

Osteopore[®]

Q4 CY24 Quarterly Report

31 January 2025

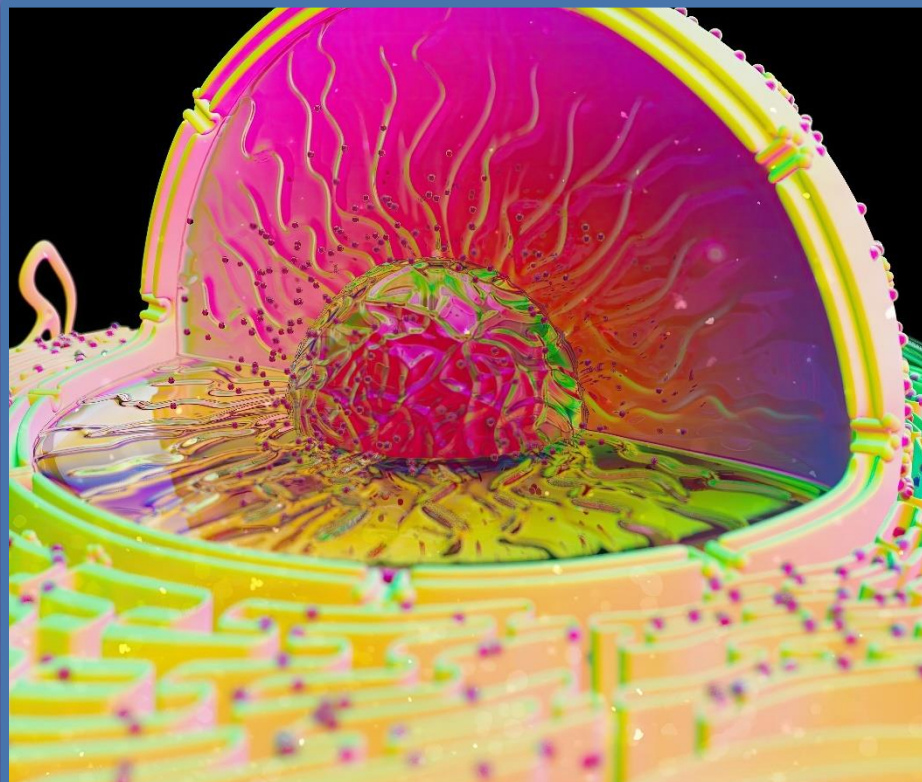


ASX: OSX



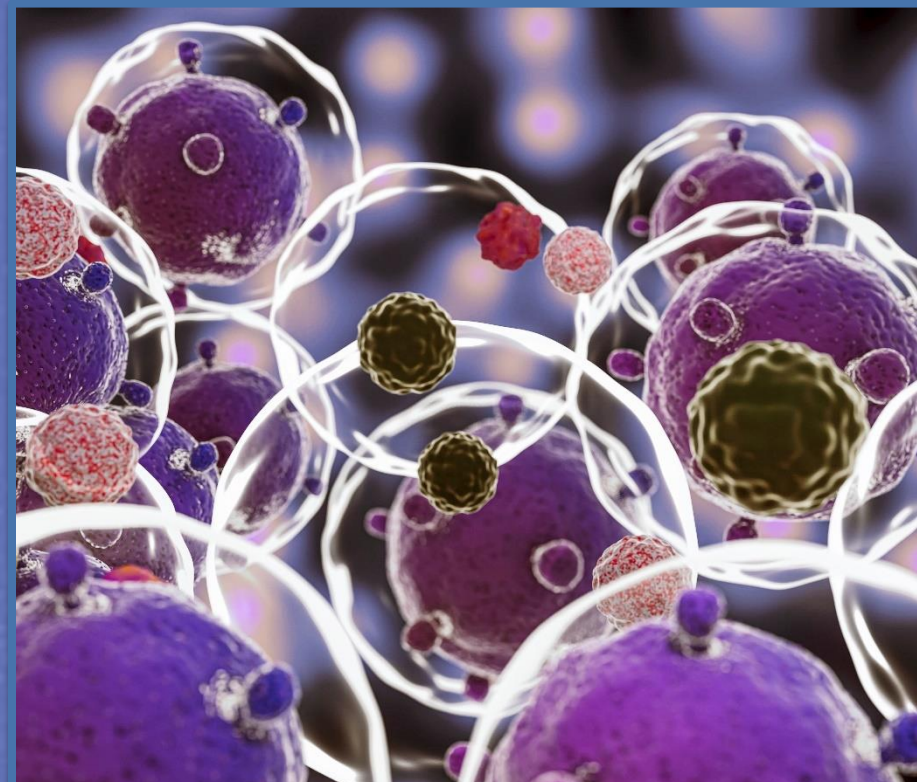
Quarterly highlights

Osteopore Limited (ASX:OSX) (“**Osteopore**” or the “**Company**”), a revenue-generating manufacturer of regenerative implants that empower natural tissue regeneration, is pleased to release its quarterly results and Appendix 4C Quarterly Cash Flow Report for the three months ended 31 December 2024.



Osteopore strikes scaffold-based iPSC deal with RxCell

Osteopore signs a **Collaboration Agreement** with induced pluripotent stem cells (iPSC) company **RxCell**, expanding Osteopore into the **USD 4.39b scaffold-based therapy market**.



Osteopore partners with CytoMed to advance MSC-powered regeneration

Osteopore signs a **Collaboration Agreement** with leading-edge biopharmaceutical company **CytoMed** to combine **mesenchymal stem cells (MSCs)** with OSX's **bioresorbable scaffolds**.



Osteopore partners with scientists to drive innovation in regenerative medicine

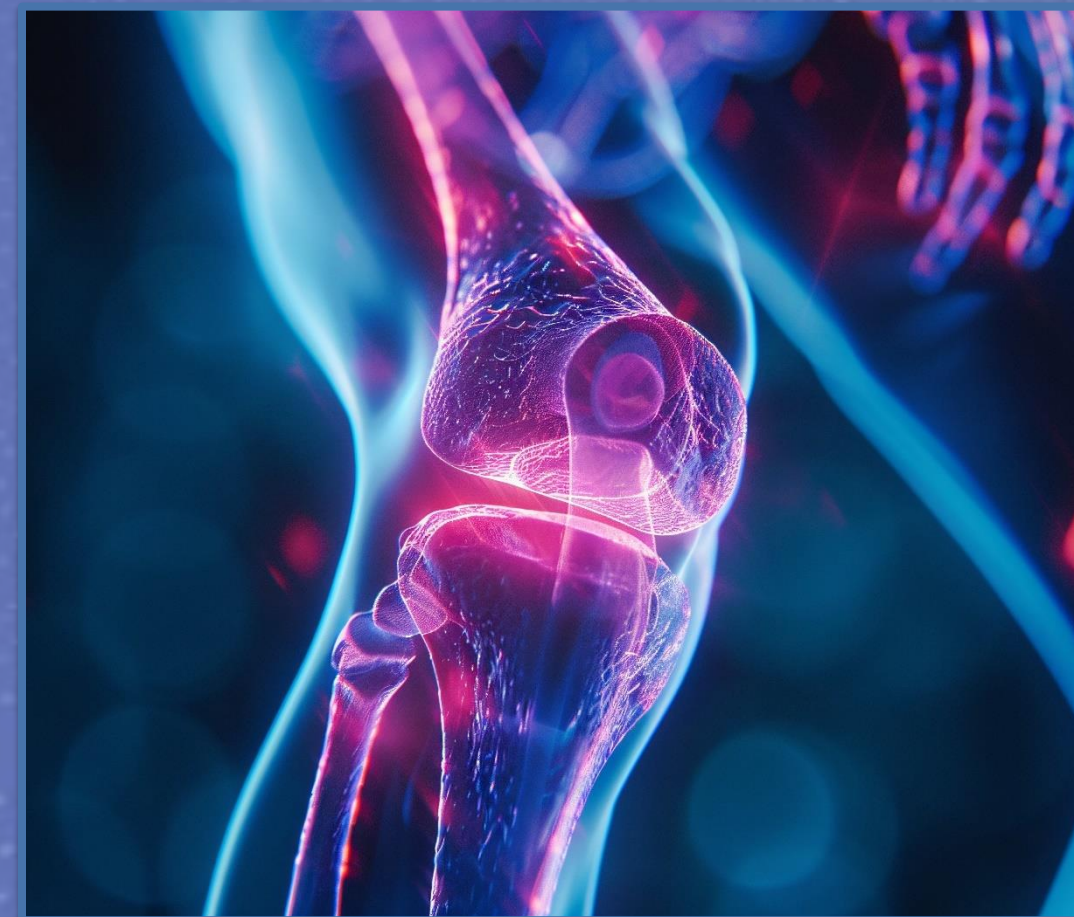
Osteopore signs an **Investment Agreement** with regenerative medicine and aging science pioneers, **Dr Xianmin Zeng** and **Dr Brian Kennedy**, to strategically invest in **Regen SPV**.

Quarterly highlights



Osteopore steps up global expansion in Brazilian craniofacial market

Osteopore signs an exclusive **Distribution Agreement** with **Medsite** to distribute Osteopore's **craniofacial products** in **Brazil**.



Osteopore signs exclusive deal with DKSH for orthopaedic products

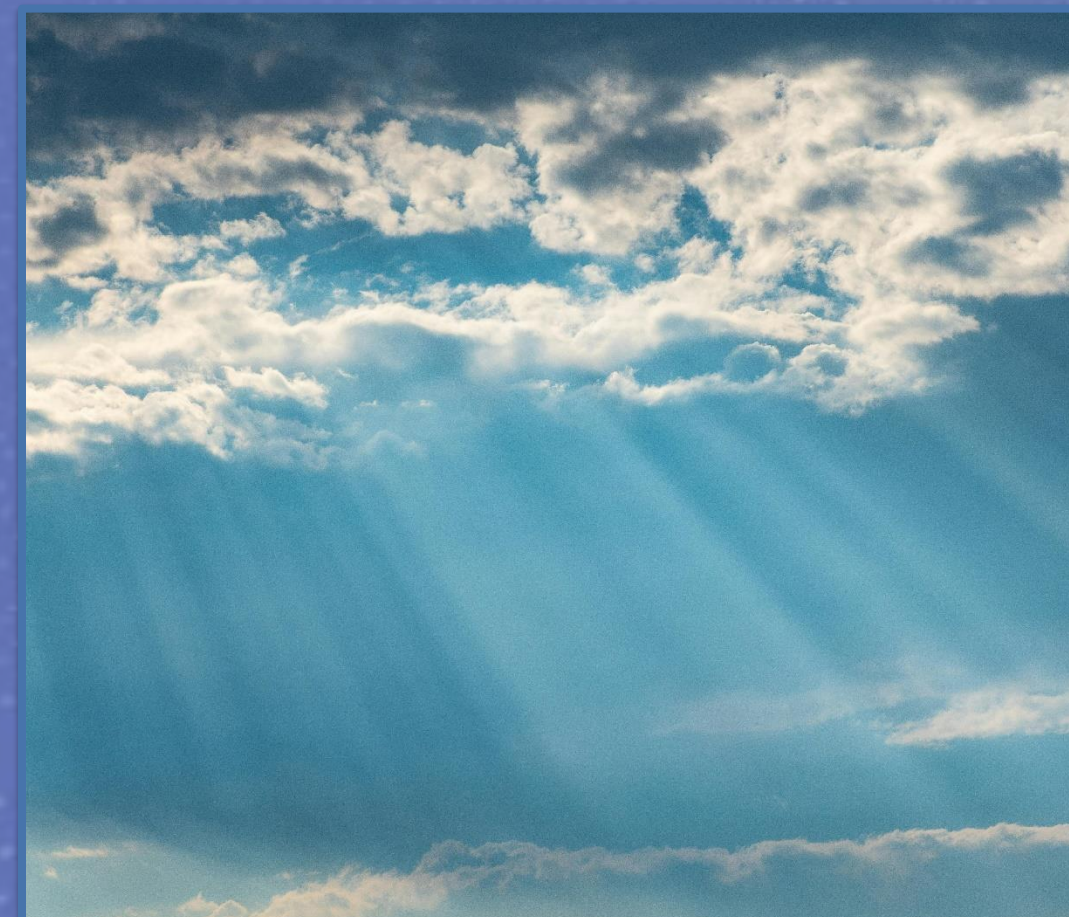
Osteopore signs an exclusive **Sales & Marketing Agreement** with **DiethelmKellerSiberHegner (DKSH)** to promote Osteopore's **off-the-shelf bone loss treatment products** in **Singapore**.

Quarterly highlights



Osteopore strikes Subscription Agreement to issue A\$20m in redeemable convertible notes

Osteopore signs a **Subscription Agreement** with **Advance Opportunities Fund** and **Advance Opportunities Fund I** to issue **4% redeemable convertible notes** at a nominal value of ~A\$20m.



Osteopore secures shareholder backing for strategic resolutions

Osteopore successfully passed 5 resolutions at its **General Meeting** on 23 December 2024, including the issuance of **redeemable convertible notes**, **director performance rights**, a new **ESIP**, and a **strategic investment**.

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Osteopore is delighted to sign agreements with leading-edge stem cell companies RxCell and CytoMed, to combine our scaffold-based technology with cell-based therapeutic capabilities, positioning us in the USD 4.39b scaffold-based therapy market.

Building on our stem cell offer, Osteopore signed an agreement with regenerative medicine and aging science pioneers Dr Zeng and Dr Kennedy to make a strategic investment in Regen SPV, diversifying Osteopore into upstream cellular regeneration.

Osteopore continued to expand its presence in ASEAN and LATAM, with the signing of distribution agreements with DKSH for off-the-shelf orthopaedic products in Singapore and Medsite for craniofacial products in Brazil.

The Company is dedicated to creating the right settings for revenue growth, as demonstrated by our strong YoY performance, despite facing operational and strategic headwinds in Q4, such as the doctor's strike, reduced orders and business transition.

We're pleased to have the continued support of our shareholders at the General Meeting, where we successfully passed strategic resolutions including a \$20m RCN issue that will provide the capital and resources necessary to drive Osteopore's next phase of growth.

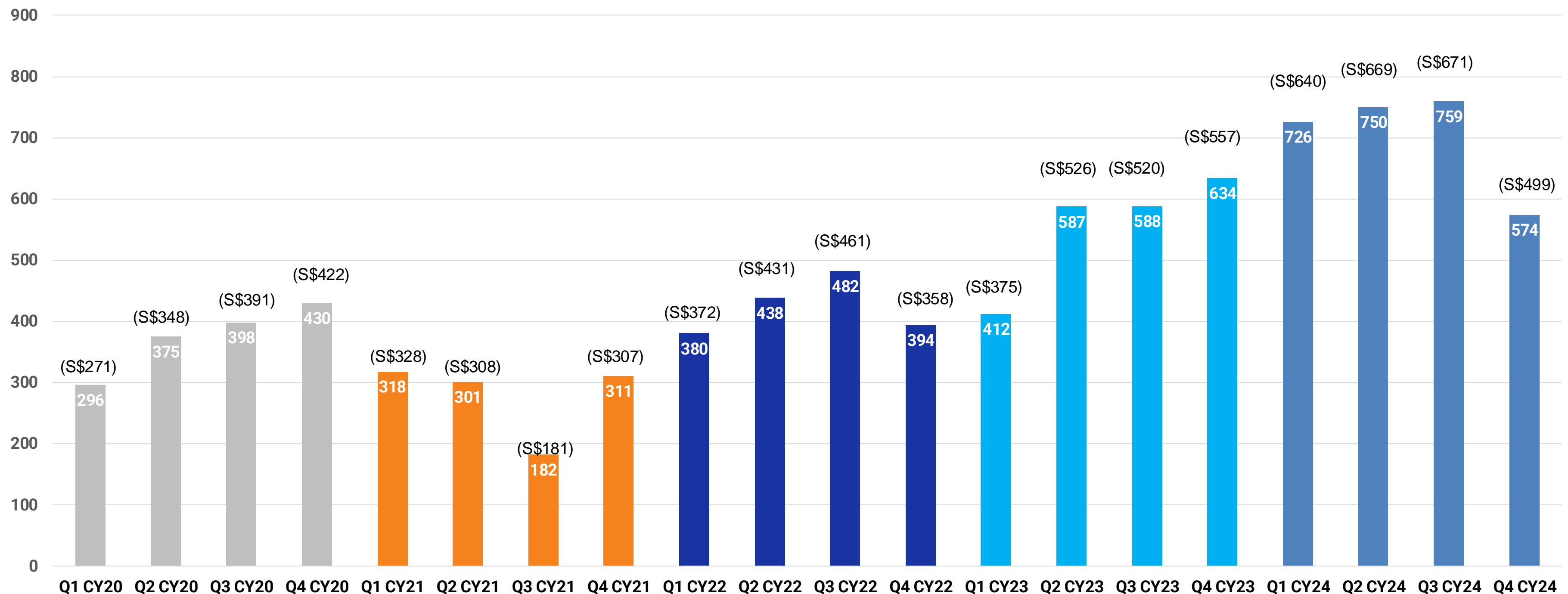
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Mark Leong
Executive Chairman

Osteopore delivers strong YoY revenue growth, reaching 27% YoY, despite strategic and operational headwinds

Osteopore's strong YoY revenue growth for CY24 was partially offset by the effects of the South Korean medical crisis and the ongoing transition of the business in EMEA. Subsequently, Q4 CY24 revenues declined by 9% to A\$574,000 (S\$499,000).

Quarterly Sales Revenue in A\$'000



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

Osteopore strikes scaffold-based iPSC deal with RxCell¹

- On 10 October 2024, Osteopore signed a **Collaboration Agreement** with US-based **induced pluripotent stem cell (iPSC)** company **RxCell**, which is dedicated to advancing the frontiers of therapeutic applications via iPSCs.
- RxCell President and CEO **Dr Xianmin Zeng** is a renowned stem cell biologist and neurobiologist with expertise in the development of **iPSC-based therapy** and drug discovery.
- This synergy **pushes the boundaries** of **regenerative medicine**, enabling Osteopore to **pioneer life-changing solutions** that **speed up recovery** and **unlock regenerative potential**.
- Under the Agreement, Osteopore and RxCell will set up a **Technology Advisory Committee (TAC)** to assess **co-development and resource utilisation** opportunities.
- The Agreement **expands Osteopore's business** into the **scaffold-based cell therapy market**, which is projected to grow at a **CAGR of 10%** and surpass a projected market size of **USD 4.39b** by 2034.

¹ ASX announcement: 'Osteopore strikes scaffold-based iPSC deal with US-based RxCell', 10 October 2024

Osteopore partners with CytoMed to advance MSC-powered regeneration²

- On 17 October 2024, Osteopore signed a **Collaboration Agreement** with NASDAQ-listed biopharmaceutical company **CytoMed**, which specialises in off-the-shelf **allogenic cancer therapeutics**.
- The Agreement combines Osteopore's **bioresorbable scaffolds** with CytoMed's **mesenchymal stem cells (MSCs)**, which are becoming a key factor in developing therapies that **enhance natural healing**.
- CytoMed's CGMP lab manufactures clinical-grade **allogeneic umbilical cord-derived mesenchymal stem cells (UC-MSCs)**, which are highly effective in **promoting tissue regeneration**.
- CytoMed seeks to leverage its proprietary technology to develop donor-derived cell-based **allogeneic therapies for cancer** and **age-related degenerative diseases**.
- Recently, CytoMed secured approval from **Singapore's Health Sciences Authority (HSA)** for **Phase 1 clinical trials** at **Singapore's National University Hospital (NUH)**.

² ASX announcement: 'Osteopore partners with CytoMed to advance MSC-powered regeneration', 17 October 2024

Osteopore partners with scientists to drive regenerative medicine innovation³

- On 4 November 2024, Osteopore signed an **Investment Agreement** with prominent scientists **Dr Xianmin Zeng** and **Dr Brian Kennedy** to invest in a **prospective biotech and medtech entity, 'Regen SPV'**.
- Osteopore's **strategic investment** in Regen SPV solidifies the Company's commitment to **progressing cutting-edge regenerative technologies** that **drive meaningful change** while **maintaining commercial viability**.
- Through Regen SPV, Dr Zeng and Dr Kennedy seek to **combine biotech and medtech** to drive breakthroughs in **tissue regeneration, disease cures**, and the **promotion of geroscience and longevity**.
- Regen SPV will provide access to Osteopore's **clinical and technical advisory panel**, leveraging the Company's **R&D, clinical, regulatory and commercialisation capabilities** to accelerate Regen SPV's growth.
- The strategic investment marks a key step in Osteopore's strategy to **diversify into upstream cellular regeneration** while increasing the Company's exposure to the **USD 15.07b global stem cell market**.

³ ASX announcement: 'Osteopore to join forces with renowned scientists to drive innovations in Regenerative Medicine', 4 November 2024

Osteopore steps up global expansion in Brazilian craniofacial market⁴

- On 24 October 2024, Osteopore signed a 5-year **Exclusive Distribution Agreement** with **Medsite Equipamentos e Produtos Para Suade Ltda (Medsite)** to distribute its **craniofacial products** in **Brazil**.
- Under the Agreement, Medsite will manage ANVISA product registration – a process anticipated to span two years – and work with **Zeiki Medical Produtos Medicos Ltda (Zeiki)** to enhance commercial adoption.
- Founded in 2006 by CEO **Cristina Seixas**, Zeiki **sources high-quality products** for the Brazilian market, collaborating with **health operators, public organisations, hospitals** and **clinicians** across Brazil.
- Osteopore seeks to leverage its regulatory capabilities and success in **North America** with the **US Food and Drug Administration (FDA)**.
- The Agreement provides Osteopore with exposure to the **\$6b per annum Brazilian medical device market** while boosting its presence in the **Latin American (LATAM) market**.

⁴ ASX announcement: 'Osteopore steps up global expansion in Brazilian craniofacial market', 24 October 2024

Osteopore signs exclusive deal with DKSH for orthopaedic products⁵

- On 6 November 2024, Osteopore signed an **Exclusive Sales and Marketing Agreement** with Switzerland-based holding company **DiethelmKellerSiberHegner (DKSH)**.
- Listed on the **Swiss Stock Exchange (SIX)**, DKSH specialises in market expansion services, with a presence in 36 markets and 29,040 staff.
- DKSH is one of **Switzerland's Top 30 companies** ranked by sales and employees. In 2023, DKSH generated **CHF 11.1b in annual net sales**.
- The Agreement, coming on the heels of **Singapore** market approval for **orthopaedic products**, is centred on promoting Osteopore's **off-the-shelf orthopaedic products** in Singapore.
- Osteopore's **High Tibial Osteotomy (HTO)** product is the centrepiece of the Company's orthopaedic expansion into Singapore.
- The HTO market is projected to grow at a **CAGR of 9.2%**, with **procedures expected to reach 35,000** in the Asia Pacific (APAC) per annum by 2025.⁶

⁵ ASX announcement: 'Osteopore signs exclusive deal with DKSH for orthopaedic products', 6 November 2024

⁶ ASX announcement: 'Osteopore secures Singapore and Vietnam market approvals', 27 March 2024

Osteopore enters an agreement to issue A\$20m in redeemable convertible notes⁷

- Osteopore has entered into a **Subscription Agreement** (Subscription Agreement) – pursuant to shareholder approval – with **Advance Opportunities Fund** and **Advance Opportunities Fund I** (Subscribers).
- Per the terms of the Agreement, Osteopore intends to issue 4% **redeemable convertible notes** to Subscribers, with a nominal value of up to **A\$20m**, structured in **4 tranches** (T1, T2, T3 and T4) nominally valued at **A\$5m** each.
- T1, T2, T3 and T4 shall comprise **20 sub-tranches of A\$250K** each. The Company is working to satisfy the conditions precedent under the Agreement for the issue and subscription of **T1**, per terms and conditions.
- Funds raised from the Notes issue will be used in the ordinary course of business and/or **future developments, projects** and **investments** as and when opportunities arise, and for loan discharge and/or reductions.

⁷ ASX announcement: 'Osteopore enters an agreement to issue A\$20m in redeemable convertible notes', 24 December 2024

Osteopore secures shareholder backing for key resolutions⁸

On 23 December 2024, Osteopore conducted a **General Meeting** with the below successfully passed as ordinary resolutions:

- 1) **Redeemable Convertible Notes (RCN) Issue**
- 2) **Director Performance Rights Issue:** ~5,625,000 to Mr Mark Leong; ~625,000 to Professor Teoh Swee Hin, ~625,000 to Mr Daniel Ow, ~625,000 to Mr Michael Keenan , and ~4,125,000 to Dr Yujing Lim.
- 3) **New Employee Share Incentive Plan (ESIP)**
- 4) **Strategic Investment with Dr Zeng and Dr Kennedy**
- 5) **Granting Shares to Dr Yujing Lim**

Professional society engagement



Saigon Arthroscopy Expert Group, Vietnam

Osteopore was delighted to showcase its knee preservation solutions at the inaugural Saigon Arthroscopy Expert Group event in December. Dr Hamid Razak captivated the audience with a dynamic presentation on how Osteopore is pioneering advancements in knee preservation and ACL reconstruction. As medicine gravitates towards active healing, we're excited to provide alternatives like aXOpore® and Osteomesh® for surgeons to consider.



68th Philippine Society of Otolaryngology Annual Convention

At the Otolaryngology – Head & Neck Surgery – Annual Convention, Osteopore Co-Founder, and Associate Professor Thiam-Chye Lim displayed the transformative potential of Osteopore's scaffolds in craniomaxillofacial surgeries. Integrating 3D-printed autoclavable models with Osteomesh®, enables surgeons to customise implants in real-time to meet the unique needs of their patients.



Taiwan National Association of Dental Implantology (TNADI), Taiwan

Dr Hung Teng Hsu presented an inspiring series of case studies showcasing the exceptional adaptability of Osteomesh® in Biological Bone Augmentation. Designed with a semi-flexible structure, Osteomesh® enables precise shaping to match each patient's unique ridge contour, reducing surgery time and extensive bone harvesting, and leading to significant benefits for patients, including reduced post-operative pain and quicker recovery.



Asia Pacific Ophthalmic Trauma Society (APOTS) Meeting 2024, Indonesia

At the APOTS Meeting 2024, Osteopore was delighted to present Osteomesh®. Surgeons had the opportunity to delve into Osteomesh's® applications during a hands-on workshop led by Dr Tarjani Vivek Dave, Associate Director at the Kallam Anji Reddy Campus and Consultant Ophthalmologist at the L V Prasad Eye Institute. Osteopore thanks the surgeons for sharing their insights on how Osteomesh® could transform clinical approaches to trauma care.

Appendix 4C - Quarterly cashflow report

Corporate and financial summary

The attached Appendix 4C provides details of the cashflows for the quarter ended 31 December 2024.

As of 31 December 2024, the Company has a cash balance of approximately A\$638,000.

The net cash used during the quarter by the Company for its operating activities amounted to approximately A\$712,000, which is lower compared to the previous quarter (approximately A\$738,000). The reduction is mainly attributable to tighter cost control by the Company, captured in the following three categories:

- A) Research and development
- B) Product manufacturing and operating costs
- C) Administration and corporate costs

Related party transactions

Payments in the December quarter to related parties of approximately A\$139,000 at Item 6 in Appendix 4C, comprised of director fees and salaries.



Mark Leong

Executive Chairman

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Chief Executive Officer & Chief Technology Officer

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Appendix 4C

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

Name of entity

Osteopore Limited

ABN

65 630 538 957

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	634	2,541
1.2 Payments for		
(a) research and development	(82)	(340)
(b) product manufacturing and operating costs	(255)	(822)
(c) marketing, business development & investor relations (including allocated staff costs)	(362)	(1,727)
(d) leased assets	(27)	(106)
(e) staff costs (other than allocated staff costs under note 1.2(c))	(343)	(1339)
(f) administration and corporate costs	(327)	(1,554)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	2
1.5 Interest and other costs of finance paid	(3)	(10)
1.6 Income taxes paid	-	(59)
1.7 Government grants and tax incentives	53	252
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(712)	(3,162)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(3)	(15)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	Net cash from / (used in) investing activities	(3)	(15)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	2,848
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of share options	-	255
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(111)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	(103)	(312)
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	Net cash from / (used in) financing activities	(103)	2,680

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,439	1,115

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(712)	(3,162)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3)	(15)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(103)	2,680
4.5	Effect of movement in exchange rates on cash held	17	20
4.6	Cash and cash equivalents at end of period	638	638

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	632	1,433
5.2	Call deposits	6	6
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	638	1,439

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
139
-

Payments made to Directors related to:

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

7. Financing facilities	<p><i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i></p> <p><i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i></p>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	1,112	1,112
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	1,112	1,112
7.5	Unused financing facilities available at quarter end		-
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p>		

On 28 December 2023, the Company signed a bridging loan agreement with Advance Opportunities Fund I (Lender), for a bridging loan of S\$1,000,000 to the Company. On 9 April 2024, the Company entered a variation deed with the Lender to extend the maturity date to 1 May 2025 on improved terms.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(712)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	638
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	638
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	0.90

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

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

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

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

Answer: The Company expects to meet its operational costs from proceeds from sales, existing reserves, and from additional funding (as required). The Company also has the ability to obtain further funds through the issue of debt and equity securities when required. As announced on 24 December 2024, the Company entered into a subscription agreement with Advance Opportunities Fund and Advance Opportunities Fund I (AOF I) (Subscribers) to issue 4% redeemable convertible notes (RCNs) – with an aggregate nominal value of up to AUD 20,000,000 – to the Subscribers (Notes). The Company is currently working to satisfy the conditions precedent under the Subscription Agreement for the issuance and subscription of T1, in accordance with its terms and conditions.

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

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

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2025

Authorised by: By the Board

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

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – e.g., Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.