

Opyl Limited
Appendix 4D
Half-year report

1. Company details

Name of entity:	Opyl Limited
ABN:	71 063 144 865
Reporting period:	For the half-year ended 31 December 2024
Previous period:	For the half-year ended 31 December 2023

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	82.7% to	42,146
Loss from ordinary activities after tax attributable to the owners of Opyl Limited	down	46.5% to	(683,192)
Loss for the half-year attributable to the owners of Opyl Limited	down	46.5% to	(683,192)

Dividends

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

Comments

The loss for the consolidated entity after providing for income tax amounted to \$683,192 (31 December 2023: \$1,276,301).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>(0.16)</u>	<u>(0.05)</u>

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

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

Previous period

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

7. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The Half-year report of Opyl Limited for the half-year ended 31 December 2024 is attached. The half-year review conclusion discloses a material uncertainty related going concern. The conclusion is not modified in respect of this matter.

8. Attachments

Details of attachments (if any):

The Half-year report of Opyl Limited for the half-year ended 31 December 2024 is attached.

9. Signed



Signed _____

Date: 27 February 2025

Saurabh Jain
Chair and Executive Director

Opyl Limited

ABN 71 063 144 865

Half-year report - 31 December 2024

Opyl Limited
Corporate directory
31 December 2024

Directors	Damon Rasheed - Executive Director Antanas Guoga - Non-Executive Director Saurabh Jain - Chair and Executive Director
Company secretary	Jonathan Hart
Registered office	6 Middlemiss Street, Milsons Point Sydney, NSW 2000
Principal place of business	6 Middlemiss Street, Milsons Point Sydney, NSW 2000
Share register	Automic Pty Ltd Level 5, 126 Phillip Street Sydney NSW 2000, Australia Telephone: +1300 288 664 (within Australia); +61 2 9698 5414 (outside Australia) Email: hello@automic.com.au
Auditor	William Buck Audit (Vic) Pty Ltd Level 20, 181 William Street Melbourne VIC 3000, Australia
Solicitors	Cornwalls Level 4, 300 Collins Street Melbourne VIC 3000, Australia
Bankers	Westpac Banking Corporation Level 13 109, St Georges Terrace Perth WA 6000, Australia
Stock exchange listing	Opyl Limited shares are listed on the Australian Securities Exchange (ASX code: OPL)
Website	www.opyl.ai

Opyl Limited
Directors' report
31 December 2024

The directors present their report, together with the financial statements, on the consolidated entity for the half-year ended 31 December 2024.

Directors

The following persons were directors of Opyl Limited ('Opyl') during the whole of the financial half-year and up to the date of this report unless otherwise stated:

Antanas Guoga - Non-Executive Director
Damon Rasheed - Executive Director
Saurabh Jain - Chair and Executive Director
Mark Simari - Non-Executive Director (resigned 1 September 2024)

Principal activities

Opyl is a new generation Australian digital health company that applies artificial intelligence (AI) to improving clinical trials and predicting outcomes. Our platforms deliver targeted insights that make clinical trials more efficient, easier to design, and more predictable, saving time and reducing costs for medical researchers. Our key offering for biopharma, medtech, government and healthcare organisations are TrialKey (clinical trial predictive analytics and protocol design) and TrialGen (AI-powered tool streamlines clinical trial design process).

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$683,192 (31 December 2023: \$1,276,301).

Key Developments

Global Joint Venture: Opyl entered a landmark joint venture with X Firm Ltd to expand its AI-powered TrialKey platform into Europe, the Middle East, Africa, and North America. This binding JV, formalised in January 2025, secures Opyl an exclusive commercialization partner overseas. X Firm Ltd will raise AUD \$4.7–7.8 million to fund the JV, with Opyl receiving a 12-month \$1.5M license fee upon a successful raise and a revenue share on future sales. This collaboration is poised to accelerate TrialKey's global launch and brand presence in key markets.

AI Biotech Fund Launch: In December 2024, Opyl partnered with L39 Capital to launch an AI-powered biotech investment fund. The fund aims to raise AUD \$100 million within 36 months, leveraging Opyl's TrialKey technology to guide investments at critical Phase 2/3 clinical trial inflection points. Opyl will earn an annual \$25,000 software licensing fee for TrialKey and 25% of the fund's income, creating a novel revenue stream. Backed by industry leaders, the fund underscores TrialKey's 92% predictive accuracy and its value in transforming biotech investment strategies.

Strategic Service Agreements: Opyl secured multiple partnerships to broaden its service offerings. It signed a service agreement with Commercial Eyes, a leading pharmaceutical consultancy, to provide AI-driven market research and competitive intelligence for client projects. A similar collaboration with BioIntellect was established, enhancing Opyl's reach in the pharma and medical device sectors. These partnerships position TrialKey's insights within established industry consultancies, expanding Opyl's client base and credibility.

Healthcare Partnerships: Opyl formed sector-specific alliances to apply TrialKey in new domains. A non-exclusive partnership with Phenix Health integrates TrialKey into Phenix's Compendium platform to validate clinical trials for cannabis products. Clinicians on the platform can order AI-powered trial validation reports, which Opyl generates to help suppliers demonstrate product efficacy. Similarly, Opyl signed a Service Level Agreement with NeuOrphan Pty Ltd to deliver AI-driven trial design reports for neurological disorder therapies. These deals open new revenue channels in niche markets without exclusivity, allowing Opyl to scale its technology across multiple therapeutic areas.

Funding and Capital Raises: To support its growth, Opyl secured \$700,000 in loans during August 2024 of which \$580,000 was drawdown in the period as convertible loans. This injection provided crucial working capital for product development and operations. No major acquisitions occurred in the period; instead, Opyl focused on partnerships and organic growth.

During the period, the company executed a short-term R&D loan arrangement for \$195,000 which was secured over the company's FY24 R&D income tax reimbursement. Following receipt of the R&D income tax reimbursement, this loan and accrued interest was repaid in full.

Financial performance

The loss before income tax expense for the half-year was \$683,192, a marked improvement compared to \$1,276,301 loss before income tax expense in the previous corresponding half-year period. The narrowed loss before income tax expense is attributable to management's cost controls and possibly higher other income, as operating expenses continued to support the development of Opyl's AI platforms. Basic loss per share also improved year-on-year, reflecting the lower net operating loss deficit.

Opyl's cash position at 31 December 2024 was \$329,547, following the inflow of loan funds and ongoing careful cash management. The \$580,000 in loan financing boosted liquidity, although cash burn from operations continued. The company has no debt other than these convertible loans. No dividends were declared, in line with Opyl's early-stage status.

Strategic initiatives

During the period, Opyl advanced several strategic initiatives focused on scaling its platform and entering new markets. A core strategy has been global expansion through partnerships. The joint venture with X Firm Ltd is central to this, enabling Opyl to tap into North America and EMEA markets with local expertise and minimal upfront investment. Opyl will retain focus on the Asia-Pacific region while the JV drives international growth. This two-pronged geographic strategy allows Opyl to pursue global opportunities without overstretching its internal resources, leveraging X Firm Ltd's networks and advisors to accelerate commercial adoption of TrialKey.

Opyl is also pursuing market-specific expansion. By partnering with Phenix Health and NeuOrphan, the company is entering the medical cannabis and neurology trial segments, respectively. These moves align with Opyl's goal to validate TrialKey across diverse therapeutic areas, proving its value in improving trial design and recruitment. Each partnership is structured as a service agreement or non-exclusive alliance, enabling Opyl to replicate this model with additional partners in the future.

Another pillar of Opyl's strategy is diversifying revenue streams using its AI technology. The launch of the AI Biotech Fund with L39 Capital exemplifies this. Rather than relying solely on contract service revenue, Opyl is positioning to earn performance-based income (fund management fees and profit share) by applying TrialKey in venture investing. This innovative use of Opyl's IP not only opens a potential lucrative income source but also raises Opyl's profile in the biotech investment community.

Operational Highlights

Opyl's operations in the half-year saw significant technological and organizational progress. On the technology front, the company's flagship TrialKey platform achieved notable validation milestones. During the JV due diligence process, TrialKey underwent extensive technical and operational scrutiny by the X Firm Ltd team and successfully passed all evaluations. This was a strong endorsement of TrialKey's robustness, security, and performance at scale. Furthermore, TrialKey's predictive analytics capabilities have reached an industry-leading accuracy of about 92% in forecasting clinical trial outcomes.

In terms of product deployment, Opyl delivered several pilot projects demonstrating its operational capabilities. Under the NeuOrphan agreement, Opyl produced AI-driven trial design reports that include predictive analytics, competitor benchmarking, and optimized inclusion/exclusion criteria for NeuOrphan's drug candidates. Similarly, through the Phenix Health partnership, Opyl began providing TrialKey validation reports to cannabis product suppliers. The company also continued to service its legacy biopharma clients, often cross-selling TrialKey analyses as added value.

Market Outlook

Opyl enters 2025 with optimism about growth opportunities. The recent joint venture and partnerships have set the stage for potential rapid expansion. In the coming months, management's top priority is executing the JV with X Firm: completing the targeted capital raise and then aggressively pursuing clients in North America and EMEA. These regions represent the bulk of the global clinical trial market, so successful penetration here could dramatically increase Opyl's revenue.

Significant changes in the state of affairs

Other than already disclosed, there were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Opyl Limited
Directors' report
31 December 2024

Matters subsequent to the end of the financial half-year

On 7 January 2025, the company announced that it executed an arrangement to establish a joint venture and licencing arrangement with a third party, X Firm Limited. Subject to completion of specific contractual steps, the group forecasts to receive licencing related cash inflows for an initial period of 12 months which will assist the group in its working capital requirements including R&D activity.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Saurabh Jain
Chair and Executive Director

27 February 2025

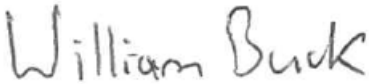
Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Opyl Limited

As lead auditor for the review of Opyl Limited for the half-year ended 31 December 2024, 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 review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Opyl Limited and the entities it controlled during the period.



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



R. P. Burt
Director
Melbourne, 27 February 2025

Opyl Limited
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31 December 2024

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General information

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

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

6 Middlemiss Street, Milsons Point
Sydney, NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are 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 27 February 2025.

Opyl Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024

		Consolidated	
		31 December 2024	31 December 2023
	Note	\$	\$
Revenue from contracts with customers	3	42,146	243,688
Other income	4	293,296	531,039
Expenses			
Employee benefits expense		(330,453)	(653,017)
Depreciation and amortisation expense		(5,700)	(11,131)
Corporate compliance and management		(66,634)	(34,182)
Finance costs		(41,415)	(413,261)
Occupancy		(16,463)	(27,000)
Administration		(356,792)	(283,168)
Consultancy contractor costs		-	(209,766)
Research & development costs		(180,045)	(122,366)
Share based payments		(21,132)	(297,137)
Loss before income tax expense		(683,192)	(1,276,301)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Opyl Limited		(683,192)	(1,276,301)
Other comprehensive loss			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(49)	-
Other comprehensive loss for the half-year, net of tax		(49)	-
Total comprehensive loss for the half-year attributable to the owners of Opyl Limited		<u>(683,241)</u>	<u>(1,276,301)</u>
		Cents	Cents
Basic earnings per share		(0.40)	(1.07)
Diluted earnings per share		(0.40)	(1.07)

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

Opyl Limited
Consolidated statement of financial position
As at 31 December 2024

		Consolidated	
		31 December	
	Note	2024	30 June 2024
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		329,547	374,645
Trade and other receivables		2,292	7,714
Prepayments and other deposits		33,377	5,255
Total current assets		<u>365,216</u>	<u>387,614</u>
Non-current assets			
Property, plant and equipment		13,606	17,982
Other		6,002	6,002
Total non-current assets		<u>19,608</u>	<u>23,984</u>
Total assets		<u>384,824</u>	<u>411,598</u>
Liabilities			
Current liabilities			
Trade and other payables		252,333	496,135
Borrowings	5	428,414	-
Employee benefits		14,880	5,483
Total current liabilities		<u>695,627</u>	<u>501,618</u>
Non-current liabilities			
Employee benefits		189	140
Total non-current liabilities		<u>189</u>	<u>140</u>
Total liabilities		<u>695,816</u>	<u>501,758</u>
Net liabilities		<u>(310,992)</u>	<u>(90,160)</u>
Equity			
Equity - issued capital	6	22,943,190	22,501,913
Equity - reserves	7	1,124,273	1,135,345
Accumulated losses		<u>(24,378,455)</u>	<u>(23,727,418)</u>
Total deficiency in equity		<u>(310,992)</u>	<u>(90,160)</u>

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

Opyl Limited
Consolidated statement of changes in equity
For the half-year ended 31 December 2024

	Issued capital \$	Reserves \$	Accumulated losses \$	Total deficiency in equity \$
Consolidated				
Balance at 1 July 2023	19,918,235	643,767	(20,965,588)	(403,586)
Loss after income tax expense for the half-year	-	-	(1,276,301)	(1,276,301)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(1,276,301)	(1,276,301)
<i>Transactions with owners in their capacity as owners:</i>				
Shares issued during the year	1,183,585	-	-	1,183,585
Cost of capital raised	(47,540)	-	-	(47,540)
Proceeds for share capital issued after report	-	(217,500)	-	(217,500)
Lapse of expired options	-	(313,544)	313,544	-
Share based payments	-	697,638	-	697,638
Balance at 31 December 2023	<u>21,054,280</u>	<u>810,361</u>	<u>(21,928,345)</u>	<u>(63,704)</u>
	Issued capital \$	Reserves \$	Accumulated losses \$	Total deficiency in equity \$
Consolidated				
Balance at 1 July 2024	22,501,913	1,135,345	(23,727,418)	(90,160)
Loss after income tax expense for the half-year	-	-	(683,192)	(683,192)
Other comprehensive loss for the half-year, net of tax	-	(49)	-	(49)
Total comprehensive loss for the half-year	-	(49)	(683,192)	(683,241)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 6)	445,072	-	-	445,072
Cost of capital raised	(3,795)	-	-	(3,795)
Lapse of expired options	-	(32,155)	32,155	-
Share based payments	-	21,132	-	21,132
Balance at 31 December 2024	<u>22,943,190</u>	<u>1,124,273</u>	<u>(24,378,455)</u>	<u>(310,992)</u>

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

Opyl Limited
Consolidated statement of cash flows
For the half-year ended 31 December 2024

		Consolidated	
	Note	31 December 2024	31 December 2023
		\$	\$
Cash flows from operating activities			
Receipts from customers		47,568	250,755
Government subsidies and incentives		292,869	530,581
Payments to suppliers and employees		(942,566)	(1,361,887)
Interest received		427	458
Interest and other finance costs paid		(18,277)	-
Net cash used in operating activities		(619,979)	(580,093)
Cash flows from investing activities			
Payments for property, plant and equipment		(1,324)	-
Net cash used in investing activities		(1,324)	-
Cash flows from financing activities			
Proceeds for the issue of shares		-	606,000
Share issue transaction costs		(3,795)	(40,040)
Proceeds from borrowings	5	195,000	150,000
Borrowings transaction costs		-	(4,037)
Proceeds from convertible notes		580,000	-
Repayment of borrowings	5	(195,000)	-
Net cash from financing activities		576,205	711,923
Net increase/(decrease) in cash and cash equivalents		(45,098)	131,830
Cash and cash equivalents at the beginning of the financial half-year		374,645	452,877
Cash and cash equivalents at the end of the financial half-year		<u>329,547</u>	<u>584,707</u>

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

Note 1. Material accounting policy information

These general purpose financial statements for the half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

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 consolidated entity's accounting policies.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity 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. There has been no material impact on the financial statements.

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

Going concern

The financial report for the period ended 31 December 2024 has been prepared on a going concern basis, which assumes the continuity of normal business activities and the realisation of assets, and the settlement of liabilities in the ordinary course of business.

As disclosed in the financial statements, the company has a net loss after tax of \$683,192 and net cash outflows from operations of \$619,979 for the half-year ended 31 December 2024, and net current asset deficiency of \$330,411 as at 31 December 2024.

The company's ability to continue as a going concern is dependent upon its ability to generate positive cash flow from its business operations. The above matters described indicate that a material uncertainty exists that may cast significant doubt about the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe that the consolidated company will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the half-year financial report after consideration of a range of factors including, but not limited to, the following factors:

- The company has signed agreements with a number of customers and expects increased revenues going forward which will increase operating cash inflows;
- The company has executed an arrangement to establish a joint venture and licensing arrangement with a third party. Subject to completion of specific contractual steps, the company forecasts to receive licensing related cash inflows for an initial period of 12 months which will assist the company in its working capital requirements including R&D activity;
- The directors have agreed to forgo cash payments and settle their fees in shares and will continue to do so until the company is cash flow positive;
- The company has been able to access short term loan funding during the current period and could seek to do this again if required during the 12-month forecast period through to February 2026;
- The company expects the extinguishment of current convertible loan notes to be executed through the issuance of equity to the loan note holder as has been demonstrated in the period to 31 December 2024;
- The company has started its application for R&D funding in relation to its 2025 R&D return, with a cash reimbursement expected during the 12-month forecast period through to February 2026; and
- The company will seek to raise additional capital from investors to fund future working capital and research and development activity.

Opyl Limited
Notes to the consolidated financial statements
31 December 2024

Note 1. Material accounting policy information (continued)

The Directors have considered a cash flow forecast and the projected revenue and are satisfied that the Company will operate as a going concern and continue to meet its financial obligations for the foreseeable future. Should the entity not be able to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the company not be able to continue as a going concern.

Based on the cash flow forecast and the capital raised subsequent to the period end, the Directors are satisfied that the going concern basis of preparation is appropriate.

Note 2. Operating segments

Identification of reportable operating segments

Management has determined the operating segments based on the reports reviewed by the Board of Directors. During the year, the Group continued to operate in one geographical segment, Australia.

Note 3. Revenue from contracts with customers

	Consolidated	
	31 December 2024	31 December 2023
	\$	\$
Retainer revenue	35,063	119,110
Project revenue	7,083	124,578
Revenue from contracts with customers	<u>42,146</u>	<u>243,688</u>

Disaggregation of revenue

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

	Consolidated	
	31 December 2024	31 December 2023
	\$	\$
<i>Geographical regions</i>		
Australia	<u>42,146</u>	<u>243,688</u>
<i>Timing of revenue recognition</i>		
Services transferred over time	<u>42,146</u>	<u>243,688</u>

Note 4. Other income

	Consolidated	
	31 December 2024	31 December 2023
	\$	\$
Interest income	427	458
Research and development tax refund	292,869	530,581
Other income	<u>293,296</u>	<u>531,039</u>

Note 5. Borrowings

	Consolidated	
	31 December	30 June 2024
	2024	2024
	\$	\$
<i>Current liabilities</i>		
Convertible loan notes payable	406,565	-
Insurance premium funding	21,849	-
	<u>428,414</u>	<u>-</u>

Tranche 1

During the period, the following convertible loan notes were issued:

Tranche 1

On 19 August 2024, the company executed binding convertible loan notes with a face value of up to \$400,000. As at 31 December 2024, the company has utilised \$275,000 of the convertible loan notes, with the noteholders subsequently converting \$180,000 excluding accrued interest into equity per the terms of the agreement during the period. Each of the outstanding loan notes expire on 19 August 2026. The key terms of the notes are as follows:

Each convertible note has a face value of \$1. Interest accrues on the loans at a rate of 1.5% per month and is payable on a quarterly basis. The loans can be converted in to fully paid ordinary shares in the company at a conversion price of 2 cents per share. For every two shares converted the lender will receive 1 options with an exercise price of 5 cents per share. Notes (including any capitalised interest) may be converted by Noteholders into fully paid ordinary shares in the Company (Shares) at any time up to the maturity date.

Tranche 2

On 19 November 2024, the company executed a further three binding additional convertible note facilities totalling \$305,000 of which \$305,000 has been drawn down in the period to 31 December 2024. Each of the outstanding loan notes expire on 31 December 2025. The key terms of the notes are as follows:

Each convertible note has a face value of \$1. Interest accrues on the loans at a rate of 1.5% per month and is payable on a quarterly basis. The loans can be converted in to fully paid ordinary shares in the company at a conversion price of 1.5 cents per share. For every one share converted the lender will receive 1 options with an exercise price of 1.5 cents per share. Notes (including any capitalised interest) may be converted by Noteholders into fully paid ordinary shares in the Company (Shares) at any time up to the maturity date.

The Company may not redeem either tranche of notes prior to the maturity date. No security has been pledged over the convertible loans on issue.

The arrangements for each of the convertible notes (tranche 1 and tranche 2) feature a host debt liability representing the obligation to repay cash if not converted as at maturity date. This has been recognised as a financial liability component and is subsequently measured at amortised cost. Each arrangement includes an equity conversion feature which gives the holder the option to convert into a fixed number of shares in addition to the free attaching options. This has been accounted for as an equity component, with the equity component being the residual amount of transaction amount and host liability. In measuring the fair value, no equity reserve was recognised as a result of the market interest rate being equal to the coupon rate resulting in no discounting effect.

As at 31 December 2024, the fair value of the convertible loans have been measured using level 3 hierarchy unobservable inputs. There has been no change in the Group's valuation process, valuation techniques and types of inputs used in the fair value measurement at the end of the reporting period in comparison to the methodology upon inception. There have been no transfers between levels of fair value hierarchy during the period ended 31 December 2024 (30 June 2024: \$nil).

The movements in the convertible loan notes are summarised below:

Opyl Limited
Notes to the consolidated financial statements
31 December 2024

Note 5. Borrowings (continued)

	Consolidated	
	31 December	30 June 2024
	2024	2024
	\$	\$
Amounts received	580,000	-
Finance costs	15,664	-
Conversion of notes to equity	(186,572)	-
Deferred borrowing costs	(2,527)	-
	<u>406,565</u>	<u>-</u>

During the period, the company executed a short-term R&D loan arrangement for \$195,000 which was secured over the company's FY24 R&D income tax reimbursement. Following receipt of the R&D income tax reimbursement, this loan and accrued interest was repaid in full.

Note 6. Equity - issued capital

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	30 June 2024	170,714,634		22,501,913
Shares issued to convert loan notes	18 December 2024	9,328,685	\$0.02	186,572
Shares issued to settle fees	18 December 2024	12,925,000	\$0.02	258,500
Capital raising cost		-	\$0.00	(3,795)
Balance	31 December 2024	<u>192,968,319</u>		<u>22,943,190</u>

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.

	Consolidated			
	31 December	30 June 2024	31 December	30 June 2024
	2024	2024	2024	2024
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>192,968,319</u>	<u>170,714,634</u>	<u>22,943,190</u>	<u>22,501,913</u>

Note 7. Equity - reserves

	Consolidated	
	31 December	30 June 2024
	2024	2024
	\$	\$
Foreign currency reserve	(381,124)	(381,075)
Options reserve	1,505,397	1,516,420
	<u>1,124,273</u>	<u>1,135,345</u>

Note 7. Equity - reserves (continued)

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Options reserve

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

Movements in reserves

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

Consolidated	Option reserve \$	Foreign currency \$	Total \$
Balance at 1 July 2024	1,516,420	(381,075)	1,135,345
Foreign currency translation	-	(49)	(49)
Share based payments	21,132	-	21,132
Transfer to accumulated losses	(32,155)	-	(32,155)
Balance at 31 December 2024	<u>1,505,397</u>	<u>(381,124)</u>	<u>1,124,273</u>

Note 8. Dividends

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

Note 9. Contingent liabilities

The company had no other contingent liabilities as at 31 December 2024 (30 June 2024: NIL)

Note 10. Related party transactions

Parent entity

Opyl Limited is the parent entity.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated 31 December 2024 \$	31 December 2023 \$
Other expenses		
Interest accrued on convertible loan notes payable to Tony Guoga	5,841	-

Loans payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated 31 December 2024 \$	30 June 2024 \$
Current payables:		
Convertible loan notes payable to Tony Guoga	173,681	-

Note 10. Related party transactions (continued)

During the financial half-year Tony Guoga also received 4,108,000 fully paid shares and 2,054,000 free attaching options on the conversion of convertible loan notes with a face value of \$80,000 and accrued interest.

During the current financial half year the following share and options were issued to directors in lieu of fees:-

- Tony Guoga received 1,125,000 fully paid shares at \$0.02 and 565,250 free attaching options in lieu of fees valued at \$22,500;
- Tony Guoga received 6,000,000 fully paid shares at \$0.02 and 3,000,000 free attaching options in lieu of fees valued at \$120,000; and
- Tony Guoga received 4,500,000 fully paid shares at \$0.02 and 2,250,000 free attaching options in lieu of fees valued at \$90,000;

Note 11. Events after the reporting period

On 7 January 2025, the company announced that it executed an arrangement to establish a joint venture and licencing arrangement with a third party, X Firm Limited. Subject to completion of specific contractual steps, the group forecasts to receive licencing related cash inflows for an initial period of 12 months which will assist the group in its working capital requirements including R&D activity.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Opyl Limited
Directors' declaration
31 December 2024

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Accounting Standards AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Saurabh Jain
Chair and Executive Director

27 February 2025

Independent auditor's review report to the members of Opyl Limited

Report on the half-year financial report



Our conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Opyl Limited (the Company), and its subsidiaries (the Group) does not comply with the Corporations Act 2001, including:

- giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the half-year then ended; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

What was reviewed?

We have reviewed the accompanying half-year financial report of the Group, which comprises:

- the consolidated statement of financial position as at 31 December 2024,
- the consolidated statement of profit or loss and other comprehensive income for the half-year then ended,
- the consolidated statement of changes in equity for the half-year then ended,
- the consolidated statement of cash flows for the half-year then ended,
- notes to the financial statements, including material accounting policy information, and
- the directors' declaration.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 1 in the half-year financial report, which indicates that the Group incurred a net loss after tax of \$683,192 and had net cash-outflows from operations of \$619,979 for the half-year period ended 31 December 2024, and had a net current asset deficiency of \$330,411 as at 31 December 2024. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

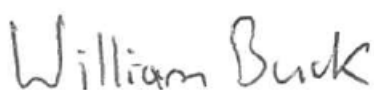
Responsibilities of the directors for financial report

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

Auditor's responsibilities for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136



R. P. Burt

Director

Melbourne, 27 February 2025