IntelliCentrics Global Holdings Ltd.

中 智 全 球 控 股 有 限 公 司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 6819)

UNAUDITED ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED JUNE 30, 2022

UNAUDITED FINANCIAL RESULTS

The Board of Directors of IntelliCentrics Global Holdings Ltd. (the "**Company**") announces the unaudited consolidated financial results of the Company and its subsidiaries (collectively, the "**Group**") for the 12 months ended June 30, 2022, together with the comparative figures for the 12 months ended June 30, 2021, as set out below.

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

US$ in thousands	*Notes*	**12 months ended June 30, 2022**	12 months ended June 30, 2021
Revenue	*5*	**40,694**	37,666
Cost of revenue		**(5,388)**	(4,900)
Gross profit		**35,306**	32,766
Selling and marketing expenses		**(4,245)**	(4,769)
General and administrative expenses		**(21,815)**	(18,055)
Research and development expenses		**(14,127)**	(13,824)
Other income/(loss)		**394**	(402)
Operating loss		**(4,487)**	(4,284)
Finance costs		**(1,520)**	(1,966)
Finance income		**95**	1,729
Other non-operating expense	*6*	**(6,331)**	(4)
Share of loss of a joint venture, net of tax		**(127)**	(272)
Loss before income tax		**(12,370)**	(4,797)
Income tax benefit	*7*	**724**	1,823
Loss for the year		**(11,646)**	(2,974)

US$ in thousands	*Notes*	**12 months ended June 30, 2022**	12 months ended June 30, 2021
Other comprehensive loss:			
Item that will not be subsequently reclassified to profit or loss:			
— Equity instruments at FVOCI — net change in fair value		**211**	(1,425)
Items that may be subsequently reclassified to profit or loss:			
— Debt instruments at FVOCI — net change in fair value		**—**	(118)
— Debt instruments at FVOCI — reclassified to profit or loss		**—**	51
— Currency translation differences		**(2,079)**	1,456
Other comprehensive loss for the period, net of tax		**(1,868)**	(36)
Total comprehensive loss for the period		**(13,514)**	(3,010)
Loss for the year			
Attributable to owners of the Company		**(11,592)**	(2,884)
Attributable to non-controlling interests		**(54)**	(90)
		(11,646)	(2,974)
Total comprehensive loss for the year			
Attributable to owners of the Company		**(13,460)**	(2,920)
Attributable to non-controlling interests		**(54)**	(90)
		(13,514)	(3,010)
Loss per Share attributable to owners of the Company for the period (expressed in US$ per Share)			
— Basic and diluted	*8*	**(0.025)**	(0.006)

The accompanying notes are an integral part of these unaudited annual results statements.

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

US$ in thousands	*Notes*	**As at June 30, 2022**	As at June 30, 2021
ASSETS			
Non-current assets			
Property, plant and equipment, net		**6,376**	8,138
Goodwill and other intangible assets, net		**22,969**	25,703
Right-of-use assets, net		**5,223**	5,222
Deposits and prepayments		**180**	158
Interests in a joint venture		**—**	127
Restricted cash		**94**	12,919
		34,842	52,267
Current assets			
Financial assets at fair value through other comprehensive income		**812**	12,941
Deposits, prepayments and other receivables		**2,515**	2,978
Restricted cash		**12,750**	2,250
Cash and cash equivalents		**23,506**	31,317
		39,583	49,486
Total assets		**74,425**	101,753
EQUITY			
Equity attributable to owners of the Company			
Share capital		**46**	46
Share premium		**72,776**	77,100
RSA scheme reserve		**(30,812)**	(19,924)
Other reserves		**(65,682)**	(63,919)
Retained earnings		**30,209**	41,801
		6,537	35,104
Non-controlling interests		**(116)**	(62)
Total equity		**6,421**	35,042

US$ in thousands	*Notes*	**As at June 30, 2022**	As at June 30, 2021
LIABILITIES			
Non-current liabilities			
Borrowings	*10*	**—**	25,491
Other liabilities		**—**	8
Deferred income tax liabilities	*7*	**2,318**	2,632
Lease liabilities		**6,995**	7,154
		9,313	35,285
Current liabilities			
Borrowings	*10*	**28,511**	5,982
Lease liabilities		**810**	411
Trade payables	*11*	**2,685**	2,696
Other payables and provisions		**3,335**	2,536
Amounts due to related parties		**743**	28
Contract liabilities	*5*	**22,607**	19,739
Current income tax liabilities		**—**	34
		58,691	31,426
Total liabilities		**68,004**	66,711
Total equity and liabilities		**74,425**	101,753

The accompanying notes are an integral part of these unaudited annual results statements.

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The results set out in this announcement are extracted from the Group's unaudited consolidated financial statements for the 12 months ended June 30, 2022.

The unaudited consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**"), and the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). These unaudited consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The unaudited consolidated financial statements have been prepared under the historical cost convention, except for certain financial assets measured at fair value. The unaudited consolidated financial statements have been prepared on a going concern basis.

The related changes to significant accounting policies are described in Note 2.

Details of the Group's accounting policies are included in Note 3.

The unaudited consolidated financial statements are presented in U.S. dollars, which is the Company's functional currency and the Group's presentation currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2. CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

2.1 New standards, interpretations, and amendments adopted from July 1, 2021

New standards impacting the Group that have been adopted in the consolidated financial statements for the financial year ended June 30, 2022 are:

- Interest Rate Benchmark Reform — Phase 2 — Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16
- Onerous Contracts — Cost of Fulfilling a Contract — Amendments to IAS 37
- Annual Improvements to IFRS Standards 2018–2020 — Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41
- Property, Plant and Equipment: Proceeds before Intended Use — Amendments to IAS 16
- Reference to the Conceptual Framework — Amendments to IFRS 3

The adoption of the new standards listed above have not had a significant impact on the Group's consolidated financial statements for the financial year ended June 30, 2022.

2.2 New standards, interpretations, and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

New standards or amendments	**Effective for annual periods beginning on or after**
Amendments to IAS 1 Disclosure of Accounting policies	January 1, 2023
Amendments to IAS 8 Definition of Accounting Estimates	January 1, 2023
Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a single Transaction	January 1, 2023
Classification of Liabilities as Current or Non-current — Amendments to IAS 1	January 1, 2023
IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts	January 1, 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture — Amendments to IFRS 10 and IAS 28	Deferred indefinitely

The Group does not expect that the adoption of the standards listed above will have a material impact on the consolidated financial statements of the Group in future periods.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Principles of consolidation and equity accounting

(a) *Business combinations*

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying amount of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

(b) ***Consolidation***

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

(c) ***Non-controlling interest***

Non-controlling interests ("**NCI**") are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(d) ***Loss of control***

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(e) ***Interest in joint ventures***

Interests in joint ventures are accounted for using the equity method.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

For entities accounted for under the equity method, when the Group's share of losses equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, until which time it has concluded additional investments, obligations, or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The carrying amount of equity-accounted investments are tested for impairment in accordance with the policy described in Note 3.8.

(f) ***Investment in subsidiaries***

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable. Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividends exceed the total comprehensive income of the subsidiary in the period the dividends declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

3.2 Foreign currency translation

(a) ***Functional and presentation currency***

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "**Functional Currency**"). The presentation currency is in U.S. dollars unless otherwise stated.

(b) ***Transactions and balances***

Foreign currency transactions are translated into the Functional Currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit or loss and other comprehensive income or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ("**OCI**") or profit or loss are also recognised in OCI or profit or loss, respectively).

(c) ***Group companies***

The results and financial position of all group entities (none of which has the currency of a hyperinflationary economy) that have a Functional Currency different from the presentation currency of US$ are translated into the presentation currency as follows:

(i) Assets and liabilities for each consolidated statement of financial position presented are translated at the closing rate at the date of that consolidated statement of financial position;

(ii) Income and expenses for each consolidated statement of profit or loss and other comprehensive income or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

(iii) All resulting currency translation differences are recognised in other comprehensive income or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

3.3 Current and non-current classification

Assets and liabilities are presented in the consolidated statement of financial position based on current and non-current classification.

An asset is classified as current when: (i) it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; (ii) it is held primarily for the purpose of trading; (iii) it is expected to be realised within 12 months after the reporting period; or (iv) it is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: (i) it is either expected to be settled in the consolidated entity's normal operating cycle; (ii) it is held primarily for the purpose of trading; (iii) it is due to be settled within 12 months after the reporting period; or (iv) there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

3.4 Property, plant and equipment

All property, plant and equipment are stated at historical costs less accumulated depreciation and accumulated impairment charge. Historical cost includes expenditures that are directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated statement of profit or loss and other comprehensive income or loss during the financial period in which they are incurred.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in profit or loss as follows:

Computer equipment	3 years
Leasehold improvements	Shorter of 15 years or lease period
Subscriber equipment	2 years
Furniture and fixtures	2 to 7 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in "Other losses" in the consolidated statement of profit or loss and other comprehensive income or loss.

3.5 Intangible assets

(a) *Goodwill*

Goodwill on acquisitions of subsidiaries is included in goodwill and other intangible assets. Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for NCIs and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

Goodwill is carried at cost less accumulated impairment losses. Goodwill is not amortised, but it is tested for impairment (as described in Note 3.6) annually, or in the interim if events or changes in circumstances indicate that it might be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which cash-generating units are monitored for internal management purposes, being the individual cash-generating units.

(b) *Customer relationships acquired in a business combination*

Customer relationships acquired in a business combination are recognised initially at fair value at the acquisition date and subsequently carried at the amount initially recognised less accumulated amortisation and impairment losses (if any). Amortisation is calculated using the straight-line method to allocate the costs of acquired intangible assets over the estimated useful lives, generally 6 to 20 years.

(c) *Technology platform*

Costs associated with researching and maintaining the technology platform are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique technology platform products controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the technology so that it will be available for use;
- The management intends to complete the technology;
- The technology will be sold individually or increase the lifetime economic value of the platform product;
- The technology will generate probable future economic benefits;
- The management provides adequate technical, financial, and other resources to complete the development to generate the future economic benefit; and
- Costs attributable to the technology during its development phase can be reliably measured.

Directly attributable development phase costs that are capitalised as an intangible asset as part of the technology platform product include third party's service costs and product development employee costs.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use using the straight-line method over the following 3 years.

Development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense in a prior financial year are not recognised as an asset in a subsequent period.

(d) ***Other***

The Group amortises intangible assets with a limited useful life using the straight-line method over a 3-year period.

3.6 Impairment of non-financial assets

Goodwill is not subject to amortisation and is tested annually for impairment as of April 1, or more frequently if events or changes in circumstances indicate that it might be impaired.

Other non-financial assets (such as property, plant and equipment, intangible assets, and right-of-use assets, etc.) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets ("**cash-generating units**" or "**CGU**").

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or recognised, if no impairment loss had been recognised.

3.7 Investments and other financial assets

(a) ***Classification***

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity instrument at fair value through other comprehensive income ("**FVOCI**").

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

(b) ***Recognition and derecognition***

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Group commits to purchase or sell the asset. All other financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, the carrying amount is written off.

(c) ***Measurement***

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("**FVPL**"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

(d) ***Debt instruments***

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the fair value are recognised in OCI, except for the recognition of impairment gains or losses, finance income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in finance income or expense. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as a separate line item in the consolidated statement of profit or loss and other comprehensive income or loss.

(e) ***Equity instruments***

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as finance income when the Group's right to receive payments is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

3.8 Impairment of financial assets

The Group assesses, on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at FVOCI, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying amount with a corresponding expense through profit or loss.

3.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparties.

3.10 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses outside valuation experts or valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price, which is the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

3.11 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and time deposits held at banks 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. The amount of cash and cash equivalents available for general operating purposes by the Group totaled US$23.5 million.

Restricted cash refers to cash and cash equivalents that are held for specific reasons and not available for immediate business use. Restricted cash are presented as current assets unless they cannot be utilised within 12 months after the reporting date. Total restricted cash as at June 30, 2022 was US$12.8 million.

3.12 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or share options are presented in equity as a deduction from the proceeds.

3.13 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of profit or loss and other comprehensive income or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

3.14 Trade and other payables

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.15 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statement of profit or loss and other comprehensive income or loss, except to the extent that it relates to items recognised in other comprehensive income or loss or directly in equity. In this case, the tax is also recognised in other comprehensive income or loss or directly in equity, respectively.

(a) ***Current income tax***

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of each reporting period in the countries where the Company's subsidiaries operate and generate taxable income. The management periodically evaluates positions taken in tax returns with respect to situations in which an applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) ***Deferred income tax***

(i) *Inside basis differences*

Deferred income tax assets or liabilities are recognised using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill, and the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of each reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised for deductible temporary differences and unused tax losses only to the extent that it is probable that future taxable profit will be available against which the temporary differences and losses can be utilised. The carrying amount of recognised and unrecognised deferred income tax assets are reviewed at the end of each reporting period. Deferred income tax assets are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred income tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

(ii) *Outside basis differences*

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

(c) ***Offsetting***

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3.16 Employee benefits

(a) ***Employee leave entitlements***

Employee entitlements to annual leave are recognised when they accrue to employees as services are provided. An estimated liability for annual leave is recognised as a result of services rendered by employees up to the end of the reporting period. Employee entitlements to sick and maternity leave are not recognised until the time of leave.

(b) ***Pension obligations***

The Group operates post-employment schemes under defined contribution plans. Each of the Group and its employees contribute to various publicly or privately administered pension insurance plans on a mandatory, contractual, or voluntary basis. Contributions made to the various schemes are calculated based on certain percentages of the employees' total compensation as stipulated by each scheme. The Group has no further payment obligations once the contributions have been paid. The Group's contributions vest immediately and are recognised as employee benefit expense when they are due. There are no contributions forfeited by the Group on behalf of its employees who leave the plan prior to vesting fully in such contribution. Hence, there are no forfeited contributions that may be used by the Group to reduce the existing level of contributions as described in paragraph 26(2) of Appendix 16 to the Listing Rules.

(c) ***Share-based payment arrangements***

Share-based compensation benefits are provided to employees via the share option plan adopted by the Board on August 7, 2018 (the "**Pre-IPO Share Option Scheme**"), the Restricted Share Award Scheme amended and restated by the Company on June 7, 2022 (the "**RSA Scheme**"), and the Restricted Share Award Scheme for Core Connected Persons amended and restated by the Company on June 7, 2022 (the "**RSA Scheme for Core Connected Persons**", together with the RSA Scheme, the "**RSA Schemes**"), and the Employee Retention and Recognition ("**ERR**") Program adopted by the Company on December 1, 2021, pursuant to which restricted share awards would be granted to all employees worldwide in accordance with the rules governing the RSA Scheme. Information relating to these schemes is set out in Note 3.16(d) and Note 3.16(e).

(d) ***Pre-IPO Share Option Scheme***

The fair value of options granted under the Pre-IPO Share Option Scheme is recognised as an employee benefits expense with a corresponding increase in share option reserve in equity. The total amount to be expensed is determined based on the fair value of the options granted.

The total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to the share option reserve in equity.

When the options are exercised, the share-based compensation reserve transfers the appropriate number of shares to the employee. The proceeds received net of any directly attributable transaction costs are credited directly to equity.

(e) ***RSA Schemes***

Under the RSA Schemes, the Group can grant shares of the Company to its employees, non-employees, and Company Directors. Shares awarded under the RSA Schemes may or may not include a purchase price. The fair value of shares awarded without a purchase price is measured by reference to the shares' quoted market price at the grant date. The fair value of shares awarded with a purchase price is determined using the Black-Scholes option-pricing model. The value of the shares awarded is charged to Consolidated Statement of Profit or Loss and Other Comprehensive Income or Loss over the respective vesting period. During the vesting period, the number of awarded shares that are expected to vest is reviewed. On the vesting date, the amount recognised is adjusted to reflect the actual number of awarded shares that vest (with a corresponding adjustment to the share-based compensation reserve), and the cost of awarded shares is recognised in share reserve in equity.

3.17 Other equity

Where a member of the Group (member being employee, shareholder, executive or Board member) purchases the Company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid (including any directly attributable incremental costs (net of income taxes)) is deducted from equity under RSA Scheme shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Company.

Shares held by the RSA Schemes are presented as other equity and deducted from contributed equity.

3.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

3.19 Revenue recognition

Revenue is recognised to depict the transfer of a service to a customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those services.

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the services underlying the particular performance obligation is transferred to the customers.

Control of the services may be transferred over time or a point in time. If control of the service transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the service.

Control of the services is transferred over time if (i) the customer simultaneously receives and consumes the benefits provided by the entity's performance as the Group performs; (ii) the Group's performance creates and enhances an asset that the customer controls as the Group performs; or (iii) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

(a) *Revenue from contracts with customers*

(i) Credentialing and add-on subscription services: Revenue from credentialing and add-on subscription services is recognised over the paid subscription period. This revenue is recognised as control of the services is transferred over time to the customers as they simultaneously receive and consume the benefits provided by the Group's performance. The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation that best depict the Group's performance in satisfying the performance obligation. Revenue is recognised based on the actual service provided up to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual days passed relative to the total contract period, as the Group's efforts or inputs are expended evenly throughout the performance period.

(ii) Other add-on services: Revenue from other add-on services, such as criminal background checks, immunisations and vaccinations (including drug and antibody testing), general and professional liability insurance referrals and certain pilot programmes, is recognised at a point in time when the services are rendered and our performance obligations are discharged. This revenue is recognised at a point in time when control of the services is transferred, and the Group has a present right to payment for the services. This occurs when the customers having accepted the services, have full discretion over the services, and there is no unfulfilled obligation that could affect the customers' acceptance of the services.

For immunisations and vaccinations, the Group acts as an agent and does not perform the service. As an agent, the Group is required by accounting standards to net the costs against the revenue and only report the net profit in revenue.

(b) ***Cost of revenue***

Cost of revenue consists primarily of (i) personnel costs (including salaries and benefits) for employees associated with our infrastructure, customer support, and professional service personnel, (ii) payment for processing fees, and (iii) payments to third party service providers in support of credentialing and add-on services, including eBadge related costs (including depreciation). Cost of revenues does not include amortisation of our internally developed platform which is allocated to research and development ("**R&D**").

(c) ***Contract balances***

When either party to a contract has performed, the Group presents the contract in the balance sheet as a contract asset or contract liability, depending on the relationship between the Group's performance and the customer's payment.

Contract assets: Contract assets are recognised when the Group has transferred goods or services to the customer but where the Group is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Contract liabilities: Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer. Contract liabilities of the Group mainly represent the membership fees prepaid by subscribers for which services have not been rendered. The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the significant financing component.

Customer acquisition costs: Customer acquisition costs are capitalised as an asset where such costs are incremental to obtaining a contract with a customer and are expected to be recovered. Customer acquisition costs are amortised on a straight-line basis over the term of the contract. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained, or which are not otherwise recoverable from a customer, are expensed as incurred to profit or loss. Incremental costs of obtaining a contract where the contract term is less than one year is immediately expensed to profit or loss.

3.20 Finance costs

Finance costs are expensed in the period in which they are incurred.

3.21 Finance income

The Group's finance income includes:

- Interest income on bank deposits, and debt instruments measured at FVOCI;
- Dividend income from equity instruments measured at FVOCI;
- Net gain on the disposal of debt investments measured at FVOCI;
- Foreign currency gain on financial assets; and

- Impairment reversals on investments in debt securities carried at FVOCI.

Interest income is recognised on a time proportion basis, taking into account the principal outstanding and the effective interest rate over the period to maturity, when it is determined that such income will accrue to the Group.

Interest income is recognised in profit or loss in finance income.

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

3.22 Leases

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for leases of low value assets (such as IT-equipment and small items of office furniture). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. The Group has elected to apply the short-term exemption to all classes of assets and will thus not apply the requirements of IFRS 16 to these leases.

(a) ***Right-of-use assets***

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset.

(b) ***Lease liability***

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The Group has elected to use the same incremental borrowing rate for leases with similar terms. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has elected this practical expedient and will not separate lease and non-lease components.

3.23 Research and development expenses

Research and Development costs are expensed as incurred unless the development cost incurred has satisfied the recognition criteria for capitalisation as disclosed in Note 3.5(c). Amortisation of capitalised development cost is recognised as research and development expense.

3.24 Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (the "**CODM**"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer of the Group.

3.25 Dividend distribution

Dividend distribution to the Shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Shareholders or directors, where appropriate.

4. SEGMENT INFORMATION

The CODM considers the Group's operations are operated and managed as a single segment; accordingly, no segment information is presented. This conclusion is based on the following analysis:

- The Group allocates resources and assesses performance of the overall operations of its businesses and not by geographical locations or product lines.
- The Group mainly operates its businesses in the USA and the majority of the revenues are substantially earned from external customers attributed to the USA.
- A substantial majority of the non-current assets excluding restricted cash of the Group are located in the USA.
- No other geographical region is currently deemed to be material to be viewed separately.

5. REVENUE

Substantially all fees are paid by subscribers at the inception of service. The following table sets forth a breakdown of our revenue by solutions and add-on services for the periods indicated:

US$ in thousands	**12 months ended June 30, 2022**	12 months ended June 30, 2021
Vendor and Medical Credentialing	**39,894**	36,939
Add-On Services	**800**	727
	40,694	37,666

Disaggregation of Revenue from Contracts with Customers

US$ in thousands	**12 months ended June 30, 2022**	12 months ended June 30, 2021
Timing of revenue recognition		
— Over time	**40,316**	37,301
— At a point in time	**378**	365
	40,694	37,666

The Group's revenues are substantially generated in the U.S., with revenues attributed to the U.S. for the 12 months ended June 30, 2022 totaling US$39.6 million (US$37.0 million for the 12 months ended June 30, 2021).

Contract Liabilities

The Group has recognised the following revenue-related contract liabilities:

US$ in thousands	**As at June 30, 2022**	As at June 30, 2021
Contract liabilities	**22,607**	19,739

Contract liabilities mainly consist of membership fees prepaid by subscribers for which the related services had not been rendered in full as at the end of each financial period. The portion to be recognised over the next 12 months will be classified as current liabilities in the consolidated statement of financial position. All contract liabilities are amortised within one year.

Trade Accounts Receivable

As at June 30, 2022 and June 30, 2021, the Company had negligible trade accounts receivable.

Seasonality

The Company has no material impact due to seasonality.

6. OTHER NON-OPERATING EXPENSE

US$ in thousands	**12 months ended June 30, 2022**	12 months ended June 30, 2021
Other	**(6,331)**	(4)
	(6,331)	(4)

As announced to the market on July 12, 2021, the Group fell victim to a social engineering crime. As a result, on July 5, 2021, an unauthorized disbursement was made totaling US$6.0 million to bank accounts unassociated with the Group. The Group has not recorded any benefit related to a possible recovery of the funds.

7. INCOME TAXES

Income tax expense

(a) ***Cayman Islands corporate income tax ("CIT")***

Under the current tax laws of the Cayman Islands, the Company is not subject to tax on income or capital gain. In addition, upon payments of dividends by the Company to the Shareholders, no Cayman Islands withholding tax will be imposed in the Cayman Islands. The Company is a tax resident in Hong Kong and subject to Hong Kong income tax.

(b) ***United Kingdom CIT***

Entities incorporated in the UK are subject to UK CIT at a rate of 19% for both the 12 months ended June 30, 2022 and the 12 months ended June 30, 2021. A UK CIT rate of 25% was enacted on June 10, 2021 which is applicable on profits arising from April 1, 2023 onwards. Deferred tax liabilities and deferred tax assets have been recognised at 25% to the extent that they are expected to reverse after April 1, 2023.

(c) ***United States CIT***

The CIT provision was made on the estimated assessable profits of entities within the Group incorporated in the U.S. and was calculated in accordance with the relevant regulations of the U.S.after considering the available tax benefits from refunds and allowances. The U.S. Federal CIT rate is 21% for both the 12 months ended June 30, 2022 and the 12 months ended June 30, 2021. The Company files corporate state and local tax returns in the jurisdictions where it operates. In addition, upon payment of dividends by these companies to their shareholders, a withholding tax of 5% will be imposed.

(d) ***Taiwan CIT***

Entities incorporated in Taiwan are subject to Taiwan CIT at a rate of 20% for both the 12 months ended June 30, 2022 and the 12 months ended June 30, 2021. The Company is taxed in Taiwan because it is deemed to have a taxable presence there under Taiwan CIT law.

(e) ***Canada CIT***

Entities incorporated in Canada are subject to Canada CIT at a rate of 26.5% for both the 12 months ended June 30, 2022 and the 12 months ended June 30, 2021.

(f) ***Global income tax (benefit)/expense***

The components of global income tax (benefit)/expense charged to the consolidated statement of profit or loss and other comprehensive income or loss are as follows:

US$ in thousands	**12 months ended June 30, 2022**	12 months ended June 30, 2021
Current income tax	**(228)**	(1,320)
Return to provision	**(287)**	(27)
Deferred income tax	**(209)**	(476)
	(724)	(1,823)

8. LOSS PER SHARE

Basic loss per Share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	12 months ended June 30, 2022	12 months ended June 30, 2021
The Group's loss attributable to owners of the Company *(US$ in thousands)*	**(11,592)**	(2,884)
Weighted average number of shares in issue *(in millions)*	**455**	457
Basic loss per Share *(US$ per Share)*	**(0.025)**	(0.006)

Diluted losses per Share is calculated by adjusting the weighted average number of ordinary shares in issue during the year (excluding the ordinary shares purchased by the Company under the RSA Schemes) to assume conversion of all dilutive potential ordinary shares. The Group has no dilutive potential ordinary shares during the 12 months ended June 30, 2022 or the 12 months ended June 30, 2021, and accordingly the diluted losses per Share equals the basic loss per Share.

9. DIVIDENDS

No dividends have been paid or declared by the Company for the 12 months ended June 30, 2022, nor for the 12 months ended June 30, 2021.

10. BORROWINGS

Our total borrowing balance as at June 30, 2022, was US$28.5 million with variable interest rates per annum ranged between 1.68%–4.80% (June 30, 2021: US$31.5 million with variable interest rates per annum ranged between 1.69%–2.77%). The borrowings are secured by certain bank deposits and are in US$.

The Group commenced discussions with its lender, to obtain an exemption of certain missed covenants applicable to both the reporting period ended June 2021 and June 2022. An exemption was executed immediately following the conclusion of the reporting period ended June 30, 2022. In compliance with IFRS, the Company has classified $15.0 million from non-current liabilities to current liabilities.

11. TRADE PAYABLES

Aging analysis of the trade payables based on invoice date at the end of each reporting period is as follows:

US$ in thousands	**As at June 30, 2022**	As at June 30, 2021
Current	**1,469**	1,909
Past Due	**1,216**	787
	2,685	2,696

The Group considered that the carrying amounts of trade payables approximated to their respective fair values as at June 30, 2022 and June 30, 2021.

The carrying amounts of trade payables are mainly denominated in US$.

12. EVENTS AFTER THE REPORTING PERIOD

The Group commenced discussions with its lender, to obtain an exemption of certain missed covenants applicable to both the reporting period ended June 2022 and June 2021. An exemption was executed immediately following the conclusion of the reporting period ended June 30, 2022.

Save as disclosed above, there were no other significant events subsequent to the end of the 12 months ended June 30, 2022.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

Since the onset of the COVID-19 pandemic, the Group has delivered our service without interruption. We have continually taken measures in response to the pandemic that have been required by government authorities or that were determined to be in the best interests of our employees, subscribers, LoCs and Shareholders. However, mainly due to COVID-19 measures, the government-imposed restrictions on access to healthcare had materially and momentarily delayed demand of healthcare procedures. The delays of patient procedures of all types have resulted in unprecedented backlog of demand, as disease and chronic health issues remain constant. The Group's subscriber trend has strengthened as restrictions are lifted, and as a result our total number of subscribers increased 11.6% from June 30, 2021 to 126,615 as of June 30, 2022. The Group continues to monitor the variants of COVID-19 and support the healthcare industry with platform solutions in this new normal.

During the 12 months ended June 30, 2022, the Group's revenue grew by 8.0% attributable to credential subscriptions growth. For the 12 months ended June 30, 2022, revenue was US$40.7 million compared to US$37.7 million for the 12 months ended June 30, 2021. During this fiscal year, the Company continued to invest in technology products such as BioBytes™, Medical Staff Credentialing, and continued expansion into Taiwan virtual medical consultations. Our business strategy continues to focus on connecting the supply side of healthcare with the demand side of healthcare on a technology platform that delivers trusted interactions.

As of June 30, 2022, we had 10,381 Registered Locations of Care ("**LoCs**"), which is a 1.5% increase as compared to June 30, 2021. Over 70% of the increase in LoCs are small physician offices. As of June 30, 2022, we had 126,615 total subscribers supporting the medical industry, a 11.6% increase compared to June 30, 2021. Due to a drop in new infections of COVID-19, we are slowly turning the corner from long delays of non-life-threatening patient procedures. The Company has grown the subscriber base month over month and in particular the last 6 months. Management believes the key driver for the Company's growth is due in large part to the broad demand of LoCs to provide safe and secure locations.

For comparison, the management has compiled the comparative figures for the 12 months ended June 30, 2021, which are presented in this unaudited annual results announcement. During the 12 months ended June 30, 2022, our revenue grew to US$40.7 million from US$37.7 million for the 12 months ended June 30, 2021. During the same period, gross profit increased to US$35.3 million from US$32.8 million, net loss was US$11.6 million compared to a net loss of US$3.0 million for the 12 months ended June 30, 2021. The primary driver for the change in gross profit of US$2.5 million is primarily related to growth in subscribers, whereas our cost of revenues for our eBadge technology remained static.

Outlook

The impacts of COVID-19 continue to affect the healthcare industry which makes trusted interaction and policy enforcement key elements of healthcare management. Regulatory changes which are being rolled out in support of the CDC ("**Center for Disease Control**") recommendations and global "learnings" from COVID-19 highlight the need for agile and scalable technology solutions. Moreover, as healthcare still lags behind most major industries in adoption of digitization, creating technology is the most effective path forward. Technology and regulatory compliance are part of our core business, especially where locations are dependent on highly complex and ever-changing supply chains.

The size and scale of healthcare necessitates reliance on technology solutions as the only reasonable option. Management believes these macro market drivers favor the Company's unique value proposition of connecting the supply and demand sides of care on a single, extensible, trusted, and end-to-end technology platform, which is one of the most efficient and cost-effective solutions available in the market today. Our solutions work across virtually all geographical locations and perform as well on premises as they do online. As a result, we expect our growth will come from three key areas which are:

(a) **Expansion into all types of LoCs on the platform including the home healthcare market.** We have recently partnered with Taiwan providers and LoCs to provide telemedicine visits which allow patients to communicate with healthcare providers using technology, as opposed to physically visiting a doctor's office or hospital. In addition, our BioBytes™ technologies allow for remote patient monitoring. This allows caregivers to monitor patients who use mobile medical equipment to collect data on health indices like blood pressure, blood sugar levels, etc.

(b) **Growth of the community and technology of the platform**. We use our attractive, extensible and open technology platform to extend our markets and capabilities through strategic alliances and innovative partnerships. As one of the open solutions that welcome all trusted people, places and devices, our multinational platform provides markets and sales channels to partners. Each time we attract a new alliance and partnership, the value of the platform grows exponentially for everyone in our healthcare community.

(c) **Regional leadership for geographic expansion**. Dedicated commercial leadership in each region we serve creates closer relationships with customers. These close relationships will improve our market sensing capabilities, further enhancing our ability to anticipate new and leading market trends. Moreover, these regional executives will lead the Company's geographic expansion efforts, operating verticals, partnerships, and humanitarian efforts.

Our customer base has grown 11.6% during our last fiscal year and we now support over 126,000 subscribers. Our US subscriber base increased 15.1% over the last fiscal year, and we achieved record growth in May 2022 adding 2,516 subscribers in one month alone. Our United Kingdom LoCs grew 11.4% during our last fiscal year, while the UK subscriber base increased 26.5%.

Assets

Total assets of the Group decreased from US$101.8 million as at June 30, 2021 to US$74.4 million as at June 30, 2022. The decrease is primarily due to an unauthorised disbursement of bank funds, purchases of RSA shares and expenses associated to technology development for Medical Staff Office ("**MSO**") and new products.

Liquidity

During the period, our current ratio weakened from 1.6 as at June 30, 2021 to 0.7 as of June 30, 2022. Our subscribers pay their fees at the beginning of their annual term providing the Company with a cash inflow and therefore there is no credit risk for accounts receivable. During the last 12 months, the decrease in our current ratio is primarily a result of the following: (1) redemption of remaining promissory notes; (2) timing of repayments and borrowings; (3) the unauthorised disbursement of bank funds; and (4) expenses associated with technology investments and MSO products. As the healthcare industry is recovering, we are also rehiring certain full-time positions. The agility of the platform business allows options to increase and decrease as necessary.

As the future of the COVID-19 pandemic variants, government actions, and financial markets reactions remain unknown, the Group and its Board cannot reliably predict the extent to which the business, its assets, and future liquidity will be impacted. At present, the Group does not foresee any material change to its operating capabilities, assets, liquidity, or credit.

Unauthorised Disbursement of Funds

As mentioned on the Company's announcement dated July 12, 2021, the Company fell victim to a social engineering crime which targeted the Company's email system (the "**Incident**"). As a result, the amount of US$7.0 million was disbursed to bank accounts unassociated with the Company. The Company would like to emphasise that the Incident does not affect the integrity and confidentiality of the Company's information technology platform inclusive of customer data, business operations, or any data contained therein. The information technology platform is fully independent from the email system associated with the unauthorised disbursements. On July 19, 2021, the Company retrieved from the receiving bank US$1.0 million of the first disbursement on June 29, 2021 of US$1.0 million in funds. The Company continues to use its best effort to recover the remaining portion of the unauthorised disbursement of US$6.0 million in funds that occurred on July 5, 2021.

Financial Review

Results of Operations

This unaudited annual results announcement presents the results of operations for the 12-month period from July 1, 2021 to June 30, 2022, with comparative figures for the 12-month period from July 1, 2020 to June 30, 2021.

The following table sets forth certain income and expense items from our consolidated statement of profit or loss for the periods indicated:

US$ in thousands	**12 months ended June 30, 2022**	12 months ended June 30, 2021
Revenue	**40,694**	37,666
Cost of revenue	**(5,388)**	(4,900)
Gross profit	**35,306**	32,766
Selling and marketing expenses	**(4,245)**	(4,769)
General and administrative expenses	**(21,815)**	(18,055)
Research and development expenses	**(14,127)**	(13,824)
Other income/(losses)	**394**	(402)
Operating loss	**(4,487)**	(4,284)
Finance costs	**(1,520)**	(1,966)
Finance income	**95**	1,729
Other non-operating expense	**(6,331)**	(4)
Share of loss of a joint venture, net of tax	**(127)**	(272)
Loss before income tax	**(12,370)**	(4,797)
Income tax benefit	**724**	1,823
Loss for the period	**(11,646)**	(2,974)
Non-IFRS Financial Measures		
Adjusted — Earnings before interest, taxes, depreciation and amortisation	**6,755**	4,860

Revenue

Our revenue increased to US$40.7 million for the 12 months ended June 30, 2022 from US$37.7 million for the 12 months ended June 30, 2021. This is primarily attributable to the increase in annual subscribers, and reinstatement fees to encourage on-time renewals during the reporting period. In the 12 months ended June 30, 2022, approximately 97% of our total revenue were generated in the United States.

The following table sets forth a breakdown of our revenue by credentialing solutions and add-on services for the periods indicated:

US$ in thousands	**12 months ended June 30, 2022**	12 months ended June 30, 2021	$ Change	% Change
Vendor and medical credentialing[(1)]	**39,894**	36,939	2,955	8
Add-on services[(2)]	**800**	727	73	10
Total	**40,694**	37,666	3,028	8

Notes:

(1) Primarily revenue from subscription of the annual membership of our vendor and medical credentialing solutions.

(2) Primarily revenue from radiation exposure monitoring, immunisations and vaccinations (including drug and antibody testing), criminal background checks and general & professional liability insurance referrals.

The following table sets out the timing of revenue recognition:

US$ in thousands	**12 months ended June 30, 2022**	12 months ended June 30, 2021	$ Change	% Change
Timing of Revenue Recognition				
— Over time	**40,316**	37,301	3,015	8
— At a point in time	**378**	365	13	4
Total	**40,694**	37,666	3,028	8

Cost of Revenue

US$ in thousands	**12 months ended June 30, 2022**	12 months ended June 30, 2021	$ Change	% Change
Employee expenses	**466**	525	(59)	(11)
Payment processing fees	**1,184**	1,047	137	13
Depreciation expense	**3,110**	2,886	224	8
Others[(1)]	**628**	442	186	42
Total	**5,388**	4,900	488	10

Note:

(1) Representing expenses related primarily to add-on services.

Our total cost of revenues amounted to US$5.4 million for the 12 months ended June 30, 2022, representing an increase of US$0.5 million and accounted for 13.2% of our total revenue compared to 13.0% for the 12 months ended June 30, 2021. The increase in cost as a percentage of revenue is primarily related to the increase in subscriptions during the reporting period.

Gross Profit and Gross Profit Margin

Our gross profit for the 12 months ended June 30, 2022 increased to US$35.3 million, representing an 8% increase in gross profit from US$32.8 million for the 12 months ended June 30, 2021. This was mainly in line with the growth of revenues during the reporting period. Our gross profit margin decreased to 86.8% for the 12 months ended June 30, 2022 from 87.0% for the 12 months ended June 30, 2021.

Selling and Marketing Expenses

The following table sets forth a breakdown of our selling and marketing (commercial) expenses by nature of the expenses for the periods indicated:

US$ in thousands	**12 months ended June 30, 2022**	12 months ended June 30, 2021	$ Change	% Change
Employee expenses	**3,365**	3,643	(278)	(8)
Promotion and advertisement expenses	**682**	793	(111)	(14)
Others[(1)]	**198**	333	(135)	(40)
Total	**4,245**	4,769	(524)	(11)

Note:

(1) Including dues and subscriptions, professional service fees and office supplies.

Our selling and marketing expenses decreased to US$4.2 million for the 12 months ended June 30, 2022 from US$4.8 million for the 12 months ended June 30, 2021. This decrease was primarily attributable to staffing reductions and decreases in other administrative spending during the reporting period.

General and Administrative Expenses

The following table sets forth a breakdown of our general and administrative expenses by nature of the expenses for the periods indicated:

US$ in thousands	**12 months ended June 30, 2022**	12 months ended June 30, 2021	$ Change	% Change
Employee expenses	**10,454**	6,909	3,545	51
Dues and Subscriptions	**753**	—	753	—
Professional Services	**6,189**	—	6,189	—
Rent charges	**820**	1,424	(605)	(42)
Others[1]	**3,599**	9,722	(6,123)	(63)
Total	**21,815**	18,055	3,760	21

Note:

(1) Including amortisation of intangible assets, depreciation of property, plant and equipment, travel expenses, insurance, and general office expenses

Our general and administrative expenses increased to US$21.8 million for the 12 months ended June 30, 2022 from US$18.1 million for the 12 months ended June 30, 2021. This increase was primarily attributable to increases in staffing and rent charges for to our new global headquarters facility during the reporting period.

Research and Development Expenses

The following table sets forth a breakdown of our research and development expenses by nature of the expenses for the periods indicated:

US$ in thousands	**12 months ended June 30, 2022**	12 months ended June 30, 2021	$ Change	% Change
Employee expenses	**6,852**	5,045	1,807	36
Professional service fees	**174**	2,183	(2,009)	(92)
Amortisation	**6,176**	3,990	2,186	55
Others[(1)]	**2,547**	2,606	(59)	(2)
Total	**14,127**	13,824	303	2

Note:

(1) Includes IT hosting services and maintenance and other general expenses.

Our research and development expenses increased to US$14.1 million for the 12 months ended June 30, 2022 from US$13.8 million for the 12 months ended June 30, 2021. This increase was primarily attributable increase in staffing, amortisation of capitalised development costs, partly offset by a reduction in professional services used for development.

Other Income/Loss

We had other income of US$0.4 million for the 12 months ended June 30, 2022, compared to losses of US$0.4 million for the 12 months ended June 30, 2021, primarily due to realised foreign exchange gains during the reporting period.

Finance Costs

For the 12 months ended June 30, 2022, our finance costs decreased to US$1.5 million from US$2.0 million for the 12 months ended June 30, 2021, primarily due to reduction of bank charges on financing activities and asset management fees related to the Company's investment in redeemable promissory notes during the reporting period.

Finance Income

For the 12 months ended June 30, 2022, our finance income decreased to US$0.1 million from US$1.7 million for the 12 months ended June 30, 2021, primarily due to reduction of interest income on redeemable promissory notes and interest income on restricted cash during the reporting period.

Other Non-operating Expense

Our other non-operating expenses increased to US$6.3 million for the 12 months ended June 30, 2022, from US$4.0 thousands for the 12 months ended June 30, 2021, primarily due to the unauthorized disbursement incurred by the Company for US$6.0 million.

Income Tax Benefit

Our income tax benefit decreased to US$0.7 million for the 12 months ended June 30, 2022, from a US$1.8 million benefit for the 12 months ended June 30, 2021 is primarily due to inclusion of R&D tax credits of US$0.6 million and change in UK statutory rate that impacted the valuation of the deferred income tax assets and liabilities of US$0.1 million.

Loss for the Year

For the first half of the twelve months ended June 30, 2022, we decided to maintain a restrictive policy on investments for further development of the MSO and new potential business. A large majority of the Group's investments are reflected in Personnel expenses as they are the enablers for setting up infrastructure for growth. Our net loss was US$11.6 million for the 12 months ended June 30, 2022. The increase in loss is primarily due to an unauthorized disbursement incurred by the Company for US$6.0 million and increases in general and administrative salaries. COVID-19 continued to impact the Company until the later part of the twelve months ended June 30, 2022.

Non-IFRS Measures

Earnings before interest, taxes, depreciation, and amortization (EBITDA) is a Non-IFRS financial measure. The Company believes this measure allows analysts and investors to understand the financial performance of the Company by computing earnings from core business operations, without including the effects of capital structure, tax rates and depreciation. They do not replace and should not be considered comparable to IFRS measures. Non-IFRS measures are not a substitute for a user's calculation and analysis of the financial results as reported under IFRS in this unaudited annual results announcement.

The Company believes that each of the non-operating expense items listed below was not an expense arising out of or ancillary to the core business of the Group, being (i) the offering of medical and vendor credentialing solutions for compliance and security purposes in the healthcare industry and (ii) the provision of add-on services, comprising of radiation exposure monitoring, immunizations and vaccinations, criminal background checks and general and professional liability insurance referrals. The Group adopts adjusted EBITDA in its financial and operating decision-making because it reflects the Group's ongoing operating performance in a manner that allows for more meaningful period-to-period comparisons. The Group believes the use of adjusted EBITDA provides investors with greater visibility in understanding and evaluating its operating performance and future prospects the way the management does by excluding the above mentioned non-operating expense and the income tax benefit, net interest expense, depreciation of property and equipment, and amortisation and impairment of intangible assets during the reporting period, which are non-recurring in nature or may not be reflective of the Company's core operating results and business outlook.

Adjusted — EBITDA

US$ in thousands	**12 months ended June 30, 2022**	12 months ended June 30, 2021	$ Change	% Change
Loss for the year (IFRS)	**(11,646)**	(2,974)	(8,672)	292
Income tax benefit	**724**	1,823	(1,099)	(60)
Loss before income tax	**(12,370)**	(4,797)	(7,573)	158
Interest expense (income), net	**1,425**	(465)	1,890	(406)
Loss before interest and taxes	**(10,945)**	(5,262)	(5,683)	108
Depreciation	**4,547**	4,301	246	6
Total Amortization	**6,695**	4,843	1,852	38
Other non-operating expense[(1)]	**6,458**	978	5,480	560
Adjusted EBITDA (Non-IFRS)	**6,755**	4,860	1,895	39

We use adjusted EBITDA, which represents net income before (i) income tax expense, and net interest (income)/expense, and (ii) certain non-cash expenses, consisting of depreciation of property and equipment, rent cost relating to certain right-of-use assets, amortisation and impairment of intangible assets and impairment of goodwill, and other non-operating (income)/expense, including share of results of equity (joint venture) investees, which we do not believe are reflective of our core operating performance during the periods presented.

Note:

(1) Other non-operating expenses for the 12 months ended June 30, 2022 included US$6.0 million related to unauthorized disbursements, US$127 thousands related to losses from investment in joint venture and US$394 thousands related to potential acquisitions, partially offset by gain on redemption of promissory notes of US$93 thousands. Other non-operating expenses for the 12 months ended June 30, 2021 included US$702 thousands related to loan fees. US$272 thousands related to losses from investment in joint venture and US$179 thousands related to potential acquisitions, partially offset by gain on redemption of promissory notes of US$132 thousands.

Financial Position

Discussion of Certain Key Balance Sheet Items

The following table sets forth a breakdown of our current assets and current liabilities and total equity as at the dates indicated:

US$ in thousands	**As at June 30, 2022**	As at June 30, 2021
ASSETS		
Current assets		
Financial assets at fair value through other comprehensive income	**812**	12,941
Deposits, prepayments and other receivables	**2,515**	2,978
Restricted cash	**12,750**	2,250
Cash and cash equivalents	**23,506**	31,317
Total current assets	**39,583**	49,486
LIABILITIES		
Current liabilities		
Borrowings	**28,511**	5,982
Lease liabilities	**810**	411
Trade payables	**2,685**	2,696
Other payables and provisions	**3,335**	2,536
Amounts due to related parties	**743**	28
Contract liabilities	**22,607**	19,739
Current income tax liabilities	**—**	34
Total current liabilities	**58,691**	31,426
NET CURRENT ASSETS		
Net current assets	**(19,108)**	18,060
EQUITY		
Total equity and non-controlling interest	**6,421**	35,042

Financial assets at fair value through other comprehensive income

The primary decrease in financial assets at fair value through other comprehensive incomes is related to the redemption of a promissory note, as disclosed to the market on July 21, 2021. After such final redemption, there are no outstanding promissory note balances.

Deposits, Prepayments and Other Receivables

Our deposits, prepayments and other receivables decreased to US$2.5 million as at June 30, 2022 from US$3.0 million as at June 30, 2021. The decrease was mainly associated with reductions of prepaid expenses during the reporting period.

Trade Payables

Our trade payables of US$2.7 million as at June 30, 2022, did not change from US$2.7 million as at June 30, 2021.

Borrowings

Our total borrowings as of June 30, 2022 was US$28.5 million, representing a 9.5% decrease from June 30, 2021 when the balance was US$31.5 million. The Group commenced discussions with its lender, to obtain an exemption of certain missed covenants applicable to both the reporting period ended June 30, 2022 and June 30, 2021. An exemption was executed immediately following the conclusion of the reporting period ended June 30, 2022. In compliance with IFRS, the Company has classified US$15.0 million from non-current liabilities to current liabilities.

Amounts Due to Related Parties

Our amounts due to related parties were US$743 thousands as at June 30, 2022, compared to US$28 thousands as at June 30, 2021. The increase is primarily a result of management contract with the Group's chief product officer in the current year.

Contract Liabilities

Contract liabilities mainly consist of membership fees prepaid by subscribers for which the related services had not been rendered in full as at the relevant balance sheet dates. The prepaid fees will be recognised over the next 12 months. These fees are classified as current liabilities in the consolidated statement of financial position.

Our contract liabilities increased by 14.5% to US$22.6 million as at June 30, 2022 from US$19.7 million as at June 30, 2021. The change in subscribers and annual rate contributed to the increased liabilities.

Equity

Our total equities were US$6.4 million and US$35.0 million as at June 30, 2022, and as at June 30, 2021, respectively. The significant decrease was primarily due to acquisitions by the Group in the open market of RSA shares equaling US$11.9 million pursuant to the Group's RSA Schemes, share repurchases totaling US$4.2 million pursuant to a Share buy-back program, and our net loss for the twelve months ended June 30, 2022. The Directors believe that it is in the best interests of the Company and the Shareholders to have a general mandate from the Shareholders to enable the Company to repurchase its Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the Company's net asset value and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole. In addition, the purposes of the RSA Schemes are: (a) to provide selected participants with an opportunity to acquire a propriety interest in the Company; (b) to encourage and retain such individuals to work with the Group; (c) to provide additional incentive for them to achieve performance goals; (d) to attract suitable personnel for further development of the Group; and (e) to motivate the selected participants to maximise the value of the Company for the benefits of both the selected participants and the Company, with a view to achieving objectives of increasing the value of the Company and aligning the interests of the selected participants directly to the Shareholders through ownership of Shares.

Key Financial Ratios

The following table sets forth key financial ratios as at and for the periods indicated:

	As at and for the 12 months ended June 30, 2022	As at and for the 12 months ended June 30, 2021
Gross profit margin	**86.8%**	87.0%
Net profit margin	**(28.6)%**	(7.9)%
Working capital *(US$ in thousands)*[(1)]	**(19,108)**	18,060
Current ratio[(2)]	**0.7**	1.6
Gearing ratio[(3)]	**444.0%**	89.8%
Return on equity[(4)]	**(56.2)%**	(7.4)%
Return on assets[(5)]	**(13.2)%**	(3.0)%

Notes:

(1) Working capital is calculated by subtracting (i) current liabilities from (ii) current assets as at the date indicated.

(2) Current ratio is calculated by dividing (i) current assets by (ii) current liabilities as at the date indicated.

(3) Gearing ratio is calculated by dividing (i) total debts by (ii) total equity.

(4) Return on equity is calculated by dividing (i) loss for the year by (ii) the average of the beginning and end balance of total equity of the year.

(5) Return on assets is calculated by dividing (i) loss for the year by (ii) the average of the beginning and end balance of total assets of the year.

Gross Profit Margin

For details of our gross profit margin, see "Results of Operations — Gross Profit and Gross Profit Margin".

Net Profit Margin

For details of our net profit margin, see "Results of Operations — Loss for the Year".

Working Capital

Our working capital decreased by approximately US$37.2 million as at June 30, 2022, from June 30, 2021. Our total borrowings of US$28.5 million were classified as current as at June 30, 2022 compared to June 30, 2021 of US$6.0 million Our working capital decreased related to an unauthorized disbursement of funds of US$6.0 million, acquisitions by the Group in the open market of RSA shares of US$11.9 million, and US$4.2 million for repurchases of the Company's shares.

Current Ratio

The current ratio weakened from 1.6 as at June 30, 2021 to 0.7 as of June 30, 2022.

Gearing Ratio

The increase in the gearing ratio (calculated by dividing (i) total debts by (ii) total equity) to 444% as at June 30, 2022 from 89.8% as at June 30, 2021, is primarily due to decreases in equity related to acquisitions of RSA shares of US$11.9 million and due to an unauthorized disbursement of funds of US$6.0 million, and share repurchases of US$4.2 million.

Return on Equity

Our return on equity decreased to (56.2)% as at the 12 months ended June 30, 2022, from (7.4)% as at the 12 months ended June 30, 2021, primarily due to decreases in equity related to acquisitions of shares of US$11.9 million for the RSA Schemes and due to the unauthorized disbursement of funds of US$6.0 million.

Return on Assets

Our return on assets decreased to (13.2)% as at the 12 months ended June 30, 2022 from (3.0)% as at the 12 months ended June 30, 2021, primarily due to the unauthorized disbursement of funds of US$6.0 million and the redemption of the remaining promissory notes receivable of US$11.0 million.

Liquidity and Financial Resources

Our Group's financing and treasury activities are centrally managed and controlled at the corporate level. The Group's overall treasury and funding policies focus on managing financial risks, including interest rate and foreign exchange risks; cost-efficient funding of the Company and its subsidiaries; and yield enhancement from time-to-time when the Group's cash position allows. The Group has always adhered to prudent financial management principles, including the selection of investment securities according to the Group's treasury investment policy.

Our primary uses of capital are to satisfy our working capital needs and to fund our Research and Development and market acquisition initiatives. Our working capital is predominantly financed from cash generated from our operating activities, comprised of cash payments received from our annual subscription memberships and add-on services and bank borrowings. In managing our liquidity, our management monitors and maintains a reasonable level of cash and cash equivalents deemed adequate by our management to finance our operations and to mitigate the impacts of fluctuations in cash flows. The main sources of liquidity are cash and cash equivalents on hand and the cash generated from operating activities.

For the first half of the twelve months ended June 30, 2022, we decided to maintain a restrictive policy on investments for further development of the MSO and new potential business. A large majority of the Group's investments are reflected in Personnel expenses as they are the enablers for setting up infrastructure for growth as reflected in our 2023 projections. Still, COVID-19 impacts remained until the later part of the twelve months ended June 30, 2022. Our net loss of US$11.6 million for the 12 months ended June 30, 2022, are primarily from an unauthorized disbursement incurred by the Company for US$6.0 million, and our investment in our employees future retention and to motivate the selected participants to maximise share value and expenses associated to technology development for MSO and new products.

Our total borrowings as of June 30, 2022 was US$28.5 million, representing a 9.5% decrease from June 30, 2021 when the balance was US$31.5 Million. The Group commenced discussions with its lender, to obtain an exemption of certain missed covenants applicable to both the reporting period ended June 30, 2021 and June 30, 2022. An exemption was executed immediately following the conclusion of the reporting period ended June 30, 2022. In compliance with IFRS, the Company has classified US$15.0 million from non-current liabilities to current liabilities.

Net Current Assets/liabilities

We had net current assets/liabilities of US$(19.1) million as at June 30, 2022, a decrease of US$37.2 million as compared to US$18.1 million as at June 30, 2021. Total current assets decreased by US$9.9 million which was primarily attributable to an unauthorized disbursement US$6.0 million, share buybacks of US$4.2 million and purchases of RSA shares of US$11.9 million. Total current liabilities increased by US$27.3 million primarily due to the reclassification of borrowings from non-current liabilities to current liabilities and an increase in deferred revenues of US$2.9 million.

Restricted Cash

The current and non-current portions of our restricted cash consisted predominantly of restricted deposits held at the relevant lenders as security corresponding to the current and non-current portions of relevant bank facilities, respectively. The current and non-current restricted cash was US$12.8 million as at June 30, 2022, and the current and non-current restricted cash was US$15.2 million as at June 30, 2021. The decrease of US$2.3 million is primarily related to the repayment of US$3.0 million on borrowings during the 12 months ended June 30, 2022.

The following table sets forth a breakdown of our restricted cash for the periods indicated:

US$ in thousands	**As at June 30, 2022**	As at June 30, 2021
Restricted cash — Non-current	**94**	12,919
Restricted cash — Current	**12,750**	2,250
Total	**12,844**	15,169

The current restricted cash as at June 30, 2022 represented the restricted deposits held as security for the current portion of a bank facility of our Group. The non-current restricted cash of US$0.1 million as at June 30, 2022 represented the restricted deposits held in the employee shares trust. The current restricted cash as at June 30, 2021 represented the restricted deposits held as security for a bank facility of our Group. The non-current restricted cash as at June 30, 2021 represented the restricted deposits held in the employee shares trust and as security for the bank facility.

Pledge of Assets

As at June 30, 2022, the Group has pledged current assets restricted cash of US$12.8 million as collateral against its borrowings.

Exposure to Fluctuations in Exchange Rates

We operate mainly in the U.S. with most of the transactions settled in U.S. dollars. Our business is exposed to foreign exchange risk relating primarily to the U.K. where most of research and development activities are performed. During the 12 months ended June 30, 2022, the Company did not issue any financial instruments for hedging purposes. As we monitor the growth of the Company in association with the local revenue and expenses, the management will consider hedging significant foreign currency exposure should the need arise. The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures.

Cash and cash equivalents, short-term bank deposits, restricted cash, and promissory notes are denominated in the following currencies:

US$ in thousands	**As at June 30, 2022**	As at June 30, 2021
USD	**32,858**	25,918
HKD	**2,788**	19,672
GBP	**625**	199
NTD	**36**	76
CAD	**42**	42
EUR	**—**	2
Total	**36,350**	45,909

Full Redemption of Outstanding Promissory Notes

During the reporting period, the Company redeemed its final promissory note on July 21, 2021, receiving US$12.5 million in principal and interest. A gain of US$0.1 million was also recorded on the redemption. After the final redemption, there are no outstanding promissory note balances at this time.

Indebtedness

Borrowings

Our total borrowing balance as at June 30, 2022, was US$28.5 million with variable interest rates per annum ranged between 1.68%–4.80% (June 30, 2021: US$31.5 million with variable interest rates per annum ranged between 1.69%–2.77%). As at June 30, 2022, there were no borrowings with fixed interest rates. The borrowings are secured by certain bank deposits and are in US$.

The Group commenced discussions with its lender, to obtain an exemption of certain missed covenants applicable to both the reporting period ended June 30, 2021 and June 30, 2022. An exemption was executed immediately following the conclusion of the reporting period ended June 30, 2022. In compliance with IFRS, the Company has classified US$15.0 million from non-current liabilities to current liabilities.

During the 12 months ended June 30, 2022, the Company did not issue any financial instruments for hedging purposes.

US$ in thousands	**As at June 30, 2022**	As at June 30, 2021
Borrowings		
— Current	**28,511**	5,982
— Non-current	**—**	25,491
Total	**28,511**	31,473

Contingent Liabilities

As at June 30, 2022, the Company had the following contingent liabilities:

In April 2018, a former employee of the Group's subsidiary, IntelliCentrics, Inc., filed a lawsuit in Denton County, Texas, U.S., against IntelliCentrics, Inc. The former employee asserted certain claims: breach of employment agreement and age discrimination. As at the date of this unaudited annual results announcement, the lawsuit is ongoing. In review of the status with our external counsel, the Group does not expect an adverse outcome and no provision is recorded.

In April 2022, a former employee of the Group's subsidiary, IntelliCentrics, Inc., filed a lawsuit against IntelliCentrics, Inc. The former employee asserted certain claims: breach of employment agreement and wrongful termination. As at the date of this unaudited annual results announcement, the lawsuit is ongoing. In review of the status with our external counsel, the Group does not expect and adverse outcome and no provision is recorded.

As disclosed in the interim report published by the Company on March 25, 2022, in April 2021, Repifi Vendor Logistics, Inc. appealed against the Eastern District of Texas' decision to dismiss its patent infringement lawsuit against IntelliCentrics, Inc. and the Company. The appeal was dismissed by the court in March 2022.

Except as disclosed above, as at June 30, 2022, the Group did not have other known contingent liabilities.

Employees and Remuneration Policy

As of June 30, 2022, the Group had 143 employees (June 30, 2021: 141 employees). Total staff remuneration expenses including Directors' remuneration for the 12 months ended June 30, 2022, equal US$19.5 million (June 30, 2021: US$16.1 million). Remuneration is determined, in accordance with the prevailing industry practice, with reference to performance, skills, qualifications, and experience of the staff members. In addition to salary payments made by the Group, other staff benefits include social insurance and housing provident contributions, performance-based compensation, and discretionary bonus. Employee remuneration is reviewed annually to local market trends. The Group has also adopted the Pre-IPO Share Option Scheme, the RSA Scheme, and the RSA Scheme for Core Connected Persons to attract, retain, and incentivise our key employees to accelerate the Company's growth.

Dividends

The Board does not recommend the payment of a final dividend for the 12 months ended June 30, 2022.

Corporate Governance Practice

The Board is committed to maintaining high corporate governance standards. During the 12 months ended June 30, 2022, the Company has applied the principles and code provisions as set forth in the CG Code which are applicable to the Company. In the opinion of the Directors, the Company has complied with all applicable code provisions as set out in the CG Code during the 12 months ended June 30, 2022.

Model Code for Securities Transactions

The Company has adopted the Model Code as its own code of conduct regarding securities transactions by the Directors. The Company has set additional guidelines at least as strict as the Model Code for transactions of the Company's securities for the relevant employees (as defined in the Listing Rules).

The Company has made specific inquiries to all Directors about their compliance with the Model Code. All Directors confirmed that they were in compliance with the standards specified in the Model Code during the period from their respective appointment date until June 30, 2022. The Company has made specific inquiries of relevant employees about their adherence to the guidelines on transactions of the Company's securities. The Company did not notice any violation of the guidelines.

Purchase, Sale or Redemption of the Company's Listed Securities

The Directors believe that it is in the best interests of the Company to have a general mandate from to time to enable the Company to repurchase its Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the Company's net asset value and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole. During the reporting period, the Company purchased 4,567,500 Shares on the Stock Exchange pursuant to the Share buy-back program at an average per Share price of US$0.91 totaling US$4.2 million. Such repurchased Shares were subsequently cancelled. Save as otherwise disclosed in this results announcement, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the reporting period.

Review of Unaudited Financial Statements

The unaudited annual results contained in this announcement have not been agreed with the Company's auditor as more time is required to complete the audit of the annual results for the year ended June 30, 2022. This is due to the prevailing COVID-19 pandemic in Taiwan and the United States, which resulted in a delay in the completion of the audit process. In particular, the Company's Chief Executive Officer, Chief Financial Officer and a large portion of the employees in the finance and accounting departments in Taiwan and the United States who are heavily involved in the Company's financial reporting processes and communications with the auditor, were either infected with COVID-19 or were subject to mandatory quarantine for being in close contact during the audit preparation period. Moreover, with the implementation of remote working requirements and local quarantine policies due to COVID-19, additional time was required for the Company to provide the requested information to the auditor. The Company also observed a slowdown in third parties' responses to audit enquiries amid the COVID-19 situation in Taiwan during the audit preparation.

The Group's unaudited annual results for the year ended June 30, 2022 have been reviewed by and agreed with the Audit Committee of the Company.

IC Care — Taiwan Business Expansion

In June 2022, the Company, through its Taiwan operating company, entered into a memorandum of understanding (the "**MoU**") with Taiming Assurance Broker Co., Ltd. ("**Taiming**"), a reputable insurance broker company in Taiwan having a reach of over 30 insurance companies. Subsequently in September 2022, the Company, in strategic cooperation with EUCARE Co., Ltd. ("**EUCARE**"), introduced the IC Care digital information and service platform providing health management and telemedicine (the "**IC Care Platform**"), all with a view to expand its Taiwanese business and customer base. EUCARE, with whom the Company has formed a strategic partnership since late 2021, provides remote medical consultation platforms, specializing in the development and planning of remote medical treatment apps. It is expected that, through the MoU, the IC Care Platform and its services would be introduced and extended to a broad range of insurance companies and customers with the help of Taiming, and accordingly gain extensive exposure.

Events After the Reporting Period

The Group commenced discussions with its lender, to obtain an exemption of certain missed covenants applicable to both the reporting period ended June 2021 and June 2022. An exemption was executed immediately following the conclusion of the reporting period ended June 30, 2022.

Save as disclosed above, there were no other significant events subsequent to the end of the 12 months ended June 30, 2022.

Publication of Unaudited Annual Results Announcement, Audited Annual Results Announcement and Annual Report

This unaudited annual results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and on the Company's website at www.intellicentrics-global.com.

The Company expects to publish its audited annual results announcement for the year ended June 30, 2022 as agreed by the Company's auditor, including disclosures on any material differences as compared with the unaudited annual results contained herein, by October 7, 2022 on the aforesaid websites. The Company expects that an unmodified opinion would be issued by its auditor in respect of its annual results for the year ended June 30, 2022. In addition, the Company will issue further announcement(s) where there is any material development as to the auditing process.

The annual report of the Company for the 12 months ended June 30, 2022 containing all the information required by the Listing Rules, is expected to be published on the aforesaid websites and dispatched to the Shareholders on or before October 31, 2022.

The financial information contained herein in respect of the annual results of the Group have not been audited and have not been agreed with its auditor. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

"Audit Committee"	the audit committee of the Board;
"Board" or "Board of Directors"	the board of Directors of the Company;
"CG Code"	Corporate Governance Code as set out in Appendix 14 to the Listing Rules;
"Company" or "IntelliCentrics"	IntelliCentrics Global Holdings Ltd. (中智全球控股有限公司), which is an exempted company with limited liability incorporated in the Cayman Islands on June 3, 2016 and the Shares of which are listed on the Main Board of the Stock Exchange on March 27, 2019;
"Director(s)"	director(s) of the Company;
"EBITDA"	Non-IFRS measure of earnings before interest, taxes, depreciation, and amortisation;
"FVOCI'	fair value through other comprehensive income;

"Group", "our Group", "we" or "us"	the Company and its subsidiaries at the relevant time and, in respect of the period before the Company became the holding company of its present subsidiaries, the businesses operated by such subsidiaries or their predecessors (as the case may be);
"IAS"	International Accounting Standards;
"IASB"	International Accounting Standards Board;
"IFRS"	International Financial Reporting Standards;
"IPO"	an initial public offering of the Shares and listing of the Shares on the Main Board of the Stock Exchange;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended and supplemented from time to time;
"LoC(s)"	location(s) of care, including hospitals, physician offices and other types of locations where healthcare services are provided such as imaging centers, and long-term care centers;
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules;
"Pre-IPO Share Option Scheme"	the share option plan adopted by the Board on August 7, 2018;
"R&D"	research and development;
"RSA Scheme"	the Restricted Share Award Scheme amended and restated by the Company on June 7, 2022;
"RSA Scheme for Core Connected Persons"	the Restricted Share Award Scheme for Core Connected Persons amended and restated by the Company on June 7, 2022;
"Share(s)"	ordinary share(s) in the capital of the Company with nominal value of US$0.0001 each;
"Share Award(s)"	the awards(s) granted by the Company under the RSA Scheme or the RSA Scheme for Core Connected Persons;
"Shareholder(s)"	holder(s) of the Share(s);
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"UK", or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland;

“USD”, “U.S. dollars” or “US$”	U.S. dollars, the lawful currency of the United States of America;
“U.S.”, “USA” or “United States”	the United States of America; and
“%”	Percent.

By order of the Board
IntelliCentrics Global Holdings Ltd.
LIN Tzung-Liang
Chairman of the Board

Hong Kong, September 30, 2022

As at the date of this announcement, the executive Directors are Mr. LIN Tzung-Liang and Mr. Michael James SHEEHAN; the non-executive Directors are Mr. LIN Kuo-Chang and Mr. Leo HERMACINSKI; and the independent non-executive Directors are Mr. HSIEH Yu Tien, Ms. HUANG Yi-Fen and Mr. WONG Man Chung Francis.