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BPH Global Limited

ACN 009 104 330

INTERIM REPORT

For half year ended 31 December 2023

Appendix 4D

1. Company Details

Name of Entity

BPH Global Limited

ABN

57 009 104 330

Half year ended ("current period")

31 December 2023

Half year ended ("previous period")

31 December 2022

2. Results for announcement to the market

			A\$
2.1 Revenues from continuing operations	Decrease	100%	-
2.2 (loss) from continuing operations after tax attributable to members	Decrease	59%	(945,526)
2.3 Net (loss) for the period attributable to members	Decrease	44%	(1,587,561)
2.4 Dividends	Amount per security	Franked amount per security	
Interim dividend declared	N/A	N/A	
2.5 Record date for determining entitlements to the dividend		N/A	
2.6 Brief explanation of any of the figures in 2.1 to 2.4 above necessary to enable figures to be understood			
Refer "Review of Operations" in Directors' Report			

3. Net tangible assets per security

Net tangible asset/(liability) backing per ordinary security

31 December 2023

(0.01) cents

30 June 2023

0.01 cents

4. Details of entities over which control has been gained or lost

4.1. Control gained over entities

During the period, the Group acquired 100% of the shares of Foshan Gedishi Biotechnology Co., Ltd

4.2. Control lost over entities

During the period, the Group disposed of the 70% interest in its subsidiary SCU-RY Farm Pte Ltd

5. Dividends

Individual dividends per security

	Date dividend is payable	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Interim dividend: Current year	N/A	N/A	N/A	N/A
Previous year	N/A	N/A	N/A	N/A

6. Dividend reinvestment plans

The dividend or distribution plans shown below are in operation.

N/A

The last date(s) for receipt of election notices for the dividend or distribution plans.

N/A

7. Details of associates and joint entities

N/A

8. If the accounts are subject to audit dispute or qualification, details are described below.

Please refer to auditor's report

Sign here:


Director

Date:

29 February 2024

Print Name:

Matthew Leonard

BPH GLOBAL LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2023.

Directors

The names of directors who held office during or since the end of the half-year are as follows:

Current Directors

Paul Stephenson, Non-executive chairman

Philip Huanqing Gu, Executive director (ceased to be a director on 21 November 2023)

Francesco Cannavo, Executive director

Matthew Leonard, Executive Director

Yanhua Huang, Non-executive director (appointed 6 July 2023)

The directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Review of Operations

During the period, the group acquired 100% of the issued shares of Foshan Gedishi Biotechnology Co Ltd ("Gedishi"), a Company incorporated in China for a purchase consideration of comprising of 100M shares valued at \$0.002 per share plus other amounts payable. The accounting for the business combination remains provisional as at 31 December 2023 and the fair value of the assets and liabilities acquired will be finalised within the acquisition period of 12 months from the acquisition date. Specifically the Group will be working through an independent assessment of identifiable intangible assets. The provisional fair value of the identifiable assets and liabilities is outlined in note 15 of the interim financial report. The goodwill is attributable to Gedishi holding the distribution and consignment contract with subsidiaries of China Tobacco in the city of Guangzhou, China.

Further, the group disposed of its 70% interest in SCU-RY Farm Pte Ltd. The net sales price was \$213,483, of which the Group was entitled to \$181,460. The Group recorded a loss on disposal of A\$432,035.

The group has also made a full impairment provision on the investment relating to Shenzhen Lantene Dingzhi Biotechnology Co Ltd amounting to \$210,000.

As a result of the above and an administrative and operating expenses of about \$900,000 the Group recorded a net loss of \$1,587,561 (Dec 2022: \$2,849,044).

Significant changes in the state of affairs

Other than the matters referred under the heading of "Review of Operations", there were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Significant Events after Reporting Date

Refer to Note 2 of Notes to Consolidated Interim Financial Statement.

Auditor's Declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 3 of the financial report for the half-year ended 31 December 2023.

Signed in accordance with a resolution of the directors:



Matthew Leonard
Director
29 February 2024

Auditor's independence declaration

As lead auditor for the review of the half year financial report of BPH Global Limited ("the Company") and the entities it controls for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

This declaration is in relation to the Company and the entities it controlled during the period.



**HLB Mann Judd
Chartered Accountants**

Melbourne
29 February 2024



**Jude Lau
Partner**

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BPH GLOBAL LIMITED AND ITS CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	Half year 31 Dec 2023 \$	Half year 31 Dec 2022 \$
Continuing operations		
Revenue from sale of goods	-	339
Cost of sales	-	-
Gross profit	-	339
Other income	-	30
Administrative expenses	(902,755)	(1,273,688)
Interest expense	(4,438)	
Impairment of Intellectual Properties	-	(1,010,559)
Loss on conversion of liabilities into equities	(38,333)	
Loss before income tax expense	(945,526)	(2,283,878)
Income tax credit	-	-
Loss for the half-year from continuing operation	(945,526)	(2,283,878)
Loss from discontinued operations (note 14)	(642,035)	(565,166)
Loss for the half year	(1,587,561)	(2,849,044)
Other comprehensive (loss)/income for the period		
Items that may be reclassified to profit or loss:		
Translation of foreign subsidiary	(10,316)	(34,803)
Total comprehensive loss for the period	(1,597,877)	(2,883,847)
Profit/(Loss) attributable to:		
Owners	(1,448,649)	(3,071,405)
Non-controlling interest	(138,912)	222,361
	(1,587,561)	(2,849,044)
Total comprehensive loss attributable to:		
Owners		
- Continuing operations	(946,540)	(2,211,808)
- Discontinued operation	(512,425)	(845,429)
	(1,458,965)	(3,057,237)
Non-controlling interest		
- Continuing operations	(9,301)	(8,734)
- Discontinued operation	(129,611)	182,124
	(138,912)	173,390
	(1,597,877)	(2,883,847)

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

BPH GLOBAL LIMITED AND ITS CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	Half year 31 Dec 2023 \$	Half year 31 Dec 2022 \$
Loss Per Share from continuing operation attributable to owners		
Basic loss per share (cents per share)	(0.07)	(0.20)
Diluted loss per share (cents per share)	(0.07)	(0.20)
Loss Per Share from discontinued operation attributable to owners		
Basic loss per share (cents per share)	(0.04)	(0.07)
Diluted loss per share (cents per share)	(0.04)	(0.07)
Loss Per Share attributable to owners		
Basic loss per share (cents per share)	(0.11)	(0.27)
Diluted loss per share (cents per share)	(0.11)	(0.27)

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

BPH GLOBAL LIMITED AND ITS CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	Note	As at 31 Dec 2023 \$	As at 30 Jun 2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		367,267	510,217
Trade and other receivables	3	158,603	21,508
Other assets	4	96,595	97,806
Inventory	5	32,943	-
TOTAL CURRENT ASSETS		655,408	629,531
NON CURRENT ASSETS			
Plant and equipment	6	1	633,440
Intangible assets	7	387,851	1
Investment at fair value through profit or loss		-	210,000
TOTAL NON CURRENT ASSETS		387,852	843,441
TOTAL ASSETS		1,043,260	1,472,972
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	1,114,223	1,281,909
TOTAL CURRENT LIABILITIES		1,114,223	1,281,909
NON CURRENT LIABILITIES			
Convertible notes	9	173,188	-
TOTAL NON CURRENT LIABILITIES		173,188	-
TOTAL LIABILITIES		1,287,411	(1,281,909)
NET ASSETS/(LIABILITIES)		(244,151)	191,063

BPH GLOBAL LIMITED AND ITS CONTROLLED ENTITIES**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	Note	As at 31 Dec 2023 \$	As at 30 Jun 2023 \$
EQUITY/(NET DEFICIENCY)			
Contributed equity	10	78,918,360	78,188,156
Option reserve	11	3,096,516	3,100,005
Accumulated losses		(82,320,848)	(81,308,147)
Foreign exchange translation reserve		29,804	40,120
EQUITY ATTRIBUTABLE TO SHAREHOLDERS		(276,168)	20,134
Non-controlling interest		32,017	170,929
TOTAL EQUITY/(NET DEFICIENCY)		(244,151)	191,063

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

BPH GLOBAL LIMITED (FORMERLY STEMCELL UNITED LIMITED) AND ITS CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	<----- Attributable to owners of BPH Global Limited -----> (Formerly Stemcell United Limited)					
	Issued Capital	Option Reserve	Accumulated Losses	Foreign exchange translation reserve	Non-controlling interest	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	76,875,145	4,203,993	(78,119,379)	84,323	1,676,241	4,720,323
Total comprehensive loss for the period	-	-	(3,071,405)	(34,803)	222,361	(2,883,847)
Loss of non-controlling interest on disposal of subsidiary	-	-	-	-	(1,721,386)	(1,721,386)
Placement of shares and options	657,360	89,640	-	-	-	747,000
Capital raising costs	(125,762)	-	-	-	-	(125,762)
Fair value of shares issued to advisors	55,000	-	-	-	-	55,000
Fair value of vested options vested during the period	-	179,015	-	-	-	179,015
Balance at 31 December 2022	<u>77,461,743</u>	<u>4,472,648</u>	<u>(81,190,784)</u>	<u>49,520</u>	<u>177,216</u>	<u>970,343</u>
Balance at 1 July 2023	78,188,156	3,100,005	(81,308,147)	40,120	170,929	191,063
Total comprehensive loss for the period	-	-	(1,448,649)	(10,316)	(138,912)	(1,597,877)
Placement of shares and options	798,479	384,604	-	-	-	1,183,083
Capital raising costs	(68,275)	-	-	-	-	(68,275)
Fair value of vested options vested during the period	-	47,855	-	-	-	47,855
Cancellation of options	-	(435,948)	435,948	-	-	-
Balance at 31 December 2023	<u>78,918,360</u>	<u>3,096,516</u>	<u>(82,320,848)</u>	<u>29,804</u>	<u>32,017</u>	<u>(244,151)</u>

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

BPH GLOBAL LIMITED (FORMERLY STEMCELL UNITED LIMITED) AND ITS CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	Half year 31 Dec 2023 \$	Half year 31 Dec 2022 \$
CASH FLOWS RELATING TO OPERATING ACTIVITIES		
Receipts from customer	-	4,684,273
Payments to suppliers and employees	(740,581)	(5,307,722)
Interest and other income received	-	30
Interest expense on loans and lease liabilities	-	(15,076)
Net cash (used in) operating activities	(740,581)	(638,495)
CASH FLOWS RELATING TO INVESTING ACTIVITIES		
Payment for plant and equipment	-	(58,132)
Net proceed from disposal of subsidiary	93,156	65,082
Cash acquired on acquisition of subsidiary	266	-
Net cash from/(used in) investing activities	93,422	6,950
CASH FLOWS RELATING TO FINANCING ACTIVITIES		
Issue of Shares, net of issue cost	346,475	676,238
Placement funds received, pending share issue	-	70,000
Proceeds from convertible loan	168,750	-
Repayment of lease liabilities	-	(22,878)
Proceeds from borrowings	11,378	-
Repayment of borrowings	-	(94,517)
Net cash from financing activities	526,603	628,844
Net decrease in cash and cash equivalents	(120,556)	(2,701)
Cash and cash equivalents at beginning of half year	510,217	624,962
Foreign exchange translation	(22,394)	(67,991)
Cash and cash equivalents at end of half year	367,267	554,270

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

BPH GLOBAL LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

NOTE 1: BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

BPH Global Limited (the "Company") is a for-profit company incorporated and domiciled in Australia. The consolidated interim financial report of the Company as at and for the half-year ended 31 December 2023 comprises the Company and its subsidiaries (together referred to as "the consolidated group" or "the Group").

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards including AASB 134 *Interim Financial Reports* and the *Corporations Act 2001*.

The half-year financial report does not include full disclosures of the type normally included in an annual financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2023 and with any public announcements issued during the half-year in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001* and Australian Securities Exchange.

The accounting policies in these interim financial statements are the same as those applied in the Group's financial statements for the year ended 30 June 2023.

New accounting standards and interpretations adopted

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

BPH GLOBAL LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

NOTE 2: SUBSEQUENT EVENTS

On 3 January 2024, the Company received a further \$200,000 arising from the placement of Convertible Notes with the same terms and conditions as those disclosed in Note 9.

On 6 February 2024, the Group renewed and extend the consignment agreement with subsidiaries of China Tobacco.

On 9 February 2024, 114,750 Convertible Notes were converted into 118,552,770 shares and options.

Other than the above, there has not arisen in the interval between the end of the half year and the date of this report any item, transaction or event of a material or unusual nature likely, in the opinion of the directors to affect the operations of the consolidated entity, the results of these operations or the state of affairs of the Group.

NOTE 3: TRADE AND OTHER RECEIVABLES

	31 Dec 2023	30 Jun 2023
	\$	\$
CURRENT		
Other receivables	158,603	21,508
	<u>158,603</u>	<u>21,508</u>

NOTE 4: OTHER ASSETS

	31 Dec 2023	30 Jun 2023
	\$	\$
CURRENT		
Prepayments made to suppliers	95,771	96,974
Deposits	824	832
	<u>96,595</u>	<u>97,806</u>

NOTE 5: INVENTORY

	31 Dec 2023	30 Jun 2023
	\$	\$
CURRENT		
Trade goods	32,943	-
	<u>32,943</u>	<u>-</u>

BPH GLOBAL LIMITED AND ITS CONTROLLED ENTITIES

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

NOTE 6: PLANT AND EQUIPMENT

	Office equipment	Capital Work in Progress	TOTAL
	\$	\$	\$
Cost			
At 30 June 2023	3,016	633,439	636,455
Addition	-	-	-
Disposal via sale of subsidiary	-	(635,621)	(635,621)
Foreign exchange translation	(29)	2,182	2,153
At 31 December 2023	<u>2,987</u>	<u>-</u>	<u>2,987</u>
Accumulated depreciation			
At 30 June 2023	3,015	-	3,015
Depreciation	-	-	-
Disposal during the period	-	-	-
Foreign exchange translation	(29)	-	(29)
At 31 December 2023	<u>2,986</u>	<u>-</u>	<u>2,986</u>
Carrying amount			
At 30 June 2023	<u>1</u>	<u>633,439</u>	<u>633,440</u>
At 31 December 2023	<u>1</u>	<u>-</u>	<u>1</u>

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BPH GLOBAL LIMITED AND ITS CONTROLLED ENTITIES**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023****NOTE 7: INTANGIBLE ASSETS**

	31 Dec 2023	30 Jun 2023
	\$	\$
Balance of intangible assets at beginning of period	1	1
Intellectual property acquired	-	1,010,559
Impairment of IP during the period	-	(1,010,559)
Goodwill recognised on acquisition of subsidiary	387,850	-
Balance of intangible assets at reporting date	<u>387,851</u>	<u>1</u>

Intellectual properties

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

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

The IP Licence was fully impaired during the year ended 30 June 2023 as the Company was unable to quantify the future cash inflows from the patents usage.

NOTE 8: TRADE AND OTHER PAYABLES

	31 Dec 2023	30 Jun 2023
	\$	\$
CURRENT		
<i>Unsecured</i>		
Trade payables	615	621
Other payables	617,995	546,335
Accruals	495,613	734,953
	<u>1,114,223</u>	<u>1,281,909</u>

BPH GLOBAL LIMITED AND ITS CONTROLLED ENTITIES

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

NOTE 9: CONVERTIBLE NOTES

On 12 October 2023, the Company issued 168,750 12% convertible notes with a face value of \$1.00 each for \$168,750. The notes are convertible into ordinary shares of the Company, at the choice of the holder, or repayable on 12 April 2025. The conversion rate is the number of notes divided by the Conversion Price. Conversion Price is the lower of (a) the amount which is 30% less than the 15 days volume-weighted average price (VWAP) of the trading price of Shares on ASX on the Conversion Date; or (b) the amount which is lowest traded price of Shares on ASX in the 15 trading days ending on the Conversion Date, subject always to a maximum conversion price of \$0.002. Each share issued on conversion will have one attaching option with expiry of 11 December 2026 and an exercise price of \$0.004.

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

	31 Dec 2023 \$	30 Jun 2023 \$
Face value of Convertible Notes issued	168,750	-
Interest expense	4,438	-
Convertible Notes (non-current liability)	<u>173,188</u>	<u>-</u>

NOTE 10: CONTRIBUTED EQUITY

	31 Dec 2023 \$	30 Jun 2023 \$
Issued and fully paid ordinary shares	<u>78,918,360</u>	<u>78,188,156</u>
Movements in ordinary shares	Number of shares	A\$
At 1 July 2023	1,284,729,781	78,188,156
Shares issued via placement and debt settlement	450,833,333	598,479
Shares issued to acquire subsidiary	100,000,000	200,000
Capital raising costs	-	(68,275)
At 31 December 2023	<u>1,835,563,114</u>	<u>78,918,360</u>

NOTE 11: OPTION RESERVE

	31 Dec 2023 \$	30 Jun 2023 \$
Option Reserve	<u>3,096,516</u>	<u>3,100,005</u>
Movements in Option Reserve	Number of options	\$
Balance at 1 July 2023	233,766,664	3,100,005
Options issued via placement and debt settlement	681,667,652	384,604
Cancellation of options	(25,000,000)	(435,948)
Fair value of options vested during the period	-	47,855
Balance at 31 December 2023	<u>890,434,316</u>	<u>3,096,516</u>

BPH GLOBAL LIMITED AND ITS CONTROLLED ENTITIES

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

NOTE 12: RELATED PARTY BALANCES AND TRANSACTIONS

	31 Dec 2023 \$	30 Jun 2023 \$
Related Party Balances		
Amount due to directors at period end	277,263	889,609
Amount owed to a related party*	21,678	10,400

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

	Half year period 31 Dec 2023 \$	Half year period 31 Dec 2022 \$
Transactions		
Director fees and salaries	251,300	420,905

NOTE 13: SEGMENT INFORMATION

	Half year period ended 31 December 2022				
	Australia \$	Singapore \$	China \$	Malaysia \$	Total \$
Revenue	-	-	5,182,623		5,182,623
Profit / (Loss)	(1,847,264)	(396,734)	(585,470)	(19,576)	(2,849,044)

	As at 31 December 2022				
	Australia \$	Singapore \$	China \$	Malaysia \$	Total \$
Total assets	1,049,218	844,012	78,246	32,092	2,003,568
Total liabilities	(913,587)	(98,290)	(19,500)	(1,848)	(1,033,225)

	Half year period ended 31 December 2023				
	Australia \$	Singapore \$	China \$	Malaysia \$	Total \$
Revenue	-	-	-	-	-
Profit / (Loss)	(837,303)	(724,225)	(13,788)	(12,245)	(1,587,561)

	As at 31 December 2023				
	Australia \$	Singapore \$	China \$	Malaysia \$	Total \$
Total assets	355,759	135,045	456,167	96,288	1,043,260
Total liabilities	(892,867)	(114,192)	(278,593)	(1,760)	(1,287,411)

BPH GLOBAL LIMITED AND ITS CONTROLLED ENTITIES**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023****NOTE 14: DISCONTINUED OPERATIONS****A) SHENZHEN LANTENE DINGZHI BIOTECHNOLOGY CO LTD**

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

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

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

Financial performance information	31 Dec 2023	31 Dec 2022
	\$	\$
Revenue	-	5,182,284
Cost of Sales	-	(4,397,024)
Other income	-	1,030
Expenses	(210,000)	(323,173)
(Loss)/Profit before tax	(210,000)	463,117
Income tax	-	-
(Loss)/Profit after tax	(210,000)	463,117
Loss on disposal	-	(1,028,283)
(Loss)/profit after tax from discontinued operations	(210,000)	(565,166)
Cash flow information	\$	\$
Net cash from operating activities	-	257,729
Net cash from investing activities	-	(6,030)
Net cash from financing activities	-	(185,266)
Net increase in cash and cash equivalent of discontinued operation	-	66,433
Details of the sale	\$	\$
Consideration received	-	70,000
Residual equity interest held at fair value through profit or loss	-	630,000
Carrying amount of net assets sold	-	(1,728,283)
Loss recognized on loss of control of subsidiary	-	(1,028,283)

BPH GLOBAL LIMITED AND ITS CONTROLLED ENTITIES**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023****NOTE 14: LOSS OF CONTROL OF SUBSIDIARY****B) SCU-RY FARM PTE LTD**

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

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

Financial performance information	31 Dec 2023	31 Dec 2022
	\$	\$
Revenue	-	-
Cost of Sales	-	-
Other income	-	-
Expenses	-	-
Profit before tax	-	-
Income tax	-	-
Profit after tax	-	-
Loss on disposal	(432,035)	-
(Loss)/profit after tax from discontinued operations	(432,035)	-
Cash flow information	\$	\$
Net cash from operating activities	-	-
Net cash from investing activities	-	-
Net cash from financing activities	-	-
Net increase in cash and cash equivalent of discontinued operation	-	-
Details of the sale	\$	
Consideration received & receivable	213,483	
Carrying amount of net assets sold	(635,621)	
Forex translation released to profit or loss	(9,898)	
Loss recognized on loss of control of subsidiary	(432,036)	
Non-controlling interest share of the loss	(129,611)	

BPH GLOBAL LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

NOTE 15: ACQUISITION OF SUBSIDIARY

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

The accounting for the business combination remains provisional as at 31 December 2023 and the fair value of the assets and liabilities acquired will be finalised within the acquisition period of 12 months from the acquisition date. Specifically the Group will be working through an independent assessment of identifiable intangible assets. Details of the purchase consideration and the net assets acquired are as follows:

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

Goodwill

Goodwill is attributable to the expected of synergy from acquiring the distribution network and the ability to operate in and having access to China market.

BPH GLOBAL LIMITED AND ITS CONTROLLED ENTITIES**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023****NOTE 16: LOSS PER SHARE**

	31 Dec 2023	31 Dec 2022
	\$	\$
Loss Per Share from continuing operation attributable to owners		
Loss from continuing operations attributable to owners	(936,224)	(4,031,707)
Basic loss per share (cents per share)	(0.07)	(0.35)
Diluted loss per share (cents per share)	(0.07)	(0.35)
(Loss)/Earnings Per Share from discontinued operation attributable to owners		
Earnings from discontinued operation attributable to owners	(512,425)	(796,261)
Basic loss per share (cents per share)	(0.04)	(0.07)
Diluted loss per share (cents per share)	(0.04)	(0.07)
Loss Per Share attributable to owners		
Loss for the period attributable to owners	(1,448,649)	(4,827,968)
Basic loss per share (cents per share)	(0.11)	(0.42)
Diluted loss per share (cents per share)	(0.11)	(0.42)
Weighted average number of shares		
	Number	Number
Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	1,349,631,372	1,166,687,841
Weighted average number of ordinary shares outstanding during the year used in calculation of dilutive EPS	1,349,631,372	1,116,687,841

*Options are considered anti-dilutive as at 31 December 2023 and 31 December 2022 and therefore are not included in the computation of the dilutive EPS

NOTE 17: GOING CONCERN

During the half year ended 31 December 2023, the Group incurred a loss of \$ 945,526 (Dec 2022: \$2,283,878) from continuing operations and had net cash outflows from operating activities of \$740,581 (Dec 2022: \$638,495). At 31 December 2023 the Group had cash of \$367,267 (June 2023: \$510,217).

Since the end of the half year, the Company received a further \$200,000 from the placement of Convertible Notes with the same terms and conditions as those disclosed in Note 9.

Further, 114,750 Convertible Notes were converted into 118,552,770 shares and options since the end of the half year as disclosed in Note 2.

The ability of the Group to continue as a going concern depends on the Group generating additional cash inflows from:

- The receipt of debt funding;
- The receipt of equity funding; or
- Cash generated from future profits.

The Group has a demonstrated record of raising additional capital and the Board has a reasonable expectation that the Company will be able to successfully raise fund over the next 12 months ending 31 March 2025.

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


BPH GLOBAL LIMITED AND ITS CONTROLLED ENTITIES

**DIRECTORS' DECLARATION
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

In the directors' opinion:

1. The financial statements and notes set out on pages 3 to 18 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 consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date.
2. Based on the factors outlined in note 17 Going Concern, of the interim financial statements, there are reasonable grounds to believe that the company 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.



Matthew Leonard
Director

29 February 2024

Independent auditor's review report to the members of BPH Global Limited

Conclusion

We have reviewed the accompanying half-year financial report of BPH Global Limited ("the Company") and the entities it controls ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of 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 for Conclusion

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

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

Material Uncertainty Regarding Going Concern

We draw attention to Note 17 Going Concern in the half-year financial report, which indicates that the Group had a net deficiency of assets over liabilities of \$244,151, incurred a loss of \$1,587,561 and had a net cash outflow from operating activities of \$740,581 during the period ended 31 December 2023. As stated in Note 17 Going Concern, these events or conditions, along with other matters as set forth in Note 17 Going Concern, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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Responsibility of the Directors for the Financial Report

The directors of the Group 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 2022 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.



HLB Mann Judd
Chartered Accountants

Melbourne
29 February 2024



Jude Lau
Partner