchase Agreement ('PPA'). The Payment Multiple under the Payment Commitment Agreement is a factor of the Total Committed Capacity (as specified in the NOID) and the final negotiated Base Power Price per the PPA.

This receivable is carried at amortised cost less accumulated impairment. After taking into consideration the timing and final amount to be paid, management estimate the recoverable amount at 30 June 2024 to be \$Nil (2023: \$Nil). Any material change in the status of the project may result in a material change in the receivable to be recovered. This receivable has been classified as non-current at 30 June 2024 due to uncertainty in the timing of final settlement.

(b) Inventory

The Group assesses inventory for obsolescence each reporting date by evaluating whether the carrying value of inventory items exceeds its net realisable value. The net realisable value of the inventory is mainly determined based on assumptions of future demand within a specific time horizon. An allowance for obsolescence for the difference between the carrying value of an inventory items and its expected net realisable value.

(c) Deferred tax assets

The Group recognises deferred tax assets only to the extent that it is probable that future taxable profits, feasible tax planning strategies and deferred tax liabilities will be available against which the tax losses can be utilized. Estimation of the level of future taxable profits is therefore required in order to determine the appropriate carrying value of the deferred tax asset. Given the Group past losses, plans to continue research and development in other indications and uncertainty of its ability to generate future taxable profit, the Group does not believe that it is more probable than not that the Group can realize its deferred tax assets and therefore, it has not recognised any amount in the consolidated statements of financial position. Additional information is included in Note 7.

(d) Provision for taxation

In February 2021, a Group company received from the ATO a notice for late lodgement of tax returns for the tax years 2016 and 2017. As at the balance sheet date, the lodgement of the 2017 tax year has been made, however for the 2016 tax year, Management is still working on determining the nature, circumstances and the amount owed to the ATO before it is in a position to lodge the tax return for the 2016 tax year. However, Management has made a preliminary estimate of the tax payment owed to ATO of A\$82,369 (Note 15) in respect to the 2016 tax year. This estimate is based on the information the Company has today, and the final tax payment amount may need to be adjusted once the Company has collected all the documents. The Company has made the adjustment for this tax liability and expense retroactively in the 2016 financial statements, and has made corresponding adjustments to the Provision and the opening Retained Earnings accounts in the 2021 financial year.

(e) Receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. For estimating the impairment of trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(f) Provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

(g) Going Concern

The consolidated financial statements have been prepared on a going concern basis, which assumes the continuity of normal business activities and the settlement of liabilities in the normal course of business.

During the year ended 30 June 2024 the Group's loss after income tax expense amounted to \$761,248 (2023: \$116,112) and cash outflows from operations for the year were \$530,672 (2023: \$414,602). Sustained losses have resulted in the slight reduction of cash reserves of the Group and have the potential to impact the ability of the Group to continue as a going concern.

Notwithstanding this, the directors believe the Group remains a going concern and will continue to be able to pay its debts as and when they fall due. In reaching this conclusion the directors have given regard to:

- the Group's ability to raise equity and/or capital funding in addition to the \$500,000 that was raised during the financial year,
- The fact that the losses in current period were incurred with a view to grow the business and resourcing model and strains on the business as a result of this may subside moving forward;

The Group's ability to continue to operate as a going concern is dependent upon the items listed above. Should these events not occur as anticipated, the Group may be unable to continue as a going concern and may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business.

3. Financial risk management

The Group's principal financial instruments include cash and cash equivalents, term deposits, trade and other receivables, trade and other payables, and borrowings. The Group's business activities can expose us to a variety of financial risks, including market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk.

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's performance. We use sensitivity analysis to measure interest rate and foreign exchange risks, and aging for credit risk. The primary responsibility for risk management is carried out by the Group's executive director and CEO under policies approved by the Board of Directors. The executive directors and General Manager are responsible for the identification, evaluation and mitigation of financial risks.

It is the Group's policy that no trading in speculative financial instruments shall be undertaken. This does not prevent the Group from holding financial assets for strategic purposes.

Refer to Note 1 of these consolidated financial statements for further information on significant accounting policies applied, including the criteria for recognition of financial instruments, the basis of measurement, and the basis on which income and expenses are recognised.

(a) Financial instruments

The Group holds the following financial instruments:

	2024	2023
	\$	\$
Financial assets		
Cash and cash equivalents	961,575	1,091,900
Other financial assets	64,100	48,448
Trade and other receivables	170,991	100,890
	1,196,666	1,241,238
Financial liabilities		
Trade and other payables	193,073	231,574
Borrowings	32,548	32,548
Lease liability	268,500	256,227
	494,121	520,349

All financial instruments are classified and measured at amortised cost.

The carrying amount of financial assets (net of any provision for impairment) and current financial liabilities approximate their fair value primarily because of their short maturities. The carrying amount of any non-current borrowings approximates fair value because the interest rate applicable to the borrowing approximates current market rates.

(b) Market risk

Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency other than Australian dollars. From time to time the Group make sales to customers who require the currency of settlement to be a foreign currency. The Group has not entered into forward currency contracts to hedge these exposures due to the short time frame associated with the currency exposure and the Group's limited foreign currency exposure.

At 30 June 2024 and 2023 the Group's exposure to foreign currency risk was immaterial.

Price risk

The Group is not exposed to equity securities or commodity price risk.

3. Financial risk management (continued)

Interest rate risk

The Group's exposure to interest rate risk arise predominantly from cash and cash equivalents bearing variable interest rates. The Group's cash position fluctuates regularly, and ongoing liquidity needs mean most of the Group's funds are maintained in at-call accounts. The Group's term deposit and short-term borrowings are held in fixed interest rate accounts and are not subject to interest rate risks.

	30 June 2024		30 June 2023	
	Weighted average interest rate %	Balance \$	Weighted average interest rate %	Balance \$
Cash and cash equivalents	0.15%	961,575	0.15%	1,091,900

At balance sheet date, if the interest rates had changed, as illustrated in the table below, with all other variables remaining constant, after-tax profit and equity would have been affected as follows:

	After-tax profit higher / (lower)		Equity higher / (lower)	
	2024 \$	2023 \$	2024 \$	2023 \$
+1.00% (100 basis points) (FY23: +1.00%)	9,616	10,919	9,616	10,919
-1.00% (100 basis points) (FY23: -1.00%)	(9,616)	(10,919)	(9,616)	(10,919)

(c) Credit risk

Credit risk arises from financial assets of the Group, which comprises cash and cash equivalents, term deposits and trade and other receivables. The Group's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. The Group does not hold any credit derivatives to offset the credit exposure.

Specific information as to the Group's credit risk exposures is as follows:

- Cash and cash equivalents and term deposits are maintained at the Commonwealth Bank of Australia
- Policies are in place to ensure that sales are made to customers with an appropriate credit history. The risk control procedures assess the credit quality of the customer, taking into account its financial position, past experience and other factors. The Group's customers generally do not have an independent credit rating. No collateral is obtained from customers.

The following table details the Group's trade and other receivables exposed to credit risk with aging analysis and expected credit loss provided for thereon. Amounts are considered as "past due" when the debt has not been settled within the terms and conditions agreed between the Group and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Group. The balance of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount \$	Within trade terms current \$	31-60 days \$	61-90 days \$	90-365 days \$	365+ days \$	Credit loss allowance \$	Expected credit loss %
2024								
Trade receivables	157,419	157,419	-	-	-	-	-	0%
Other receivables	13,572	13,572	-	-	-	-	-	0%
KS Orka receivable	937,818	-	-	-	-	937,818	(937,818)	100%
	1,108,809	170,991	-	-	-	937,818	(937,818)	
2023								
Trade receivables	91,968	66,517	5,569	3,473	2,562	13,847	-	0%
Other receivables	8,922	8,922	-	-	-	-	-	0%
KS Orka receivable	1,082,628	-	-	-	-	1,082,628	(1,082,628)	100%
	1,183,518	75,439	5,569	3,473	2,562	1,096,475	(1,082,628)	

3. Financial risk management (continued)

(d) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities in order to meet the Group's forecast requirements. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Surplus funds are invested in term deposits. At reporting date, the Group did not have access to any undrawn borrowing facilities.

Maturity of financial liabilities

The table below categorises the Group's financial liabilities into relevant maturity Groups based on their contractual maturities, calculated as their undiscounted cash flows. All the financial liabilities are non-derivative.

	Less than 12 months	Between 2 and 5 years	Total contractual cash flows	Carrying amount
	\$	\$	\$	\$
2024				
<i>Non-interest bearing</i>				
Trade and other payables	193,073	-	193,073	193,073
Borrowings	-	32,548	32,548	32,548
	193,073	32,548	225,621	225,621
<i>Interest bearing</i>				
Lease liability	101,219	167,281	268,500	268,500
2023				
<i>Non-interest bearing</i>				
Trade and other payables	231,574	-	231,574	231,574
Borrowings	32,548	-	32,548	32,548
	264,122	-	264,122	264,122
<i>Interest bearing</i>				
Lease liability	63,324	192,903	256,227	256,227

Lease liabilities in the current period have an interest rate of 3.5% (2023: 3.5%) per annum. All other financial liabilities do not attract interest.

4. Operating segments

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and meet the other aggregation criteria of AASB 8 *Operating Segments*.

Operating segment are Australian based unless otherwise stated.

Activity by segment

Healthcare technology

JCT Healthcare Pty Ltd ("JCT"), a wholly owned subsidiary of the Company, is a provider of innovative technology solutions for the healthcare sector. JCT develops and distributes its own range of nurse call hardware and software solutions for use across multiple healthcare sectors including hospitals, aged care, disability care and supported independent living.

Technology development

Technology focussed on the Internet of Things (IoT) technology.

Geothermal projects

Oakridge International held interests in three geothermal projects in Indonesia:

- Sokoria Geothermal Project, under a Joint Venture with PT Bakrie Power, for a 30 MW geothermal development on Flores Island, Indonesia, with Oakridge International holding a 45% interest in the project. On 16th January 2017 KS Orka completed acquisition of Sokoria Geothermal Project. Under the terms of the SPA Oakridge International received the nominal amount of US\$1. An additional payment of up to US\$947,368 will become payable within 30 days of KS Orka issuing notification of intent to develop project. This project has been fully impaired. In March 2022, Oakridge International received a notification of intent to develop a portion of the project which resulted in a payment from KS Orka of US\$157,939 or \$217,372. In April 2024, Oakridge International received a further payment of US\$94,763.80 or approximately \$144,810. Oakridge International may receive additional payments if KS Orka commits to further development.
- Ngebel Geothermal Project, under a Joint Venture with PT Bakrie Power, for a 165 MW geothermal development on East Java, Indonesia, with Oakridge International holding a 35% interest in the project. The Group will not seek to further invest in the Ngebel project and an impairment charge was recorded against the full carrying value of the asset at 30 June 2016, and has no further commitment to development of this project.
- Dairi Prima Geothermal Project, under a Joint Venture with PT Bakrie Power, for a 25 MW geothermal development in Northern Sumatra, Indonesia, with Oakridge International holding a 51% interest in the project. The Group will not seek to further invest in the Dairi Prima project and an impairment charge was recorded against the full carrying value of the asset at 30 June 2016, and has no further commitment to development of this project.

Oakridge International held an interest in a geothermal project in India:

- Puga Geothermal Project in the Himalayan Geothermal Province of Northern India, in a joint venture between Oakridge International and Geosyndicate Power Private, under which Oakridge International is earning in to a 49% interest. Oakridge International is the Operator of this project. An impairment charge has been recorded against the full carrying value of the asset as at 30 June 2016 and the Group is looking to divest its interest in the project.

Unallocated

Comprising corporate and overhead costs such as director's fees, listing and share registry fees, acquisitions and associated costs.

4. Operating segments (continued)

Segment performance

	Technology development \$	Healthcare technology \$	Geothermal projects \$	Unallocated \$	Total \$
Year ended 30 June 2024:					
Revenue from contracts with customers	-	814,732	-	-	814,732
R and D tax concession	-	176,384	-	-	176,384
Interest income	-	-	-	7,006	7,006
Other income	-	178,907	-	-	178,907
Total segment revenue	-	1,170,023	-	7,006	1,177,029
Cost of sales: inventories and other cost of sales	-	(328,998)	-	(4,005)	(333,003)
Employee and contracting expenses	(10,000)	(622,834)	-	-	(632,834)
Finance costs	-	(2,246)	-	(40,056)	(42,302)
Directors' fees	-	-	-	(244,992)	(244,992)
Consulting and advisory fees	-	(165)	-	(150,000)	(150,165)
Occupancy costs	-	(39,535)	-	(16,661)	(56,196)
Travel	-	(10,823)	-	(11,290)	(22,113)
Marketing and promotion costs	-	(23,545)	-	(2,287)	(25,832)
Professional and legal fees	-	(28,125)	(541)	(170,441)	(199,107)
Insurance claims write offs	-	(70,765)	-	-	(70,765)
Depreciation expense	-	(10,870)	-	(4,925)	(15,795)
Amortisation expense	-	(21,164)	-	(69,145)	(90,309)
Recovery of bad debts expenses	-	-	145,618	-	145,618
Foreign currency (losses)/gains	-	945	-	(4,222)	(3,277)
Other expenses	-	(109,070)	-	(88,135)	(197,205)
Total segment expenses	(10,000)	(1,267,195)	145,077	(806,159)	(1,938,277)
Loss before income tax for the year	(10,000)	(97,172)	145,077	(799,153)	(761,248)
Income tax expense	-	-	-	-	-
Loss for the year	(10,000)	(97,172)	145,077	(799,153)	(761,248)

4. Operating segments (continued)

	Technology development \$	Healthcare technology \$	Geothermal projects \$	Unallocated \$	Total \$
Year ended 30 June 2023:					
Revenue from contracts with customers	-	1,097,732	-	-	1,097,732
R and D tax concession	-	149,741	-	-	149,741
Interest income	-	291	-	13,132	13,423
Other income	-	-	-	106	106
Total segment revenue	-	1,247,764	-	13,238	1,261,002
Cost of sales: inventories and other cost of sales	-	(372,388)	-	(25,896)	(398,284)
Employee and contracting expenses	-	(576,058)	-	-	(576,058)
Finance costs	-	(24,657)	-	(3,138)	(27,795)
Directors fees	-	-	-	(235,992)	(235,992)
Consulting and advisory fees	-	(600)	-	-	(600)
Occupancy costs	-	(50,386)	-	(25,976)	(76,362)
Travel	-	(13,215)	-	(18,256)	(31,471)
Marketing and promotion costs	-	(10,170)	-	1	(10,169)
Professional and legal fees	-	(18,085)	(1,856)	(129,563)	(149,504)
Depreciation expense	-	(3,657)	-	(7,689)	(11,346)
Amortisation expense	-	-	-	(23,049)	(23,049)
Reversal of Impairment loss on inventory	-	100,000	-	-	100,000
Reversal of borrowings	-	269,434	-	-	269,434
Foreign currency (losses)/gains	-	(27,573)	-	12,761	(14,812)
Other expenses	-	(91,426)	-	(99,680)	(191,106)
Total segment expenses	-	(818,781)	(1,856)	(556,477)	(1,377,114)
Profit/(loss) before income tax for the year	-	428,983	(1,856)	(543,239)	(116,112)
Income tax expense	-	-	-	-	-
Profit/(loss) for the year	-	428,983	(1,856)	(543,239)	(116,112)

Reconciliation of reportable segment revenues and profit or loss:

	2024 \$	2023 \$
Revenue		
Total revenue for reportable segments	1,177,029	1,261,002
Elimination of discontinued operations	-	-
Consolidated revenue from continuing operations	1,177,029	1,261,002
Profit or loss		
Total (loss) for reportable segments	(761,248)	(116,112)
Elimination of discontinued operations	-	-
Consolidated (loss) before income tax from continuing operations	(761,248)	(116,112)

4. Operating segments (continued)

Segment assets and liabilities

	Technology development \$	Healthcare technology \$	Geothermal projects \$	Unallocated \$	Eliminations \$	Total \$
As at 30 June 2024:						
Total assets	-	905,838	240	6,012,939	(5,111,226)	1,807,791
Total liabilities	-	(3,419,355)	(2,166,729)	(301,892)	5,111,226	(776,750)
As at 30 June 2023:						
Total assets	-	919,801	240	6,161,738	(5,096,656)	1,985,123
Total liabilities	-	(3,326,142)	(2,166,188)	(359,527)	5,096,656	(755,201)

5. Revenue and other income

	2024	2023
	\$	\$
<i>Revenue from contracts with customers:¹</i>		
Revenue recognised at a point in time – sale of goods	661,028	883,160
Revenue recognised over time – projects and services	153,704	214,572
	<u>814,732</u>	<u>1,097,732</u>
<i>Other income:</i>		
Interest income	7,006	13,423
R and D tax concession	176,384	149,741
Recovery of insurance claim ²	178,907	-
Other income	-	106
	<u>362,297</u>	<u>163,270</u>
	<u>1,177,029</u>	<u>1,261,002</u>

¹ All revenue from contracts with customers relates to the Healthcare Technology segment and is all derived within Australia.

² In December 2023, the Company received \$178,907 as a result of an insurance claim made due to water damage incurred to its equipment and other assets.

6. Expenses

	2024	2023
	\$	\$
Loss before income tax includes the following specific expenses:		
Auditor's remuneration:		
Audit and other assurance services	63,648	51,177
Audit and review of financial reports	-	-
Tax and other services	-	-
Total auditor's remuneration	<u>63,648</u>	<u>51,177</u>
Superannuation expense	<u>60,662</u>	<u>54,369</u>

7. Income tax

	2024 \$	2023 \$
(a) Income tax expense		
Current tax	-	-
Deferred tax	(116,131)	25,167
Adjustments for deferred tax assets of prior periods	-	-
De-recognition of deferred tax asset	116,131	(25,167)
Income tax – prior years	-	-
	<u>-</u>	<u>-</u>
	2024 \$	2023 \$
(b) Reconciliation of income tax expense to prima facie income tax		
Loss before income tax	(761,248)	(116,112)
	<u>(190,312)</u>	<u>(29,028)</u>
Tax at the Australian tax rate of 25% (2023: 25%)	(190,312)	(29,028)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Non-assessable income	(44,096)	(37,435)
Non-deductible expenses	16,907	5,572
Income tax – prior years	101,370	86,058
	<u>(116,131)</u>	<u>25,167</u>
Deferred tax asset not recognised	116,131	(25,167)
Income tax expense	<u>-</u>	<u>-</u>
	2024 \$	2023 \$
(c) Unrecognised deferred tax assets		
Deferred tax assets have not been recognised in respect of the following items:		
Temporary differences at 25% (2023: 25%)	171,890	168,708
Tax losses at 25% (2023: 25%)	10,201,367	10,088,509
	<u>10,373,257</u>	<u>10,257,217</u>

Tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these losses because it is not probable that future taxable profit will be available against which the Group can utilise the benefits from the deferred tax assets.

8. Cash and cash equivalents

	2024	2023
	\$	\$
Cash on hand	244	244
Cash at bank	961,331	1,091,656
	<u>961,575</u>	<u>1,091,900</u>

9. Other financial asset

	2024	2023
	\$	\$
Term deposits	64,100	48,448

The term deposit held at 30 June 2024 was used as security on a bank guarantee to secure the Company's obligations under the lease over the Company's corporate office.

10. Trade and other receivables

	2024	2023
	\$	\$
Current		
Trade receivables	157,419	91,968
Other receivables	13,572	8,922
	<u>170,991</u>	<u>100,890</u>
Non-current		
Other receivables – K.S. Orka	937,818	1,082,628
Impairment loss on other receivables	(937,818)	(1,082,628)
	<u>-</u>	<u>-</u>

In February 2024, Oakridge International received a notification of intent to develop a portion of the K.S. Orka project which resulted in a payment from K.S. Orka of US\$94,763.80 or approximately \$144,810 which has been reflected in the other receivables account.

11. Inventory

	2024	2023
	\$	\$
Inventory	746,477	712,799
Provision for obsolescence	(440,789)	(440,789)
Inventory in transit	-	169,232
	<u>305,688</u>	<u>441,242</u>

12. Plant and equipment

	Plant and equipment	Software	Motor vehicle	Leasehold improvement	Total
	\$	\$	\$	\$	\$
Cost:					
At July 1, 2022	90,066	2,595	9,091	3,091	104,843
Additions	28,461	-	-	-	28,461
Disposal	-	-	-	-	-
At June 30, 2023	<u>118,527</u>	<u>2,595</u>	<u>9,091</u>	<u>3,091</u>	<u>133,304</u>
At July 1, 2023	118,527	2,595	9,091	3,091	133,304
Additions	16,685	-	-	-	16,685
Disposal	(7,530)	-	-	-	(7,530)
At June 30, 2024	<u>127,682</u>	<u>2,595</u>	<u>9,091</u>	<u>3,091</u>	<u>142,459</u>
Accumulated depreciation					
At July 1, 2022	70,914	2,477	7,382	607	81,380
Depreciation	10,783	59	427	77	11,346
Disposal	-	-	-	-	-
At June 30, 2023	<u>81,697</u>	<u>2,536</u>	<u>7,809</u>	<u>684</u>	<u>92,726</u>
At July 1, 2023	81,697	2,536	7,809	684	92,726
Depreciation	12,047	59	1,282	2,407	15,795
Disposal	(7,416)	-	-	-	(7,416)
At June 30, 2024	<u>86,328</u>	<u>2,595</u>	<u>9,091</u>	<u>3,091</u>	<u>101,105</u>
Carrying amount					
At June 30, 2023	<u>36,830</u>	<u>59</u>	<u>1,282</u>	<u>2,407</u>	<u>40,578</u>
At June 30, 2024	<u>41,354</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,354</u>

13. Trade and other payables

	2024	2023
	\$	\$
Current		
Trade payables	122,203	171,008
Accrued expenses	46,000	38,500
Other payables	24,870	22,066
	<u>193,073</u>	<u>231,574</u>

Trade payables are unsecured, non-interest bearing and are generally due 30 days from the date of recognition.

14. Borrowings

	2024	2023
	\$	\$
Current:		
Loan – Bio SA	<u>32,548</u>	<u>32,548</u>

On 1 December 2012, JCT Healthcare Pty Limited (“JCT”), a subsidiary of the Company, received a grant of \$230,000 under a Deed of Grant with Techin SA (formerly Bio Innovation SA) for the development of a web based messaging software licence. The development was completed on 30 June 2013. Pursuant to the Deed of Grant, for a period of 10 years (“Term of the Grant”) the amount of the outstanding loan shall accrue annual indexation fees calculated at the Consumer Price Index on the outstanding loan amount. During this Term of the Grant, JCT is obligated to pay the loan from the royalties calculated on 7% of the income derived from the commercialization of the messaging software. The Deed of Grant terminated on 30 June 2023.

As at 30 June 2024, the current portion of the outstanding loan, inclusive of the accrual annual indexation fees, amounting to \$301,982 (2023: \$301,982) of which approximately \$32,548 (2023: \$32,548) is payable on the royalties outstanding and payable for the period from 1 July 2019 to 30 June 2024.

The web-based messaging software licence derived no royalty repayments for the year ended 30 June 2024 (2023: approximately \$10,000) and it is not expected to derive any material royalty revenue and Loan repayments to the Group in the future. As a result, it is unlikely that JCT will need to repay the Loan amount of \$269,434, including any future annual indexation, as it will no longer derive any royalty income which is the basis of the Loan repayment. Accordingly, the Company has accounted \$32,548 for the amount of the royalties outstanding and payable as at 30 June 2024 (2023: \$32,548) in the Borrowings account on the balance sheet. The remaining balance of \$269,434 was accounted for in the Profit and Loss account as a reversal of borrowings in the 2023 financial year, and also disclosed in Note 23 as a contingent liability in the event of certain conditions set out in the Term of the Grant including JCT becoming bankrupted or move out of state of South Australia in the future.

15. Provisions

	2024 \$	2023 \$
Current		
Employee benefits	136,215	114,292
Provision for taxation	82,369	82,369
	<u>218,584</u>	<u>196,661</u>
Non-current		
Employee benefits	<u>20,461</u>	<u>15,760</u>

	Employee benefits \$	Taxation \$	Total \$
Opening balance at 1 July 2023	130,052	82,369	212,421
Increase in provision	26,624	-	26,624
Balance at 30 June 2024	<u>156,676</u>	<u>82,369</u>	<u>239,045</u>

16. Right of use assets and lease liabilities

	Property \$
Right of use assets	
Carrying amount at 1 July 2022	-
Additions	276,579
Amortisation	(23,049)
Carrying amount at 1 July 2023	<u>253,530</u>
Additions	95,241
Amortisation	(90,309)
Carrying amount at 30 June 2024	<u>258,462</u>

	2024 \$	2023 \$
Lease liabilities		
Current lease liabilities	99,106	63,324
Non-current lease liabilities	169,394	192,903
Total lease liabilities	<u>268,500</u>	<u>256,227</u>

Total payments for leases during the year comprise the following:

Principal payments	82,968	20,352
Interest expense	9,991	3,138
Payments made in relation to lease liabilities	<u>92,959</u>	<u>23,490</u>

Future payments of lease liabilities, including interest, are set out below:

Due within one year	106,937	63,324
Due between one year and five years	174,402	192,903
Due after five years	-	-
	<u>281,339</u>	<u>256,227</u>

In March 2023, the Company entered into an agreement to lease a corporate office for a term of four years from 13 March 2023 to 12 March 2027. The Company opened a term deposit which was used as security on a bank guarantee to secure the Company's obligations under the lease over the Company's corporate office.

In November 2023, JCT Healthcare Pty Ltd ("JCT"), a wholly owned subsidiary of the Company, entered into an agreement to lease an office for a term of three years from 15 November 2023 to 14 November 2026. JCT opened a term deposit which was used as security on a bank guarantee to secure the obligations under the lease over JCT's office.

17. Contributed equity

	2024	2023
	No.	No.
<u>Ordinary shares – fully paid</u>	26,997,908	17,195,679
(a) <u>Movements in equity</u>	No.	\$
Balance at 30 June 2023 and 1 July 2023	17,195,679	28,799,411
Employee Share Issuance ¹	403,733	30,279
Cash Share Issuance (note c below)	9,398,496	500,000
Balance at 30 June 2024	26,997,908	29,329,690

¹ On 14 November 2023, 403,733 Ordinary shares were issued under the Employee Incentive Plan approved by shareholders on 26 November 2021. The shares were issued at an issue price of \$0.075.

(b) Employee share option scheme

On 26 November 2021, Shareholders of the Company approved, at the Company's Annual General Meeting, an incentive scheme pursuant to which the Company can grant awards to attract, motivate and retain key Directors, employees and consultants and provide them with the opportunity to participate in the future growth of the Company.

During the financial year the Company issued the following stock options to qualified employees:

On 14 November 2023, the Company issued 306,480 unlisted options to its employees which are exercisable at \$0.10 per option and expire on 13 November 2026. As at the balance date and the date of this report, none of the 306,480 unlisted options have been exercised.

On 20 December 2023, the Company issued 599,970 unlisted options exercisable at \$0.10 expiring 19 December 2026 to an entity associated with Con Unerkov, a director of the Company. As at the balance date and the date of this report, none of the 599,970 unlisted options have been exercised.

Fair Value of Options granted

The assessed fair value at the grant date of options granted during the financial year ended 30 June 2024 was \$32,088. The fair value at grant date is independently determined using an adjusted form of the Black Scholes model which takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the option and the correlations and volatilities of the peer group companies.

(c) Options issued during the financial year

On 20 June 2024 at a members meeting, the shareholders approved the issuance of 9,398,496 shares at a share price of \$0.0532 and 7,142,857 unlisted options with an exercise price of \$0.07 and an expiry date of 30 June 2026 to Montague Capital Pty Ltd. As at the balance date and the date of this report, none of the 7,142,857 unlisted options have been exercised.

(d) Capital management

With regard to managing capital (equity), the director's objectives are to ensure the Group continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. The board adjusts the capital structure as necessary to take advantage of favourable costs of capital or high returns on assets. As the market is constantly changing, the board may change the amount of dividends to be paid to shareholders, return capital to shareholders, issue new shares or reduce debt that may be incurred to acquire assets.

No dividends were paid during the year (2023: \$nil).

18. Accumulated losses

	2024	2023
	\$	\$
Accumulated losses	(28,330,737)	(27,569,489)
The movement in the accumulated losses comprises:		
Balance at beginning of financial year	(27,569,489)	(27,453,377)
Loss for the financial year	(761,248)	(116,112)
Balance at end of financial year	(28,330,737)	(27,569,489)

19. Key management personnel and related party disclosures

	2024	2023
	\$	\$
(a) Key management personnel compensation		
Short-term employee benefits	244,992	237,867
Post employment benefits	-	-
Long term benefits	-	-
Share based payments ¹	21,239	-
	266,231	237,867

¹ Our Director and CEO, Mr. Unerkov, received 599,970 unlisted option exercisable at \$0.10 per share expiring 19 December 2026

(b) Other transactions with key management personnel

There were no other transactions with key management personnel during the financial year.

(c) Transactions with other related parties

During the financial year ended 30 June 2024, a related party of Mr. Unerkov, was paid a fee in addition to statutory superannuation contributions, to perform part-time administrative services for a wholly-owned subsidiary of the Company. The fee at the beginning of the reporting period was \$3,000 per month. This increased to \$4,166.67 per month in October 2023.

In addition, during the financial year, the Company entered into a subscription agreement to raise \$500,000 by an issue of 9,398,496 shares at a share price of \$0.0532 and 7,142,857 unlisted options with an exercise price of \$0.07 to Montague Capital Pty Ltd., a company associated with Mr. Unerkov.

20. Cash flow information

	2024 \$	2023 \$
<i>Reconciliation of loss after income tax to net cash outflow from operating activities:</i>		
Loss for the year	(761,248)	(116,112)
<u>Non-cash items in profit or loss:</u>		
Depreciation expense	14,910	11,346
Amortisation expense	90,309	23,049
Share option expense	32,088	-
Share issuance to employees	30,279	-
Reversal of impairment loss on inventory	-	(100,000)
Reversal of borrowings	-	(269,434)
Indexation of the BioSA loan	-	24,657
<u>Change in operating assets and liabilities:</u>		
(Increase) in other financial assets	(15,652)	-
(Increase)/ decrease in trade or other receivables	(70,101)	116,650
Increase in plant and equipment	999	-
Increase in right of use assets	(95,241)	(276,579)
Decrease/ (increase) in inventory	135,554	(257,331)
Decrease/ (increase) in other current assets	2,914	(2,257)
(Decrease)/ increase in trade and other payables	(38,501)	106,326
Increase in provisions	26,624	26,073
Increase in lease liabilities	95,241	276,579
Increase in unearned revenue	21,153	22,431
Net cash outflow from operating activities	<u>(530,672)</u>	<u>(414,602)</u>

21. Earnings per share

	2024 Cents	2023 Cents
(a) Basic and diluted earnings per share		
Loss from continuing operations attributable to the ordinary equity holders of the Group	(0.03)	(0.01)
Loss from discontinued operations attributable to the ordinary equity holders of the Group	-	-
Loss attributable to the ordinary equity holders of the Group	<u>(0.03)</u>	<u>(0.01)</u>
(b) Weighted average number of ordinary shares used as the denominator		
	2024 No.	2023 No.
Number used in calculating basic and diluted earnings per share at 1 July	17,195,679	17,195,679
Effect of shares issued by private placement	17 252,609	-
Effect of shares issued	17 231,111	-
Number used in calculating basic and diluted earnings per share at 30 June	<u>17,679,398</u>	<u>17,195,679</u>

(c) Information concerning earnings per share

There were a total of 8,049,307 unlisted options outstanding at the end of 2024 financial year.

22. Parent entity disclosures

(a) Summary financial information

The individual financial statements for the parent entity, Oakridge International Limited, show the following aggregations.

	2024	2023
	\$	\$
Results		
Loss for the financial year	(606,903)	(542,949)
Total comprehensive loss for the financial year	(606,903)	(542,949)
Financial position		
Current assets	685,820	780,791
Non-current assets	8,419,551	8,461,969
	9,105,371	9,242,760
Current liabilities	96,324	155,842
Non-current liabilities	159,568	192,903
	255,892	348,745
Net assets	8,849,479	8,894,015
Contributed equity	75,230,446	74,700,167
Reserves	32,088	-
Accumulated losses	(66,413,055)	(65,806,152)
	8,849,479	8,894,015

(b) Guarantees entered into by the parent entity

Oakridge International Limited has not guaranteed the debts of any of its subsidiaries in the Group.

(c) Contingent liabilities of the parent entity

On 31 December 2019, Oakridge International Limited entered into a Share Placement Agreement ("SPA") issuing 250 million ordinary shares in the Group at \$0.001 per ordinary share, on a pre consolidated basis, for total proceeds of \$250,000. At the time of this transaction, Mr Con Unerkov was appointed to the Board of the parent company. Pursuant to the SPA, the parent company made certain representations in respect to liabilities in the Group to Teko International Limited, the purchaser. However, in the process of preparing the Group's accounts for the year ended 30 June 2020, the Group became aware that some of the representations made by the Group were not accurate.

The Parent is currently seeking legal advice to determine the extent of its legal liabilities in respect of a potential breach of the SPA. At the date of this report, the Group has not been able to quantify the liability, if any, in respect to these breaches.

(d) Contractual commitments for capital expenditure

The parent entity did not have any contractual commitments for capital expenditure as at 30 June 2024.

(e) Corporate office lease bank guarantee

In March 2023, the Company entered into an agreement to lease a corporate office for a term of four years from 13 March 2023 to 12 March 2027. The Company opened a term deposit which was used as security on a bank guarantee to secure the Company's obligations under the lease over the Company's corporate office.

23. Contingent liabilities

Other than the contingent liabilities below, the Group had no contingent liabilities as at 30 June 2024.

On 1 December 2012, JCT Healthcare Pty Limited ("JCT"), a subsidiary of the Company, received a grant of \$230,000 under a Deed of Grant with Techin SA (formerly Bio Innovation SA) for the development of a web based messaging software licence. The development was completed on 30 June 2013. Pursuant to the Deed of Grant, for a period of 10 years ("Term of the Grant") the amount of the outstanding loan shall accrue annual indexation fees calculated at the Consumer Price Index on the outstanding loan amount. During this Term of the Grant, JCT is obligated to pay the loan from the royalties calculated on 7% of the income derived from the commercialization of the messaging software. The Deed of Grant terminated on 30 June 2023.

As at 30 June 2024, the current portion of the outstanding loan, inclusive of the accrual annual indexation fees, amounting to \$301,982 (2023: \$301,982) of which approximately \$32,548 (2023: \$32,548) is payable on the royalties outstanding and payable for the period from 1 July 2019 to 30 June 2024.

The web-based messaging software licence derived no royalty repayments for the year ended 30 June 2024 (2023: approximately \$10,000) and it is not expected to derive any material royalty revenue and Loan repayments to the Group in the future. As a result, it is unlikely that JCT will need to repay the Loan amount of \$269,434, including any future annual indexation, as it will no longer derive any royalty income which is the basis of the Loan repayment. Accordingly, the Company has accounted \$32,548 for the amount of the royalties outstanding and payable as at 30 June 2024 (2023: \$32,548) in the Borrowings account on the balance sheet (Note 14). The remaining balance of \$269,434 was accounted for in the Profit and Loss account as a reversal of borrowings in the 2023 financial year, and also disclosed as a contingent liability in the event of certain conditions set out in the Term of the Grant including JCT becoming bankrupted or move out of state of South Australia in the future.

In March 2023, the Company entered into an agreement to lease a corporate office for a term of four years from 13 March 2023 to 12 March 2027. The Company opened a term deposit which was used as security on a bank guarantee to secure the Company's obligations under the lease over the Company's corporate office.

In November 2023, JCT Healthcare Pty Ltd ("JCT"), a wholly owned subsidiary of the Company, entered into an agreement to lease an office for a term of three years from 15 November 2023 to 14 November 2026. JCT opened a term deposit which was used as security on a bank guarantee to secure the obligations under the lease over JCT's office.

24. Commitments

	2024	2023
	\$	\$
Operating leases		
Due within one year	99,106	71,292
Due between one year and five years	169,394	202,465
Due after five years	-	-
	<u>268,500</u>	<u>273,757</u>

25. Controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1(b).

Name of entity	Country of incorporation	Class of shares	Equity holding	
			2024	2023
			%	%
Oakridge Asia Holdings Pty Ltd	Australia	Ordinary	100	100
Oakridge Healthcare Pty Ltd	Australia	Ordinary	100	100
Osiris Energy Pty Ltd ⁽¹⁾	Australia	Ordinary	100	100
JCT Healthcare Pty Ltd	Australia	Ordinary	100	100

(1) Converted from a public company to a proprietary company in financial year 2023.

Interests in joint arrangements

The Group has the following significant interests in joint arrangements.

(a) Joint arrangements

The Group has a 45 per cent equity shareholding in P.T. Sokoria Geothermal Indonesia with 50% voting power, a joint venture established in Indonesia with P.T. Bakrie Power, the Group's joint venture partner, to pursue the development of the Sokoria geothermal Project on the island of Flores in Indonesia.

On 16 January 2017 KS Orka completed acquisition of Sokoria Geothermal Project. Under the terms of the SPA Oakridge International received the nominal amount of US\$1.00. An additional payment of up to US\$947,368 will become payable within 30 days of KS Orka issuing notification of intent to develop project. After taking into consideration the timing and final amount to be paid, management has decided to fully impair the amount receivable. In March 2022, Oakridge International received a notification of intent to develop a portion of the project which resulted in a payment from KS Orka of US\$157,939. During the current financial year, the Group received a payment of US\$94,763.80 or approximately \$144,810. Oakridge International may receive additional payments if KS Orka commits to further development.

(b) Joint operations

The Group has a 51 per cent interest in the Dairi prima Geothermal Project, a joint operation with P.T. Bakrie power to jointly develop spare capacity of the Sibayak geothermal reserves in Northern Sumatra, Indonesia, to be supplied to the Dairi Prima mine. These projects were fully impaired in the previous years. The Group will look to divest its impaired projects moving forward.

26. Comparative amounts

The following comparative figures have been reclassified and restated to conform with current year's presentation:

	Increase/ (decrease)
	\$
Plant and equipment at cost	2,131
Plant and equipment at accumulated depreciation	1,065
Computer equipment at cost	2,131
Computer equipment at accumulated depreciation	1,065

27. Subsequent events

Other than the subsequent events listed below, there were no other significant events after the financial year end.

OAKRIDGE INTERNATIONAL LIMITED
CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Name of entity	Country of incorporation	Type of entity	Percentage owned (%)	Trustee of a Trust or partner in a partnership in a join venture	Australian or Foreign?	If foreign list each jurisdiction of tax residency
			2024			
Oakridge Asia Holdings Pty Ltd	Australia	Ordinary	100	N/A	Australian	N/A
Oakridge Healthcare Pty Ltd	Australia	Ordinary	100	N/A	Australian	N/A
Osiris Energy Pty Ltd	Australia	Ordinary	100	N/A	Australian	N/A
JCT Healthcare Pty Ltd	Australia	Ordinary	100	N/A	Australian	N/A

OAKRIDGE INTERNATIONAL LIMITED

DIRECTORS' DECLARATION

In the directors' opinion:

- (a) the attached financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
 - (ii) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date;
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1(a);
- (c) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable;
- (d) the directors have been given the declarations required by section 295A of the *Corporations Act 2001*; and
- (e) the information detailed in the consolidated entity disclosure statement is true and correct.

This declaration is made in accordance with a resolution of directors.



Con Unerkov
Chairman

Adelaide, South Australia
29 August 2024

Additional information required by the Australian Securities Exchange Ltd Listing Rules and not disclosed elsewhere in this report is as follows. This information is current as at 9 August 2024.

Twenty largest shareholders

Rank	Name of holder	No. of ordinary shares held	Issued capital %
1	MONTAGUE CAPITAL PTY LTD	11,898,496	44.07
2	TEKO INTERNATIONAL LIMITED	3,125,000	11.57
3	ALITON PTY LTD <BELL FAMILY SUPER FUND A/C>	1,009,951	3.74
4	HEURESYS LABS LLC	1,000,000	3.70
5	JK GROUP AUSTRALIA PTY LTD <JK FAMILY A/C>	701,441	2.60
6	AEROBOTICS PTY LTD	370,000	1.37
7	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	320,736	1.19
8	MRS KELLY ANNE SEVILLE	250,000	0.93
9	MRS DUANRONG ZHANG	240,000	0.89
10	SHARESIES AUSTRALIA NOMINEE PTY LIMITED	226,687	0.84
11	ALANTICX TECHNOLOGIES PTY LTD <ALANTICX A/C>	222,084	0.82
12	MR B M MORSHED	213,714	0.79
13	PENNY DREADFUL HOLDINGS PTY LTD <SEVILLE SUPER FUND A/C>	210,000	0.78
14	MR DOMINIC SAMUEL KENNEDY	197,367	0.73
15	MR HEMANT KUMAR VANMALI <SUNI-JAY A/C>	182,500	0.68
16	BNP PARIBAS NOMINEES PTY LTD <UOBKH R'MIERS>	179,472	0.66
17	MR JONATHAN BERNARD SINGER	177,000	0.66
18	MISS NICOLE GEK LEN TAN	169,291	0.63
19	MR RAMIN VAHDANI	159,064	0.59
20	MR BOBBY VINCENT LI	147,157	0.55
	Total	20,999,960	77.78
	Total issued capital	26,997,908	100.00

Substantial shareholders

Substantial shareholders as advised to the Group are set out below:

Name of holder	No. of ordinary shares held	Issued capital %
MONTAGUE CAPITAL PTY LTD	11,898,496	44.07
TEKO INTERNATIONAL LIMITED	3,125,000	11.57

Distribution of member holdings

Holding ranges	Holders	Total units	%issued share capital
1 - 1,000	204	59,295	27.87
1,001 - 5,000	264	841,357	36.07
5,001 - 10,000	111	813,788	15.16
10,001 - 100,000	127	3,592,792	17.35
100,001 - 9,999,999,999	26	21,690,676	3.55
Totals	732	26,997,908	100.00%

The number of security investors holding less than a marketable parcel of securities is 528 with a combined total of 1,262,512 securities.

Voting rights

All shares carry one vote per share without restriction.

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INDEPENDENT AUDIT REPORT**To The Members of Oakridge International Limited & Controlled Entities****Report on the Audit of the Financial Report****Opinion**

We have audited the financial report of Oakridge international limited (the Company) and its subsidiaries (the Group), which comprises the statement of financial position as at 30 June 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including 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:

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

Basis for Opinion

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

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

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

Key Audit Matters

Key audit matters are those 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.

KEY AUDIT MATTER – INVENTORY VALUATION	
Refer to Note 11 inventory	
As at 30 June 2024 the Group carries a provision for inventory obsolescence of \$305,688. The valuation of inventory is deemed a key audit matter to the level of estimation and judgement applied.	Our procedures included, amongst others: - obtaining and evaluating management assessment of Inventory Obsolescence. - evaluated the reasonableness and accuracy of key assumptions. - performing a recalculation based on management's assumptions, - performing net realisable value testing a sample of inventory on hand at year end; and - assessing the adequacy of the disclosures in the financial report.

Responsibilities of 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 Group's ability 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 the financial report.

Report on the Remuneration Report

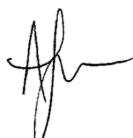
Opinion on the Remuneration Report

We have audited the Remuneration Report included on pages 7 to 11 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Oakridge International Limited, 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.



ANDREW JOHNSON
Partner – Audit and Assurance
Moore Australia Audit (VIC)
Melbourne, Victoria

29 August 2024



Moore Australia
Moore Australia Audit (VIC)
ABN 16 847 721 257
Chartered Accountants