

ReNerve

Annual Report 2025

ASX:RNV

www.renerve.com.au

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About ReNerve Limited

ReNerve Limited aims to transform nerve repair and improve lives through breakthrough medical technology.

Founded by a neurosurgeon and MedTech researchers, ReNerve is a rapidly growing medical device company that aims to revolutionise peripheral nerve surgery with its innovative, ready-to-use solutions for peripheral nerve injury repairs (PNI).

Proven Clinical Success

A clinical study announced in March 2025 has demonstrated remarkable results, showing that patients treated with the NervAlign® Nerve Cuff experienced post-surgical pain scores dropping from 7.1 to just 0.4, compared to from 7.1 to 3.3 without the device being used – a statistically significant improvement for patients.

Comprehensive Product Portfolio

ReNerve is advancing a complete suite of nerve repair solutions:

- **NervAlign® Nerve Cuff** – Our bioabsorbable protective wrap, naturally absorbed within six months of surgery.
- **Deep Dermal tissue product** -- A deep dermal product used in the repair of reconstructive and cosmetic surgical cases.
- **Amniotic tissue product ranges** -- Three amniotic tissue product ranges used to aid the healing of wounds.
- **NervAlign® Nerve Conduit Range** – Next-generation nerve conduit leveraging advantages of eCOO technology and designed to facilitate nerve growth over short gaps between nerve ends.
- **NervAlign® Nerve Guide Matrix** – Focused on the nerve graft market for treating more severe nerve injuries, but eliminating the need for patients to undergo additional sural nerve harvesting.
- **NervAlign® Bionic Nerve** – Next-generation combination technology for the most challenging nerve repairs.

Growth

With demonstrated market traction since the Company's 2022 product launch, ReNerve achieved 53% revenue growth in FY25, reaching \$271k in sales. Our high-margin products are providing solutions for surgeons seeking superior patient outcomes in the rapidly expanding global nerve repair market, valued at US\$1.96 billion in 2024 and is projected to reach \$6.2 billion by 2031.¹

Vision and Values

We're not just developing medical devices – we're engineering hope. By creating the ideal healing environment for nerve repair and regeneration, ReNerve bridges critical gaps in healthcare while empowering the human body's natural healing process. Our cleaner, safer, and more effective solutions represent the future of peripheral nerve surgery.

¹ Global Nerve Repair Biomaterials Market Research Report (2020 – 2031)

Chairman's Letter

Dear Shareholders,

It gives me great pleasure to present ReNerve Limited's Annual Report for the year ended 30 June 2025 — a year that marks a defining chapter for our Company.

The past year has been transformational for the Company. In November 2024, ReNerve successfully completed its Initial Public Offering and listed on the Australian Securities Exchange (ASX:RNV). This important milestone has provided us with the capital strength and visibility required to pursue our mission: delivering world-class medical solutions that address significant unmet clinical needs in the area of nerve repair and related regenerative therapies.

Our listing was met with strong support from institutional and retail investors, reflecting broad confidence in the promise of our proprietary technologies. This vote of confidence has enabled us to accelerate several strategic initiatives:

- **Advancement of our core nerve repair platforms**, where our tissue derived scaffolds aim to redefine standards of care in peripheral nerve injury and related conditions.
- **Clinical Validation of NervAlign® products** where during the year we saw the publication of strong clinical data demonstrating the superior effectiveness of our NervAlign® Nerve Cuff compared to the standard of care, with patients receiving our Nerve Cuff benefiting from materially reduced pain and improved surgical outcomes.
- **Building sales and marketing capabilities**. Over the past 12 months ReNerve has continued to develop its sales and marketing capabilities, with a focus on the US market. In addition, we have entered into distribution arrangements across a number of other markets, including in Mexico, India, Hong Kong and the Middle East.
- **Growing our product range**: during the year ReNerve entered into a partnership with Berkeley Biologics in the USA to bring several human tissue products to market. These products are complementary to ReNerve's nerve repair product portfolio, with applications across the main surgery cases that ReNerve is already targeting, and can be sold through the same distribution networks and to the same surgeon and hospital customer base. In addition, they provide access to other related regenerative medicine areas, including wound care, reconstruction and plastic surgeries. They provide a broader product range that delivers benefits both to our distributors and our hospital customers and should therefore support our sales efforts, as well as potentially lifting the returns per procedure for our Company.

These achievements underscore our focus: bringing safe, efficacious, and accessible nerve repair and related regenerative therapies to patients whose options today remain limited.

Chairman's Letter

Globally, regenerative medicine continues to capture significant attention and investment, as demographic shifts and medical advances converge to increase demand for novel therapies. ReNerve is strongly positioned within this trend — addressing conditions where nerve repair and tissue regeneration can have profound effects on quality of life. Our competitive edge is built on years of foundational research, combined with scalable manufacturing capabilities that allow us to look beyond proof-of-concept toward real clinical and commercial impact.

A successful IPO brings heightened responsibility to all stakeholders. The Board and management remain committed to the highest standards of governance, transparency, and capital discipline as we progress from research to development and ultimately to market delivery.

In the coming year, ReNerve will continue to:

- grow company revenue as we bring more products to market and expand our commercial offering, with the company anticipating having four product ranges on market by the end of calendar 2025
- progress the ReNerve NervAlign® Nerve Conduit range of products to market
- progress the ReNerve NervAlign® Nerve Guide Matrix through the development stages ahead of the regulatory submission
- steward investor capital carefully as we build toward long-term, sustainable value creation.

We recognise that the journey ahead is ambitious. Yet it is precisely this ambition — to restore function, mobility, and dignity to patients through science — that defines ReNerve's purpose and unites us as a team.

On behalf of the Board, I thank our dedicated employees, our scientific and clinical partners, and our shareholders for your trust and support through this pivotal year. The enthusiasm and confidence shown during our IPO were humbling, and we are determined to deliver disciplined execution and continual innovation as the company grows.

We are excited by what lies ahead and look forward to sharing our progress with you as we build ReNerve into a leader in nerve repair and related regenerative medicine.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'RSCooper'.

Mr Stephen Cooper
Chairman

ReNerve Limited

ABN 23 614 848 216

Annual Report - 30 June 2025

ReNerve Limited
Corporate directory
30 June 2025

Directors	Mr Reginald Stephen Cooper – Independent Chairman & Director Dr Michael Panaccio – Independent Non-Executive Director Dr Julian Chick – Director & Chief Executive Officer Dr David Rhodes – Executive Director & Chief Scientific Office
Company secretary	Mr David Lilja
Notice of annual general meeting	The details of the annual general meeting of ReNerve Limited are: Date: Wednesday 5th November 2025 Time: 10.00AM (AEDT) Location: To be confirmed
Registered office	DLK Advisory Pty Ltd, Level 10, 99 Queen Street Melbourne, 3000, Australia
Principal place of business	157 Heidelberg Road Northcote VIC 3070, Australia
Auditor	William Buck Level 20, 181 William Street Melbourne VIC 3000, Australia
Solicitors	Cornwalls Level 4, 380 Collins Street Melbourne VIC 3000, Australia
Bankers	ANZ Ground Floor, 55 Collins Street Melbourne VIC 3000, Australia Bendigo Bank The Bendigo Centre Bendigo VIC 3550, Australia
Stock exchange listing	ReNerve Limited shares are listed on the Australian Securities Exchange (ASX code: RNV)
Website	https://renerve.com.au
Corporate Governance Statement	The directors and management are committed to conducting the business of ReNerve Limited in an ethical manner and in accordance with the highest standards of corporate governance. ReNerve Limited has adopted and has substantially complied with the ASX Corporate Governance Principles and Recommendations (Fourth Edition) ('Recommendations') to the extent appropriate to the size and nature of its operations. The company's 2024 Corporate Governance Statement that sets out the corporate governance practices that were in operation during the financial year and identifies and explains any Recommendations that have not been followed, which is approved at the same time as the Annual Report, can be found at: https://renerve.com.au/company-policies/

ReNerve Limited
Directors' report
30 June 2025

The directors of ReNerve Limited (referred to hereafter as the 'company') present their report, together with the financial statements for the year ended 30 June 2025.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Reginald Stephen Cooper – Independent Chairman & Director
Dr Michael Panaccio – Independent Non-Executive Director
Dr Julian Chick – Director & Chief Executive Officer
Dr David Rhodes – Executive Director & Chief Scientific Officer

Principal activities

ReNerve has FDA market clearance and is selling its NervAlign® Nerve Cuff product in the US market. ReNerve aims to develop its portfolio of medical devices used in the repair and/or replacement of damaged peripheral nerves, with three further product ranges at various stages of development:

- a) The NervAlign® Nerve Conduit range
- b) The NervAlign® Nerve Guide Matrix
- c) The NervAlign® Bionic Replacement Nerve

In addition, ReNerve is bringing to market two ranges of tissue-based products (deep dermal tissue and amniotic tissue products) that are expected to be complementary to ReNerve's nerve repair products, sold through ReNerve's existing distribution channels, and used by the same target customer surgeons in procedures in which ReNerve's nerve repair products are commonly used. In addition, these tissue-based products are expected to have further surgical applications, particularly in reconstructive and cosmetic surgical cases.

Dividends

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

Review of operations

The loss for the company after providing for income tax amounted to \$3,733,918 (30 June 2024: \$2,984,945).

During the year the company has continued to build its US sales infrastructure through partnerships with sales agents and distributors, with a focus on developing channels that will not only be effective in selling the NervAlign® Nerve Cuff but will also support the sale of additional products in due course. ReNerve's efforts to work more closely with sales agents and distributors resulted in much stronger sales for the year compared to the prior year. ReNerve now has two full time sales and marketing executives in the USA who are focussed on expanding and supporting ReNerve's distribution network, facilitating hospital approvals for ReNerve products and developing and delivering distributor and surgeon education and marketing materials.

The company has continued to work with surgeons, with surgeon feedback confirming the unique characteristics of the NervAlign® Nerve Cuff in terms of surgical convenience, patient safety and efficacy. The NervAlign® Nerve Cuff is produced using a proprietary, non-toxic process and is designed to protect the repaired nerve, whilst facilitating remodelling and therefore nerve regeneration. The product is easily used and can be fixed in place through a number of methods. The Nerve Cuff is ultimately safely absorbed within six months into the surrounding fascial tissue post the healing of the repaired nerve.

In addition, during the year ReNerve furthered clinical programs to explore the utility and benefit of the NervAlign® Nerve Cuff. In particular, a clinical study from an Indianapolis based surgical team compared the recovery of repaired nerves that have been protected with the NervAlign® Nerve Cuff with the recovery of nerves repaired using the current standard of care. The data for this study was presented in late March 2025 at the American College of Foot and Ankle Surgeons scientific conference, demonstrating material benefits for patients using the NervAlign® Nerve Cuff. ReNerve will continue to explore clinical studies to illustrate the clinical utility and benefits of its products for surgeons and patients.

ReNerve Limited
Directors' report
30 June 2025

In June 2025, ReNerve announced a strategic partnership with Berkeley Biologics to develop and commercialise two tissue-based product ranges. ReNerve achieved first sale and surgical use of a deep dermal product after year end, in August 2025. The second range, comprising amniotic tissue products is expected to be launched before the end of 2025, with both products approved in the US. Access to these tissue-based products through the partnership enhances ReNerve's suite of surgical solutions in peripheral nerve injury repairs and related surgeries.

During the year ReNerve continued to explore markets outside the US. The company signed four distribution partnerships during the year, covering Hong Kong, Mexico, India and six countries in the Middle East. The company also achieved market approval in Hong Kong and Bahrain and has seen its first sales in Hong Kong. These new partnerships complement the existing partnerships in New Zealand and Taiwan and are part of a broader program by the company to open additional markets outside the US. The partnerships will also benefit from the clinical and patient data accumulated and presented in the US.

During the 2024/25 financial year, ReNerve continued to work with its commercial development partners on the NervAlign® Nerve Conduit and NervAlign® Nerve Guide Matrix programs.

During the year ReNerve successfully showed that its Nerve Guide Matrix was able to re-establish functioning nerves in an animal model that replicated the procedures common in patients, where an injured nerve is replaced with an autologous nerve, such as the sural nerve. The study was designed to investigate the performance of the NervAlign® Nerve Guide Matrix as an alternative to using an autologous nerve. The very positive results showed that animal gait was restored to normal, and an electrophysiological stimulus was detected through the length of the nerve, on a basis comparable to the performance of the autologous nerve graft. ReNerve is actively continuing the development of the NervAlign® Nerve Guide Matrix product with its partner Collagen Solutions (Evergen™) based in the US.

Key risks and uncertainties

The company is subject to risks specific to its business activities, as well as general risks. The major risks and uncertainties are summarised below.

Successful Commercialisation of Assets

The nature of medical device research and development is inherently uncertain at times. There are substantial risks including that clinical studies may fail to achieve acceptable endpoints for efficacy or safety, or the products may not secure acceptance from surgeons and clinicians. Failure in any of these areas would have a material impact on the company's prospects. ReNerve seeks to mitigate risk through a diversified product pipeline, a maturing portfolio of products some of which are on market, continuous engagement with surgeons, careful design of its clinical studies, and collaboration with reputable and experienced partners.

Research and Development Risk

ReNerve's ongoing and future projects require research and development. It is possible that the development of its product portfolio may be more costly or take more time than expected, or may not achieve the expected clinical endpoints. Delays or increased costs could materially impact the company's ability to bring products to market or achieve commercial milestones.

Regulatory and Product Approval Risks

As a medical device company, ReNerve's products are subject to stringent regulatory approval processes in each jurisdiction. The loss, delay or failure to secure required approvals (such as FDA clearance or comparable authorities in other markets) may prevent the commercialisation of its products or expose the company to additional costs and delays. The withdrawal or suspension of existing approvals could significantly affect operations and financial performance. ReNerve monitors regulatory developments and maintains relationships with regulatory consultants and agencies to manage this risk.

Product Acceptance and Commercial Risks

ReNerve relies on acceptance of its products by surgeons. If products are not accepted by surgeons or fail to generate repeat usage, commercial uptake may be limited. The company mitigates this risk through active engagement with opinion leaders, development of clinical data, and education initiatives.

Intellectual Property and Competitive Risk

ReNerve's strategy is to rely on a combination of proprietary know-how, trade secrets, and, to a lesser extent, patents. There is a material risk that competitors could seek to reverse-engineer or copy the company's products, or develop superior alternatives. If ReNerve's trade secrets are not adequately protected, or if key intellectual property is lost or circumvented, it could harm the company's market position. The company proactively manages confidentiality but acknowledges some risks are outside its control.

Manufacturing, Supply Chain, and Dependency on Key Partners

ReNerve's lead products are currently manufactured by a single supplier (EMCM) under an exclusivity agreement that depends on meeting certain obligations. Loss of exclusivity or termination of the supply agreement - whether through default, insolvency, or operational disruption—would require rapid transition to alternative suppliers, which may not be feasible without significant disruption and cost, although ReNerve has identified an alternative manufacturer. Key raw materials (porcine tissue) are sourced from the Netherlands and could be subject to disruption by disease outbreaks or export restrictions although can be sourced from other jurisdictions.

Funding and Liquidity Risk

ReNerve is an early stage company that is currently loss-making and requires substantial additional funding to progress its R&D pipeline and commercial plans. There is a risk that future capital raisings may not be available on acceptable terms, or at all, which could affect the company's ability to continue as a going concern or delay its growth and development objectives.

Market, Economic, and Industry Risk

Broader economic factors and industry dynamics may adversely affect the company. These include changes in healthcare spending, hospital procurement behaviour, reimbursement policy changes, currency fluctuations, and competitive product launches. The company regularly reviews strategy in light of current industry developments.

Reliance on Key Personnel

The success of ReNerve depends in large part on the continued involvement of its executive and scientific management team. The loss of one or more key employees, or inability to attract and retain appropriately qualified personnel as the business grows, may have a material adverse effect on the company's performance.

Reputational and Product Liability Risk

Though none have been experienced, a significant adverse event from the use of ReNerve's products, such as patient injury or product recalls, could result in reputational damage, litigation or regulatory investigations, all of which could materially harm the company's business and financial results.

Activity Levels and Demand Risk

The company's products are sold to hospital and surgeon customers. Any reduction in activity levels - whether due to shifts in surgical practice, economic conditions in the healthcare sector, adverse industry trends, or the emergence of competing products - may reduce demand for ReNerve's products and adversely impact financial performance.

Significant changes in the state of affairs

In July 2024, a total pool of 150,000 options were granted to several employees at an exercise price of \$0.35 per option, for an estimated fair value of \$20,667, which was determined using a Black-Scholes option valuation model.

Further, in July 2024, the company issued 300,000 shares in lieu of cash payment to four Scientific Advisory Board members, as part payment for their services and consultancy activities.

Per a sales agent and market development agreement entered into in March 2024 with Emerging Surgical, the company issued a second tranche of 272,725 shares to Emerging Surgical on 1 July 2024.

In August 2024, the company issued 150,000 shares in lieu of cash payment to a new Scientific Advisory Board member, as part payment for their services and consultancy activities.

In September 2024, a total pool of 600,000 options were granted to several employees at an exercise price of \$0.35 per option, for an estimated fair value of \$82,297, which was determined using a Black-Scholes option valuation model.

In September 2024, ReNerve raised \$755,000 before costs via the issue of convertible notes, to fund the progression of the Nerve Guide Matrix project, support the company's marketing program for the NervAlign® Nerve Cuff and address working capital requirements.

The terms of the convertible notes provided that the convertible notes would convert into shares on an initial public offer ("IPO") of shares in ReNerve. Pursuant to the terms of the convertible notes, the conversion price was a 20% discount to the IPO Offer Price.

During the year, ReNerve successfully completed an IPO of new shares in the company, raising \$7 million (before costs) through the issue of 35,000,000 shares. ReNerve shares were listed on the Australian Stock Exchange (ASX) on 26 November 2024.

Upon the successful completion of the IPO, the company granted Lead Manager Options to Alpine Capital Pty Ltd, representing 2% of the fully diluted share capital post completion of the Offer. These options have an exercise price of \$0.30 and a three year expiry from the date of issue. Based on the maximum subscription of \$7 million, a total of 2,951,594 Lead Manager Options were granted.

At the time of the IPO, the convertible notes were converted into 10,984,847 ordinary shares in the company.

In March 2025, the company issued 300,000 shares in lieu of cash payment to four Scientific Advisory Board members, as part payment for their services and consultancy activities.

In March 2025, per the sales agent and market development agreement, the company issued a third tranche of 366,212 shares to Emerging Surgical.

In April 2025, a total pool of 400,000 options were granted to a new US-based employee at varying exercise prices of \$0.12, \$0.15, \$0.20 and \$0.30 per option, for an estimated fair value of \$31,758, which was determined using a Black-Scholes option valuation model.

There were no other significant changes in the state of affairs of the company during the financial year.

Matters subsequent to the end of the financial year

Non-adjusting Events:

On 14 July 2025, the company issued 300,000 shares in lieu of cash payment to four Scientific Advisory Board members, as part payment for their services and consultancy activities. The shares were issued as consideration with a total value of \$32,222.

Per the sales agent and market development agreement with Emerging Surgical, the company issued a fourth tranche of 473,260 shares on 14 July 2025. The shares were issued as consideration with a total value of \$50,831.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations

The company's key milestones in the coming 12 to 24 months are expected to be:

- Growth in sales of the NervAlign® Nerve Cuff in the USA .
- First sales of the amniotic tissue products
- New sales and marketing partnerships outside the US for the Nerve Cuff
- NervAlign® Nerve Cuff clinical case publications
- Market clearance of the NervAlign® Nerve Conduit
- Progression of the NervAlign® Nerve Guide Matrix (NGM) project into formal studies for FDA filing
- Further research and development in relation to the NervAlign® Bionic Replacement Nerve

During the 2024/25 financial year the company successfully progressed the development of both manufacturing processes for the scale production of the NervAlign® Nerve Conduit and packaging solutions for the product. The company intends to further progress its NervAlign® Nerve Conduit program during the year, including:

- Finalisation of the manufacturing process for the NervAlign® Nerve Conduit
- Finalisation of packaging development and validations
- Bench testing of products from validation batches including for strength and suture holding
- Animal (rat) study in gap repair
- FDA filing

The company will continue to progress its NervAlign® Nerve Guide Matrix program. The technology is based on proprietary methods for preparation of novel nerve scaffolds and will initially target repair of discontinuities in nerves with diameters in the 1mm to 5mm range. In partnership with Collagen Solutions, ReNerve has successfully transferred its development process and completed an initial product production run. It has also held a meeting with its surgeon advisory group on the final product, resulting in a clear understanding of the characteristics of the final product. The next step for ReNerve will be to progress the project to the manufacture of clinical grade product and scale manufacturing of the nerve guide matrix.

ReNerve will continue to aim to grow its commercial business through revenue growth of its NervAlign® Nerve Cuff product as well as building out its product portfolio. In the coming 12 months the company anticipates having four product ranges in market, which it will sell through its existing relationships with US distributors

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Reginald Stephen Cooper
Title:	Independent Chairman & Non-Executive Director
Qualifications:	BCom (Hons)
Experience and expertise:	Mr Stephen Cooper is a director of Grant Samuel, a leading independent Australian investment banking business. Stephen has over 26 years of experience in investment banking and has been responsible for numerous corporate advisory assignments including public company takeovers, mergers, business sales and acquisitions, schemes of arrangement, capital raisings and business valuations. He has served as the chairman of an ASX-listed biotechnology company Avexa.
Other current directorships:	N/A
Former directorships (last 3 years):	N/A
Interests in shares:	10,643,434 ordinary shares
Interests in options:	NIL

ReNerve Limited
Directors' report
30 June 2025

Name: Dr Michael Panaccio
Title: Independent Non-Executive Director
Qualifications: BSc (Hons), MBA, PhD
Experience and expertise: Michael is one of the founders of Starfish Ventures, a venture capital firm that invests in early-stage technology companies and plays an active role in the management of its portfolio. Michael has been a director of numerous technology businesses in Australia and the USA including SIRTEx Medical Ltd, Engana Pty Ltd (now part of Finisar Corporation), Energy Response (sold to EnerNoc Inc), ImpediMed Ltd, Protagonist Therapeutics Inc, and dorsaVi Ltd.

Other current directorships: N/A

Former directorships (last 3 years): DorsaVi (ASX:DVL)
Interests in shares: 3,662,250 ordinary shares
Interests in options: NIL

Name: Dr Julian Chick
Title: Director & Chief Executive Officer
Qualifications: BSc, PhD
Experience and expertise: Julian is an experienced healthcare executive with over 26 years of experience in senior management and board positions including in ASX listed companies Avexa and Admedus. His roles have included Chief Executive Officer, COO, Head of Business Development, as well as running early and late-stage R&D projects. Julian has launched medical devices into the global markets. Julian while COO at Admedus Ltd was involved in the R&D development, regulatory approval, and launch of several tissue products in North America, Europe, and Asia. He has 10 years of investment banking experience and has also held a role as an analyst reviewing healthcare and biotechnology investment opportunities for private equity investors and venture capitalists. Julian has a PhD in Muscle Physiology.

Other current directorships: LTR Pharma (ASX:LTP)
Former directorships (last 3 years): Cann Group (ASX:CAN)
Interests in shares: 14,481,168 ordinary shares
Interests in options: NIL

Name: Dr David Rhodes
Title: Director & Chief Scientific Officer
Qualifications: PhD
Experience and expertise: David has more than 25 years of experience in healthcare and biotechnology industries, where he has held numerous senior management and executive level roles and developed technologies through to market approval. Previous roles include Chief Scientific Officer of the medical devices company Admedus Ltd, Senior Executive and Head of Drug Discovery, and Senior Vice President Biology at Avexa Ltd. Admedus and Avexa were both ASX listed companies.

David has successfully led diverse technology development programs from discovery through preclinical stages, manufacturing and commercialisation and has attracted significant levels of funding from many State and Federal Government initiatives and Research Institute programs. He publishes in high-impact peer-reviewed journals and is an inventor on numerous patents. David is an Adjunct Associate Professor in the Faculty of Engineering at Monash University. David has a PhD in Biochemistry.

Other current directorships: N/A
Former directorships (last 3 years): N/A
Interests in shares: 11,527,500 ordinary shares
Interests in options: NIL

ReNerve Limited
Directors' report
30 June 2025

Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Former directorships (last three years) quoted above are directorships held in the last three years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

David Lilja (Appointed 27 August 2020)

David Lilja (B.Bus, MBA, CTA, MIPA) is a qualified accountant and experienced company secretary with over 21 years' experience within the professional services industry working across a wide range of industries. David supplies his services through his firm, DLK Advisory, which provides a breadth of support to its clients including outsourced CFO and Company Secretary services.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2025, and the number of meetings attended by each director, were:

	Attended	Full Board Held	Attended	Audit & Risk Committee Held	Attended	Remuneration & Nomination Committee Held
Reginald Stephen Cooper	13	13	1	1	1	1
Michael Panaccio	13	13	1	1	1	1
Julian Chick	13	13	1	1	1	1
David Rhodes	13	13	-	-	-	-

Held: represents the number of meetings held during the time the director held office.

There were 15 meetings of directors held during the year ended 30 June 2025.

Remuneration report (Audited)

The remuneration report details the key management personnel remuneration arrangements for the company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- Competitiveness and reasonableness
- Acceptability to shareholders
- Performance linkage / alignment of executive compensation
- Transparency
- Capital management

The company has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the organisation. It aims to align shareholders' and program participants' interests:

- Focuses on sustained growth in shareholder wealth
- Attracts and retains high calibre executives
- Rewards capability and experience
- Provides a clear structure for earning rewards

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

Non-executive directors remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 7 November 2024, where the shareholders approved a maximum annual aggregate remuneration of \$300,000.

Executive directors remuneration

The company aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives, payable either in cash or via equity-related instruments
- long-term performance incentives, payable in equity-related instruments
- other remuneration such as superannuation and long service leave

The combination of these constitutes the executive's total remuneration.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits where it does not create any additional costs to the company and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the company with the performance hurdles of executives. STI payments are granted to executives based on the achievement of specific annual targets and key performance indicators ('KPIs'). Any bonuses payable may be settled in cash, shares, options or other equity securities, at the election of the Board.

The long-term incentives ('LTI') include the issue of options under the company's Employee Option Scheme. Options will vest to executives based on achievement of long-term incentive measures. These include share price and other performance criteria, subject to continued employment of the Employee by the company, on terms as determined by the Board.

The Nomination and Remuneration Committee reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2025.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the company are set out in the following tables.

The key management personnel of the company consisted of the following directors and other personnel of the company:

- Reginald Stephen Cooper – Independent Chairman & Non-Executive Director
- Michael Panaccio – Independent Non-Executive Director
- Julian Chick – Director & CEO
- David Rhodes – Director & CSO

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Directors' report
30 June 2025

	Short-term benefits		Post-employment benefits	Long-term benefits and	Share-based payments	
	Cash salary and fees	Cash bonus	Super-annuation	Long service leave	Equity-settled options	Total
2025	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>						
Reginald Stephen Cooper	37,541	-	-	-	-	37,541
Michael Panaccio	25,623	-	-	-	-	25,623
<i>Executive Directors:</i>						
Julian Chick	313,072	-	36,425	5,279	-	354,776
David Rhodes	251,344	10,000	29,106	4,335	-	294,785
	<u>627,580</u>	<u>10,000</u>	<u>65,531</u>	<u>9,614</u>	<u>-</u>	<u>712,725</u>

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

ReNerve Limited
Directors' report
30 June 2025

Name: Dr Julian Chick
Title: Director and Chief Executive Officer
Agreement commenced: 11 October 2024
Terms of agreement: (a) Remuneration: Fixed annual salary \$350,000 (inclusive of director's fees) including statutory employer superannuation contribution;
(b) Short-term incentives: Eligible for an additional payment to the value of 20% of base remuneration, based on successful achievement of Board approved short-term incentive targets;
(c) Long-term incentives: Eligible for an annual issue of options to the value of 20% of base remuneration, based on successful achievement of Board approved long-term incentive targets;
(d) Termination: The company and Dr Chick may terminate the Executive Services Agreement without cause giving the other party six months' notice.

Name: Dr David Rhodes
Title: Chief Scientific Officer & Executive Director
Agreement commenced: 15 October 2024
Terms of agreement: (a) Remuneration: Fixed annual salary \$290,000 (inclusive of director's fees) including statutory employer superannuation contribution;
(b) Short-term incentives: Eligible for an additional payment to the value of 20% of base remuneration, based on successful achievement of Board approved short-term incentive targets;
(c) Long-term incentives: Eligible for an annual issue of options to the value of 20% of base remuneration, based on successful achievement of Board approved long-term incentive targets;
(d) Termination: The company and Dr Rhodes may terminate the Executive Services Agreement without cause, with the company providing Dr Rhodes six months' notice, or Dr Rhodes providing the company with three months' notice.

As at 30 June 2025, no other key management personnel have any service agreement with the entity.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	2025	2024	2025	2024	2025	2024
<i>Non-Executive Directors:</i>						
Reginald Stephen Cooper	100%	-	-	-	-	-
Michael Panaccio	100%	-	-	-	-	-
<i>Executive Directors:</i>						
Julian Chick	100%	-	-	-	-	-
David Rhodes	100%	-	-	-	-	-

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2025.

Options

There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2025.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2025.

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the company, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals / other	Balance at the end of the year
<i>Ordinary shares</i>					
Reginald Stephen Cooper	9,485,000	-	1,158,434	-	10,643,434
Michael Panaccio	3,562,250	-	100,000	-	3,662,250
Julian Chick	13,375,000	-	1,106,168	-	14,481,168
David Rhodes	11,527,500	-	-	-	11,527,500
	<u>37,949,750</u>	<u>-</u>	<u>2,364,602</u>	<u>-</u>	<u>40,314,352</u>

The additions of ordinary shares to key management personnel arose from the purchase of shares at market value and/or the conversion of convertible notes to ordinary shares at the time of ReNerve's IPO in November 2024.

During the financial year ended 30 June 2025, the entity did not employ or use the services of remuneration consultants.

This concludes the remuneration report, which has been audited.

Shares issued on the exercise of options

There were no ordinary shares of ReNerve Limited issued on the exercise of options during the year ended 30 June 2025 and up to the date of this report.

Shares under option

Unissued ordinary shares of ReNerve Limited under option at the date of this report are as follows:

ReNerve Limited
Directors' report
30 June 2025

Grant date	Expiry date	Exercise price	Number under option
15/06/2023	15/06/2026	\$0.50	250,000
15/06/2023	15/06/2026	\$0.40	250,000
17/04/2023	17/04/2028	\$0.25	60,000
17/04/2023	17/04/2028	\$0.25	40,000
01/07/2024	01/07/2029	\$0.35	50,000
01/07/2024	01/07/2029	\$0.35	50,000
01/07/2024	01/07/2029	\$0.35	50,000
11/09/2024	11/09/2029	\$0.35	200,000
11/09/2024	11/09/2029	\$0.35	200,000
11/09/2024	11/09/2029	\$0.35	200,000
22/11/2024	22/11/2027	\$0.30	2,951,594
30/04/2025	01/02/2030	\$0.12	100,000
30/04/2025	01/02/2030	\$0.15	100,000
30/04/2025	01/02/2030	\$0.20	100,000
30/04/2025	01/02/2030	\$0.30	100,000
			<u>4,701,594</u>

During the year ended 30 June 2025, the company granted a total of 4,101,594 new options. A total of 1,500,000 options previously issued expired during the year.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Indemnification of Directors

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Auditor

William Buck continues in office in accordance with section 327 of the Corporations Act 2001.

There are no officers of the company who are former partners of William Buck.

No non-audit services were provided during the financial year by the auditor.

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

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Reginald Stephen Cooper
Independent Chairman & Director

29 August 2025

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of ReNerve Limited

As lead auditor for the audit of ReNerve Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

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



William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



J. C. Luckins
Director
Melbourne, 29 August 2025

ReNerve Limited**Contents****30 June 2025**

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General information

The financial statements cover ReNerve Limited as an entity. The financial statements are presented in Australian dollars, which is ReNerve Limited's functional and presentation currency.

ReNerve Limited is a public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

DLK Advisory Pty Ltd, Level 10, 99 Queen Street
Melbourne, 3000, Australia

Principal place of business

157 Heidelberg Road
Northcote VIC 3070, Australia

A description of the nature of the company's operations and its principal activities is included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 29 August 2025. The directors have the power to amend and reissue the financial statements.

ReNerve Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue			
Revenue	4	271,707	177,373
Cost of sales		<u>(27,041)</u>	<u>(623)</u>
Gross profit		244,666	176,750
Other income	5	<u>969,445</u>	<u>421,662</u>
Expenses			
Employment		(1,071,946)	(1,110,389)
Share based payments	7	(555,079)	(150,000)
Research and development		(1,000,757)	(771,468)
Corporate Expenditure	6,7	<u>(2,320,247)</u>	<u>(1,551,500)</u>
Loss before income tax expense		(3,733,918)	(2,984,945)
Income tax expense	8	<u>-</u>	<u>-</u>
Loss after income tax expense for the year attributable to the owners of ReNerve Limited	22	(3,733,918)	(2,984,945)
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive loss for the year attributable to the owners of ReNerve Limited		<u><u>(3,733,918)</u></u>	<u><u>(2,984,945)</u></u>
		Cents	Cents
Basic earnings per share	31	(3.03)	(3.15)
Diluted earnings per share	31	(3.03)	(3.15)

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

ReNerve Limited
Statement of financial position
As at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	9	4,754,229	711,909
Trade and other receivables	10	790,119	437,192
Inventories	11	199,718	177,998
Prepayments	12	188,317	10,959
Monies held in trust	13	137,099	80,349
Total current assets		<u>6,069,482</u>	<u>1,418,407</u>
Non-current assets			
Plant and equipment	14	59,813	29,281
Right-of-use assets		-	20,709
Intangibles	15	20,713	6,978
Other deposits		44,165	44,165
Total non-current assets		<u>124,691</u>	<u>101,133</u>
Total assets		<u>6,194,173</u>	<u>1,519,540</u>
Liabilities			
Current liabilities			
Trade and other payables	16	435,003	168,466
Accrued expenses		108,481	37,437
Employee benefits	17	275,108	252,258
Lease liabilities		-	21,835
Provisions	18	143,467	-
Convertible notes	19	-	1,192,680
Total current liabilities		<u>962,059</u>	<u>1,672,676</u>
Non-current liabilities			
Employee benefits	17	<u>36,812</u>	<u>23,036</u>
Total non-current liabilities		<u>36,812</u>	<u>23,036</u>
Total liabilities		<u>998,871</u>	<u>1,695,712</u>
Net assets/(liabilities)		<u><u>5,195,302</u></u>	<u><u>(176,172)</u></u>
Equity			
Issued capital	20	17,022,293	8,076,928
Reserves	21	362,730	202,703
Accumulated losses	22	<u>(12,189,721)</u>	<u>(8,455,803)</u>
Total equity/(deficiency)		<u><u>5,195,302</u></u>	<u><u>(176,172)</u></u>

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

ReNerve Limited
Statement of changes in equity
For the year ended 30 June 2025

	Issued capital \$	Reserves \$	Accumulated losses \$	Total deficiency in equity \$
Balance at 1 July 2023	7,842,383	294,034	(5,562,189)	2,574,228
Loss after income tax expense for the year	-	-	(2,984,945)	(2,984,945)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(2,984,945)	(2,984,945)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 20)	234,545	-	-	234,545
Expiry of advisor options	-	(91,331)	91,331	-
Balance at 30 June 2024	<u>8,076,928</u>	<u>202,703</u>	<u>(8,455,803)</u>	<u>(176,172)</u>
	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	8,076,928	202,703	(8,455,803)	(176,172)
Loss after income tax expense for the year	-	-	(3,733,918)	(3,733,918)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(3,733,918)	(3,733,918)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 20)	8,806,588	-	-	8,806,588
Share-based payments (note 28)	-	298,804	-	298,804
Expiry of advisor options	138,777	(138,777)	-	-
Balance at 30 June 2025	<u>17,022,293</u>	<u>362,730</u>	<u>(12,189,721)</u>	<u>5,195,302</u>

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

ReNerve Limited
Statement of cash flows
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Cash receipts from customers		278,719	125,086
Payments to suppliers and employees		(3,893,674)	(2,803,446)
Interest received		114,402	45,102
Receipts from research and development grant credits		516,606	340,410
		<u> </u>	<u> </u>
Net cash used in operating activities	29	<u>(2,983,947)</u>	<u>(2,292,848)</u>
Cash flows from investing activities			
Payments for plant and equipment	14	(48,428)	(4,980)
Payments for intangibles	15	(16,873)	-
Proceeds from / (payments for) term deposits		-	511,552
		<u> </u>	<u> </u>
Net cash from/(used in) investing activities		<u>(65,301)</u>	<u>506,572</u>
Cash flows from financing activities			
Proceeds from issue of shares	20	7,000,000	-
Payments from the issue of convertible notes	19	755,000	905,000
Transaction costs related to issues of equity securities or convertible debt securities		(653,646)	-
Repayment of lease liabilities		(14,475)	(86,295)
		<u> </u>	<u> </u>
Net cash from financing activities		<u>7,086,879</u>	<u>818,705</u>
Net increase/(decrease) in cash and cash equivalents		4,037,631	(967,571)
Cash and cash equivalents at the beginning of the financial year		711,909	1,679,480
Effects of exchange rate changes on cash and cash equivalents		4,689	-
		<u> </u>	<u> </u>
Cash and cash equivalents at the end of the financial year	9	<u><u>4,754,229</u></u>	<u><u>711,909</u></u>

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

Note 1. Material accounting policy information

The accounting policies that are material to the company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company 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.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention modified by the revaluation of select financial liabilities.

Comparative figures

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current period.

Critical accounting estimates

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

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Revenue recognition

The company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods to a customer. For each contract with a customer, the company identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods promised.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery. The transaction price is determined based on the agreed consideration, adjusted for any variable consideration, such as discounts, rebates, or refunds, if applicable. Any estimates of such variable consideration are made using the expected value or most likely amount method and are constrained where necessary to prevent significant revenue reversals.

Note 1. Material accounting policy information (continued)

Government grants

Government grants are recognised in the profit or loss on a systematic basis over the periods in which ReNerve recognises, as expenses, the related costs for which the grants are intended to compensate.

R&D tax offset receivable

For financial reporting purposes, the R&D tax offset is analogised as other income see note 5. A credit will be recognised within other income when there is reasonable assurance that R&D tax offset will be received and conditions will be complied with.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Inventories

Finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a diminishing-value basis for the following asset classes, to write off the net cost of each item (excluding land) over its expected useful life:

Computer Equipment	2 - 4 years
Plant and Equipment	3 - 10 years

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Issued capital

Ordinary shares are classified as equity.

Earnings per share

Basic earnings per share

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

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2025. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

Note 1. Material accounting policy information (continued)

AASB 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The company will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Critical Accounting Estimates

Share-based payment transactions

The company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted (see note 28). The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Non-recognition of carry forward tax losses

The balance of future income tax benefit arising from the current financial year tax losses and timing differences have not been recognised as an asset because it is not clear when the losses will be recovered. The cumulative future income tax benefit estimated has not been recognised as an asset and will only be obtained if:

- the company derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised;
- the company continues to comply with the conditions for deductibility imposed by law; and
- no changes in tax legislation adversely affecting the company realising the benefit.

Critical Accounting Judgements

Lodgement of R&D claims

Over the past 5 years, the entity has successfully claimed for and received cash from the Australian Taxation Office in-respect of credits for its research and development program. Under this program, the ATO has the right, extending back 4 tax years to investigate, audit and potentially clawback these claims in the event that they fail to meet the necessary criteria as established under the research and development credit claim legislation and regulations. It is the directors' view that there is no probable likelihood that any potential action may take place based upon the following reasons:

- Upon submission of the claim, the ATO and AusIndustry conduct an overall desktop review of the claim, including the eligibility of any overseas research and development activity undertaken (which requires an Advanced Overseas Finding before being eligible);
- The industry environment in which the entity deals is known for its research and development activities which have historically been supported through research and development claims; and
- The entity has a track record extending 5 years of never being challenged on its research and development claims by the ATO or AusIndustry.

Note 3. Operating segments

Management has determined the operating segments based on the reports reviewed by the Board of Directors. During the year, the company continued to operate in one segment, being Medical Devices for damaged peripheral nerves.

Major customers

During the reporting period, sales to three individual customers each exceeded 10% of total revenue, representing approximately 25%, 17% and 15%, respectively. These customers are located in the United States.

Geographical information

	Sales to external customers	
	2025	2024
	\$	\$
New Zealand	738	789
United States	267,873	176,584
Hong Kong	3,096	-
	<u>271,707</u>	<u>177,373</u>

Note 4. Revenue

	2025	2024
	\$	\$
Sale of goods	<u>271,707</u>	<u>177,373</u>

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	2025	2024
	\$	\$
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	<u>271,707</u>	<u>177,373</u>

Note 5. Other income

	2025	2024
	\$	\$
Interest received	144,216	44,466
R&D credits	<u>825,229</u>	<u>377,196</u>
	<u>969,445</u>	<u>421,662</u>

Note 6. Corporate Expenditure

	2025	2024
	\$	\$
Administration expenses	839,527	492,951
Marketing and selling costs	420,856	443,778
Depreciation and amortisation expense	46,117	150,337
Finance costs	249,456	290,246
Professional fees	620,824	174,188
Manufacturing provision expense	143,467	-
	<u>2,320,247</u>	<u>1,551,500</u>

Note 7. Expenses

During the year, the company incurred several non-recurring expenses that have impacted the statement of profit or loss. These costs primarily relate to the company's initial public offering and other capital raising activities.

The total one-off costs incurred amount to \$853,112, comprising:

Expense category	Description	\$
Finance costs	Fair value adjustment of convertible notes	249,289
Professional fees	Non-recurring IPO-related costs	352,635
Share-based payments	Lead manager advisor options issued in connection with the IPO	251,188

Note 8. Income tax benefit

Unrecognised deferred tax assets

As at 30 June 2025, the company has unutilised tax losses of \$7,057,819 (2024: \$4,835,026) for which no deferred tax asset has been recognised due to the uncertainty regarding future taxable profits.

Note 9. Cash and cash equivalents

	2025	2024
	\$	\$
Cash management account	40,170	88,119
Cheque account	25,706	23,527
Savings account	1,015,963	59,934
Statement account	4,846	10,329
Term deposits	3,667,544	530,000
	<u>4,754,229</u>	<u>711,909</u>

Term deposits

The balance includes term deposits with maturity periods ranging from two to four months, bearing interest rates between 3% and 5%. As at 30 June 2025, the term deposits comprise:

AUD term deposit: AUD \$2,000,000

USD term deposit: AUD \$1,667,554 (initial deposit of USD \$1,089,152)

Note 10. Trade and other receivables

	2025 \$	2024 \$
Other receivables	6,806	-
Trade receivables	39,657	46,515
Interest receivable	29,814	-
GST receivable	37,682	23,771
Research & Development refund receivable	685,691	377,068
Less: Allowance for expected credit losses	(9,531)	(10,162)
	<u>783,313</u>	<u>437,192</u>
	<u>790,119</u>	<u>437,192</u>

Allowance for expected credit losses

The company has recognised a gain of \$631 (2024: loss of \$10,162) in profit or loss in respect of the expected credit losses for the year ended 30 June 2025.

Movements in the allowance for expected credit losses are as follows:

	2025 \$	2024 \$
Opening balance	10,162	-
Additional provisions recognised	(631)	10,162
Closing balance	<u>9,531</u>	<u>10,162</u>

Note 11. Inventories

	2025 \$	2024 \$
Finished goods - at cost	<u>199,718</u>	<u>177,998</u>

Note 12. Prepayments

	2025 \$	2024 \$
Prepaid insurance	66,489	-
Other prepayments	121,828	10,959
	<u>188,317</u>	<u>10,959</u>

Note 13. Monies held in trust

	2025 \$	2024 \$
Pactum Medical LLC	<u>137,099</u>	<u>80,349</u>

The company has an arrangement with its US provider of outsourced logistics services, Pactum, whereby Pactum manages ReNerve's US accounts receivables (including collecting receipts from the US health service providers that are ReNerve's major customers) and makes commission payments to sales distributors. ReNerve made an initial advance of funds to Pactum to cover Pactum's logistics fees, commission payments and other working capital commitments. The monies held in trust represent that initial advance, adjusted for subsequent accounts receivable collections, commission payments, logistics fees and reimbursements to ReNerve. The company ultimately bears credit risk with the underlying health service providers.

ReNerve Limited
Notes to the financial statements
30 June 2025

Note 14. Plant and equipment

	2025	2024
	\$	\$
Leasehold improvements - at cost	140,972	140,972
Less: Accumulated depreciation	<u>(140,972)</u>	<u>(128,089)</u>
	<u>-</u>	<u>12,883</u>
Plant and equipment - at cost	64,498	18,127
Less: Accumulated depreciation	<u>(10,459)</u>	<u>(6,807)</u>
	<u>54,039</u>	<u>11,320</u>
Computer equipment - at cost	19,498	14,111
Less: Accumulated depreciation	<u>(13,724)</u>	<u>(9,033)</u>
	<u>5,774</u>	<u>5,078</u>
	<u><u>59,813</u></u>	<u><u>29,281</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Leasehold Improvements \$	Plant and Equipment \$	Computer Equipment \$	Total \$
Balance at 1 July 2023	74,720	14,217	2,021	90,958
Additions	-	-	4,980	4,980
Depreciation expense	<u>(61,837)</u>	<u>(2,897)</u>	<u>(1,923)</u>	<u>(66,657)</u>
Balance at 30 June 2024	12,883	11,320	5,078	29,281
Additions	-	46,371	5,387	51,758
Depreciation expense	<u>(12,883)</u>	<u>(3,652)</u>	<u>(4,691)</u>	<u>(21,226)</u>
Balance at 30 June 2025	<u><u>-</u></u>	<u><u>54,039</u></u>	<u><u>5,774</u></u>	<u><u>59,813</u></u>

Note 15. Intangibles

	2025	2024
	\$	\$
Patents and trademarks	33,094	15,178
Less: Accumulated amortisation	<u>(12,381)</u>	<u>(8,200)</u>
	<u><u>20,713</u></u>	<u><u>6,978</u></u>

ReNerve Limited
Notes to the financial statements
30 June 2025

Note 15. Intangibles (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Patents and trademarks \$	Total \$
Balance at 1 July 2023	9,439	9,439
Additions	-	-
Amortisation expense	(2,461)	(2,461)
Balance at 30 June 2024	6,978	6,978
Additions	17,916	17,916
Amortisation expense	(4,181)	(4,181)
Balance at 30 June 2025	<u>20,713</u>	<u>20,713</u>

Note 16. Trade and other payables

	2025 \$	2024 \$
Trade payables	410,125	139,749
PAYG withholding	<u>24,878</u>	<u>28,717</u>
	<u>435,003</u>	<u>168,466</u>

Refer to note 23 for further information on financial instruments.

Note 17. Employee benefits

	2025 \$	2024 \$
<i>Current liabilities</i>		
Employee benefits – Annual leave	216,887	218,267
Employee benefits – Long service leave	40,721	33,991
Employee benefits – Cash bonuses	<u>17,500</u>	<u>-</u>
	<u>275,108</u>	<u>252,258</u>
<i>Non-current liabilities</i>		
Employee benefits – Long service leave	<u>36,812</u>	<u>23,036</u>

As at 30 June 2025 amounts of \$175,107 for annual leave, \$74,106 for long service leave liabilities and \$10,000 for cash bonuses were owed to key management personnel (2024: amounts of \$180,201, \$53,984 and \$0).

Note 18. Provisions

	2025 \$	2024 \$
Manufacturing Liabilities	<u>143,467</u>	<u>-</u>

Note 18. Provisions (continued)

Manufacturing Liabilities

The Company is party to a supply arrangement which may give rise to certain payment obligations if minimum activity levels are not met. A provision has been recognised to reflect the estimated costs that may be incurred under the terms of this arrangement.

Note 19. Convertible notes

	2025 \$	2024 \$
Convertible notes	-	1,192,680
<i>Reconciliation</i>		
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:		
Opening balance	1,192,680	-
Convertible notes issued	755,000	905,000
Coupon interest accrued into the notes	48,431	49,144
Changes in fair value of the notes	200,858	238,536
Conversion of convertible notes to equity on IPO	(2,196,969)	-
Closing balance	-	1,192,680

In September 2024 and October 2024, the company completed a successful pre-IPO capital raise through the issue of convertible notes, to raise \$755,000. The details of the convertible notes issued in the period were:

- Face value of \$755,000;
- A coupon interest rate of 10% included and accrued on the face value of the notes;
- Maturity date of 1 December 2024;
- The terms of the notes provided that, if an IPO conversion event occurred, the convertible notes would convert into ordinary shares at a price per share which represented a 20% discount to the price per share of shares issued in the IPO, capped at a maximum conversion price of \$0.24 per share;
- If any other conversion event occurred, being a trade sale of all the business assets, a capital raise in excess of \$500,000 prior to an IPO, or a change in control, the convertible notes would convert into ordinary shares at a price of \$0.20 per share; and
- In the event that the company did not IPO and was not sold, the notes would convert into ordinary shares twelve months after their date of issue, at a price equal to the price of the company's previous capital raise of \$0.20.

The interest accrued on all convertible notes in the period was \$48,431, and the fair value adjustment for the period was \$200,858.

ReNerve listed on the ASX on 26 November 2024. In connection with the IPO, convertible notes totalling \$1,660,000, along with total accrued interest of \$97,575, were converted into 10,984,847 ordinary shares in the company.

Convertible notes were held at fair value, with changes in fair value taken to profit or loss. In assessing the fair value under this Level 3 hierarchy valuation, the directors considered that there was a 100% likelihood that the convertible notes would be settled through the issue of ordinary share capital, which has occurred within the reporting period. There was no likelihood of a cash redemption, as this could only be triggered by an event of default under the notes. Other inputs included the terms and conditions of the notes, as set out above. Accordingly, the convertible notes were valued on an 'as converted' basis, with the assumption that the equity instruments received would be liquid and marketable. In the directors' view, there was no exposure to any non-market variable relating to the convertible note conversion that could reasonably or materially influence its fair value as expressed in these financial statements.

ReNerve Limited
Notes to the financial statements
30 June 2025

Note 20. Issued capital

	2025 Shares	2024 Shares	2025 \$	2024 \$
Ordinary shares - fully paid	142,504,018	95,130,234	17,022,293	8,076,928

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2023	93,957,509	\$0.00	7,842,383
Share based payment	25 July 2023	450,000	\$0.20	90,000
Share based payment	6 December 2023	150,000	\$0.20	30,000
Share based payment	13 February 2024	300,000	\$0.20	60,000
Share based payment	25 March 2024	272,725	\$0.20	54,545
Balance - 30 June 2024		<u>95,130,234</u>		<u>8,076,928</u>
Share based payment	1 July 2024	572,725	\$0.20	114,545
Share based payment	29 August 2024	150,000	\$0.20	30,000
Initial public offering (IPO)	26 November 2024	35,000,000	\$0.20	7,000,000
Conversion of convertible notes into equity	26 November 2024	10,984,847	\$0.20	2,196,969
Costs of capital raising	26 November 2024	-	\$0.00	(634,110)
Share based payment	14 March 2025	666,212	\$0.15	99,184
Expiry of advisor options	25 March 2025	-	\$0.00	138,777
Movement - 30 June 2025		<u>47,373,784</u>		<u>8,945,365</u>
Balance - 30 June 2025		<u><u>142,504,018</u></u>		<u><u>17,022,293</u></u>

In July 2024, the company issued 300,000 shares in lieu of cash payment to four Scientific Advisory Board members, as part payment for their services and consultancy activities. In addition, per the sales agent and market development agreement with Emerging Surgical of March 2024, the company issued a second tranche of 272,725 shares on 1 July 2024.

In August 2024, the company issued 150,000 shares in lieu of cash payment to a new Scientific Advisory Board member, as part payment for their services and consultancy activities.

ReNerve raised \$7 million through the issue of 35,000,000 shares in an IPO in November 2024. Shares in ReNerve were listed on the ASX on 26 November 2024.

In conjunction with the IPO, the convertible notes were converted into 10,984,847 ordinary shares in the company.

In March 2025, the company issued 300,000 shares in lieu of cash payment to four Scientific Advisory Board members, as part payment for their services and consultancy activities.

In March 2025, per the sales agent and market development agreement, the company issued a third tranche of 366,212 shares to Emerging Surgical.

In addition, in March 2025, 1,500,000 advisor options relating to the issuing of equity expired unexercised for a fair value of \$138,777.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 20. Issued capital (continued)

Share buy-back

There is no current on-market share buy-back.

Note 21. Reserves

	2025	2024
	\$	\$
Options reserve	<u>362,730</u>	<u>202,703</u>

Options reserve

The reserve is used to recognise the value of equity benefits provided to employees and other parties as part of their remuneration and compensation for services.

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

	Options reserve \$	Total \$
Balance at 1 July 2023	294,034	294,034
Expiry of advisor options	<u>(91,331)</u>	<u>(91,331)</u>
Balance at 30 June 2024	202,703	202,703
Options issued during the year	298,804	298,804
Expiry of advisor options	<u>(138,777)</u>	<u>(138,777)</u>
Balance at 30 June 2025	<u><u>362,730</u></u>	<u><u>362,730</u></u>

Note 22. Accumulated losses

	2025	2024
	\$	\$
Accumulated losses at the beginning of the financial year	(8,455,803)	(5,562,189)
Loss after income tax expense for the year	(3,733,918)	(2,984,945)
Transfer from options reserve	<u>-</u>	<u>91,331</u>
Accumulated losses at the end of the financial year	<u><u>(12,189,721)</u></u>	<u><u>(8,455,803)</u></u>

Note 23. Financial instruments

The company's material financial instruments include cash, accounts payable and borrowings.

Financial risk management objectives

The company's activities expose it to a variety of financial risks with the only significant risk it is exposed to being liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effect on the financial performance of the entity.

Risk management is carried out by the Board of Directors who are responsible for monitoring and managing financial risk exposures.

Liquidity risk

Vigilant liquidity risk management requires the company to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

Note 23. Financial instruments (continued)

The company manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

As at 30 June 2025, with the exception of its lease liabilities, all financial assets and liabilities had maturities less than 60 days (30 June 2024: less than 60 days).

Remaining contractual maturities

The following tables detail the company's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2024						
Non-derivatives						
<i>Non-interest bearing</i>						
Trade and other payables	-	435,664	-	-	-	435,664
Total non-derivatives		<u>435,664</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>435,664</u>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Note 24. Key management personnel disclosures

Reginald Stephen Cooper
Michael Panaccio
Julian Chick
David Rhodes

Compensation

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2025	2024
	\$	\$
Short-term employee benefits	637,580	581,884
Post-employment benefits	65,531	61,164
Long-term benefits	9,614	9,212
	<u>712,725</u>	<u>652,260</u>

Note 25. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by William Buck, the auditor of the company, and PKF Melbourne:

	2025	2024
	\$	\$
<i>Audit services - William Buck</i>		
Audit or review of the financial statements	<u>51,863</u>	<u>38,191</u>
<i>Audit services - PKF Melbourne</i>		
Independent Limited Assurance Report for Initial Public Offering	<u>104,500</u>	<u>-</u>

Note 26. Contingent liabilities

The company, which holds an office space lease with a \$44,165 security deposit, acknowledges a contingent liability for potential deposit repayment. Management believes that the probability of occurrence is remote and, consequently, no provision has been recorded. The company will monitor this situation for future updates.

Note 27. Events after the reporting period

Non-adjusting Events:

On 14 July 2025, the company issued 300,000 shares in lieu of cash payment to four Scientific Advisory Board members, as part payment for their services and consultancy activities. The shares were issued as consideration with a total value of \$32,222.

Per the sales agent and market development agreement with Emerging Surgical, the company issued a fourth tranche of 473,260 shares on 14 July 2025. The shares were issued as consideration with a total value of \$50,831.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

ReNerve Limited
Notes to the financial statements
30 June 2025

Note 28. Share-based payments

A share option plan has been established by ReNerve Limited, whereby the company may, at the discretion of the Board of Directors, grant options over ordinary shares in the company to certain personnel of ReNerve Limited. Share options are issued at nil consideration.

In addition, options may also be issued to advisers of the company, for example to assist with capital raising activities.

On 1 July 2024, ReNerve granted 150,000 options to employees under the Employee Share Option Plan (ESOP). An additional 600,000 options, subject to the same terms, were granted on 11 September 2024. The exercise price for all those options is \$0.35.

Upon the successful initial public offering (IPO), on 22 November 2024, the company granted Lead Manager Options to Alpine Capital Pty Ltd, representing 2% of the fully diluted share capital post completion of the Offer. These options have an exercise price of \$0.30 and a three year expiry from the date of issue. Based on the maximum subscription of \$7 million, a total of 2,951,594 Lead Manager Options were granted.

On 30 April 2025, ReNerve granted a further 400,000 options to employees under the Employee Share Option Plan (ESOP). These options have varying exercise prices of \$0.12, \$0.15, \$0.20 and \$0.30.

Set out below are summaries of options granted:

2025

Grant Date	Expiry Date	Exercise price	Fair Value at grant date	Balance at the start of the year	Granted	Exercised	Expired / forfeited / other	Balance at the end of the year
25/03/2022	25/03/2025	\$0.40	\$0.097	750,000	-	-	(750,000)	-
25/03/2022	25/03/2025	\$0.50	\$0.088	750,000	-	-	(750,000)	-
15/06/2023	15/06/2026	\$0.35	\$0.106	250,000	-	-	-	250,000
15/06/2023	15/06/2026	\$0.50	\$0.091	250,000	-	-	-	250,000
17/04/2023	17/04/2028	\$0.25	\$0.147	60,000	-	-	-	60,000
17/04/2023	17/04/2028	\$0.25	\$0.147	40,000	-	-	-	40,000
01/07/2024	01/07/2029	\$0.35	\$0.138	-	50,000	-	-	50,000
01/07/2024	01/07/2029	\$0.35	\$0.138	-	50,000	-	-	50,000
01/07/2024	01/07/2029	\$0.35	\$0.138	-	50,000	-	-	50,000
11/09/2024	11/09/2029	\$0.35	\$0.137	-	200,000	-	-	200,000
11/09/2024	11/09/2029	\$0.35	\$0.137	-	200,000	-	-	200,000
11/09/2024	11/09/2029	\$0.35	\$0.137	-	200,000	-	-	200,000
22/11/2024	22/11/2027	\$0.30	\$0.085	-	2,951,594	-	-	2,951,594
30/04/2025	01/02/2030	\$0.12	\$0.060	-	100,000	-	-	100,000
30/04/2025	01/02/2030	\$0.15	\$0.056	-	100,000	-	-	100,000
30/04/2025	01/02/2030	\$0.20	\$0.050	-	100,000	-	-	100,000
30/04/2025	01/02/2030	\$0.30	\$0.041	-	100,000	-	-	100,000
				2,100,000	4,101,594	-	(1,500,000)	4,701,594
Weighted average exercise price				\$0.43	\$0.00	\$0.00	\$0.00	\$0.31

ReNerve Limited
Notes to the financial statements
30 June 2025

Note 28. Share-based payments (continued)

2024

Grant date	Expiry date	Exercise price	Fair value at grant date	Balance at the start of the year	Granted	Exercised	Expired / forfeited / other	Balance at the end of the year
01/02/2021	01/02/2024	\$0.20	\$0.091	1,000,000	-	-	(1,000,000)	-
25/03/2022	25/03/2025	\$0.40	\$0.097	750,000	-	-	-	750,000
25/03/2022	25/03/2025	\$0.50	\$0.088	750,000	-	-	-	750,000
15/06/2023	15/06/2026	\$0.35	\$0.106	250,000	-	-	-	250,000
15/06/2023	15/06/2026	\$0.50	\$0.091	250,000	-	-	-	250,000
17/04/2023	17/04/2028	\$0.25	\$0.147	60,000	-	-	-	60,000
17/04/2023	17/04/2028	\$0.25	\$0.147	40,000	-	-	-	40,000
				<u>3,100,000</u>	<u>-</u>	<u>-</u>	<u>(1,000,000)</u>	<u>2,100,000</u>

Weighted average exercise price	\$0.36	\$0.00	\$0.00	\$0.00	\$0.43
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Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2025 Number	2024 Number
25/03/2022	25/03/2025	-	750,000
25/03/2022	25/03/2025	-	750,000
15/06/2023	15/06/2026	250,000	250,000
15/06/2023	15/06/2026	250,000	250,000
17/04/2023	17/04/2028	60,000	60,000
17/04/2023	17/04/2028	40,000	40,000
01/07/2024	01/07/2029	50,000	-
01/07/2024	01/07/2029	50,000	-
01/07/2024	01/07/2029	50,000	-
11/09/2024	11/09/2029	200,000	-
11/09/2024	11/09/2029	200,000	-
11/09/2024	11/09/2029	200,000	-
22/11/2024	22/11/2027	2,951,594	-
30/04/2025	01/02/2030	100,000	-
30/04/2025	01/02/2030	100,000	-
30/04/2025	01/02/2030	100,000	-
30/04/2025	01/02/2030	100,000	-
		<u>4,701,594</u>	<u>2,100,000</u>

Note 28. Share-based payments (continued)

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
01/07/2024	01/07/2029	\$0.20	\$0.35	100.00%	-	4.29%	\$0.138
01/07/2024	01/07/2029	\$0.20	\$0.35	100.00%	-	4.29%	\$0.138
01/07/2024	01/07/2029	\$0.20	\$0.35	100.00%	-	4.29%	\$0.138
11/09/2024	11/09/2029	\$0.20	\$0.35	100.00%	-	3.86%	\$0.137
11/09/2024	11/09/2029	\$0.20	\$0.35	100.00%	-	3.86%	\$0.137
11/09/2024	11/09/2029	\$0.20	\$0.35	100.00%	-	3.86%	\$0.137
22/11/2024	22/11/2027	\$0.20	\$0.30	77.06%	-	4.29%	\$0.085
30/04/2025	01/02/2030	\$0.10	\$0.12	75.00%	-	4.16%	\$0.060
30/04/2025	01/02/2030	\$0.10	\$0.15	75.00%	-	4.16%	\$0.056
30/04/2025	01/02/2030	\$0.10	\$0.20	75.00%	-	4.16%	\$0.050
30/04/2025	01/02/2030	\$0.10	\$0.30	75.00%	-	4.16%	\$0.041

Note 29. Reconciliation of loss after income tax to net cash used in operating activities

	2025 \$	2024 \$
Loss after income tax expense for the year	(3,733,918)	(2,984,945)
Adjustments for:		
Depreciation and amortisation	46,116	150,337
Share based payment	544,848	234,545
Interest expenses	249,456	290,883
Doubtful debts	632	-
	<u>841,052</u>	<u>675,765</u>
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(346,121)	(37,069)
Decrease/(increase) in other current assets	(56,750)	1,076
Increase/(decrease) in trade and other payables	266,537	106,011
Increase/(decrease) in employee benefits	36,626	101,359
Increase/(decrease) in accrued expenses	64,238	19,673
Decrease/(increase) in other inventories	(21,720)	(177,998)
Increase/(decrease) in provisions	143,467	-
Decrease/(increase) in prepayments	(177,358)	3,280
Net cash used in operating activities	<u>(2,983,947)</u>	<u>(2,292,848)</u>

Note 30. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 24 and the remuneration report included in the directors' report.

Receivable from and payable to related parties

With the exception of the liabilities disclosed in note 17, there were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 31. Earnings per share

	2025 \$	2024 \$
Loss after income tax attributable to the owners of ReNerve Limited	<u>(3,733,918)</u>	<u>(2,984,945)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	123,236,809	94,650,206
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	<u>100,000</u>	<u>-</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>123,336,809</u>	<u>94,650,206</u>
	Cents	Cents
Basic earnings per share	(3.03)	(3.15)
Diluted earnings per share	(3.03)	(3.15)

ReNerve Limited
Consolidated entity disclosure statement
As at 30 June 2025

- * Disclosure of subsidiaries and their country of tax residency, as required by the Corporations Act 2001, does not apply to the company as the company is not required by accounting standards to prepare consolidated financial statements.

ReNerve Limited
Directors' declaration
30 June 2025

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Reginald Stephen Cooper
Independent Chairman & Director

29 August 2025

Independent auditor's report to the members of ReNerve Limited

Report on the audit of the financial report



Our opinion on the financial report

In our opinion, the accompanying financial report of ReNerve Limited (the Company), is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Company, which comprises:

- the statement of financial position as at 30 June 2025,
- the statement of profit or loss and other comprehensive income for the year then ended,
- the statement of changes in equity for the year then ended,
- the statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information,
- the consolidated entity disclosure statement, and
- the directors' declaration.

Basis for opinion

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

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Initial Public Offering ("IPO")	Area of focus (refer also to notes 19 & 20 & 28)	How our audit addressed the key audit matter
	During the financial year, the Company conducted an Initial Public Offering ('IPO') transaction. In leading up to this event, the Company conducted the following significant transactions: — Issued shares and performance rights; — Raised capital under the IPO- — Incurred capital raising costs from its brokers, professional advisors and regulators in-relation to the IPO. These significant transactions were key sources of estimation and judgement uncertainty for these financial statements and therefore determined to be a key audit matter, namely: — Appropriately valuing the options issued for nil cash condition at their appropriate fair value, vesting in the appropriate accounting period; — Determining the appropriate apportionment of costs of the IPO between equity, when directly connected to the issue of new share capital, and a charge to the profit or loss, when connected to the quotation of existing share capital.	Our audit procedures included: — Tracing through all obligations attached to these IPO costs to supporting documentation; — Understanding the terms of the options issued including the number of options issued, grant date, expiry date, and the presence of any market or non-market conditions; — Obtaining the valuation report and conducting an assessment on managements use of expert in the valuation of the options; — We recalculated the vesting charge of those options; — We recalculated the equity during the year, which includes the funds raised from the IPO; — We assessed the appropriateness of the treatment of the IPO costs, those of which were classified as equity and those charged to the profit or loss depending upon their linkage to the issue of new share equity. — We also assessed the appropriateness of disclosures made in-relation to these matters, as described in critical estimates and judgements in a note to the financial statements and also the attaching related party disclosures

**Carrying value
of R&D
receivable**

**Area of focus
(refer also to notes 2 and 10)**

Under the research and development (R&D) tax incentive scheme, the refundable R&D tax offset is 43.5%.

A registration of R&D Activities Application is filed with AusIndustry in the following financial year and, based on this filing, the company receives the incentive in cash.

Management performed a detailed review of the Company's total R&D expenditure to determine the potential claim under the R&D tax incentive legislation. For the year ended 30 June 2025, the R&D amount claimed is \$825,229.

The process of calculating the R&D tax rebate and receivable balance requires judgement and specialised knowledge in identifying eligible expenditure, which gives rise to anticipated R&D tax incentives. Balances in relation to R&D tax incentives are therefore considered to be a key audit matter.

**How our audit addressed the key
audit matter**

Our procedures included, amongst others:

- Obtaining the 30 June 2025 R&D rebate calculations prepared by management and performing the following procedures:
- Assessing the qualifications of managements expert engaged to review managements calculations;
- Developing an understanding of the model, identifying and assessing the key assumptions in the calculation;
- Testing included expenditure for reasonableness against the eligibility criteria; and
- Testing the mathematical accuracy of the balance; and
- Comparing the estimates made in previous years to the amount of cash received after lodgement of the R&D tax claim;

Evaluating the disclosures in the financial report for appropriateness and consistency with accounting standards

Other information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report



Our opinion on the Remuneration Report

In our opinion, the Remuneration Report of ReNerve Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

What was audited?

We have audited the Remuneration Report included in pages 8 to 12 of the directors' report for the year ended 30 June 2025.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136

J. C. Luckins

Director

Melbourne, 29 August 2025

ReNerve Limited
Shareholder information
30 June 2025

The shareholder information set out below was applicable as at 30 June 2025.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Ordinary shares		Options over ordinary shares	
	Number of holders	% of total shares issued	Number of holders	% of total options issued
1 to 1,000	23	0.01	-	-
1,001 to 5,000	98	0.23	-	-
5,001 to 10,000	140	0.88	-	-
10,001 to 100,000	342	10.54	-	-
100,001 and over	169	88.34	10	100.00
	<u>772</u>	<u>100.00</u>	<u>10</u>	<u>100.00</u>
Holding less than a marketable parcel	<u>102</u>	<u>0.17</u>	<u>-</u>	<u>-</u>

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
Dr Julian Chick	13,925,188	9.77
Lucen Pty Ltd ATF The Rhodes Investment Trust	11,527,500	8.09
Ropehawn Investments Pty Ltd ATF Ropehawn Super Fund	11,096,680	7.79
Mr Stephen Cooper	10,170,788	7.14
Alexios Adamides	3,910,000	2.74
Mr Michael Panaccio	3,562,250	2.50
Ruckers Investments Pty Ltd	3,400,000	2.39
Loan Group Australia Pty Ltd	3,225,000	2.26
Nicola Smith & Simon Smith ATF The Noetsie Trust	3,143,236	2.21
Rudel Pty Ltd ATF Rudel Super Fund A/C	2,461,250	1.73
Mr Paul James Madden	2,048,296	1.44
Dixson Trust Pty Limited	2,033,296	1.43
Csiro Csiro Black Mountain Science and Innovation	2,030,000	1.42
RE Capital Advisory Pty Ltd	1,746,434	1.23
Emerging Surgical Incorporated	1,711,662	1.20
HSBC Custody Nominees (Australia) Limited	1,650,000	1.16
Mariva Investments Pty Ltd ATF Mariva Property A/C	1,500,000	1.05
Rojim Lands Pty Ltd	1,383,695	0.97
Mr Chris Williaton	1,250,000	0.88
Matt Corp WA Pty Ltd ATF J G Matthews Family A/C	1,250,000	0.88
	<u>83,025,275</u>	<u>58.28</u>

Unquoted equity securities

	Number on issue	Number of holders
Options over ordinary shares issued	4,701,594	10

ReNerve Limited
Shareholder information
30 June 2025

The following person holds 20% or more of unquoted equity securities:

Name	Class	Number held
RE Capital Advisory Pty Ltd	Options over ordinary shares issued	1,746,434

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
	% of total	
	shares	
	issued	
Number held		
Lucen Pty Ltd ATF The Rhodes Investment Trust	11,527,500	8.09
Zetland Road Pty Ltd ATF The Cooper (Zetland) A/C	10,170,788	7.14
Ropehawn Investments Pty Ltd ATF Ropehawn Super Fund A/C	8,075,618	5.67

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Restricted securities

Class	Expiry date	Number of shares
Escrowed shares	1 July 2025	572,725
Escrowed shares	29 August 2025	150,000
Escrowed shares	21 November 2025	12,455,339
Escrowed shares	22 November 2025	505,121
Escrowed shares	21 November 2026	31,255,716
Escrowed shares	21 November 2026	8,680,010
		<u>53,618,911</u>