

Oakridge International Limited

Appendix 4D Half Year Report ended 31 December 2023

Results for announcement to the market

| Results | Movements | | | 31 December 2023 \$ | 31 December 2022 \$ |
|---|-----------|---------|----|---------------------------|---------------------------|
| Revenue from ordinary activities | down | 4.68% | to | 528,068 | 553,988 |
| (Loss) from ordinary activities after tax | down | 193.74% | to | (459,809) | (156,537) |
| (Loss) for the period attributable to the shareholders | down | 193.74% | to | (459,809) | (156,537) |
| From continuing activities: | | | | | |
| Revenue from continuing activities | down | 4.68% | to | 528,068 | 553,988 |
| (Loss) from continuing activities after tax | down | 193.74% | to | (459,809) | (156,537) |
| (Loss) from continuing activities attributable to the shareholders | down | 193.74% | to | (459,809) | (156,537) |
| Earnings per share attributable to the shareholders of the company | | | | Cents | Cents |
| Basic earnings per share | | | | (0.03) | (0.01) |
| Diluted earnings per share | | | | (0.03) | (0.01) |
| Net tangible asset backing | | | | | |
| Per ordinary security (cents per share) | | | | 0.03 | 0.06 |
| Dividends payable | | | | | |
| The Directors do not propose or recommend the payment of a dividend. | | | | | |
| Control gained over entities having a material effect | | | | | |
| Nil | | | | | |
| Loss of control of entities having a material effect | | | | | |
| Nil. | | | | | |
| Detail of associates and joint venture entities | | | | | |
| Nil | | | | | |

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 half-year ended 31 December 2023 the Group's loss after income tax expense amounted to \$459,809 (2022: \$156,537) and cash outflows from operations for the half-year were \$426,297 (2022: \$154,469). Sustained losses have resulted in the 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,
- 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.

Oakridge International Limited

ABN 89 122 203 196

Interim Financial Report for the half financial year ended 31 December 2023

For personal use only

Oakridge International Limited

Interim Financial Report – Half-Year Ended 31 December 2023

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This interim financial report does not include all of the notes and other disclosure information of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the financial year ended 30 June 2023 and any public announcements made by Oakridge International Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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, Victoria, 3000

Principal office in Australia

Suite 3, Level 3, 89 Pirie Street
Adelaide, SA 5000

Share registry

Link Market Services
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

The directors present their report on Oakridge International Limited (the "Company" or "Oakridge") and the entities it controlled ("the Group") at the end of, or during, the half-year ended 31 December 2023.

Directors

The following persons were directors of Oakridge during the half-year under review and up to the date of this report, unless otherwise stated:

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

Company secretary

Mrs. Julie Edwards

Principal activities

Oakridge is engaged in the business of selling professional healthcare technology equipment and solutions to healthcare facilities. Oakridge 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 has recently focused on expanding into delivering assisted independent living technologies utilising synergies with Oakridge'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 period.

Dividends

The directors recommend that no dividend be paid or declared at this point in time. No amounts have been paid or declared by way of dividend during the half-year period under review.

Review and results of operations

The Group realised a loss after tax for the half-year of \$459,809 (2022: loss of \$156,537) from its continuing operations. The following provides a summary of the Group's activities and achievements during the course of the half 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.
- Promoted Dominic Kennedy to the position of General Manager at the Company's wholly owned subsidiary JCT Healthcare Pty Ltd effective 1st October 2023.
- 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.

Directors' Report (continued)

- 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.

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. In line with its strategies, the Group will seek to expand its business and revenue base by exploring other emerging businesses in the technology sector focusing on renewable energy, energy storage solutions, new energy vehicles and energy saving materials. These activities are at an exploratory stage which may require shareholders and/or regulatory approval, and there is no guarantee that the Company will enter any of these sectors. The IoT and Healthcare sectors remain the focus of the Company.

Health, safety, environment, and community

During the half-year under review, there were no reportable incidents relating to health, safety, or community-related matters.

No business objective will take priority over the Occupational Health and Safety Policy and the Company's record of achievement in this important area of its activities will form an essential part of the measure of its overall success.

Events occurring after balance sheet date

Other than as disclosed in notes to the financial statements, there has not arisen in the interval between the end of the financial year and the date of the report any matter or circumstance that has significantly affected, or may significantly affect the Group's operations, results or the state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

Rounding of amounts

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

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



Mr. Con Unerkov
Chairman

Adelaide, South Australia

28 February 2024

VICTORIA

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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 half-year ended 31 December 2023, there have been:

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



MOORE AUSTRALIA AUDIT (VIC)
ABN 16 847 721 257



ANDREW JOHNSON
Partner
Audit and Assurance

Melbourne, Victoria

28 February 2024

Oakridge International Limited
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For The Half-Year Ended 31 December 2023

| | | Half-Year to 31 December 2023 \$ | 31 December 2022 \$ |
|--|------|---|---------------------------|
| | Note | | |
| Revenue from contracts with customers | 3 | 344,482 | 399,751 |
| Other income | 3 | 183,586 | 154,237 |
| Change in inventories | | (84,715) | 12,926 |
| Purchase of finished goods | | (23,250) | (173,090) |
| Foreign currency gains | | 231 | 10,717 |
| Employee and contracting expense | | (335,379) | (284,274) |
| Recovery of inventory | | - | 100,000 |
| Professional and legal costs | | (48,368) | (69,830) |
| Depreciation and amortisation expense | | (43,670) | (2,095) |
| Consulting and advisory fees | | (60,165) | (300) |
| Insurance claim write offs | | (73,212) | - |
| Options expense | 6 | (32,088) | - |
| Occupancy costs | | (35,459) | (42,401) |
| Finance costs | | (5,031) | (12,153) |
| Travel | | (23,760) | (23,672) |
| Marketing and promotion | | (4,843) | (4,357) |
| Directors remuneration | | (120,996) | (117,996) |
| Other expenses | | (97,172) | (104,000) |
| Loss before income tax | | (459,809) | (156,537) |
| Income tax expense | | - | - |
| Loss from continuing operations for the half-year | | (459,809) | (156,537) |
| Loss from discontinued operations net of income tax | | - | - |
| Total loss for the half year | | (459,809) | (156,537) |
| Other comprehensive income | | - | - |
| Total comprehensive loss for the half-year | | (459,809) | (156,537) |
| Total comprehensive loss attributable to: | | | |
| Owners of the parent | | (459,809) | (156,537) |
| Earnings per share for loss attributable to the shareholders of the company | | Cents | Cents |
| Basic and diluted earnings per share | | (0.03) | (0.01) |
| Diluted earnings per share | | (0.03) | (0.01) |

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

Oakridge International Limited
Condensed Consolidated Statement of Financial Position
As at 31 December 2023

| | | 31 December 2023 \$ | 30 June 2023 \$ |
|--------------------------------------|-------------|---------------------------|-----------------------|
| ASSETS | Note | | |
| Current assets | | | |
| Cash and cash equivalents | 4 | 611,506 | 1,091,900 |
| Other financial assets | | 61,948 | 48,448 |
| Trade and other receivables | | 75,451 | 100,890 |
| Other current assets | | 69,258 | 8,535 |
| Inventory | | 356,527 | 441,242 |
| Total current assets | | 1,174,690 | 1,691,015 |
| Non-current assets | | | |
| Plant and equipment | | 41,524 | 40,578 |
| Right of use assets | | 308,908 | 253,530 |
| Total non-current assets | | 350,432 | 294,108 |
| TOTAL ASSETS | | 1,525,122 | 1,985,123 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | | 108,633 | 231,574 |
| Borrowings | | 32,548 | 32,548 |
| Provisions | | 121,043 | 114,292 |
| Income tax provision | | 82,369 | 82,369 |
| Lease liabilities | | 95,658 | 63,324 |
| Unearned revenue | | 14,301 | 22,431 |
| Total current liabilities | | 454,552 | 546,538 |
| Non-current liabilities | | | |
| Provisions | | 18,124 | 15,760 |
| Lease liabilities | | 219,966 | 192,903 |
| Total non-current liabilities | | 238,090 | 208,663 |
| TOTAL LIABILITIES | | 692,642 | 755,201 |
| NET ASSETS | | 832,480 | 1,229,922 |
| EQUITY | | | |
| Contributed equity | 6 | 28,829,690 | 28,799,411 |
| Reserves | | 32,088 | - |
| Accumulated losses | | (28,029,298) | (27,569,489) |
| TOTAL EQUITY | | 832,480 | 1,229,922 |

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

Oakridge International Limited
Condensed Consolidated Statement of Changes in Equity
For the Half-Year Ended 31 December 2023

| | Contributed equity | Share option reserve | Accumulated losses | Total |
|--|--------------------|----------------------|---------------------|------------------|
| | \$ | \$ | \$ | \$ |
| 2023 | | | | |
| Balance at 1 July 2023 | 28,799,411 | - | (27,569,489) | 1,229,922 |
| Share issuance to employees | 30,279 | - | - | 30,279 |
| Issuance of share options | - | 32,088 | - | 32,088 |
| Loss for the half-year | - | - | (459,809) | (459,809) |
| Other comprehensive income | - | - | - | - |
| Total comprehensive loss for the half-year | 30,279 | 32,088 | (459,809) | (397,442) |
| Balance at 31 December 2023 | 28,829,690 | 32,088 | (28,029,298) | 832,480 |
| 2022 | | | | |
| Balance at 1 July 2022 | 28,799,411 | - | (27,453,377) | 1,346,034 |
| Loss for the half-year | - | - | (156,537) | (156,537) |
| Other comprehensive income | - | - | - | - |
| Total comprehensive loss for the half-year | - | - | (156,537) | (156,537) |
| Balance at 31 December 2022 | 28,799,411 | - | (27,609,914) | 1,189,497 |

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

Oakridge International Limited
Condensed Consolidated Statement of Cash Flows
For the Half-Year Ended 31 December 2023

| | | Half-year to | |
|------|--|------------------|------------------|
| | | 31 December | 31 December |
| | | 2023 | 2022 |
| | | \$ | \$ |
| Note | | | |
| | Cash flows from operating activities | | |
| | Receipts from customers (inclusive of GST) | 575,146 | 772,189 |
| | Interest received | 4,679 | 4,390 |
| | Interest paid | (5,031) | - |
| | Payments to suppliers and employees (inclusive of GST) | (1,001,091) | (931,048) |
| 5 | Total net cash outflow from operating activities | (426,297) | (154,469) |
| | Cash flows from investing activities | | |
| | Payments for plant and equipment | (4,753) | - |
| | Payment of rental holding facility | (13,500) | - |
| | Proceeds from investment in term deposits | - | 100,101 |
| | Total net cash inflow from investing activities | (18,253) | 100,101 |
| | Cash flows from financing activities | | |
| | Repayment of lease liabilities | (35,844) | - |
| | Convertible note repayment | - | (200,000) |
| | Total net cash outflow from financing activities | (35,844) | (200,000) |
| | Net decrease in cash and cash equivalents | (480,394) | (254,368) |
| | Cash and cash equivalents at the beginning of the half-year | 1,091,900 | 1,725,273 |
| 4 | Cash and cash equivalents at the end of the half-year | 611,506 | 1,470,905 |

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

1 Significant accounting policies

(a) Basis of preparation

These general purpose condensed financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard AASB134 *Interim Financial Reporting*.

The Group is a for-profit entity for the purpose of preparing the financial statements. This interim financial report is intended to provide users with an update of the latest half-year financial statements of Oakridge International Limited and its controlled entities (the Group). As such, it does not contain all notes of the type normally included in an annual financial report. The same accounting policies have been applied in the interim financial statements as compared to the most recent annual financial statements for the year ended 30 June 2023. It is therefore recommended that this financial report be read in conjunction with the annual financial report of the Group for the year ended 30 June 2023, together with any public announcements made during the half-year and up to the date of this financial report.

The Group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current reporting period. There was no material impact on the financial report as a result of the adoption of these standards.

(b) 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 half-year ended 31 December 2023 the Group's loss after income tax expense amounted to \$459,809 (2022: \$156,537) and cash outflows from operations for the half-year were \$426,297 (2022: \$154,469). Sustained losses have resulted in the 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,
- 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.

(c) Rounding of amounts

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

2 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 focused on the Internet of Things (IoT) technology.

Geothermal projects

Oakridge 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 holding a 45% interest in the project. On 16 January 2017 KS Orka completed acquisition of Sokoria Geothermal Project. Under the terms of the SPA Oakridge 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 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. Oakridge may receive additional payments if KS Orka commits to further development. There was no payment received during this reporting period.
- Ngebel Geothermal Project, under a Joint Venture with PT Bakrie Power, for a 165 MW geothermal development on East Java, Indonesia, with Oakridge 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 there has been 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 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 there has been no further commitment to development of the project.

Oakridge 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 and Geosyndicate Power Private, under which Oakridge is earning in to a 49% interest. Oakridge 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 overhead costs such as director's fees, listing and share registry fees, acquisitions and associated costs.

2 Operating segments (continued)

(i) Segment performance

| | Technology development \$ | Healthcare technology \$ | Geothermal projects \$ | Unallocated \$ | Total \$ |
|---|---------------------------------|--------------------------------|------------------------------|-------------------|------------------|
| Half-year ended 31 December 2023: | | | | | |
| Interest revenue | - | - | - | 4,679 | 4,679 |
| Revenue: | | | | | |
| - Over time | - | 8,112 | - | - | 8,112 |
| - At a point in time | - | 336,370 | - | - | 336,370 |
| Other income | - | - | - | - | - |
| Recovery of insurance claim | - | 178,907 | - | - | 178,907 |
| R and D tax concession | - | - | - | - | - |
| Total segment revenue | - | 523,389 | - | 4,679 | 528,068 |
| Total segment expenses | (8,333) | (594,302) | (310) | (384,932) | (987,877) |
| Loss before income tax for the half-year | (8,333) | (70,913) | (310) | (380,253) | (459,809) |

| | Technology development \$ | Healthcare technology \$ | Geothermal projects \$ | Unallocated \$ | Total \$ |
|--|---------------------------------|--------------------------------|------------------------------|-------------------|------------------|
| Half-year ended 31 December 2022: | | | | | |
| Interest revenue | - | - | - | 4,390 | 4,390 |
| Revenue: | | | | | |
| - Over time | - | 93,504 | - | - | 93,504 |
| - At a point in time | - | 306,247 | - | - | 306,247 |
| Other income | - | - | - | 106 | 106 |
| R and D tax concession | - | 149,741 | - | - | 149,741 |
| Total segment revenue | - | 549,492 | - | 4,496 | 553,988 |
| Total segment expenses | - | (450,822) | (1,607) | (258,096) | (710,525) |
| Profit / (loss) before income tax for the half-year | - | 98,670 | (1,607) | (253,600) | (156,537) |

(ii) Segment assets and liabilities

| | Healthcare technology \$ | Geothermal projects \$ | Unallocated \$ | Eliminations \$ | Total \$ |
|--------------------------------|--------------------------------|------------------------------|-------------------|--------------------|-------------|
| As at 31 December 2023: | | | | | |
| Total assets | 837,026 | 240 | 5,784,004 | (5,096,148) | 1,525,122 |
| Total liabilities | (3,314,281) | (2,166,498) | (308,011) | 5,096,148 | (692,642) |
| 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) |

3 Revenue and other income

| | Half-year to | |
|---|---------------------|---------------------|
| | 31 December 2023 | 31 December 2022 |
| | \$ | \$ |
| <i>Revenue from contracts with customers:</i> | | |
| Revenue recognised at a point in time – sale of goods | 336,370 | 93,504 |
| Revenue recognised over time – projects and services | 8,112 | 306,247 |
| | <u>344,482</u> | <u>399,751</u> |
| <i>Other income:</i> | | |
| Interest income | 4,679 | 4,390 |
| R&D tax concession | - | 149,741 |
| Recovery of insurance claim ¹ | 178,907 | - |
| Other income | - | 106 |
| | <u>183,586</u> | <u>154,237</u> |
| | <u>528,068</u> | <u>553,988</u> |

¹ 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.

4 Cash and cash equivalents

| | 31 December 2023 | 30 June 2023 |
|--------------|---------------------|------------------|
| | \$ | \$ |
| Cash on hand | 244 | 244 |
| Cash at bank | 611,262 | 1,091,656 |
| | <u>611,506</u> | <u>1,091,900</u> |

5 Cash flow information

| | Half-year to | |
|--|---------------------|---------------------|
| | 31 December 2023 | 31 December 2022 |
| | \$ | \$ |
| <i>Reconciliation of profit after income tax to net cash inflow/(outflow) from operating activities:</i> | | |
| Loss for the half-year | (459,809) | (156,537) |
| <u>Non-cash items in profit or loss:</u> | | |
| Depreciation and amortisation expense | 43,670 | 2,095 |
| Indexation of BioSA loan | - | 12,153 |
| Recovery of inventory | - | (100,000) |
| Share based payments | 62,367 | - |
| <u>Change in operating assets and liabilities:</u> | | |
| Decrease in trade or other receivables | 25,439 | 135,488 |
| Decrease / (increase) in inventory | 84,715 | (12,926) |
| (Increase) in other current assets | (60,723) | (244,573) |
| (Increase) in trade and other payables | (122,941) | (22,008) |
| (Increase) / decrease in unearned revenue | (8,130) | 226,126 |
| Decrease in provisions | 9,115 | 5,713 |
| Net cash outflow from operating activities | <u>(426,297)</u> | <u>(154,469)</u> |

6 Contributed equity

| | 31 December 2023 No. | 30 June 2023 No. |
|------------------------------|----------------------------|------------------------|
| Ordinary shares – fully paid | 17,599,412 | 17,195,679 |

| | Half-year to 31 December 2023 | | Half-year to 31 December 2022 | |
|---------------------------------------|----------------------------------|------------|----------------------------------|------------|
| | No. | \$ | No. | \$ |
| Balance at the start of the half-year | 17,195,679 | 28,799,411 | 17,195,679 | 28,799,411 |
| Employee Share Issuance ¹ | 403,733 | 30,279 | - | - |
| Balance at the end of the half-year | 17,599,412 | 28,829,690 | 17,195,679 | 28,799,411 |

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.

Stock Options

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 period ended 31 December 2023 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.

7 Contingent liabilities

- (a) On 31 December 2019, Oakridge 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 Group 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.

Teko International Limited is a related party by virtue of its shareholding and may exercise significant influence as a result of its 17.76%, being the largest shareholder, equity interest in the Company.

7 Contingent liabilities (Cont.)

- (b) 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 31 December 2023, the current portion of the outstanding loan, inclusive of the accrual annual indexation fees, amounting to \$310,805 (30 June 2023: \$301,982) of which approximately \$32,548 is payable on the royalties outstanding and payable for the period from 1 July 2019 to 30 June 2023.

The web based messaging software licence derived no royalty repayments for the six months ended 31 December 2023 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 for the period 1 July 2019 to 30 June 2023 in the Borrowings account on the balance sheet. The remaining balance of \$269,434 has been accounted for in the Profit and Loss account as a Reversal of Borrowings in 2023, 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.

8 Related party transactions

Other than disclosed below, there were no other transactions with key management personnel other than reimbursement of expenses incurred by them in performing their respective duties.

During the six months period ended 31 December 2023, the Company paid to directors and executive officers total remuneration of \$120,996 (31 December 2022: \$117,996).

During the six months ended 31 December 2023, a related party of our Director and CEO, 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.

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.

9 Events subsequent to the reporting date

Other than disclosed below, there has been no matter or circumstance, which has arisen since 31 December 2023 that has significantly affected or may significantly affect:

- (a) the operations, in financial periods subsequent to 31 December 2023, of the Group, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial periods subsequent to 31 December 2023, of the Group.

The following event has occurred subsequent to 31 December 2023:

- i) On 26 February 2024, the Company received an email from KS Orka in relation to the Sokoria Geothermal Project, as referenced in Note 2, 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. The Company has received email confirmation from KS Orka confirming the invoice value of USD 94,763.80 or approximately \$144,810.

10 Comparative Figures

Certain comparative figures have been reclassified to conform to the current period's presentation.

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 Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - (ii) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

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



Mr. Con Unerkov
Director

28 February 2024

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF OAKRIDGE INTERNATIONAL LIMITED AND CONTROLLED ENTITIES

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Oakridge International Ltd (**the Company**) and its subsidiaries (collectively **the Group**), which comprises the condensed statement of financial position as at 31 December 2023, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity, the condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of material accounting policy information and other explanatory information and the directors' declaration.

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

- a. giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- b. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis of Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

We are independent of the 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(c) of the financial report, which identifies that during the half-year ended the Group incurred a consolidated net loss of \$459,809 (2022: loss \$156,537) and had net cash outflows from operating activities of \$426,297 (2022: \$154,469). These events and conditions, along with other matters as set forth in Note 1(c) indicates a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



MOORE AUSTRALIA AUDIT (VIC)
ABN 16 847 721 257



ANDREW JOHNSON
Partner
Audit and Assurance

Melbourne, Victoria

28 February 2024