IntelliCentrics

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

Annual Report 2022-23

Contents

Corporate Information

DIRECTORS

Executive Directors:

Mr. Lin Tzung-Liang *(Chairman)*
Mr. Michael James Sheehan *(Chief Executive Officer)*

Non-executive Directors:

Mr. Lin Kuo-Chang
Mr. Leo Hermacinski

Independent Non-executive Directors:

Mr. Hsieh Yu Tien
Mr. Wong Man Chung Francis
Ms. Huang Yi-Fen *(retired on December 15, 2022)*
Mr. Liao Xiaoxin *(appointed on February 20, 2023)*

AUDIT COMMITTEE

Mr. Wong Man Chung Francis *(Chairman)*
Mr. Leo Hermacinski
Ms. Huang Yi-Fen *(retired on December 15, 2022)*
Mr. Liao Xiaoxin *(appointed on February 20, 2023)*

REMUNERATION COMMITTEE

Mr. Hsieh Yu Tien *(Chairman)*
Mr. Lin Kuo-Chang
Mr. Wong Man Chung Francis

NOMINATION COMMITTEE

Mr. Lin Tzung-Liang *(Chairman)*
Mr. Hsieh Yu Tien
Ms. Huang Yi-Fen *(retired on December 15, 2022)*
Mr. Liao Xiaoxin *(appointed on February 20, 2023)*

ADMINISTRATION COMMITTEES

RSA Scheme for Non-Connected Persons

Mr. Michael James Sheehan
Mr. Wong Man Chung Francis

RSA Scheme for Core Connected Persons

Mr. Lin Tzung-Liang
Mr. Hsieh Yu Tien

JOINT COMPANY SECRETARIES

Mr. Hung Kuo Yuan
Ms. Leung Shui Bing

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Times Square
1 Matheson Street, Causeway Bay
Hong Kong

GLOBAL HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE U.S.

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United States of America

REGISTERED OFFICE

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P.O. Box 712
Grand Cayman KY1-9006
Cayman Islands

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

Gold-In (Cayman) Co., Ltd.
Suite 102, Cannon Place
North Sound Rd
George Town
P.O. Box 712
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AUTHORISED REPRESENTATIVES

Mr. Michael James Sheehan
Mr. Hung Kuo Yuan

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LEGAL ADVISER

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Shanghai Commercial and Savings
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Taiwan R.O.C.

STOCK CODE

6819

COMPANY WEBSITE

www.intellicentrics-global.com

Safe Harbour Disclaimer

FORWARD-LOOKING STATEMENTS

Certain statements contained in this annual report may be viewed as forward-looking statements. Forward-looking statements are based on the management's beliefs and assumptions using currently available information about the business, industries, technology, and regions of operations. These statements are only predictions and are not guarantees of future performance, actions, or events. Forward-looking statements are subject to risks and uncertainties. If one or more of these risks or uncertainties materialise, or if the management's underlying assumptions prove to be incorrect, actual results may differ materially from those contemplated by a forward-looking statement. Forward-looking statements speak only as of the date on which they are made. No undue reliance should be placed on these forward-looking statements by investors or Shareholders. The Group expressly disclaims any obligation to update any forward-looking statements.

NON-IFRS MEASURES

The Company has presented certain non-IFRS measures in this annual report to provide additional information that the management believes is useful to the reader in gaining a more complete understanding of the operational performance and of the trends. Non-IFRS measures may not be comparable to similarly named measures used by other companies. 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 annual report.

Chairman and CEO's Statement

Dear Shareholders,

Over the past year, hospitals and healthcare systems have been experiencing immense financial pressure from all sides. As Coronavirus Aid, Relief, and Economic Security (CARES) Act funding evaporates, many health systems are faced with mounting financial challenges due to rising labor and supply costs, acute nursing and provider shortages, and growing pressures to deliver personalized equitable care. Our cloud-based digital technology is building a better user experience for healthcare systems that is efficient, convenient, personalized, and cost effective for all healthcare systems, including healthcare providers and vendors. Our software platform collects, processes, and verifies data and information in accordance with the different requirements of healthcare companies and assists in automating workflows from the front to the back of the house. With operations currently in North America, the United Kingdom, Taiwan, and other countries in the world, we work with 9,812 LoCs worldwide.

We have seen rapid acceptance and adoption by physicians and patients alike of technologies to support virtual care. Built on connected digital platforms that unite data from across the ecosystem, this hybrid care delivery model is proactive, data-driven and user-friendly, allowing for care that keeps patients healthier at home longer and prevents the progression of disease to critical points. Our telecare solution BioBytes™ is our remote patient monitoring solution, which provides families at home with the same capabilities we provide our 9,812 LoCs. BioBytes™ streams medical data from trusted devices to trusted doctors, allowing doctors to remotely monitor their patients and schedule care based on the unique needs and situation of each patient. China, which has also endured long-term quarantines, continues to prove the importance of remote patient monitoring by sharing

bio-data between patients and their trusted family, friends, and doctors. Our exclusive joint venture in China has partnered with the city of Langfang near Beijing, with a population of 4.5 million, and uses the universal distribution of BioBytes™ throughout their city. In addition, we are collaborating with local partners in Taiwan on a new program to ensure Taiwanese citizens have remote access to trusted, high-quality healthcare when in Taiwan or traveling overseas. Subscribers to this program will have access to physician consultations remotely through IntelliCentrics online platform in emergency and other situations where necessary.

Healthcare organizations and ecosystem partners continue to invest in virtual and remote care models with the global telehealth and telemedicine market expected to grow from US$87.8 billion in 2022 to US$285.7 billion by 2027. Building trust through credentialing is essential to help LoCs, providers, vendors, and patients navigate the changing landscape of healthcare. We take immense pride in the role we play in creating a safe and secure healthcare experience for everyone, while delivering solid business results, and creating shared value globally and for our investors.

In your trust,

IntelliCentrics Global Holdings Ltd.

Lin Tzung-Liang
Co-Founder, Chairman and Executive Director

Michael James Sheehan
Co-Founder and Chief Executive Officer

October 23, 2023

Management Discussion and Analysis

Management Discussion and Analysis

BUSINESS OVERVIEW

Despite the economic slowdown triggered in large by the rapid tightening of global monetary policy in response to inflation, the 12 months ended June 30, 2023 saw positive developments across the globe, including the clean energy transition supply in Europe and labor market resiliency in the United States. As development of the healthcare systems center around digital transformation, we remain fully committed to delivering innovative and trusted technologies with a view to digitize various aspects of healthcare, with a primary focus on vendor and medical credentialing.

During the fiscal year, the Company continued to invest in technology products such as BioBytes™ and our medical credentialing service, and expand into the Taiwanese market for 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. The Group's revenue increased by 8.1% from US$40.7 million for the 12 months ended June 30, 2022 to US$44.0 million for the 12 months ended June 30, 2023. The increase is primarily attributable to higher average subscription fees. Our gross profit increased by 11.0% from US$35.3 million for the 12 months ended June 30, 2022 to US$39.2 million for the 12 months ended June 30, 2023. Gross profit margin also increased year-on-year by 2.3% to 89.1% for the 12 months ended June 30, 2023. The increases in gross profit and gross profit margin are mainly driven by higher average subscription fees and the decrease in cost of revenues for our eBadge technology of US$0.6 million.

We had 125,750 paying subscribers as at June 30, 2023, compared to 126,615 as at June 30, 2022. Our medical credentialing subscriber base increased by 181.1%, and our United Kingdom subscriber base increased by 4.8%. As of June 30, 2023, we had 9,812 Registered LoCs, which is a 5.5% decrease as compared to June 30, 2022.

Outlook

Inflation rate in the U.S. has steadily declined since reaching a peak of 9.0% in June 2022 in large part to slowed economic activity, triggered by the rapid tightening from the Federal Reserves. As wage growth moderates and becomes less broad-based, more compression is expected in the months ahead as the labor market rebalances. That said, cost pressures continue in this tight labor market, with unemployment rate in the U.S. hitting a record low of 3.4% since the last 53 years.

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 virtually across all geographical locations and perform as well on physical 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 allows patients to communicate with a 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.

Assets

Total assets of the Company decreased by US$15.8 million from US$74.4 million as at June 30, 2022 to US$58.6 million as at June 30, 2023. The decrease is primarily related to purchases of RSA shares and expenses associated to technology development for Medical Staff Office ("MSO") and new products.

Liquidity

During the reporting period, despite having achieved revenue growth and improvement in our net loss, our current ratio weakened from 0.7 as of June 30, 2022 to 0.5 as of June 30, 2023. The decrease in our current ratio is primarily a result of repayments on borrowings, and R&D, marketing and other costs in commercializing our medical credentialing business and our eBadge technology.

As at June 30, 2023, we had total current liabilities of US$54.4 million comprising mainly (i) contract liabilities totalling US$22.1 million and (ii) bank and other borrowings and lease liabilities of US$24.9 million which are repayable within the next twelve months.

Our contract liabilities represent subscription fees prepaid by our customers for which the purchased services had not been rendered in full. Given our high gross profit margin (89.1% for the 12 months ended June 30, 2023), the actual cost of revenue for such services is expected to be substantially lower than the stated amount of contract liability. Further, as the development of our MSO products is substantially complete, we expect our operating expenses associated with technology development will decrease substantially in the next 12 months.

Furthermore, we have extended the repayment date of our outstanding bank borrowings of approximately US$24.0 million, which are originally due and payable in December 2023. On July 20, 2023, the Group entered into an agreement with the lending bank to extend the maturity of the bank loan to March 2024.

Given the above, the Directors believe the Group will have sufficient working capital to maintain its operations in the next twelve months from June 30, 2023. For further details of the measures that we have taken to improve our liquidity position, please refer to Note 2 (Basis of Preparation) to the consolidated financial statements contained in this annual report. Nonetheless, as future government actions, financial market and other macroeconomic conditions remain uncertain, Shareholders should note that the Board's assessment with respect to the future business operations and liquidity of the Group is based on currently available information about the business, industries, technology, and regions of operations and should not be taken as guarantees of future performance, actions, or events.

FINANCIAL REVIEW

Results of Operations

This annual report is reporting results of operations for the 12-month period from July 1, 2022 to June 30, 2023 as compared to the 12-month period from July 1, 2021 to June 30, 2022 for comparative purposes.

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

US$ in thousands	**12 months ended June 30, 2023**	12 months ended June 30, 2022
Revenue	**43,980**	40,694
Cost of revenue	**(4,806)**	(5,388)
Gross profit	**39,174**	35,306
Selling and marketing expenses	**(5,244)**	(4,245)
General and administrative expenses	**(24,349)**	(21,815)
Research and development expenses	**(15,411)**	(14,127)
Other (loss)/income	**(467)**	394
Operating loss	**(6,297)**	(4,487)
Finance costs	**(2,258)**	(1,520)
Finance income	**518**	95
Other non-operating expenses	**(283)**	(6,331)
Share of profit/(loss) of a joint venture, net of tax	**31**	(127)
Loss before income tax	**(8,289)**	(12,370)
Income tax (expense)/benefit	**(550)**	724
Loss for the year	**(8,839)**	(11,646)
Non-IFRS financial measures		
Adjusted — Earnings before interest, taxes, depreciation, and amortisation	**2,506**	6,755

Revenue

Our revenue increased to US$44.0 million for the 12 months ended June 30, 2023 from US$40.7 million for the 12 months ended June 30, 2022. The increase is primarily attributable to higher average subscription fees. In the 12 months ended June 30, 2023, 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, 2023**	12 months ended June 30, 2022	$ Change	% Change
Vendor and medical credentialing[1]	**43,154**	39,894	3,260	8
Add-on services[2]	**826**	800	26	3
Total	**43,980**	40,694	3,286	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, 2023**	12 months ended June 30, 2022	$ Change	% Change
Timing of Revenue Recognition				
— Over time	**43,674**	40,316	3,358	8
— At a point in time	**306**	378	(72)	(19)
Total	**43,980**	40,694	3,286	8

Cost of Revenue

US$ in thousands	**12 months ended June 30, 2023**	12 months ended June 30, 2022	$ Change	% Change
Employee expenses	**589**	466	123	26
Payment processing fees	**1,181**	1,184	(3)	—
Depreciation expense	**1,645**	3,110	(1,465)	(47)
Others [(1)]	**1,391**	628	763	121
Total	**4,806**	5,388	(582)	(11)

Note:

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

Our total cost of revenues amounted to US$4.8 million for the 12 months ended June 30, 2023, representing a decrease of US$0.6 million from the 12 months ended June 30, 2022. Our total cost of revenue accounted for 10.9% of our total revenue for the 12 months ended June 30, 2023 (12 months ended June 30, 2022: 13.2%). The decrease in our cost as a percentage of revenue is primarily attributable to the revenue growth during the reporting period and a reduction in the cost of revenues for our eBadge technology.

Gross Profit and Gross Profit Margin

Our gross profit for the 12 months ended June 30, 2023 increased to US$39.2 million, representing an increase of 11.0% from US$35.3 million for the 12 months ended June 30, 2022. Our gross profit margin increased to 89.1% for the 12 months ended June 30, 2023 from 86.8% for the 12 months ended June 30, 2022. The increases in our gross profit and gross profit margin are mainly driven by higher average subscription fees.

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, 2023**	12 months ended June 30, 2022	$ Change	% Change
Employee expenses	**4,358**	3,365	993	30
Promotion and advertisement expenses	**460**	682	(222)	(33)
Others[1]	**426**	198	228	115
Total	**5,244**	4,245	999	24

Note:

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

Our selling and marketing expenses increased to US$5.2 million for the 12 months ended June 30, 2023 from US$4.2 million for the 12 months ended June 30, 2022. This increase was primarily attributable to increased staffing in sales and marketing department 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, 2023**	12 months ended June 30, 2022	$ Change	% Change
Employee expenses	**11,053**	10,437	616	6
Dues and subscriptions	**877**	754	123	16
Professional services	**4,938**	4,877	61	1
Rent charges	**602**	820	(218)	(27)
Audit remuneration	**1,184**	1,300	(116)	(9)
IT hosting and maintenance	**848**	331	517	156
Advertising and promotion	**1,255**	484	771	160
Others[1]	**3,592**	2,812	780	28
Total	**24,349**	21,815	2,534	12

Note:

(1) Including amortisation of intangible assets in the amount of US$0.5 million, depreciation of property, plant and equipment in the amount of US$1.6 million, travel expenses of US$0.3 million, office supplies of US$0.4 million and insurance, phone and general office expenses totaling US$0.7 million.

Our general and administrative expenses increased to US$24.3 million for the 12 months ended June 30, 2023 from US$21.8 million for the 12 months ended June 30, 2022. This increase was primarily attributable to increases in employee costs and IT hosting and maintenance.

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, 2023**	12 months ended June 30, 2022	$ Change	% Change
Employee expenses	**7,213**	5,230	1,983	38
Professional service fees	**810**	174	636	365
Amortisation	**5,041**	6,174	(1,133)	(18)
IT hosting and maintenance	**2,224**	2,420	(196)	(8)
Other general expenses	**123**	129	(6)	(4)
Total	**15,411**	14,127	1,284	9

Our research and development expenses increased to US$15.4 million for the 12 months ended June 30, 2023 from US$14.1 million for the 12 months ended June 30, 2022. This increase was primarily attributable to increases in staffing and consulting professional fees, offset by a reduction in amortisation of capitalised development costs.

Other Loss/Income

We incurred other losses of US$0.5 million for the 12 months ended June 30, 2023, compared to other income of US$0.4 million for the 12 months ended June 30, 2022, primarily due to realised foreign exchange losses during the reporting period.

Finance Costs

For the 12 months ended June 30, 2023, our finance costs increased to US$2.3 million from US$1.5 million for the 12 months ended June 30, 2022, primarily due to bank charges on financing activities.

Finance Income

For the 12 months ended June 30, 2023, our finance income increased to US$0.5 million from US$0.1 million for the 12 months ended June 30, 2022, primarily due to interest income on restricted cash during the reporting period.

Other Non-operating Expenses

Our other non-operating expenses decreased to US$0.3 million for the 12 months ended June 30, 2023, from US$6.3 million for the 12 months ended June 30, 2022. As previously disclosed to the market, the unretrieved portion of the Unauthorized Disbursements was written off in the 12 months ended June 30, 2022, further details of which are set out in the 2021–2022 Annual Report of the Company.

Income Tax Expense/Benefit

We incurred income tax expense of US$0.6 million for the 12 months ended June 30, 2023, compared to a US$0.7 million benefit for the 12 months ended June 30, 2022, primarily due to the utilization of net operating losses to reduce taxable income combined with the reversing impact of temporary differences associated with R&D credits for the 12 months ended June 30, 2022.

Loss for the Year

For the first half of the 12 months ended 2023, 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 decreased by 24.1% from US$11.6 million for the 12 months ended June 30, 2022, to US$8.8 million for the 12 months ended June 30, 2023. Our net loss for the 12 months ended June 30, 2023 is mainly attributable to R&D, marketing and other costs in commercializing our medical credentialing business.

Non-IFRS Measures

The Company has presented certain non-IFRS measures in this annual report to provide additional information that the management believes is useful to the reader in gaining a more complete understanding of the operational performance and of the trends. Non-IFRS measures may not be comparable to similarly named measures used by other companies. 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 measures in this annual report.

Earnings before interest, taxes, depreciation, and amortization ("EBITDA") is a Non-IFRS financial measure. 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 expenses 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 — Earnings Before Interest, Taxes, Depreciation, and Amortisation ("EBITDA")

US$ in thousands	**12 months ended June 30, 2023**	12 months ended June 30, 2022	$ Change	% Change
Loss for the year (IFRS)	**(8,839)**	(11,646)	2,807	(24)
Income tax (expense)/benefit	**(550)**	724	(1,274)	(176)
Loss before income tax	**(8,289)**	(12,370)	4,081	(33)
Interest expense, net	**1,740**	1,425	315	22
Loss before interest and taxes	**(6,549)**	(10,945)	4,396	(40)
Depreciation	**3,242**	4,547	(1,305)	(29)
Total amortization	**5,561**	6,695	(1,134)	(17)
Other non-operating expenses[(1)]	**252**	6,458	(6,206)	(96)
Adjusted EBITDA (Non-IFRS)	**2,506**	6,755	(4,249)	(63)

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 other non-operating income/expenses, 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, 2023 included US$283 thousand in expenses related to potential acquisitions, and included US$31 thousand related to gains from investment in joint venture. Other non-operating expenses for the 12 months ended June 30, 2022 included US$6.0 million related to Unauthorized Disbursements, and included US$127 thousand related to losses from investment in joint venture and US$394 thousand related to potential acquisitions, partially offset by gain on redemption of promissory notes of US$93 thousand.

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, 2023**	As at June 30, 2022
ASSETS		
Current assets		
Financial assets at fair value through other comprehensive income	**276**	812
Deposits, prepayments and other receivables	**1,586**	2,515
Restricted cash	**10,800**	12,750
Cash and cash equivalents	**12,758**	23,506
Total current assets	**25,420**	39,583
LIABILITIES		
Current liabilities		
Borrowings	**24,018**	28,511
Lease liabilities	**913**	810
Trade payables	**635**	2,685
Other payables	**5,262**	3,335
Amounts due to related parties	**562**	743
Contract liabilities	**22,102**	22,607
Current income tax liabilities	**943**	—
Total current liabilities	**54,435**	58,691
NET CURRENT LIABILITIES		
Net current liabilities	**(29,015)**	(19,108)
EQUITY		
Total equity and non-controlling interest	**(4,084)**	6,421

Financial assets at fair value through other comprehensive income

The primary decrease in financial assets at fair value through other comprehensive income is related to the changes in fair market value of the underlying equity securities.

Deposits, Prepayments and Other Receivables

Our deposits, prepayments and other receivables decreased to US$1.7 million as at June 30, 2023 from US$2.7 million as at June 30, 2022. The decrease was mainly associated with reductions in prepaid expenses during the reporting period.

Trade Payables

Our trade payables of US$0.6 million as at June 30, 2023, decreased from US$2.7 million as at June 30, 2022, primarily due to timely repayments.

Borrowings

Our total borrowings as of June 30, 2023 amounted to $24.0 million, representing a 15.8% decrease from the balance of US$28.5 million as of June 30, 2022. During the reporting period, the Group obtained from its lender exemptions regarding certain missed covenants applicable to the 12 months ended June 30, 2022 and June 30, 2023, respectively.

Amounts Due to Related Parties

Our amounts due to related parties were US$562 thousand as at June 30, 2023, compared to US$743 thousand as at June 30, 2022. The decrease is primarily a result of management contract with the Group's chief product officer.

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 decreased by 2.2% to US$22.1 million as at June 30, 2023, compared to US$22.6 million as at June 30, 2022. The change is primarily attributable to a decrease in our total subscribers, which effect was partially offset by our increased membership fees.

Equity

Our total equities were US$6.4 million and deficit of US$4.1 million as at June 30, 2022 and June 30, 2023, respectively. The decrease was primarily due to acquisitions by the Group in the open market of RSA shares pursuant to the RSA Schemes equaling a US$2.0 million reduction in equity, and our net loss for the 12 months ended June 30, 2023.

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, 2023	As at and for the 12 months ended June 30, 2022
Gross profit margin	**89.1%**	86.8%
Net profit margin	**(20.1)%**	(28.6)%
Working capital *(US$ in thousands)*[(1)]	**(29,015)**	(19,108)
Current ratio[(2)]	**0.5**	0.7
Gearing ratio[(3)]	**(588.1)%**	444.0%
Return on equity[(4)]	**(756.4)%**	(56.2)%
Return on assets[(5)]	**(13.3)%**	(13.2)%

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, please see the section headed “Management Discussion and Analysis — Financial Review — Gross Profit and Gross Profit Margin” in this annual report.

Net Profit Margin

For details of our net profit margin, please see the section headed “Management Discussion and Analysis — Financial Review — Loss for the Year” in this annual report.

Working Capital

Our working capital as at June 30, 2023 decreased by US$9.9 million, from June 30, 2022. The decrease is primarily related to cash used in operations for the 12 months ended June 30, 2023 and repayments of borrowings of US$4.5 million during the same period.

Current Ratio

The current ratio weakened from 0.7 as of June 30, 2022 to 0.5 as of June 30, 2023. The decrease in our current ratio is primarily a result of repayments on borrowings, and R&D, marketing and other costs in commercializing our medical credentialing business and our eBadge technology.

Gearing Ratio

Our gearing ratio (calculated by dividing (i) total debts by (ii) total equity) decreased to negative of 588.1% as at June 30, 2023, from 444.0% as at June 30, 2022. The decrease is primarily due to acquisitions by the Group in the open market of RSA shares pursuant to the Group's RSA Schemes equaling a US$2.0 million reduction in equity, and our net loss for the 12 months ended June 30, 2023, and borrowing repayments of US$4.5 million during the same period.

Return on Equity

Our return on equity for the 12 months ended June 30, 2023 was negative of 756.4%. The decline from negative of 56.2% for the 12 months ended June 30, 2022 was primarily due to acquisitions by the Group in the open market of RSA shares pursuant to the Group's RSA Schemes equaling a US$2.0 million reduction in equity, and our net loss for the 12 months ended June 30, 2023.

Return on Assets

Our return on assets for the 12 months ended June 30, 2023 was negative of 13.3%, which did not fluctuate materially from our return on assets of negative of 13.2% for the the 12 months ended June 30, 2022.

CAPITAL EXPENDITURE AND COMMITMENTS

Capital Expenditures

The following table sets forth our capital expenditures in the periods indicated:

US$ in thousands	**As at June 30, 2023**	As at June 30, 2022
Property, plant and equipment	**(5,377)**	2,344
Self-developed technology platform	**(18,984)**	5,654
Total	**(24,361)**	7,998

Our capital expenditures decreased from US$8.0 million as at June 30, 2022 to negative of US$24.4 million as at June 30, 2023. We have primarily financed, and expect to continue to finance, our capital expenditures through internally generated cash flows.

Capital Commitments

As of June 30, 2023, the Group entered into contracts to buy property, plant and equipment for US$1.1 million. Delivery is expected throughout the next financial year.

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 Group; 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 R&D 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 12 months ended June 30, 2023, 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 operating expenses are reflected in personnel expenses as our employees are the enablers for setting up infrastructure for growth as reflected in our 2024 projections. Our net loss of US$8.8 million for the 12 months ended June 30, 2023 is mainly attributable to R&D, marketing and other costs in commercializing our medical credentialing business. During the same period, the Group instructed the trustees of the RSA Schemes to acquire in the open market of RSA shares equaling US$2.0 million pursuant to the RSA Schemes. Such expenses represented our investment in employees with a view to retain key talents contributing to our business growth and to maximise our Shareholder value.

As at June 30, 2023, we had bank and other borrowings and lease liabilities repayable within the next 12 months totaling US$24.9 million, whereas our cash and cash equivalents and restricted cash amounted to US$23.7 million. We have proactively taken various measures to improve our liquidity position, details of which are set out in Note 2 (Basis of Preparation) to the consolidated financial statements contained in this annual report. Please see the section headed "Management Discussion and Analysis — Business Overview — Liquidity" in this annual report for a discussion on the sufficiency of our working capital for the next 12 months from June 30, 2023.

Our total borrowings as of June 30, 2023 amounted to US$24.0 million, representing a 15.8% decrease from the balance as of June 30, 2022 totaling US$28.5 million. We have obtained from the lender exemptions for certain missed covenants applicable to both the reporting periods ended June 30, 2023 and June 30, 2022.

NET CURRENT ASSETS/LIABILITIES

We incurred net current liabilities of US$29.0 million as at June 30, 2023, an increase compared to US$19.1 million as at June 30, 2022. Total current assets decreased by US$14.2 million, and total current liabilities decreased by US$4.3 million, primarily due to repayments of borrowings, acquisitions by the Group in the open market of RSA shares equaling US$2.0 million pursuant to the RSA Schemes, and cash used in operations for the 12 months ended June 30, 2023.

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. Our total restricted cash as at June 30, 2023 amounted to US$10.9 million, and our total restricted cash as at June 30, 2022 amounted to US$12.8 million. The decrease was due to repayments of borrowings during the 12 months ended June 30, 2023.

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

US$ in thousands	**As at June 30, 2023**	As at June 30, 2022
Restricted cash — Non-current	**143**	94
Restricted cash — Current	**10,800**	12,750
Total	**10,943**	12,844

The current restricted cash as at June 30, 2023 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, 2023 represented the restricted deposits held in the employee shares trust.

PLEDGE OF ASSETS

As at June 30, 2023, the Group has pledged current assets in the form of restricted cash of US$10.9 million as collateral against its bank 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 R&D activities are performed. During the 12 months ended June 30, 2023, 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, 2023**	As at June 30, 2022
HKD	**238**	2,788
USD	**11,671**	20,014
GBP	**708**	625
NTD	**67**	37
CAD	**63**	42
EUR	**11**	—
Total	**12,758**	23,506

INDEBTEDNESS

Borrowings

Our total borrowing balance as at June 30, 2023 amounted to US$24.0 million with variable interest rates per annum ranged between 3.60%–8.18% (June 30, 2022: US$28.5 million with variable interest rates per annum ranged between 1.68%–4.80%). As at June 30, 2023, there were no borrowings with fixed interest rates. The borrowings are secured by certain bank deposits and are in US$.

During the 12 months ended June 30, 2023, the Company did not issue any financial instruments for hedging purposes.

US$ in thousands	**As at June 30, 2023**	As at June 30, 2022
Borrowings		
— Current	**24,018**	28,511
— Non-current	**—**	—
Total	**24,018**	28,511

CONTINGENT LIABILITIES

As at June 30, 2023, 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 parties agreed to a settlement of US$10,000 on August 25, 2023. The payment was delivered on September 14, 2023.

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 annual report, 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.

Except as disclosed above, as at June 30, 2023, the Group did not have other known contingent liabilities.

EMPLOYEES AND REMUNERATION POLICY

As of June 30, 2023, the Group had 184 employees (June 30, 2022: 143 employees). Total staff remuneration expenses including Directors' remuneration for the 12 months ended June 30, 2023, equals US$30.5 million (June 30, 2022: US$19.5 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 and the RSA Schemes to attract, retain, and incentivise our key employees to accelerate the Company's growth.

The remuneration of the Directors is reviewed by the Remuneration Committee and approved by the Board. When determining the emolument of a Director, the following considerations are given: experience, duties and responsibilities, time commitment, and the prevailing market conditions.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

Please see "Financial Risk Management" (Note 37) to the consolidated financial statements in this annual report for details.

DIVIDENDS

The Board does not recommend the payment of a final dividend for the 12 months ended June 30, 2023.

CORPORATE GOVERNANCE PRACTICE

The Board is committed to maintaining high corporate governance standards. During the 12 months ended June 30, 2023, the Company has applied the principles 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, 2023.

As of the date of this annual report, the Company has a single-gender Board. Noting that a single gender Board will not be considered as having achieved board diversity, the Company will take appropriate measures to review the structure and composition of the Board and appoint a Director of a different gender on or before December 31, 2024.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its 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, 2023. The Company has made specific inquiries to 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

Save for the Shares as may be purchased by the trustee from time to time pursuant to the RSA Schemes, during the 12 months ended June 30, 2023, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the reporting period.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

We were committed to an initial capital injection to Sciencare, a non-consolidated joint venture of our Company, of approximately US$1.0 million pursuant to the agreements entered into in May 2018. We contributed US$0.3 million and US$0.4 million to Sciencare as installments of our committed capital injection in February 2019 and January 2021, respectively. The joint venture company was incorporated in the PRC with limited liability on March 21, 2018. Sciencare is using IntelliCentrics' health technology in developing a healthcare technology system in the PRC that is committed to providing patients with a trusted and supportive healthcare service. For the development and use of technology, IntelliCentrics receives a licensing fee as a percentage of revenue. This strategic joint venture is 40.0% owned by IntelliCentrics Zengine (Hong Kong) Company Limited, a subsidiary of our Group. The carrying amount of the Company's investment in the joint venture was zero as at June 30, 2023, which amounted to less than 1% of the total assets of the Group.

On August 20, 2019, the Group acquired the overseas listed equity securities, AerKomm Inc. As a strategic investment, the Group purchased 118,000 shares of AerKomm Inc., representing approximately 1.3% of the issued and outstanding shares of AerKomm Inc., at the cost of US$5.0 million. AerKomm Inc. is listed on the Nasdaq, OTCQX market and Euronext Paris. AerKomm Inc. is a service provider of in-flight connectivity and entertainment solutions and has tools that support Ka HTS mobile satellite technology, H.265 video compression, and satellite acceleration technology. The fair value of the Company's investment in AerKomm Inc. amounted to US$0.3 million as at June 30, 2023 or approximately 0.5% of the Company's total assets. As at June 30, 2023, the Company had recorded an unrealised loss on this investment of US$4.7 million through other comprehensive income due to the reduction in the fair value of the AerKomm Inc.'s shares as indicated by the quoted market price on June 30, 2023. For the 12 months ended June 30, 2023, there were no dividends received from this investment.

Saved as disclosed above, there were no other significant investments, nor material acquisitions or disposals of subsidiaries, associate and joint ventures during the 12 months ended June 30, 2023.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As of June 30, 2023, there were no future plans for material investments or capital assets.

EVENTS AFTER THE REPORTING PERIOD

On July 20, 2023, the Group entered into the agreement with the lender of its bank borrowings to extend the repayment date by three months from December 2023 to March 2024. Save as disclosed above, there were no significant events affecting the Group subsequent to the end of the 12 months ended June 30, 2023.

REVIEW OF ANNUAL RESULTS BY THE AUDIT COMMITTEE

The Audit Committee has reviewed the audited annual results of the Group for the 12 months ended June 30, 2023. It is the opinion of the Audit Committee that the preparation of such annual results had been prepared in accordance with the applicable accounting principles and standards and adequate disclosures have been made.

EXECUTIVE DIRECTORS

Mr. Lin Tzung-Liang (林宗良), aged 59, is a Controlling Shareholder, chairman of the Board, an executive Director and the interim chief executive officer for our APAC (Asia-Pacific) companies. Since founding our Group in 2010, Mr. Lin has been the driving force behind the development, growth and expansion of our Group's business, helping build a successful and innovative healthcare technology platform that provides managed services to improve the healthcare industry's safety and compliance. Mr. Lin is primarily responsible for formulating the overall development strategies and business plans and overseeing the operations of our Group. Mr. Lin is also a director of several of our principal operating entities.

Mr. Lin founded VTC Electronics in 1995, where he developed innovative technologies for the security sector, bringing new video and imaging tools to the market. Since then, Mr. Lin has garnered over 20 years of start-up, investment and management experience in various industries including the healthcare industry.

Mr. Lin obtained his Bachelor's degree in Business Administration from Soochow University in June 1987, and his Master's degree in Business Administration from Peking University in July 2016.

Mr. Michael James Sheehan, aged 54, joined our Group as a director of USA deView, Inc. (a member of our Group) in June 2004 and was responsible for incorporating USA deView, Inc., a wholly-owned subsidiary of our Group for the purpose of introducing the Company's products to North America. In June 2010, while retaining all his current responsibilities, he was nominated to the board of directors of the parent company, VTC Electronics, and held the position until June 2016. In this capacity, Mr. Sheehan was subsequently given the additional responsibility of overseeing our Group's operations in the United Kingdom. In April 2012, Mr. Sheehan was named the group chief executive officer of the parent company, VTC Electronics, and remained in that position until the reorganisation of VTC Electronics which separated the CCTV Business (as defined in the Prospectus) from the Listing Business (as defined in Note 1 to the consolidated financial statements in this annual report below). Following the reorganisation, Mr. Sheehan devoted his time exclusively to the operations of our Group in the capacity of CEO and was appointed as an executive Director on September 5, 2018. In this role, Mr. Sheehan is primarily responsible for overseeing the management and operation of our Group's overall business, including the development of our business model, our technology development and selection, the development of our business growth strategies, our Group's decision-making processes and organisational structure, and the management of day-to-day operations. Mr. Sheehan is also a director of several of our principal operating entities.

Prior to joining our Group in 2004, Mr. Sheehan was with Honeywell from 1995 to 2004 and by the time he left, he was named the vice president of Six Sigma, a position which he held until he joined our Group as a director of USA deView, Inc. in 2004.

Mr. Sheehan obtained his Bachelor's degree in Apparel Merchandising from the College of Arts and Sciences at Indiana University Bloomington in May 1991.

NON-EXECUTIVE DIRECTORS

Mr. Lin Kuo-Chang (林國璋), aged 65, has been a non-executive Director since September 5, 2018. He has played a key role in providing strategic advice and guidance on the international business development and expansion of our Group. He has nearly 30 years of experience in corporate governance, securities, and investments.

Mr. Lin Kuo-Chang was the supervisor of VTC Electronics from June 2013 to May 2014 and a director of VTC Electronics from May 2014 to March 2017. He served as president of First Taisec Securities from April 2003 to March 2008. Prior to that, he served as the chairman and general manager of Grand Orient Securities (大東證券) until February 1998, the general manager of Xie He Securities (協和證券) until April 2002, and was with Waterland Futures Brokerage Co., Ltd. (國票期貨經紀股份有限公司) between November 2002 and February 2003. From June 1983 to January 1998, he was with Jian Hong Securities Co., Ltd. (建弘證券股份有限公司), where he held the position of vice general manager at the Underwriting Department and vice president at the Sales Department.

Mr. Lin Kuo-Chang obtained his Bachelor's degree in Insurance from Tamkang University in June 1981.

Mr. Leo Hermacinski, aged 64, has been a non-executive Director since January 23, 2020. He has over 20 years of experience in strategy consulting where he works with clients primarily in the technology and industrial sectors, from start-ups through to major global corporations. Mr. Hermacinski has supported our efforts by providing strategy and operational support as an independent consultant. Previously, he was a partner in the Parthenon Group from 1995 to 2011, where he advised companies and private equity firms on business strategy. He also served as the chief executive officer of dSide Technologies from 2012 to 2015, where he was responsible for setting strategic direction, building organisation, identifying and developing lead customers.

Mr. Hermacinski obtained a Bachelor of Science degree in Electrical Engineering from Imperial College and a Master of Science degree in Electrical Engineering from King's College, University of London. He also holds a Master of Management from the Kellogg Graduate School of Management at Northwestern University.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Hsieh Yu Tien (謝玉田), aged 71, has been an independent non-executive Director since January 23, 2020, helping our Company develop our business development strategy and international market opportunities. He brings tremendous insight from his board experience at Taiwan Oasis Technology Co., Ltd., Sun Max Tech Limited and King Core Electronics Inc. Previously, he served as a supervisor of King Core Electronics Inc., and as a director at Federal Corporation and Usun Technology Co., Ltd., both of which are companies listed in Taiwan. He is also a part-time lecturer at the Department of Business Administration of Shih Chien University.

Mr. Hsieh holds a Bachelor's degree in Cooperative Economics from Tam Kang University, Taiwan, and a Master of Business Administration degree from Chinese Culture University, Taiwan. He also obtained the Securities Investment Analyst Certification issued by the Securities Regulatory Commission and the University Lecturer Competency Certification authorised by the Ministry of Education of Taiwan.

Mr. Wong Man Chung Francis (黃文宗), aged 58, has been an independent non-executive Director since January 23, 2020. He is a Certified Public Accountant and has over 30 years of experience in auditing, taxation, corporate internal control and governance, acquisition and financial advisory, corporate restructuring and liquidation, family trust and wealth management. He is currently an independent non-executive director of China Oriental Group Company Limited, Digital China Holdings Limited, Wai Kee Holdings Limited, Integrated Waste Solutions Group Holdings Limited, Greenheart Group Limited, Hilong Holding Limited, Qeeka Home (Cayman) Inc., and Shanghai Dongzheng Automotive Finance Co., Ltd., all of which are companies listed in Hong Kong. He was an independent non-executive director of China New Higher Education Group Limited and GCL Technology Holdings Limited (formerly known as GCL-Poly Energy Holdings Limited), which are companies listed in Hong Kong. Mr. Wong is the founding director and member of Francis M.C. Wong Charitable Foundation Limited. Previously, Mr. Wong worked for KPMG for 6 years and The Hong Kong Securities Clearing Company Limited for 2 years. Mr. Wong is a fellow member of the Association of Chartered Certified Accountants, the Institute of Chartered Accountants in England and Wales, the Society of Chinese Accountants and Auditors and Hong Kong Institute of Certified Public Accountants, and a chartered tax adviser of the Taxation Institute of Hong Kong.

Mr. Wong holds a Master's degree in Management conferred by Guangzhou Jinan University in the PRC.

Mr. Liao Xiaoxin (廖小新), aged 43, has been an independent non-executive Director since February 20, 2023. He is a partner in the Hong Kong office of Zhong Lun Law Firm LLP, a full-service business law firm headquartered in the PRC. He is currently an independent non-executive director of Mulsanne Group Holding Limited, which is a company listed in Hong Kong. Mr. Liao has been practicing as a lawyer for over 20 years and is currently admitted to practice in Hong Kong, England and Wales and the PRC. Prior to joining Zhong Lun Law Firm LLP, Mr. Liao has also practiced in other law firms in Hong Kong, London and Shenzhen. Mr. Liao has extensive experience in Hong Kong capital markets matters such as initial public offerings, bond offerings, public takeovers, privatizations and general compliance for listed companies. He also advises clients on crossborder mergers and acquisitions and private equity investments.

Mr. Liao obtained a Bachelor of Laws degree from Guangdong University of Foreign Studies (廣東外語外貿大學) in the PRC in June 2001, a Master of Laws from King's College London in the U.K. in November 2007, a graduate diploma in law from The University of Law in the U.K. in August 2008 and subsequently completed the Legal Practice Course at BPP University Law School in the U.K. in May 2010. Mr. Liao was admitted as a practicing lawyer in the PRC in July 2002, a solicitor in England and Wales in October 2012 and a solicitor in Hong Kong in May 2018.

SENIOR MANAGEMENT

Mr. Michael McDonald, aged 59, has been the Chief Operating Officer since March 1, 2019, delivering trust to our customers by establishing and implementing innovative people and facility strategies. Prior to joining IntelliCentrics, Mr. McDonald held leadership positions at start-ups. Most recently, he was an executive vice president for operations and manufacturing at Peacock Alley, where he played a transformational role in growing the company three times faster than the industry rate. Prior to Peacock Alley, Mr. McDonald was with Everthread, a Series A technology start-up that offers a Software-as-a-Service (SaaS) platform to mid to large-sized retail clients looking to increase e-commerce and in-store sales. In this role, he consulted on service delivery operations, and legal and organisational structure.

In addition to his success and diverse experience in operational leadership, Mr. McDonald is a Texas licensed attorney with extensive international deal-making experience in the software industry and brings his legal acumen to his professional roles as a value-add. Mr. McDonald was admitted to the Texas State Bar in 1993.

He earned a Bachelor's degree in Business Administration from Concordia College and his Juris Doctor from Louisiana State University.

Mr. Hans Moller, aged 51, was formally appointed as the Company's Chief Financial Officer (CFO) with effect from August 7, 2022. He has had over 15 years of CFO experience in diverse industries as the strategic partner to the chief executive officer. Adept at building and leading collaborative teams to drive execution while optimizing the control environment, Mr. Moller possesses significant business development experience integrating acquisitions and implementing Enterprise Resource Planning (ERP) systems. He is a solutions-oriented leader with a demonstrated commitment to continuous improvement and has proven ability to prioritize, analyze, innovate, plan, and deliver results.

Mr. Moller has worked for large multinational corporations in several senior management roles, with his last position as the CFO for Brinks Inc., managing US$1.2 billion annual revenues with responsibilities for over 12,000 employees.

Mr. Moller is fluent in German, English and Spanish.

The Directors submit their annual report together with the audited consolidated financial statements for the 12 months ended June 30, 2023.

REORGANISATION AND GLOBAL OFFERING

Our Company was incorporated in the Cayman Islands on June 3, 2016 as an exempted company with limited liability. Pursuant to a group reorganisation (the "Reorganisation"), as fully explained in the section headed "History, Reorganisation and Development" in the Prospectus, the Company became the holding company of the companies now comprising the Group. The Shares have been listed on the Main Board of the Stock Exchange since March 27, 2019.

USE OF PROCEEDS FROM THE COMPANY'S GLOBAL OFFERING

On June 10, 2022, the Board resolved to change the use of the net proceeds raised from its IPO (the "Net Proceeds") with effect from that date. For further details, please refer to the announcement of the Company dated June 10, 2022 (the "June 2022 Announcement"). The schedule below sets out (i) the status on the allocation and the usage of the Net Proceeds between March 27, 2019 to April 30, 2022; (ii) the used amount (the "Used Amount") and the unused amount (the "Unused Amount") of the Net Proceeds as of April 30, 2022 before and after the re-allocation among various proposed applications; (iii) the status on the allocation and usage of the Net Proceeds between April 30, 2022 to June 30, 2022; (iv) the status on the allocation and usage of the Net Proceeds between June 30, 2022 to June 30, 2023; (v) the Unused Amount as of June 30, 2023; and (vi) the expected timing for the full utilization of the Unused Amount. Since June 10, 2022, the Net Proceeds have been utilized in accordance with the proposed applications as set out in the June 2022 Announcement.

Purpose	Allocation of the Net Proceeds from the IPO based on the 2018 Annual Report and the 2021 Interim Report of the Company *(HK$ million, approximately)*	The Used Amount as of April 30, 2022 *(HK$ million, approximately)*	The Unused Amount before the re-allocation as of April 30, 2022 *(HK$ million, approximately)*	The Unused Amount after the re-allocation as of April 30, 2022 *(HK$ million, approximately)*	The Used Amount between April 30, 2022 and June 30, 2022 *(HK$ million, approximately)*	The Used Amount between June 30, 2022 and June 30, 2023 *(HK$ million, approximately)*	The Unused Amount as of June 30, 2023 *(HK$ million, approximately)*	Expected timeline of the intended use of the Unused Amount, subject to then management assessment, market conditions, and the business operations and financial needs of the Group
Commercial efforts supporting each of our geographies[1]	234.60	70.18	164.42	77.85	9.86	44.75	23.24	Expected to be fully utilized within 24 months of the date of the June 2022 Announcement
Increasing technology investment[2]	–	–	–	67.07	9.84	48.37	8.86	Expected to be fully utilized within 24 months of the date of the June 2022 Announcement
Repaying the principal amount of a bank facility in connection with the Reorganisation	117.70	117.70	–	–	–	–	–	N/A
Funding new and potential mergers, acquisitions and strategic alliances[3]	5.03	5.03	–	19.50	–	–	19.50	Expected to be fully utilized within 24 months of the date of the June 2022 Announcement
Working capital and other general corporate purposes	39.62	39.62	–	–	–	–	–	N/A
Total	**396.95**	**232.53**	**164.42**	**164.42**	**19.70**	**93.12**	**51.60**	

Loans and expenses are in US$. Conversion to HK$ used the exchange rate of 7.79158.

Notes:

(1) Previously referred to as "sales and marketing efforts, primarily for promoting our newly launched medical credentialing solution and pipeline solutions" before the re-allocation.

(2) It is a newly added application of the Net Proceeds pursuant to the re-allocation.

(3) Previously referred to as "funding potential acquisitions and developing strategic alliances" before the re-allocation.

USE OF PROCEEDS FROM THE COMPANY'S GLOBAL OFFERING IN US$

Purpose	Allocation of the Net Proceeds from the IPO based on the 2018 Annual Report and the 2021 Interim Report of the Company *(US$ million, approximately)*	The Used Amount as of April 30, 2022 *(US$ million, approximately)*	The Unused Amount before the re-allocation as of April 30, 2022 *(US$ million, approximately)*	The Unused Amount after the re-allocation as of April 30, 202 *(US$ million, approximately)*	The Used Amount between April 30, 2022 and June 30, 2022 *(US$ million, approximately)*	The Used Amount between June 30, 2022 and June 30, 2023 *(US$ million, approximately)*	The Unused Amount as of June 30, 2023 *(US$ million, approximately)*	Expected timeline of the intended use of the Unused Amount, subject to then management assessment, market conditions, and the business operations and financial needs of the Group
Commercial efforts supporting each of our geographies[(1)]	30.09	9.01	21.08	9.98	1.26	5.74	2.98	Expected to be fully utilized within 24 months of the date of the June 2022 Announcement
Increasing technology investment[(2)]	–	–	–	8.60	1.26	6.20	1.14	Expected to be fully utilized within 24 months of the date of the June 2022 Announcement
Repaying the principal amount of a bank facility in connection with the Reorganisation	15.10	15.10	–	–	–	–	–	N/A
Funding new and potential mergers, acquisitions and strategic alliances[(3)]	0.65	0.65	–	2.50	–	–	2.50	Expected to be fully utilized within 24 months of the date of the June 2022 Announcement
Working capital and other general corporate purposes	5.08	5.08	–	–	–	–	–	N/A
Total	**50.91**	**29.83**	**21.08**	**21.08**	**2.53**	**11.94**	**6.62**	

Conversion from HK$ used the exchange rate of 7.79158.

Notes:

(1) Previously referred to as "sales and marketing efforts, primarily for promoting our newly launched medical credentialing solution and pipeline solutions" before the re-allocation.

(2) It is a newly added application of the Net Proceeds pursuant to the re-allocation.

(3) Previously referred to as "funding potential acquisitions and developing strategic alliances" before the re-allocation.

PRINCIPAL ACTIVITIES

The Group operates a technology platform of trust in healthcare known as SEC^{3}URE. The evolution of the platform started with supporting LoCs with credentialing which is a difficult area of regulatory compliance for vendors and medical service providers. The platform collects and verifies data and information in accordance with government regulations and the requirements for approximately 10,000 LoCs. The system collects, monitors, and schedules the coordination of "real-time approved, credentialed" medical professionals into the right location at the right time. This foundational platform has created greater trust and transparency in the healthcare industry, supporting healthcare professionals and their patients. With the global outbreak of COVID-19, the Company accelerated its pace to release over 300 enhancements to the platform including collecting, monitoring, and scheduling for LoCs, medical professionals, the patient and their friends and family.

A list of the Company's subsidiaries, together with their places of incorporation, principal activities, and particulars of their issued shares/paid up capital, is set out in Note 34 to the consolidated financial statements in this annual report.

BUSINESS REVIEW

A review of the business of the Group during the financial year ended June 30, 2023 and a discussion on the Group's future business development initiatives are set out in the "Chairman and CEO's Statement" and "Management Discussion and Analysis — Business Review and Outlook" sections in this annual report. The financial risk management objectives and policies of the Group are set out in Note 37 to the consolidated financial statements in this annual report. Significant events that have impacted the Group after the end of the financial year ended June 30, 2023 are set out below and in Note 40 to the consolidated financial statements in this annual report. Like all companies in our industry, we face general risks and uncertainties. We look to minimise those risks through key relationships between the Group and its employees, customers and suppliers, the environmental policies, and compliance with the relevant laws and regulations. The Group lists the significant impacts as set out below.

(a) Principal risks and uncertainties

The Board is ultimately responsible for ensuring that the risk management practices of the Group are sufficient to mitigate the risks present in its businesses and operations as efficiently and effectively as possible. The CEO reports to the Board and assists the Board in overseeing the risk management and mitigation.

The Group's principal revenue activities are generated from its SEC^{3}URE platform for the healthcare industry. It will be exposed to a variety of key risks, including operational risk, compliance risk and legal risk. There may be other risks and uncertainties which are not known to the Group or which may or may not be material.

COVID-19. The global pandemic of the coronavirus disease known as COVID-19 has directly impacted people, employees, businesses, and financial economies. As an essential business in healthcare, our employees have adapted to the changing environment of work-from-home and using "personal prudence" attitude with local safety measures when working at the office. As the nature of our principal business is to support LoCs and healthcare workers in the fight against COVID-19, our expenses have increased when we incorporate our efforts through the rapid development of technology. This technology directly improved the processes, safety, certifications, and mobility of healthcare workers in relation to the fight against COVID-19 and our value proposition to LoCs. While our value is increasing, quarantines and limited healthcare procedures can have a negative impact on revenue. Revenue is expected to return and increase as our services are a requirement for compliance with government regulations in the countries in which we do business.

(b) Environmental policies and performance

The Group recognises the importance of proper adoption of environmental policies which is essential to the attainability of corporate growth. The management has formulated an environment management policy for the Group based on applicable environmental laws, regulations, and standards. Our Chief Operating Officer is responsible for the Group's ESG policies and processes to ensure compliance with the applicable environmental laws and regulations. The Group enhances our environmental performance by selecting vendors that have good environmental policies, including the use of renewable energy.

(c) Compliance with laws and regulations

While the Company is a holding company incorporated in the Cayman Islands with its Shares listed on the Main Board of the Stock Exchange, the Group's operations are mainly carried out by the Company's subsidiaries in the United States, provinces of Quebec and Ontario in Canada, and the United Kingdom. The Group's establishments and operations shall accordingly comply with the relevant laws and regulations in the United States, the provinces of Quebec and Ontario in Canada, the United Kingdom, the Cayman Islands and Hong Kong. During the 12 months ended June 30, 2023, our businesses were in all material aspects in compliance with all the relevant laws and regulations in these jurisdictions.

(d) Relationships with key stakeholders

The Group's success also depends on the support from the key stakeholders which comprise our employees, customers, suppliers, and Shareholders.

(i) Employees

Employees are regarded as the most important and valuable assets of the Group. The objective of the Group's human resource management is to reward and recognise performing staff by providing a competitive remuneration package comprising base compensation, incentives, benefits, and the RSA Schemes. The Group supports employee development and advancement by providing training, mentoring, teamwork, and education.

(ii) **Customers**

The Group's principal customers are LoCs and subscribers. The Group's mission is to provide excellent service while maintaining our revenue growth, long-term profitability, and humanitarian support. Various means have been established to strengthen the communication between the customers and the Group in the provision of excellent service.

(iii) **Suppliers**

Sound relationships with key suppliers of the Group are important in the supply chain which can derive cost effectiveness and foster long-term business benefits. The key suppliers include credit card and payment processing companies, add-on service vendors, programming partners, and business consultants.

(iv) **Shareholders**

The Group's corporate goal is to create extreme value for all stakeholders. The Group is poised to foster business to achieve revenue growth, financial results, and operating cash flow, thereby supporting future operations, capital requirements, and surplus to the Shareholders.

(e) Events after the reporting period

On July 20, 2023, the Group entered into the agreement with the lender of its bank borrowings to extend the repayment date by three months from December 2023 to March 2024. Save as disclosed in this annual report, there were no significant events affecting the Group subsequent to the end of the 12 months ended June 30, 2023.

RESULTS AND DIVIDEND

The results of the Group for the 12 months ended June 30, 2023 are set out in the section headed "Consolidated Statement of Profit or Loss and Other Comprehensive Income or Loss" in this annual report. The Board does not recommend the payment of a final dividend for the 12 months ended June 30, 2023.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, December 12, 2023 to Friday, December 15, 2023, both days inclusive, in order to determine the eligibility of Shareholders to attend the AGM, during which period no Share transfers will be registered. To be eligible to attend the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, December 11, 2023.

SHARE CAPITAL

There were no purchases, sales or redemptions of the company's listed securities by the Company or any of its subsidiaries during the 12 months ended June 30, 2023. Details of the movements in the share capital of the Company for the 12 months ended June 30, 2023 are set out in Note 25 to the consolidated financial statements in this annual report.

RESERVES

Details of the movements in the reserves of the Group for the 12 months ended June 30, 2023 are set out in the section headed "Consolidated Statement of Changes in Equity" in this annual report. As at June 30, 2023, the Company had a share premium balance of US$72.8 million, which shall be available for distribution to the Shareholders.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the Group's property, plant and equipment for the 12 months ended June 30, 2023 are set out in Note 17 to the consolidated financial statements in this annual report.

FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the past five financial years are set out in the section headed "Financial Summary" in this annual report.

BORROWINGS

As at June 30, 2023, the Group had borrowings of US$24.0 million (June 30, 2022: US$28.5 million).

PLEDGE OF ASSETS

As at June 30, 2023, the bank deposits of US$10.9 million (June 30, 2022: US$12.8 million) were restricted deposits held as security for certain banking borrowings of the Group.

MAJOR CUSTOMERS AND SUPPLIERS

Our customers are comprised of our LoCs and paying subscribers. As of June 30, 2023, we had 125,750 paying subscribers in which a significant portion of our customers are located in the United States. During the 12 months ended June 30, 2023, no single customer contributed more than 1.0% to our total revenue and we did not have a concentration risk.

Purchases from the Group's five largest suppliers in aggregate accounted for approximately 40.3% (June 30, 2022: approximately 69.0%) of the total purchases for the financial year ended June 30, 2023 and purchases from the largest supplier accounted for approximately 17.8% (June 30, 2022: approximately 29.8%) of our total purchases for the financial year ended June 30, 2023.

To the best knowledge of the Directors, none of the Directors or any of their close associates (as defined in the Listing Rules) or Shareholders that owned more than 5.0% of the total number of issued Shares had any direct or indirect interest in the five largest customers or the five largest suppliers of the Group during the 12 months ended June 30, 2023.

DIRECTORS

The Directors during the 12 months ended June 30, 2023 and up to the date of this annual report are as follows:

Executive Directors

Mr. Lin Tzung-Liang *(Chairman)*
Mr. Michael James Sheehan *(Chief Executive Officer)*

Non-executive Directors

Mr. Lin Kuo-Chang
Mr. Leo Hermacinski

Independent Non-executive Directors

Mr. Hsieh Yu Tien
Mr. Wong Man Chung Francis
Ms. Huang Yi-Fen *(retired on December 15, 2022)*
Mr. Liao Xiaoxin *(appointed on February 20, 2023)*

THE BIOGRAPHY OF THE DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and senior management of the Company are set out in the section headed "Directors and Senior Management" in this annual report. None of the Directors are related to each other.

SERVICE CONTRACTS OF THE DIRECTORS

Mr. Sheehan, our executive Director and the CEO, entered into a service contract with the Group with effect from July 1, 2022, pursuant to which his term of service would expire on June 30, 2026, subject to extension by mutual agreement in accordance with the terms of the service contract. The service contract shall be subject to termination in accordance with its terms. Other than Mr. Sheehan, each of the Directors has entered into a service contract with the Company for a term of three years and shall be terminable by either party giving not less than three months' notice in writing to the other.

Save as disclosed above, none of the Directors has a service contract with any member of the Group which is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

DISCLOSURE OF CHANGES IN INFORMATION ON DIRECTORS

1. The Remuneration Committee and Board of Directors approved an increase in remuneration of Mr. Sheehan, to US$800,000 in base salary in September 2022. In addition to the base salary, Mr. Sheehan is eligible to receive an annual bonus of up to a maximum of US$1,500,000 per year in accordance with the performance criteria that the parties may agree to from time to time. A one-time bonus may also be payable in the event Mr. Sheehan is required to discharge substantial additional work and effort falling beyond his ordinary scope of duties, which would be determined based on the nature and amount of work performed and any other factors the Company deems appropriate.

2. Ms. Huang Yi-Fen retired as an independent non-executive Director on December 15, 2022. Simultaneously with her retirement as an independent non-executive Director, Ms. Huang also ceased to be a member of the Audit Committee and the Nomination Committee. Due to change in personal circumstances of Ms. Huang, the Board has resolved not to recommend Ms. Huang for re-election at the AGM held on December 15, 2022.

3. Mr. Liao Xiaoxin has entered into a letter of appointment with the Company for a term of three years commencing from his date of appointment on February 20, 2023. With Mr. Liao being appointed as an independent non-executive Director and a member of the Audit Committee and the Nomination Committee. The directorship of Mr. Liao is subject to retirement by rotation and re-election in accordance with the Listing Rules and the Articles of Association. Mr. Liao is entitled to receive a basic annual remuneration of HK$300,000, which has been determined with reference to his duties and responsibilities with the Group, the current market level and the Company's remuneration policy, and has been reviewed by the Remuneration Committee. Mr. Liao will be entitled to additional remuneration for serving as a member and/or chairman of a committee of the Board.

4. As disclosed in the announcements of the Company dated November 30, 2022, December 15, 2022 and February 20, 2023, following the retirement of Ms. Huang Yi-Fen as an independent non-executive Director (and also a member of the Audit Committee and the Nomination Committee) on December 15, 2022, the Board did not meet the requirements under Rules 3.10(1), 3.21 and 3.27A of the Listing Rules. With Mr. Liao Xiaoxin being appointed as an independent non-executive Director (and also a member of the Audit Committee and the Nomination Committee) on February 20, 2023, the Company has three independent non-executive Directors and has since been in compliance with Rules 3.10(1), 3.21 and 3.27A of the Listing Rules.

Pursuant to Rule 13.51B of the Listing Rules, there were no other changes of information on Directors for the 12 months ended June 30, 2023 save as disclosed in this annual report.

REMUNERATION OF THE DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the Directors' remuneration and the five highest paid individuals in the Group are set out in Note 9 and Note 35 to the consolidated financial statements in this annual report.

The remuneration of the members of the Group's senior management by band for the 12 months ended June 30, 2023 and 12 months ended June 30, 2022 is as follows:

	Year ended June 30, 2023	Year ended June 30, 2022
	(number of individuals)	
Emoluments bands:		
HK$ 2,000,001 to HK$ 2,500,000	**—**	—
HK$ 2,500,001 to HK$ 3,000,000	**—**	3
HK$ 3,000,001 to HK$ 3,500,000	**2**	—
HK$ 3,500,001 to HK$ 4,000,000	**1**	—
HK$ 5,500,001 to HK$ 6,000,000	**—**	2
HK$ 6,000,001 to HK$ 6,500,000	**—**	1
HK$ 7,500,001 to HK$ 8,000,000	**—**	1
HK$ 8,000,001 to HK$ 8,500,000	**1**	—
HK$ 13,500,001 to HK$ 14,000,000	**1**	—
Total(1)	**5**	7

Note:

(1) During the 12 months ended June 30, 2023, one member of the Group's senior management exited the Group. As such, a total of 5 members of the Group's senior management received remuneration during the 12 months ended June 30, 2023.

EMPLOYEE AND REMUNERATION POLICY

As of June 30, 2023, the Group had 184 employees (June 30, 2022: 143 employees). Total staff remuneration expenses including Directors' remuneration for the 12 months ended June 30, 2023, equals US$30.5 million (June 30, 2022: US$19.5 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 and the RSA Schemes to attract, retain, and incentivise our key employees to accelerate the Company's growth.

The remuneration of the Directors is reviewed by the Remuneration Committee and approved by the Board. When determining the emolument of a Director, the following considerations are given: experience, duties and responsibilities, time commitment, and the prevailing market conditions.

INDEPENDENCE OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company believes that all the independent non-executive Directors are independent in accordance with the guidelines set out in the Listing Rules.

NON-COMPETITION UNDERTAKINGS

As disclosed in the Prospectus, our Controlling Shareholders, Mr. Lin and Ocin Corp., have undertaken to the Company in a deed of non-competition (the "Deed of Non-Competition") that, except with the prior written consent of the Company, during the Non-Compete Period, they would not, directly or indirectly, carry out, control or provide consultancy or similar services to, any business that competes or may compete with the principal business of the Group, being the provision of credentialing services for vendor representatives and/or medical staff. Nothing in the undertakings shall prevent the Controlling Shareholders from acquiring a direct or an indirect shareholding interest or interest in other securities of not more than 5% (individually or taken together with their respective close associates) in a company listed on a recognised stock exchange anywhere in the world and engaged in any business that competes or may compete with the principal business which the Group carries out as at the Listing Date, being the provision of credentialing services for vendor representatives and/or medical staff.

Our Controlling Shareholders have undertaken in the Deed of Non-Competition to provide and to procure the provision to us all information necessary for the enforcement of the undertakings contained therein, and to make a statement in our annual report confirming their compliance with the terms of the Deed of Non-Competition.

Each of our Controlling Shareholders has provided a written confirmation to the Company confirming their compliance with the terms of the Deed of Non-Competition up to June 30, 2023.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

Saved as disclosed in the section headed "Relationship with Our Controlling Shareholders" in the Prospectus and this annual report, as of June 30, 2023, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or may compete with the business of the Group.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As of June 30, 2023, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) to be recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or (c) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(a) Interests/short positions in the Shares

Name of Directors or chief executive of the Company	Capacity and nature of interest	Number of Shares held[1]	Approximate percentage of interest in the Company
Mr. Lin[2]	Interests in a controlled corporation	285,740,326	63.14 %
Mr. Sheehan[3]	Beneficiary of a trust	40,000,000	8.84 %
	Beneficial owner	5,366,869	1.19 %
Mr. Lin Kuo-Chang	Beneficial owner	680,000	0.15 %
Mr. Wong Man Chung Francis	Beneficial owner	270,000	0.06 %
Mr. Leo Hermacinski	Beneficial owner	150,915	0.03 %
Mr. Hsieh Yu Tien	Beneficial owner	50,000	0.01 %

Notes:

(1) All interests stated are long positions.

(2) The entire issued share capital of Ocin Corp. is directly held by Mr. Lin. Accordingly, Mr. Lin is deemed to be interested in the 285,740,326 Shares held by Ocin Corp.

(3) Michael Sheehan Irrevocable Trust is a trust with Mr. Sheehan being a beneficiary and the trustee. Accordingly, Mr. Sheehan is deemed to be interested in the 40,000,000 Shares held by Michael Sheehan Irrevocable Trust. Mr. Sheehan is also interested in (i) 5,000,000 Share Options granted to him under the Pre-IPO Share Option Scheme (of which 4,000,000 Share Options were vested as of June 30, 2023) entitling him to receive 5,000,000 Shares upon full exercise of such Share Options; and (ii) 366,869 Share Awards granted to him under the RSA Scheme for Core Connected Persons entitling him to receive 366,869 Shares which are fully vested.

(b) Interests/short positions in the share or debentures of the associated corporations of the Company

Name of Director or Chief Executive	Name of associated corporation of the Company	Capacity and nature of interest	Number of shares in the associated corporation[1]	Approximate percentage of interest in corporation
Mr. Lin	Ocin Corp.	Beneficial owner	435,800	100.0 %

Note:

(1) All interests stated are long positions.

Save as disclosed above, as of June 30, 2023, so far as is known to the Directors or chief executive of the Company, none of the Directors or chief executive of the Company had interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required to be recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or (c) were required as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As of June 30, 2023, so far as was known to any Director or chief executive of the Company, the following persons (other than the Directors and chief executive of the Company) had interests and/or short positions in the Shares or underlying Shares which are required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of Shareholders	Capacity and nature of interest	Number of Shares[1]	Approximate percentage of interest in the Company
Ocin Corp.[2]	Beneficial owner	285,740,326	63.14 %
Michael Sheehan Irrevocable Trust[3]	Beneficial owner	40,000,000	8.84 %
Computershare Hong Kong Trustees Limited[4]	Trustee	26,165,789	5.78 %

Notes:

(1) All interests stated are long positions.

(2) The entire issued share capital of Ocin Corp. is directly held by Mr. Lin. Accordingly, Mr. Lin is deemed to be interested in the 285,740,326 Shares held by Ocin Corp.

(3) Michael Sheehan Irrevocable Trust is a trust with Mr. Sheehan being a beneficiary and the trustee. Accordingly, Mr. Sheehan is deemed to be interested in the 40,000,000 Shares held by Michael Sheehan Irrevocable Trust.

(4) Computershare Hong Kong Trustees Limited, in its capacity as trustee of the RSA Scheme, holds 26,165,789 Shares for the purpose of administration of the RSA Scheme.

Save as disclosed above, as of June 30, 2023, the Directors have not been notified by any person (other than the Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares which shall be disclosed to the Company pursuant to Division 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

PRE-IPO SHARE OPTION SCHEME

The Company adopted the Pre-IPO Share Option Scheme by the Board's resolutions dated August 7, 2018. The purpose of the Pre-IPO Share Option Scheme is to incentivize and to reward qualified participants for their past contributions to the success of the Group and to maintain or attract business relationships with the grantees whose contributions are beneficial to the development and growth of the Company. The Board may, at its discretion, offer Share Option(s) to any director or employee of the Group, any consultant or advisor of the Company or its affiliates providing bona fide services that are not in connection with the Pre-IPO Share Option Scheme, and their respective family members. Subject to the Pre-IPO Share Option Scheme, the Share Options shall be vested in five even tranches at 20% on February 1, 2020, February 1, 2021, February 1, 2022, February 1, 2023, and February 1, 2024, respectively. A grantee under the Pre-IPO Share Option Scheme may exercise any vested Share Option(s) within a period as notified by the Board to such grantee, which period must expire not more than ten years from the date on which the relevant Share Option(s) were offered to such grantee. The exercise price of the Share Option(s) granted under the Pre-IPO Share Option Scheme shall be determined by the Board, at its sole discretion and taking into account factors including but not limited to the contemporaneous valuation of the Company, and shall not be less than the fair market value of such Share on the date of grant.

There is no specific limit on the maximum entitlement of each participant under the scheme. No further Share Options were or may be granted on or after the Listing Date. The Pre-IPO Share Option Scheme shall be valid and effective from the date of adoption until all Share Options granted expire or are exercised. For further details of the Pre-IPO Share Option Scheme, please refer to pages V-18 to V-29 of the Prospectus and Note 27 to the consolidated financial statements in this annual report.

The number of Shares that may be issued in respect of options granted under the Pre-IPO Share Option Scheme of the Company amounted to 5,000,000 Shares, which represents approximately 1.10% of the total number of Shares in issue as at the date of this annual report. As of June 30, 2023, the Company had net granted Share Options to 1 grantee, being Mr. Sheehan, for 5,000,000 underlying Shares. Details of the interests of Mr. Sheehan under the Pre-IPO Share Option Scheme as of June 30, 2023 are set out below.

			Number of Share Options							
Name of Director	**Total number of Shares to be issued upon full exercise of the Share Options granted** *(in thousands)*	**Outstanding balance as of July 1, 2022** *(in thousands)*	**Granted during the period**	**Exercised during the period**	**Lapsed during the period**	**Cancelled during the period**	**Outstanding balance as of June 30, 2023** *(in thousands)*	**Date of grant**	**Vesting period(1)**	**Exercise price** *(US$ per Share)*
Mr. Sheehan	5,000	5,000	–	–	–	–	5,000	February 18, 2019	20% on or after 1 February 2020 20% on or after 1 February 2021 20% on or after 1 February 2022 20% on or after 1 February 2023 20% on or after 1 February 2024	0.875

Note:

(1) The exercise period of the Share Options is from the date of vesting until the sixth anniversary of the date of grant.

RSA SCHEMES

The Company adopted the RSA Scheme by the Board's resolutions dated April 26, 2019, and the RSA Scheme for Core Connected Persons on October 20, 2020 (collectively the "RSA Schemes"). The RSA Schemes are funded by the existing Shares. 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. The duration of the RSA Schemes is 10 years from their respective dates of approval and can be terminated and extended by a resolution of the Board. The administration of the RSA Schemes is overseen by the corresponding administration committees established by the Board, which determine the exercise price payable by the selected participants in respect of Shares granted under the RSA Schemes and the relevant vesting period, having regard to matters they consider relevant. The Board has resolved to amend the rules governing the RSA Scheme and the RSA Scheme for Core Connected Persons to reallocate the maximum Share purchase limits of the RSA Schemes with effect from June 7, 2022.

The RSA Scheme

Eligible participants of the RSA Scheme include any employee, officer, agent or consultant of the Company or its subsidiaries or a family member of such individual, in each case who is not (i) a core connected person of the Company (as defined under the Listing Rules) or (ii) a person who is not recognized by the Stock Exchange as a member of "the public" under Rule 8.24 of the Listing Rules. The Board also grants performance-based restricted Share Awards in accordance with the rules of the RSA Scheme to all employees under its Employee Retention and Recognition ("ERR") Program. For further details of the ERR program, please refer to Note 27(a) of the consolidated financial statements contained in this annual report.

The maximum number of Shares that may be purchased under the RSA Scheme is 34,283,411 Shares, representing 7.5% of the entire issued share capital of the Company as at the date of adoption of the RSA Scheme and approximately 7.6% of the entire issued share capital of the Company as at the date of this Directors' Report. The maximum number of Shares which may be granted to each participant under the RSA Scheme at any one time or in aggregate may not exceed 4,571,121 Shares, being 1% of the entire issued share capital of the Company as at the date of adoption of the RSA Scheme.

As of the date of this Directors' Report, the remaining life of the RSA Scheme is approximately 5 years and 6 months. Please refer to the Company's announcement dated May 17, 2019 and June 8, 2022 for further details of the RSA Scheme.

As of June 30, 2023, the RSA Scheme had 200 grantees in total. Details of the interests of (i) the five highest paid individuals; and (ii) other grantees under the RSA Scheme as of June 30, 2023 are set out below:

Details of grantees	Number of Shares Awards outstanding as at July 1, 2022[1][38]	Date of grant	Number of Share Awards Granted during this period[37]	Number of Share Awards Vested during this period	Exercise price	Number of Share Awards Exercised during the period	Number of Share Awards Cancelled during the period	Number of Share Awards Lapsed during the period	Vesting period	Number of Shares Awards outstanding as at June 30, 2023[1][38]
Five Highest Paid Individuals in Aggregate[2]	500,000	February 18, 2019	–	115,000[11]	USD 0.875	–	–	–	5 years	500,000
	75,000	February 18, 2019	–	–	HKD 6.850	–	–	–	5 years	75,000
	350,000	March 3, 2021	–	115,500[12]	HKD 6.850	–	–	–	3 years	350,000
	120,407	December 1, 2021	–	51,428[13]	–	80,271[30]	–	–	2 years	40,136
	–	August 11, 2022	1,000,000[3]	250,000[14]	HKD 6.850	–	–	–	4 years	1,000,000
	–	September 1, 2022	85,714[4]	80,271[15]	–	51,428[31]	–	–	1.3 years	34,286
Subtotal:	**1,045,407**		**1,085,714**	**612,199**	–	**131,699**	**–**	**–**	**–**	**1,999,422**
Other Grantees in Aggregate (including Employees and Consultants of the Company)	2,016,000	February 18, 2019	–	216,000[16]	USD 0.875	–	–	925,000	5 years	1,091,000
	346,680	December 9, 2019	–	–	USD 0.875	–	–	346,680	4 years	–
	195,625	March 3, 2021	–	–	HKD 6.850	–	–	195,625	4 years	–
	68,750	April 1, 2021	–	12,500[17]	HKD 6.850	–	–	18,750	4 years	50,000
	75,000	October 1, 2021	–	15,000[18]	HKD 6.850	–	–	–	4 years	75,000
	888,721	December 1, 2021	–	493,266[19]	–	493,266[32]	137,174	–	1.3 years	258,281
	493,750	January 1, 2022	–	37,500[20]	HKD 6.850	–	56,250	287,500	4 years	150,000
	272,230	March 1, 2022	–	149,406[21]	–	151,255[33]	58,101	–	1.8 years	62,874
	75,000	March 21, 2022	–	15,000[22]	HKD 6.850	–	–	–	5 years	75,000
	25,000	May 1, 2022	–	5,000[23]	HKD 6.850	–	–	–	4 years	25,000
	1,000,000	April 24, 2022	–	250,000[24]	HKD 6.850	–	–	–	4 years	1,000,000
	397,112	June 1, 2022	–	228,816[25]	–	228,816[34]	58,209	–	1.5 years	110,087
	–	July 25, 2022	75,000[5]	–	HKD 6.850	–	75,000	–	5 years	–
	–	August 11, 2022	225,000[6]	30,000[26]	HKD 6.850	–	75,000	–	5 years	150,000
	–	September 1, 2022	449,343[7]	216,024[27]	–	216,024[35]	105,036	–	1.3 years	128,283
	–	November 23, 2022	75,000[8]	15,000[28]	HKD 6.850	–	–	–	5 years	75,000
	–	December 1, 2022	168,641[9]	69,413[29]	–	69,413[36]	30,944	–	1 year	68,284
	–	May 1, 2023	75,000[10]	–	HKD 6.850	–	–	–	5 years	75,000
Total	**6,899,275**		**2,153,698**	**2,365,124**		**1,290,473**	**595,714**	**1,773,555**		**5,393,231**

Notes:

1. The total number of Shares available for grant under the RSA Scheme as of July 1, 2022 and June 30, 2023 were 6,899,275 and 5,393,231, respectively.

2. Two out of the five highest paid individuals of the Company during the 12 months ended June 30, 2023, being Directors of the Company, have not been granted Share Awards under the RSA Scheme.

3. The closing price of Shares immediately before the date on which such Share Awards were granted was HK\$5.75. The fair value of the Share Awards granted was HK\$6.85 per Share at the date of grant.

4. The closing price of Shares immediately before the date on which such Share Awards were granted was HK$5.50. The fair value of the Share Awards granted was HK$5.50 per Share at the date of grant.

5. The closing price of Shares immediately before the date on which such Share Awards were granted was HK$5.79. The fair value of the Share Awards granted was HK$6.85 per Share at the date of grant.

6. The closing price of Shares immediately before the date on which such Share Awards were granted was HK$5.75. The fair value of the Share Awards granted was HK$6.85 per Share at the date of grant.

7. The closing price of Shares immediately before the date on which such Share Awards were granted was HK$5.50. The fair value of the Share Awards granted was HK$5.50 per Share at the date of grant.

8. The closing price of Shares immediately before the date on which such Share Awards were granted was HK$4.97. The fair value of the Share Awards granted was HK$6.85 per Share at the date of grant.

9. The closing price of Shares immediately before the date on which such Share Awards were granted was HK$5.07. The fair value of the Share Awards granted was HK$5.03 per Share at the date of grant.

10. The closing price of Shares immediately before the date on which such Share Awards were granted was HK$4.92. The fair value of the Share Awards granted was HK$6.85 per Share at the date of grant.

11. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.66.

12. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.66.

13. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.91.

14. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.66.

15. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.99.

16. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.66.

17. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.66.

18. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.66.

19. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.99.

20. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.66.

21. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.99.

22. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.66.

23. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.66.

24. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.66.

25. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.99.

26. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.66.

27. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.91.

28. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.66.

29. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$4.85.

30. The weighted average closing price of Shares immediately before the date on which such Share Awards were exercised was HK$4.99.

31. The weighted average closing price of Shares immediately before the date on which such Share Awards were exercised was HK$4.91.

32. The weighted average closing price of Shares immediately before the date on which such Share Awards were exercised was HK$4.99.

33. The weighted average closing price of Shares immediately before the date on which such Share Awards were exercised was HK$4.99.

34. The weighted average closing price of Shares immediately before the date on which such Share Awards were exercised was HK$4.99.

35. The weighted average closing price of Shares immediately before the date on which such Share Awards were exercised was HK$4.91.

36. The weighted average closing price of Shares immediately before the date on which such Share Awards were exercised was HK$$4.85.

37. None of the Share Awards granted during the 12 months ended June 30, 2023 were subject to any performance targets.

38. Details of the accounting standard and policy adopted with respect to the valuation of the Share Awards under the RSA Scheme are set out in Note 27 to the consolidated financial statements of this annual report.

The RSA Scheme for Core Connected Persons

Eligible participants of the RSA Scheme for Core Connected Persons include any core connected person of the Company (as defined under the Listing Rules).

The maximum number of Shares that may be purchased under the RSA Scheme for Core Connected Persons is 11,427,803 Shares, representing 2.5% of the issued share capital of the Company as at the date of adoption of the RSA Scheme for Core Connected Persons and approximately 2.5% of the issued share capital of the Company as at the date of this Directors' Report. The maximum number of Shares which may be granted to each participant under the RSA Scheme at any one time or in aggregate may not exceed 4,571,121 Shares, being 1% of the issued share capital of the Company as at the date of adoption of the RSA Scheme for Core Connected Persons.

As of the date of this Directors' Report, the remaining life of the RSA Scheme for Core Connected Persons is 7 years. Please refer to the Company's announcement dated May 28, 2021 and June 8, 2022 for further details of the RSA Scheme for Core Connected Persons.

As of June 30, 2023, the RSA Scheme for Core Connected Persons had two grantees in total, being Mr. Sheehan and Mr. Leo Hermacinski, our Directors. Details of the interests of each Director under the RSA Scheme for Core Connected Persons as of June 30, 2023 are set out below:

Name of grantees	Number of Share Awards granted as at July 1, 2022	Number of Shares Awards outstanding as at July 1, 2022[1]	Date of grant	Number of Share Awards granted during this period	Number of Share Awards vested during this period	Exercise price	Exercised during the period	Number of Share Awards cancelled during the period	Number of Share Awards lapsed during the period	Vesting period	Number of Shares awards outstanding as at June 30, 2023[1]
Director of our Company											
Mr. Sheehan[2]	366,869	366,869	January 18, 2021	–	–	–	–	–	–	65% on June 30, 2021 and 35% on October 1, 2021	366,869
Leo Hermacinski	95,573	95,573	November 5, 2021	–	–	–	–	–	–	100% on November 16, 2021	95,573
	–	–	November 6, 2022	55,342[3]	55,342[3]	–	–	–	–	100% on November 17, 2022	55,342
Total	**462,442**	**462,442**		**55,342**	**55,342**	**–**	**–**	**–**	**–**		**517,784**

Notes:

1. The total number of Shares available for grant under the RSA Scheme for Core Connected Persons as of July 1, 2022 and June 30, 2023 were 462,442 and 517,784, respectively.

2. Other than Mr. Sheehan, none of the five highest paid individuals of the Company during the 12 months ended June 30, 2023 have been granted Share Awards under the RSA Scheme for Core Connected Persons. Accordingly, the grant details of the five highest paid individuals in aggregate were not separately disclosed in the table above.

3. The closing price of Shares immediately before the date on which such Share Awards were granted was HK$5.28. The fair value of the Share Awards granted was HK$5.24 per Share at the date of grant. The Share Awards granted were not subject to any performance targets. The weighted average closing price of Shares immediately before the date on which such Share Awards were vested was HK$5.28. Details of the accounting standard and policy adopted with respect to the valuation of the Share Awards under the RSA Scheme for Core Connected Persons are set out in Note 27 to the consolidated financial statements of this annual report.

The total number of Shares that may be issued in respect of Share Options and Share Awards granted under all share schemes of the Company during the financial year ended June 30, 2023 divided by the weighted average number of Shares in issue for the 12 months ended June 30, 2023 was 0.49%.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

During the 12 months ended June 30, 2023, no rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company or any other body corporate were granted to any Directors or their respective spouse or minor children, and none of such rights were exercised by them. Neither was the Company, or any of its holding companies, fellow subsidiaries, and subsidiaries a party to any arrangement to enable the Directors to acquire such rights in the Company or any other body corporate.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENT OR CONTRACT OF SIGNIFICANCE

Save as disclosed in this annual report, the Company's previous annual reports and the Prospectus, no transaction, arrangement or contract of significance subsisted in which a Director or an entity connected with a Director was materially interested, whether directly or indirectly, during the 12 months ended June 30, 2023.

RELATED PARTY TRANSACTIONS

Related party transactions during the 12 months ended June 30, 2023 are disclosed in Note 32 to the consolidated financial statements in this annual report. None of these related party transactions constituted connected transaction or continuing connected transaction.

MANAGEMENT CONTRACTS

The Group entered into a management contract with Ms. Simone Pringle, pursuant to which Ms. Pringle would be the Group's chief product officer for a period of two years as from December 1, 2021, subject to extension of term by mutual agreement. Ms. Pringle has enjoyed a successful 30-year record of being a thought-leading entrepreneur and technologist. Before joining IntelliCentrics as the chief product officer, Ms. Pringle co-founded a software consulting firm and Records for Living — the maker of the HealthFrame personal health record (PHR). She has been active in standards bodies, including the ASTM/AAFP Continuity of Care Record and the ACORD Property & Casualty XML standard.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in this annual report, neither contract of significance made between the Company or any of its subsidiaries and a Controlling Shareholder or any of its subsidiaries, nor contract of significance made for the provision of services to the Company or any of its subsidiaries by a Controlling Shareholder or any of its subsidiaries was entered into during the 12 months ended June 30, 2023.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this annual report, as of the date of this annual report, the Company had no future plans for material investments or capital assets except those required for the normal course of business.

DIRECTORS' PERMITTED INDEMNITY PROVISION

Under the Articles of Association, the Directors and officers of the Company acting in relation to any of the affairs of the Company shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which he may incur or sustain in or about the execution of the duties of his office or otherwise in relation thereto.

EQUITY-LINKED AGREEMENTS

Save for the equity schemes as set out under the sections headed "Pre-IPO Share Option Scheme" and "RSA Schemes" in this annual report, no equity-linked agreements were entered into by the Company.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the relevant laws of the Cayman Islands where the Company was incorporated which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

TAX RELIEF

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holding of the Shares.

CORPORATE GOVERNANCE

Please see the "Corporate Governance Report" section in this annual report.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this annual report and based on information publicly available to the Company and to the knowledge of the Directors, at least 25% of the Company's total number of issued share capital, the prescribed minimum percentage of public float approved by the Stock Exchange and permitted under the Listing Rules, are held by the public.

AUDITOR

KPMG LLP resigned as the auditor of the Company with effect from February 28, 2023. Crowe (HK) CPA Limited ("Crowe") was appointed as the auditor of the Company on February 28, 2023 to fill the casual vacancy arising from the resignation of KPMG LLP and to hold office until the conclusion of the forthcoming AGM. For further details, please refer to the announcement of the Company dated February 28, 2023.

Crowe shall retire at the forthcoming AGM and, being eligible, will offer itself for re-appointment.

A resolution for the re-appointment of Crowe as the auditor of the Company will be proposed at the forthcoming AGM.

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

Hong Kong, October 23, 2023

Corporate Governance Report

CORPORATE GOVERNANCE PRACTICE

The Board is committed to maintaining high corporate governance standards. During the 12 months ended June 30, 2023, 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, 2023.

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, 2023. 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.

BOARD OF DIRECTORS

The Board currently comprises seven members as follows:

Executive Directors

Mr. Lin Tzung-Liang *(Chairman)*
Mr. Michael James Sheehan *(Chief Executive Officer)*

Non-executive Directors

Mr. Lin Kuo-Chang
Mr. Leo Hermacinski

Independent Non-executive Directors

Mr. Hsieh Yu Tien
Mr. Liao Xiaoxin
Mr. Wong Man Chung Francis

Chairman and CEO

The role of the chairman of the Board (the "Chairman") is separate from that of the CEO to ensure a balance of power and authority. The Chairman is responsible for overseeing the functioning of the Board while the CEO is responsible for managing the Group's business. As of June 30, 2023, the Chairman is Mr. Lin, an executive Director, and the CEO is Mr. Sheehan, an executive Director.

The Chairman shall ensure that Board meetings are planned and conducted effectively, and all Directors are properly briefed on issues arising at Board meetings. He is also responsible for ensuring that the Directors receive adequate information in a timely manner, which must be accurate, clear, complete, and reliable. The Chairman shall also ensure the Board works effectively and discharges its responsibilities; all key and appropriate issues are discussed by the Board in a timely manner; good corporate governance practices and procedures are established; and appropriate steps are taken to provide effective communication with Shareholders and that views of Shareholders are communicated to the Board as a whole.

Independent Non-executive Directors and Board Independence

As disclosed in the announcements of the Company dated November 30, 2022, December 15, 2022 and February 20, 2023, following the retirement of Ms. Huang Yi-Fen as an independent non-executive Director (and also a member of the Audit Committee and the Nomination Committee) on December 15, 2022, the Board did not meet the requirements under Rules 3.10(1) of the Listing Rules. With Mr. Liao Xiaoxin being appointed as an independent non-executive Director (and also a member of the Audit Committee and the Nomination Committee) on February 20, 2023, the Company has three independent non-executive Directors and has since been in compliance with Rules 3.10(1) and 3.10A of the Listing Rules. The Board considers that all independent non-executive Directors have appropriate and sufficient industry or finance experiences and qualifications to carry out their duties so as to protect the interests of the Shareholders. Among the three independent non-executive Directors, at least one of them has appropriate professional qualifications in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

The Company has also received a written annual confirmation from each of the independent non-executive Directors in respect of their independence pursuant to Rule 3.13 of the Listing Rules. The Company, based on such confirmations, considers that all independent non-executive Directors are independent with reference to the guidelines stated in the Listing Rules.

The Company has established a mechanism to ensure independent views and input are available to the Board. The Nomination Committee is established with clear terms of reference to identify individuals suitably qualified to become Board members (including independent non-executive Directors) and review the independence of the independent non-executive Directors. Furthermore, all Directors are encouraged to speak freely during Board and Board committee meetings and to seek professional advice in discharging their duties as Directors at the expense of the Company. The Board has reviewed the implementation and effectiveness of the mechanism for obtaining independent views and inputs, and will continue to review the mechanism on an annual basis to ensure good corporate governance.

Appointment and Re-election of Directors

Each of the non-executive Directors (including independent non-executive Directors) is appointed under a service contract for a term of three years which is terminable by either party by giving three months' written notice to the other party. For further details of the Directors' service contracts, please refer to the section headed "Directors' Report — Service Contracts of the Directors" in this annual report.

In accordance with code provision B.2.2 of the CG Code and the Articles of Association, all Directors, including those appointed for a specific term, are subject to retirement by rotation at least once every three years, and any retiring Director shall be eligible for re-election. Any Director appointed by the Board to fill a casual vacancy or as an addition to the existing Board shall hold office until the AGM after his/her appointment and shall then be eligible for re-election.

The procedures and process of appointment, re-election and removal of Directors are set out in the Articles of Association. The Nomination Committee is responsible for reviewing the Board composition, monitoring the appointment, re-election, and succession planning of Directors.

Responsibilities, Accountabilities and Contributions of the Board and Management

The Board is responsible for leadership and control of the Company and oversees the Group's businesses, strategic decisions and performance and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. Directors of the Board make decisions objectively in the interests of the Company.

All Directors, including non-executive Directors and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge, and professionalism to the Board for its efficient and effective functioning.

All Directors have full and timely access to all the information of the Company as well as the services and advice from the senior management of the Company. The Directors may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expense for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them, and the Board regularly reviews the contribution required from each Director to perform his/her responsibilities to the Company.

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing, and coordinating the daily operation and management of the Company are delegated to the management of the Company.

Continuous Professional Development of Directors

Our Directors keep abreast of responsibilities as a Director and of the conduct, business activities and development of the Company. On the first occasion, every newly appointed Director receives a formal and comprehensive induction to ensure his/her appropriate understanding of the business and operations of the Company and full awareness of a Director's responsibilities and obligations under the Listing Rules and other relevant statutory requirements.

Each of the Directors participates in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. All Directors are encouraged to attend relevant training courses at the Company's expense.

During the 12 months ended June 30, 2023, all of the Directors, namely Mr. Lin, Mr. Sheehan, Mr. Lin Kuo-Chang, Mr. Leo Hermacinski, Mr. Hsieh Yu Tien, Ms. Huang Yi-Fen (retired on December 15, 2022), Mr. Wong Man Chung Francis and Mr. Liao Xiaoxin (appointed on February 20, 2023), kept abreast of matters relevant to their role as directors by reading and viewing materials and in-depth learning summaries about, among others, corporate governance, the roles, functions and duties of a Director and Listing Rules compliance from time to time.

BOARD COMMITTEES

The Board has established five Board committees, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee, and two RSA Scheme Administration Committees for overseeing the particular aspects of the Company's affairs. The terms of reference of the Audit Committee, the Remuneration Committee and the Nomination Committee are posted on the Company's website (www.intellicentrics-global.com) and the Stock Exchange's website (www.hkexnews.hk) and are available to the Shareholders upon request.

The majority of the members of each Board committee are independent non-executive Directors.

Audit Committee

We have established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and code provision D.3.3 of the CG Code. As disclosed above in this annual report, Ms. Huang Yi-Fen retired as a member of the Audit Committee on December 15, 2022, as a result of which the Board did not meet the requirement under Rule 3.21 of the Listing Rules with respect to the composition of the Audit Committee. Following the appointment of Mr. Liao Xiaoxin as a member of the Audit Committee, the Company is in compliance with Rule 3.21 of the Listing Rules. The Audit Committee consists of three members, namely, Mr. Wong Man Chung Francis (independent non-executive Director), Mr. Leo Hermacinski (non-executive Director), and Mr. Liao Xiaoxin (independent non-executive Director). Mr. Wong Man Chung Francis is a Certified Public Accountant who possesses the appropriate accounting or related financial management expertise, and is the chairman of the Audit Committee.

The primary duties of the Audit Committee include: (i) to review, supervise, and assist our Board in providing an independent view of our financial reporting processes and the internal control and risk management systems; (ii) to oversee the audit process, review our annual and interim financial statements, provide advice and comments to the Board on matters related to corporate governance; and (iii) to perform other duties and responsibilities as assigned by our Board from time to time.

During the 12 months ended June 30, 2023, the Audit Committee held five meetings. The members of the Audit Committee reviewed and discussed with the external auditors of the Company the audited annual results of the Group for the 12 months ended June 30, 2023. They were of the opinion that the preparation of such annual results had been prepared in accordance with the applicable accounting principles and standards and adequate disclosures have been made.

Additional meetings may also be held by the Audit Committee from time to time to discuss special projects or other issues which it considers necessary. The external auditors of the Group may request a meeting of the Audit Committee or with the committee chairman for informational or other purposes.

Remuneration Committee

We have established the Remuneration Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and code provision E.1.2 of the CG Code. The Remuneration Committee consists of three members, namely, Mr. Hsieh Yu Tien (independent non-executive Director), Mr. Lin Kuo-Chang (non-executive Director), and Mr. Wong Man Chung Francis (independent non-executive Director). Mr. Hsieh Yu Tien is the chairman of the Remuneration Committee. The primary duties of the Remuneration Committee are to (i) develop and review the policies and the structure of the remuneration for our Directors and senior management; (ii) evaluate the performance of, and make recommendations to the Board on the remuneration packages of individual executive Directors and senior management; (iii) make recommendations to the Board on the remuneration of non-executive Directors; and (iv) review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules and ensure that share awards and/or share options offered by the Company and/or its principal subsidiaries (if any) are in accordance with Chapter 17 of the Listing Rules, as applicable.

During the 12 months ended June 30, 2023, the Remuneration Committee held two meetings to review and make recommendation to the Board on the remuneration policy and structure of the Company, and the remuneration packages of the Directors and senior management and other related matters.

Nomination Committee

We have established the Nomination Committee with written terms of reference in compliance with Rule 3.27A of the Listing Rules and code provision B.3.1 of the CG Code. As disclosed above in this annual report, Ms. Huang Yi-Fen retired as a member of the Nomination Committee on December 15, 2022, as a result of which the Board did not meet the requirement under Rule 3.27A of the Listing Rules with respect to the composition of the Nomination Committee. Following the appointment of Mr. Liao Xiaoxin as a member of the Nomination Committee, the Nomination Committee consists of three members, namely Mr. Lin (Chairman and executive Director), Mr. Hsieh Yu Tien (independent non-executive Director), and Mr. Liao Xiaoxin (independent non-executive Director), with Mr. Lin being the chairman of the Nomination Committee.

The primary functions of the Nomination Committee are to make recommendations to our Board in relation to the appointment and removal of Directors, and on matters of succession planning. In assessing the Board composition, the Nomination Committee would take into account various aspects set out in the Board diversity policy, including but not limited to professional qualifications, regional and industry experience, educational and cultural background, technical and professional skills, industry knowledge and reputation, gender, age, ethnicity, nationality, language skills, length of service and time to be devoted as a Director, and where possible, maintain balance from such perspectives.

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's character, qualifications, experience, independence and other relevant criteria necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

During the 12 months ended June 30, 2023, the Nomination Committee held one meeting to consider and make recommendation to the Board the appointment of new Directors, and to review the structure, size and composition of the Board and the independence of the independent non-executive Directors.

Connected Persons RSA Administration Committee

The Connected Persons RSA Administration Committee is a sub-committee of the Board delegated with the power and authority to administer the RSA Scheme for Core Connected Persons. This Administration Committee consists of two members, namely, Mr. Lin (Chairman and executive Director) and Mr. Hsieh Yu Tien (independent non-executive Director). One meeting was held by this Administration Committee during the 12 months ended June 30, 2023 and up to the date of this annual report.

Non-Connected Persons RSA Administration Committee

The Non-Connected Persons RSA Administration Committee is a sub-committee of the Board delegated with the power and authority to administer the RSA Scheme for Non-Connected Persons. This Administration Committee consists of two members, namely, Mr. Sheehan (CEO and executive Director) and Mr. Wong Man Chung Francis (independent non-executive Director). Two meetings were held by this Administration Committee during the 12 months ended June 30, 2023 and up to the date of this annual report.

Director Nomination Policy

The Company has adopted a director nomination policy, pursuant to which the following criteria should be considered when evaluating and selecting any candidate for directorship:

- Character and integrity.

- Qualifications including professional qualifications, skills, knowledge and experience and diversity aspects under the Board diversity policy of the Company that are relevant to the Company's business and corporate strategy.

- Any measurable objectives adopted for achieving diversity on the Board.

- Requirement for the Board to have independent Directors in accordance with the Listing Rules and whether the candidate would be considered independent with reference to the independence guidelines set out in the Listing Rules.

- Any potential contributions the candidate can bring to the Board and/or the Company, as well as the Company's development strategies, future goals, and growth, taking into account the candidate's qualifications, skills, experience, independence, and gender and race diversity of the Board.

- The candidate's role and position as a member of a diverse Board.

- Willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board committee(s) of the Company.

- Such other perspectives that are appropriate to the Company's business and succession plan and where applicable, may be adopted and/or amended by the Board and/or the Nomination Committee from time to time for the nomination of the Directors and succession planning.

As regards selection and appointment of a new Director:

- The Nomination Committee and/or the Board should, upon receipt of a proposal on the appointment of a new Director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

- If the process yields more than one desirable candidate, the Nomination Committee and/or the Board should rank them by order of preference based on the needs of the Company and the reference check of each candidate (where applicable).

- The Nomination Committee should then recommend that the Board to appoint the most appropriate candidate for directorship.

- For any person that is nominated by a Shareholder for election as a Director at a general meeting of the Company, the Nomination Committee and/or the Board should evaluate such candidate based on the criteria as set out above in this annual report to determine whether such candidate is qualified for directorship.

Where appropriate, the Nomination Committee and/or the Board should make recommendations to Shareholders with respect to the proposed election of Directors at a general meeting.

As regards the re-election of a Director at a general meeting:

- The Nomination Committee and/or the Board should review the overall contribution and service to the Company of each Director and his/her level of participation and performance on the Board.

- The Nomination Committee and/or the Board should also review and determine whether the Director continues to meet the criteria as set out above in this annual report.

- The Nomination Committee and/or the Board should then make recommendations to the Shareholders in respect of the proposed re-election or replacement of the Directors at a general meeting.

Where the Board proposes a resolution to elect or re-elect a candidate as Director at a general meeting, the relevant information of the candidate will be disclosed in the circular to the Shareholders and/or the explanatory statement that accompanies the notice of the relevant general meeting in accordance with the Listing Rules and/or applicable laws and regulations.

Board Diversity Policy

The Company believes that board diversity will have a substantial benefit in improving its performance. Therefore, the Company has adopted a board diversity policy to ensure that the diversity of Board members be considered from a number of perspectives. All Board appointments will be based on merit, and candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board. A summary of the board diversity policy is set out below:

The Board is of the view that having diversity in the Board will help the Company better understand and meet customer needs and maintain the Company's competitive advantages in the industry.

The Company is committed to achieving diversity and recognises and embraces the benefits of having a diverse Board to bring in innovation, fresh and broad business perspectives and enhance the decision-making process of the Board.

In considering the optimal composition of the Board, the Board shall exercise its discretion to review diversity from a wide array of perspectives, including but not limited to professional qualifications, regional and industry experience, educational and cultural background, technical and professional skills, industry knowledge and reputation, gender, age, ethnicity, nationality, language skills, length of service and time to be devoted as a Director, and where possible, maintain balance from such perspectives. Appointments to the Board should be made based on merits and contributions that the individual is expected to bring to the Board, with due regard to the benefits of diversity in the Board.

In terms of gender diversity, as disclosed above, noting the single-gender Board will not be considered as having achieved board diversity, the Company will take appropriate measures to review the structure and composition of the Board and appoint a Director of a different gender on or before December 31, 2024. The Company takes into account factors including gender when making recruitment decisions and considering the promotion of employees to senior management level or above, with a view to developing a stable pipeline of potential successors to the Board to achieve gender diversity. The gender ratios in the workforce of the Company as of June 30, 2023 are as follows:

	Male (%)	Female (%)
Board	100%	—%
Senior management	100%	—%
Total workforce	41.3%	58.7%

Corporate Governance Functions

The Board is responsible for performing the functions set out in the code provision A.2.1 of the CG Code.

The Board reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and the guidelines, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

ATTENDANCE RECORD OF DIRECTORS AND COMMITTEE MEMBERS

Prior notice convening the Board meeting was dispatched to the Directors before the Board meeting and it sets out the matters to be discussed. At the Board meeting, the Directors were provided with the relevant documents to be discussed and approved to enable the Directors to make informed decisions. The company secretary of the Company is responsible for ensuring the procedures of the Board meeting are observed and keeping minutes of the Board meeting. Board minutes and presentations from the meetings are available for the Directors to review on the Company's board management system.

The Board held 7 meetings during the 12 months ended June 30, 2023. Details of the Directors' attendance at the Board meetings, Board committee meetings and the AGM held on December 15, 2022 are set out in the following table:

	Attendance/Number of meetings						
					Administration Committee		
Name of Directors	**Board**	**Nomination Committee**	**Remuneration Committee**	**Audit Committee**	**RSA Scheme for Core Connected Persons**	**RSA Scheme for Non-Connected Persons**	**Annual General Meeting**
Executive Directors							
Mr. Lin Tzung-Liang	7/7	1/1	N/A	N/A	1/1	N/A	1/1
Mr. Michael James Sheehan	7/7	N/A	N/A	N/A	N/A	2/2	1/1
Non-executive Directors							
Mr. Lin Kuo-Chang	7/7	N/A	2/2	N/A	N/A	N/A	1/1
Mr. Leo Hermacinski	7/7	N/A	N/A	5/5	N/A	N/A	1/1
Independent Non-executive Directors							
Mr. Hsieh Yu Tien	7/7	1/1	2/2	N/A	1/1	N/A	1/1
Ms. Huang Yi-Fen (retired on December 15, 2022)	4/4	0/1	N/A	4/4	N/A	N/A	0/1
Mr. Liao Xiaoxin (appointed on February 20, 2023)	2/3	N/A	N/A	1/1	N/A	N/A	N/A
Mr. Wong Man Chung Francis	7/7	N/A	2/2	5/5	N/A	2/2	1/1

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the 12 months ended June 30, 2023. In preparing the financial statements for the 12 months ended June 30, 2023, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing and prepared the financial statements on a going concern basis. Please see the section headed "Management Discussion and Analysis — Business Overview — Liquidity" and Note 2 to the consolidated financial statements (Basis of Preparation) contained in this annual report for a discussion on the sufficiency of our working capital for the next 12 months from June 30, 2023.

The statement of the independent auditor of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report contained in this annual report.

AUDITORS' REMUNERATION

The remuneration paid to KPMG LLP for audit and non-audit services for the 12 months ended June 30, 2023 amounted to approximately nil and nil, respectively (12 months ended June 30, 2022: US$1.3 million and nil, respectively). The audit and audit-related services conducted by KPMG for the 12 months ended June 30, 2022 mainly comprised of statutory audits and reviews on the interim results of the Group.

The remuneration paid to Crowe for audit and non-audit services for the 12 months ended June 30, 2023 amounted to approximately US$1.1 million and nil, respectively (12 months ended June 30, 2022: nil and nil, respectively). The audit and audit-related services conducted by Crowe were mainly comprised of statutory audits and reviews on the annual results of the Group.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Group's risk management and internal control systems (including all material financial, operational and compliance controls) are reviewed on a semi-annual basis in December and June of each year and cover the systems in place during these six-month periods.

We have devoted ourselves to establishing and maintaining risk management and internal control systems consisting of policies and procedures that we consider to be appropriate for our business operations, and we are dedicated to continually improving these systems. We have formulated an internal audit charter and a risk management and internal control policy, pursuant to which: (i) our Board has the overall responsibility for establishing and maintaining sound and effective risk management and internal control systems; (ii) Mr. Sheehan, our CEO, reports functionally to the Board; and (iii) our Audit Committee assists the Board in overseeing the risk management and internal control systems on an ongoing basis.

Our internal audit team performs assurance activities designed to evaluate and improve the effectiveness of the entity's governance, risk management and internal controls process. Key business controls and operational risks are identified and assessed by the internal audit director on a daily basis. The audit director reports functionally to the Audit Committee and administratively to the CEO. The Audit Committee reviews all material controls, including operating, financial, technology, and compliance. Specifically, we have adopted and implemented comprehensive risk management measures in various aspects of our business operations, such as operational, cyber, and legal risk management. Our internal control system safeguards our assets, ensuring compliance with laws and regulations, and enabling timely identification of key risks that may have impact on the Company.

Our senior management is primarily responsible for the design, implementation and maintenance of the risk management and internal control systems. At least annually, the Board and/or the Audit Committee will assess the effectiveness of the risk management and internal control systems through the reviews performed by internal audit, senior management, and external auditors.

The Board has reviewed the effectiveness of the risk management and internal control systems of the Group, and the Board is not aware of any areas of concern that would have a material impact on the financial position or results of operations of the Group and considered the risk management and internal control systems to be generally effective and adequate including the adequacy of resources, staff qualifications and experience, training programs and budget of the controller and reporting functions, platform security, and internal audit.

The risk management and internal control systems are designed to prevent but will not eliminate every risk of failure to achieve business objectives. These systems only provide reasonable and not absolute assurance against material misstatement or loss.

The Company has adopted appropriate procedures and controls for the handling and dissemination of confidential and inside information to support the confidentiality of information until the disclosure is approved and delivered appropriately

COMPANY SECRETARY

Mr. Hung Kuo Yuan, one of our joint company secretaries, is responsible for advising the Board on corporate governance matters and ensuring that Board policy and procedures and the applicable laws, rules and regulations are followed.

In order to uphold good corporate governance and ensure compliance with the Listing Rules and the applicable Hong Kong laws, the Company has also engaged Ms. Leung Shui Bing, a manager of TMF Hong Kong Limited (a global corporate service provider), as another joint company secretary to assist Mr. Hung Kuo Yuan in discharging his duties as a company secretary of the Company. Ms. Leung Shui Bing's primary contact person at the Company is Mr. Hung Kuo Yuan.

For the 12 months ended June 30, 2023, both joint company secretaries have undertaken not less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

Dividend Policy

The Company has adopted a dividend policy (the "Dividend Policy"). According to the Dividend Policy, in considering the declaration and payment of dividends, the Board shall take into account the following factors of the Group:

- Financial results;
- Cash flow situation;
- Business conditions and strategies;
- Future operations and earnings;
- Capital requirements and surplus;
- General financial condition;
- Contractual restrictions;
- Interests of the Shareholders;
- Any restrictions on payment of dividends; and
- Any other factors that the Board may consider relevant.

The payment of dividend is also subject to compliance with the applicable laws and regulations including the laws of the Cayman Islands and the Articles of Association. The Board will continually review the Dividend Policy from time to time, and there can be no assurance that dividends will be paid in any particular amount for any given period. As the Company intends to maintain adequate cash reserves to meet working capital requirements for its fast growth in the near future, it targets to distribute dividends ranging from 3.0% to 10.0% of its annual net profits at the appropriate time.

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, separate resolution will be proposed for each substantially separate issue at general meetings, including the election of individual Directors. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules, and the poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting respectively.

Convening an Extraordinary General Meeting and Putting Forward Proposals

Pursuant to Article 64 of the Articles of Association, any one or more Shareholders holding, as at the date of deposit of the requisition, in aggregate not less than one-tenth of the voting rights (on one vote per Share basis) in the share capital of the Company may make a requisition to convene an extraordinary general meeting and/or add resolutions to the agenda of a meeting. Such requisition shall be made by written requisition to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

Contact Details

Shareholders may send their enquiries or requests as mentioned above to the following:

Address:	IntelliCentrics Global Holdings Ltd.
Attention:	Corporate Secretary 18/F, No. 1 Song Zhi Road Xin Yi District Taipei City, 11047 Taiwan
Fax:	(886) 287890901
Email:	vito_hung@intellicentrics.tw

For the avoidance of doubt, Shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS/INVESTOR RELATIONS

The Company considers that effective communication with the Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company endeavours to maintain an ongoing dialogue with the Shareholders and in particular, through public announcements, AGMs, and other extraordinary general meetings. At the AGM, Directors (or their delegates as appropriate) are available to meet the Shareholders and answer their inquiries. Shareholders are also encouraged to convey their opinion to the Company via the communication channels as set forth in the section headed "Putting Forward Enquiries to the Board" above in this annual report. The Company also makes available up-to-date version of its constitutional documents, financial information and other important business updates on its website (www.intellicentrics-global.com) for access by members of the public. The Company has reviewed the implementation of its shareholder and investor relations policy and the related activities conducted during the 12 months ended June 30, 2023 and is satisfied with the implementation and effectiveness of its shareholders' communication policy.

SIGNIFICANT CHANGES IN CONSTITUTIONAL DOCUMENTS

The Company adopted its third amended and restated memorandum and Articles of Association on December 15, 2022. Save as disclosed herein, there were no other significant changes in the constitutional documents of the Company during the 12 months ended June 30, 2023.

An up-to-date version of the Company's memorandum and Articles of Association is available on the websites of the Company and the Stock Exchange.

ANNUAL GENERAL MEETING

The Company encourages its Shareholders to attend the AGM to communicate their views and concerns to the Board directly so as to ensure a high level of accountability and also to stay informed of the Company's strategies, developments and goals.

The 2023 AGM will be held on December 15, 2023. The notice of the AGM will be sent to the shareholders at least 21 days before the 2023 AGM. Information and approved resolutions can be found on the Company's website (www.intellicentrics-global.com) and the Stock Exchange's website (www.hkexnews.hk).

Environmental, Social and Governance Report

Environmental, Social and Governance Report

ABOUT THE REPORT

Introduction

IntelliCentrics Global Holdings Ltd. (the "Company") and its subsidiaries (collectively, the "Group", "we" or "IntelliCentrics") believe that the low-carbon principle, conservation of resources and sustainable development are the social trends. In the pursuit of a successful and sustainable business model and to achieve continuous success, the Group recognises the importance of incorporating the environmental, social and governance (the "ESG") concepts into its risk management mechanism and the corresponding measures are going to be taken from day-to-day operations and governance perspectives.

This Environmental, Social and Governance Report (the "ESG Report") summarises the ESG initiatives, plans and performance of the Group and demonstrates its commitment to sustainable development.

The Group publishes an ESG report each year. The Group published the previous ESG report for the financial year ended June 30, 2022 ("FY2022") in the Annual Report 2021–22.

Reporting Period

This ESG Report describes the ESG activities, challenges, and measures taken by the Group for the financial year ended June 30, 2023 ("FY2023" or the "Reporting Period").

Reporting Scope

Dedicated to enhancing the ESG disclosure process and the quality of the ESG reports, the Group's ESG practices and reporting processes are constantly reviewed. The reporting scope of the ESG Report is consistent with the reporting scope for FY2022. Unless otherwise stated, the ESG Report mainly covers the Group's operation on the credentialing platform for compliance and security purposes in the healthcare industry, located in the United States (the "US"), the United Kingdom (the "UK"), Canada and Taiwan, which contributed to the majority of the Group's operational costs during the Reporting Period. The Group will continue to assess the major ESG aspects of different businesses or its major subsidiaries to determine the reporting scope of the ESG Report.

The reporting boundary is determined by the senior management of the Group according to the corresponding materiality of each entity to our business and operations. Entities outside the scope of the ESG Report can be found in the Annual Report 2022–23 "Consolidated Statement of Financial Position — Notes to the Consolidated Financial Statements — Subsidiaries".

Reporting Framework

This ESG Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the "Reporting Guide") as set out in Appendix 27 to the Listing Rules. The Group has reported with reference to the GRI Standards for FY2023. For details of the referenced GRI indicators, please refer to the section headed "GRI Content Index".

The Group's governance structure and practices have been set out in the Corporate Governance Report of the Annual Report 2022–23. This ESG Report has undergone the internal review process of the Group and was reviewed by the Board.

Reporting Principles

Reporting principles	Interpretation	Application of reporting principles
Materiality	The Group shall report the ESG issues that have an important impact on the Group and its stakeholders.	This ESG Report is structured based on the materiality of respective issues, resulting from stakeholder engagement and the materiality assessment process. The materiality of issues was reviewed and confirmed by the Board and ESG steering committee of the Company (the "ESG Steering Committee"). Please refer to the sections headed "Stakeholder Engagement" and "Materiality Assessment" for further details.
Quantitative	The key performance indicators ("KPIs") must be measurable. Information on the standards, methodologies, assumptions or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption should be disclosed.	This ESG Report is prepared in accordance with the Reporting Guide and discloses KPIs in a quantitative manner. The KPIs are supplemented by explanatory notes to establish benchmarks where feasible.
Balance	The Group should objectively and truthfully report on its ESG performance during the Reporting Period.	This ESG Report is based on an objective and impartial manner to ensure that the information disclosed faithfully reflects the overall performance of the Group in ESG aspects.
Consistency	The Group should use consistent disclosure statistical methods to help stakeholders analyse and evaluate its past and current performance. The Group should explain any changes to the method.	The statistical methodologies applied to this ESG Report were substantially consistent with FY2022, and explanations were provided regarding the calculation methodologies.

Contact Us

The Group welcomes comments and suggestions from stakeholders. You may provide your comments on this ESG Report or towards the Group's performance in respect of sustainability via email to: esgcomments@intellicentrics.com.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Group, I am pleased to present the ESG Report of the Group for the Reporting Period, which reviewed the Group's sustainable development performance in respect of corporate governance, service quality, employee care, community engagement and environmental protection.

Sustainability is a journey, and the principles of ESG have long been embedded into IntelliCentrics' operations, strategy and culture. To incorporate ESG concepts into all aspects of corporate management, we have developed a robust governance structure for managing IntelliCentrics' sustainable development. The Board has overall responsibility for the Group's ESG strategy and reporting, and oversees the sustainability direction of the Group. The Board discusses the Group's ESG issues at least once per year and adjusts the Group's ESG management approach where appropriate. During the Reporting Period, the Group reviewed its sustainability governance practices and ESG-related policies. Aiming to balance business objectives and stakeholders' interests and to put sustainable development into practice, the Board dedicated time to sustainability performance and governance to monitor the progress towards our goals and targets with the assistance of the ESG Steering Committee. As the Directors of the Group, we also undertook training in relation to business ethics to further strengthen the corruption prevention capabilities in our operations.

In order to keep our materiality up to date and maintain the relevance of our material topics, accompanying account of strategy and pledges, we regularly review and update our priority sustainability topics, taking sustainability trends, international reporting frameworks and industry standards into account. In the meantime, we are highly aware of the importance of stakeholders' feedback and engagements, which inform the development of our sustainability targets and ESG values. Therefore, the Group conducts a materiality assessment every year to collect opinions from its stakeholders in order to solicit and prioritise the material ESG issues. By considering both internal and external stakeholder viewpoints, the Group's 5 core material issues are protection of user data privacy, security and cyber security, stability of platform services, protection of intellectual property rights and user satisfaction.

Cybersecurity is the cornerstone of our business success. Over the past few years, tremendous changes have taken place to reform the way every organisation works. This is significantly challenging to software developers and online platform providers as the IT environments were particularly impacted, emboldening cyber attackers. To protect our customer's data security and privacy, we have paid considerable efforts to improve our cybersecurity by establishing internal procedures for defenses against cyberattacks and utilising leading software packages for cyberattack prevention. The Company has completed the NIST Cybersecurity Framework (NIST CSF) assessment consisting of standards, guidelines, and best practices that help organizations improve their management of cybersecurity risk. We have also coupled with Amazon Web Services infrastructure as a Service Cybersecurity capabilities. We believe that a well-managed cybersecurity system enables us to execute our strategies, protect our businesses, and allow us to build a more sustainable organisation.

Looking forward, IntelliCentrics will continue to deepen the integration of ESG concepts both internally and externally, implement sustainable business practices in a more responsible manner, and work together.

In closing, on behalf of the Board and the management team of IntelliCentrics, I would like to express my sincere gratitude to those whose dedication and tireless efforts assisted the Group in developing a more sustainable future in which all can thrive.

IntelliCentrics Global Holdings Ltd.

Lin Tzung-Liang
Co-Founder, Chairman and Executive Director

ABOUT INTELLICENTRICS

IntelliCentrics was founded in 2016 with the vision that making the world a safer place was all about letting people in and every participant could benefit. IntelliCentrics is principally engaged in the operation of a technology platform that verifies data and information, enabling different stakeholders to trust its accuracy. The Group is headquartered in the US and has operations all over the world including the UK, Taiwan and Canada. As of June 30, 2023, the Group had a total of 184 employees.

With a mission to use trust to make high-quality healthcare as accessible as a good cup of coffee, IntelliCentrics created the SEC^{3}URE Ethos technology platform. SEC^{3}URE Ethos is a credentialing platform for compliance and security purposes in the healthcare industry. SEC^{3}URE Ethos is built on three core principles — transparency, neutrality, and independence. It builds two-way trust between all stakeholders across the entire continuum of care, including locations, patients, physicians, vendor representatives and clinical contractors. The platform collects, processes and verifies data and information in accordance with the different requirements of LoCs so that the data and information can be trusted to determine whether the subscriber is in compliance with the requirements. The Group currently offers two main services on the platform: vendor credentialing solution and medical credentialing solution and derives all of its revenue substantially from annual membership fees received from its paying subscribers for these solutions. The Group also offers certain additional services to help its subscribers to maintain verified status in a timely and cost-efficient manner.

IntelliCentrics has grown into one of the world's largest trusted healthcare technology platforms. As of June 30, 2023, just under 10,000 locations of care worldwide rely on the SEC^{3}URE Ethos to ensure mutual trust between patients, doctors, vendor representatives and healthcare companies. In the US, Canada and the UK, we have established a longstanding leadership position in the vendor credentialing market. As of June 30, 2023, our service-oriented platform and innovative business model have accumulated a member community of approximately 675,000 users, approximately 126,107 of whom were paying subscribers. The subscribers comprise representatives of pharmaceutical, medical device, and other healthcare suppliers as well as medical staff including doctors, nurses, technicians, and other healthcare practitioners. To address the significant need for trusted healthcare information in Asia, we have established a joint venture in China, which has introduced the technology platform there.

While striving to become the operator of a world-leading credentialing platform for compliance and security purposes in the healthcare industry, the Group will continue to explore areas for achieving sustainable development of business operations.

What We Believe

Uphold neutrality

- As a trusted 3rd party, we help everyone prosper and grow.

Believe in governance

- We advocate equally for each of our constituents.

Believe in value

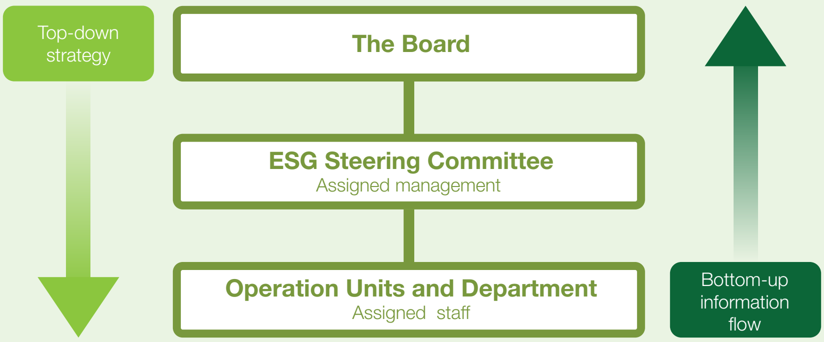
- When everyone benefits, we fund the project ourselves.

Give back to the community

- The benefit to each member is greater than their contribution.

SUSTAINABILITY GOVERNANCE

The sustainability governance structure of the Group provides a solid foundation for developing and delivering on its commitment to sustainability. The following diagram illustrates our sustainability governance framework:



At IntelliCentrics, sustainability is planned and managed at the strategic level by the Board, while executed and monitored at the operational level by the assigned management and staff.

- The Board has ultimate accountability for the sustainability strategy, management, performance and reporting of the Group. The Board is responsible for overseeing all ESG-related matters, including identification, evaluation and management of sustainability risks and opportunities. The Board discusses the Group's ESG issues at least once a year and adjusts the Group's ESG management approach where appropriate. The Board is also responsible for ensuring effective risk management and internal controls.

Under the Board's delegation, the Group's ESG Steering Committee is composed of our Chief Operating Officer and senior management from major departments. The ESG Steering Committee assists the Board in fulfilling the Board's oversight responsibilities. The ESG Steering Committee reports to the Board at least once a year, assists and advises the Board on the development and implementation of the sustainability policies and practices of the Group, including reviewing the sustainability-related policies and initiatives, assessing sustainability risks and making recommendations to the Board on matters concerning the Group's sustainability development.

The ESG Steering Committee's main responsibilities include the following:

✓ Formulate sustainability strategy, targets and goals for the Board's endorsement

✓ Review and report to the Board on sustainability risks and opportunities

✓ Monitor and review emerging sustainability issues and trends that could impact the business operations and performance of the Group, and make recommendations to the Board

✓ Measure and review the Group's sustainability performance

✓ Review the Group's ESG policies and practices as well as the progress toward sustainability goals and targets

✓ Prepare the Group's annual ESG reports

✓ Assist the Board in setting out sustainability priorities

Operation units and departments execute sustainability-related policies and assist in data collection.

As regards to the corporate governance practices of the Group, please refer to the Corporate Governance Report of this annual report.

STAKEHOLDER ENGAGEMENT

Stakeholders, as a group directly related to the sustainable development of the Group, play an essential role in the decision-making process of the Group's ESG management system and policy making. The Group maintains communication with its stakeholders (including individuals and organisations that have an impact on or are directly or indirectly impacted by our business) to help the Group assess its ESG decisions and the impact of internal control mechanisms, widely consider, truly understand and instantly respond to the needs of different stakeholders, while adjusting its development direction.

The Group communicates with different key stakeholders, including the management, employees, investors and shareholders, customers, suppliers and partners, government and regulatory agencies as well as other external stakeholders through different channels and actively responds to the opinions and requests of stakeholders in the course of action. The communication channels between the Group and its key stakeholders are as follows:

Key stakeholders	Material topics and issues being raised	Communication Channels	Communication frequency
Management	• Business strategy • Employee development and training • Cyber security • Product and service quality • Protection of data privacy	Management meetings Intranet Staff seminars	Regular Year-round Regular
Employees	• Employee development and training • Employee health and safety • Employee work-family balance • Protection of employees' rights and interests • Product and service quality	Employee opinion survey Channels for employees' feedback (one-on-one meetings with Department Leader, etc.) Management communications and performance evaluations Intranet Staff seminars	Regular Regular Regular Year-round Regular

Key stakeholders	Material topics and issues being raised	Communication Channels	Communication frequency
Investors and shareholders	• Business strategy • Economic performance • Compliant operation	AGM Financial reports Announcements and circulars Investor conferences Investor relation officer Hotline	Regular Regular Regular Regular Year-round Year-round
Customers	• Product and service quality • Protection of data privacy • Stability of platform services • Cyber security • Responsible marketing	Customer satisfaction survey Customer service center Customer service manager Customer meetings and company visits	Year-round Year-round Year-round Year-round
Suppliers and partners	• Fair and open procurement • Sustainable development of supply chain	Supplier management proposals, statements of work, RFQs and questionnaires	Regular
Government and regulatory agencies	• Compliant operation	Regular conference Performance report Written response to public consultation	Regular Regular Year-round
Other external stakeholders	• Product and service quality • Protection of data privacy • Stability of platform services • Business strategy • Transparent information disclosure	ESG reports Company website Social media	Annually Regular Year-round

The Group will take into account the expectations of its stakeholders when formulating the operational strategies and ESG measures and work together to continuously improve the Group's ESG performance to create a greater value for the community.

MATERIALITY ASSESSMENT

In order to better understand the opinions and expectations of stakeholders on the Group's ESG performance, the Group conducted an annual assessment of material areas. The specific steps are as follows:

First stage

- Identify and confirm the list of ESG issues according to the Group's business development; and
- Cover a total of 15 topics with a significant impact on the economy, environment and society, as well as stakeholder assessments.

Second stage

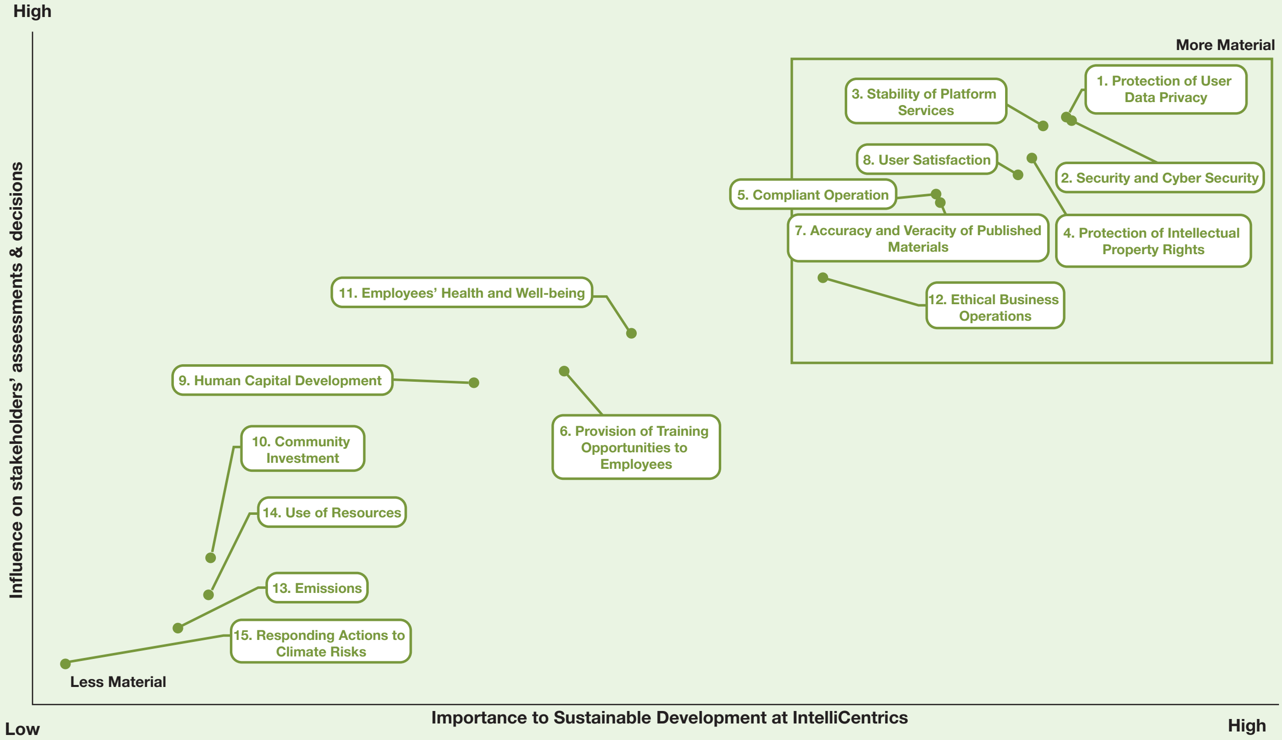
- Conduct a materiality assessment based on the core content of the issues in the list, design an online survey, invite stakeholders to assess the importance of the issues, and express their views on the Group's ESG aspects through open-ended questions; and
- Cover key stakeholders, including but not limited to ESG Steering Committee, employees, management and customers.

Third stage

- Analyse the 15 material topics based on the survey results from the responses for materiality assessment and prepare the materiality matrix; and
- Review the stakeholder opinions and materiality assessment results, discuss with management and determine the focus of the report disclosure, and the key points for improving ESG performance in the future.

During the Reporting Period, the Group's materiality matrix of ESG issues is as follows:

Materiality Matrix



According to the results of the materiality assessment, the topics of the greatest concern to the Group's stakeholders were the protection of user data privacy, security and cyber security, stability of platform services, user satisfaction and ethical business operations.

The Group confirmed that appropriate and effective management policies and internal control mechanism for ESG issues are established and confirmed that the information disclosed in the ESG Report meets the Reporting Guide.

OPERATING PRACTICES

Product Responsibility

The satisfaction of customers is the cornerstone of the sustainable development of the Group. Therefore, the Group strives to optimise and improve the quality of products and services according to the requests of the customers.

During the Reporting Period, the Group was not aware of any incidents of non-compliance with laws and regulations that have a significant impact on the Group, concerning product health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. The relevant laws and regulations include, but are not limited to, the Health Insurance Portability and Accountability Act ("HIPAA") of the US, the Data Protection Act 2018 of the UK and the General Data Protection Regulation 2016/679 of the EU Law ("GDPR"), the Act Respecting the Protection of Personal Information in the Private Sector of Quebec and the Personal Data Protection Act (個人資料保護法) of Taiwan. During the Reporting Period, there were neither product-related complaints nor material documented service complaints. In addition, there were no products sold or shipped subject to recalls for safety and health reasons.

Protection of User Data Privacy

As a credentialing platform provider, the protection of users' data privacy is of utmost importance to the Group. The Group has established and implemented internal control policies and procedures for the access to and maintenance of sensitive information and data monitoring and protection and personal data privacy policies, including the identification of what types of information would be subject to enhanced protection.

In addition, the Group has a policy to store data in the country from which such data was originated when high-quality secure data storage is available in country, and in some cases where necessary, setting up operations in the locale. Teams in each jurisdiction where the Group operates are responsible for monitoring developments in laws, regulations and policies regarding data privacy and protection so that it can stay current on the relevant regulations in each of these jurisdictions.

Data access is monitored within the Group. Internal access privileges to user data must be approved by a senior manager and the Group does not share user data, nor is the platform used for advertising, eliminating many of the concerns surrounding data privacy. All data and documents are encrypted in transit and at rest in the Group's databases. All electronic communication between users and the Group's system occurs through high-grade encryption, and the Group employs a certified data center with guaranteed uptime to host its servers.

Apart from establishing comprehensive policies and procedures to better protect users' sensitive data, the Group arranges external online training courses from Thomson Reuters for its employees, such as HIPAA Privacy and Security, GDPR, Data Protection Act 2018 of the UK as well as Information Security and Cyber Risk Awareness, to ensure that employees are familiar with the proper handling method with regard to users' sensitive data.

Security and Cyber Security

As cyberattack prevention is a routine daily task, the Group has established internal procedures for defenses against cyberattacks and utilises leading software packages for cyberattack prevention, coupled with Amazon Web Services ("AWS") Infrastructure as a Service ("IAAS") Cybersecurity capabilities. Furthermore, the Group has retained an outside firm that performs regular assessments and penetration testing on its network and reviews its procedures and policies at least annually.

With respect to data protection, the Group has established a set of internal policies to prevent security breaches and transmission of computer viruses, which is reviewed annually by the Quality Management Committee ("QMC"). Dedicated to improving information security, the Group has refined system construction and created a sustainable, effective mechanism.

Moreover, the Group backs up all data on a regular schedule and such data is shared between onsite and offsite locations. Virus scanning software, web filtering appliances and email filtering services have been installed on each of the Group's computers. Status of network, helpdesk tickets and backups are reviewed on a continuous basis, and the Group also monitors Internet traffic logs and virus detection on a daily basis. The Group also configures its network in a manner that isolates its databases from unauthorised access and protects it against cyberattacks. Physical access to the servers is restricted to personnel with remote network access only available via VPN and authenticated against the Group's active directory service.

Stability of Platform Services

In order to maintain the stability of its platform, the Group has a quality assurance team dedicated to reviewing the quality of code and its performance to the specifications as defined by product management and architects. The Group's quality assurance team has the ability to stop a release if they consider the quality fails to meet the specifications. The Group also carefully selects tools and services from third parties by measuring their availability, service uptime and data retention and backups. In the meantime, the Group continuously monitors all systems using AWS and other third-party tools to ensure all systems are functioning.

Protection of Intellectual Property Rights

The Group's success also depends in part upon the ability to protect its brand, core technology and intellectual property. To accomplish this, the Group relies on a combination of intellectual property rights, including trade secrets, copyrights, and trademarks, as well as customary contractual protections.

The Group utilises various internal and external measures to protect its proprietary technology and confidential information. Such measures include contractual protections with employees, contractors, members, and partners, as well as applicable copyright laws and trademark laws. The Group protects its intellectual property pursuant to customary contractual protections in the terms and conditions with subscribers that impose restrictions on the usage of its platform. The Group also seeks to avoid unauthorised disclosure of its intellectual property by relying on internal policies applicable to employees and consultants that acknowledge the Group's ownership of all intellectual property developed by the individual during the course of his or her work with IntelliCentrics. In addition, the Group enters into agreements with employees, consultants and vendors with provisions requiring each person to maintain the confidentiality of all proprietary information disclosed to them and to adhere to the Group's internal policies.

Accuracy and Veracity of Published Materials

The Group has established the Quality Improvement Policies and Procedures under its Quality Improvement Plan to utilise findings from aggregated data, customer input and employee suggestions to develop and execute quality improvement initiatives. The QMC is responsible for internal continuous quality improvement in order to maintain the accuracy and completeness of reports and files delivered to SEC^{3}URE customers and for the Group's internal use. All employees are encouraged to identify and report opportunities for quality improvement to their managers.

Moreover, the Group emphasises the importance of proper advertising and compliance with relevant requirements of media advertisements. The Group has established relevant policies and procedures and it strictly complies with all relevant laws and regulations regarding proper advertising.

User Satisfaction

Providing satisfactory user experience and services has been one of the Group's top priorities. The Group has a team of customer service representatives dedicated to providing services to customers. The call center provides telephone support, and the Group also has a team dedicated to responding to online and email inquiries. The Group maintains a complaint resolution process that records and responds to customers' complaints in a timely manner, all of which are carefully documented for future improvement. The Group has formulated the Customer Complaint Resolution Process, Analysis of Activities and Complaints and Evidence of Action and Follow-up Procedures under its Quality Improvement Plan.

During the Reporting Period, IntelliCentrics has obtained the following certifications, demonstrating its excellent services:

- Attestation of Compliance from the Payment Card Industry Data Security Standard as a declaration of the Group's compliance with the data security standards of Payment Card Industry as a merchant that handles credit card data; and

- Completion of assessment for compliance with the National Institute of Standards and Technology Cybersecurity Framework.

Ethical Business Operations

As a corporation that upholds business integrity, the Group emphasises on compliance management in its operation. It keeps abreast of the latest updates on local and international laws that are related to its operation and reviews related policies and procedures to comply with the best practices.

The Group emphatically affirms its zero-tolerance policy regarding corruption, bribery, extortion, fraud, money laundering and all other behaviors that severely violate professionalism and work ethics. The Group has formulated anti-bribery policies, provided anti-bribery training and periodic updates on recent anti-bribery issues to the Group's employees, and conducted periodic audits of the Group's relevant operating units to ensure continued compliance with applicable anti-bribery laws and regulations and the Group's anti-bribery policies.

The Group has actively strengthened the culture of integrity and consistently incorporated anti-corruption in its governance at all business levels. To raise awareness of anti-corruption among the organisation, the Group provides anti-corruption training for to Directors and employees at least once a year. The Group carried out online training on anti-bribery, insider trading and conflicts of interest for employees. The Group arranged modular-based compliance training courses which provided insights and guidance to Directors and employees regarding the warning signs of bribery and corruption. During the Reporting Period, a total of 15 hours and 214 hours of anti-corruption training were completed by the 15 Directors and senior management, along with 214 employees respectively.

During the Reporting Period, the Group was not aware of any non-compliance with the relevant laws and regulations of bribery, extortion, fraud and money laundering that would have a significant impact on the Group, including but not limited to the Foreign Corrupt Practices Act of the US and the Bribery Act 2010 of the UK, the Canadian Anti-Corruption Law and Compliance and the Criminal Code (刑法) of Taiwan. During the Reporting Period, there were no concluded legal cases regarding corrupt practices brought against the Group or its employees.

Whistleblowing Mechanism

The Group has in place a Whistleblower Policy to ensure that allegations of business misconduct, malpractice or material irregularities are fully investigated and addressed in compliance with the objectives of the leadership and the Audit Committee (the "AC"). The Whistleblower Policy was drafted in compliance with the requirements set out in Appendix 14 to the Listing Rules and was approved and adopted by the Board.

The policy applies to all domestic and international offices and subsidiaries of the Group. Whistle-blowers may submit orally or in writing to the human resources departments, any member of the leadership or the AC. Each allegation made directly to the AC or forwarded to the AC by a member of the leadership shall be reviewed by the AC, and the AC will determine the appropriate person(s) to carry out the investigation of such allegation. Consideration factors for selecting the appropriate person(s) are detailed in the policy.

The Group intends to protect the whistle-blower from common concerns such as confidentiality and potential retaliation or discrimination. Therefore, the employee reporting in good faith under the whistle-blowing mechanism can be assured of the protection against unfair dismissal or victimisation, even if the reports are subsequently proved to be unsubstantiated. On the other hand, if any individual knowingly makes a false report, the individual may face disciplinary action, up to and including termination of employment.

The AC has overall responsibility for the implementation, monitoring and periodic review of the Whistleblower Policy. In addition, the AC has delegated the day-to-day responsibility for administration of the policy to the Vice President of Human Resources.

Supply Chain Management

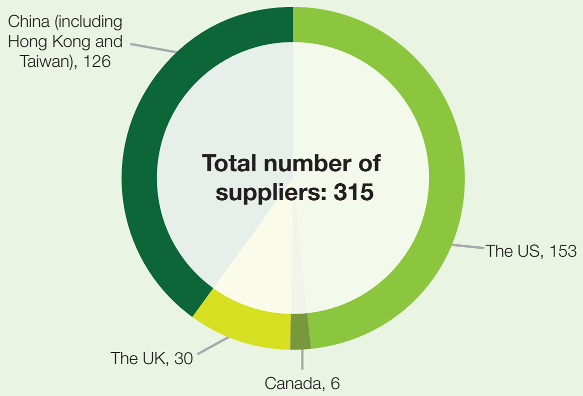
Supply chain management has always been one of the key aspects of the Group's operation. The Group formulated policies and guidelines for various aspects of its customer service, including standardised operating procedures and staff training. The Group also keeps track of the latest industry trends and customer needs such that it is in a better position to bring the best experience to customers.

In line with its commitment to business integrity, the Group has established an open and fair procurement process. The Group has formulated the Global Procurement Process to standardise the process of selecting suppliers. When IntelliCentrics selects suppliers, it follows the established policies to make sure that the nominated suppliers can meet the Group's various requirements in respect of capabilities of providing service, market reputation and track records in relation to compliance with legal aspects such as workplace health and safety, mitigation of environmental impacts, protocols against sexual and gender discrimination, and protocols against harassment and abuse. To maintain good corporate control and governance, inspections and assessments of suppliers may be conducted by the Group if necessary.

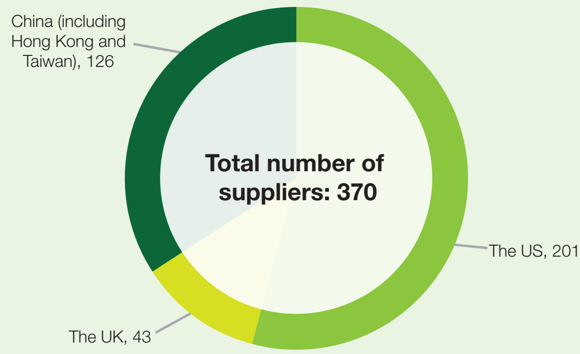
During the Reporting Period, the Group had a total of 315 suppliers (FY2022: 370) from the US, the UK, Canada and China. All suppliers are evaluated and engaged according to the Group's standardised procurement process.

The breakdown of the Group's suppliers is as follows:

FY2023



FY2022



Sustainable Procurement

We are committed to integrating sustainability into our procurement practices to minimise our social impacts as well as our impacts on natural resources and ecosystems, and to have our suppliers share these commitments. The Group will prioritise suppliers who perform in line with its ESG standards in the procurement processes.

In order to create a sustainable supply chain, IntelliCentrics has formulated a global procurement process which ensures the business can efficiently source and obtain goods or services for IntelliCentrics, as well as structure the purchasing processes and sourcing strategies to ensure that the goods and/or services we acquire are the result of transparent, objective, timely and cost-effective decision making, risk management process which includes environmental and social risk management of supply chain, and an environmental friendly procurement process. While the Group continuously evaluates the environmental and social performance of its suppliers, it will consider terminating its business relationship with suppliers who fail to comply with laws and regulations.

The Group also pays attention to the environmental awareness of its suppliers and promotes sound environmental performance and governance practices amongst its business partners and suppliers. The Group encourages its business partners and suppliers to consider the risks that climate change has posed to their operations and to actively mitigate their environmental impacts during supplier management discussions and events. During the Reporting Period, IntelliCentrics used AWS for all of its data handling and storage. AWS is a corporate moving towards 100% renewable energy and developing carbon reduction strategies to reach net-zero carbon emissions in their operation. We believe that working with suppliers that adopt environmentally friendly operations will help IntelliCentrics build a sustainable supply chain.

EMPLOYMENT AND LABOUR PRACTICES

Employment

Human resources are the foundation in supporting the Group's long-term development. As an equal opportunity employer, the Group is committed to providing a working environment without discrimination. Hence, the Group has established relevant policies to fulfil its vision of people-oriented management and realise the full potential of employees. These policies cover recruitment, compensation, promotion, working hours and rest periods, diversity, and equal opportunity, etc.

The Group is committed to following the highest standards of business ethics and upholding the principle of fair employment in the workplace. We have developed the Member Handbook, encompassing the rights that employees can exercise. The Member Handbook is in line with the "United Nations Guiding Principles on Business and Human Rights". The Group also follows the relevant principles in the "International Bill of Human Rights" and the International Labor Organisation's "Declaration on Fundamental Principles and Rights at Work" to develop the Member Handbook. We strive to create a safe, healthy workplace where everyone is treated with respect. We do not tolerate any form of corporal punishment, threats of violence, or any form of abuse in the workplace.

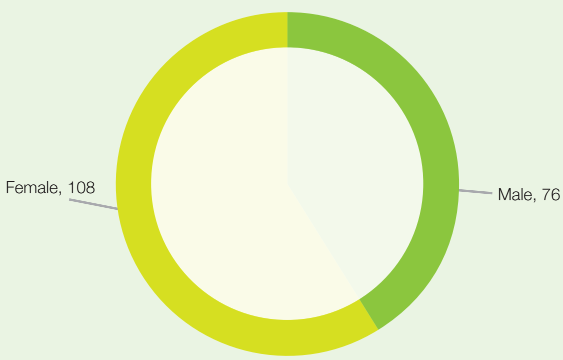
During the Reporting Period, the Group was not aware of any non-compliance with laws and regulations in respect to compensation and dismissal, recruitment, promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. The Group has strictly complied with laws and regulations, such as the Fair Labor Standards Act of the US, the Americans with Disabilities Act of the US, the Employment Rights Act 1996 of the UK, the Act respecting labour standards of Quebec and the Labor Standards Act (勞動基準法) of Taiwan.

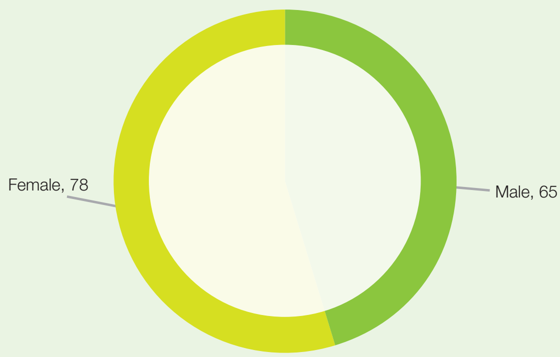
As of June 30, 2023, the Group had a total of 184 employees (June 30, 2022: 143 employees) fell into the reporting scope. The following graphs summarise the employee breakdown by gender, employment type, age group and geographical region of employees within the reporting scope.

As of June 30,

2023	2022

Employees by Gender

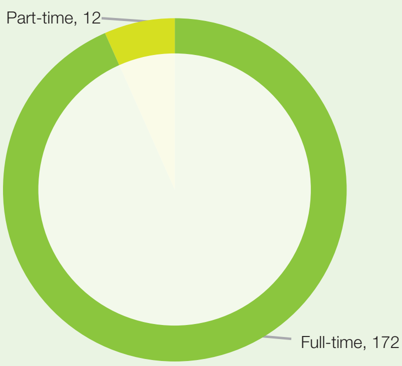


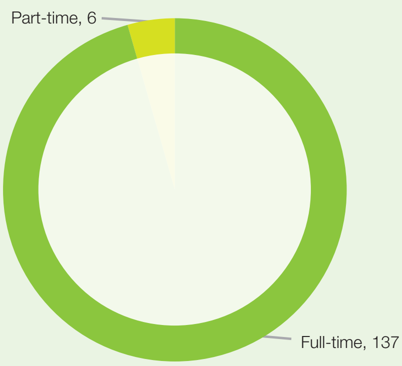


As of June 30,

2023	2022

Employees by Employment Type

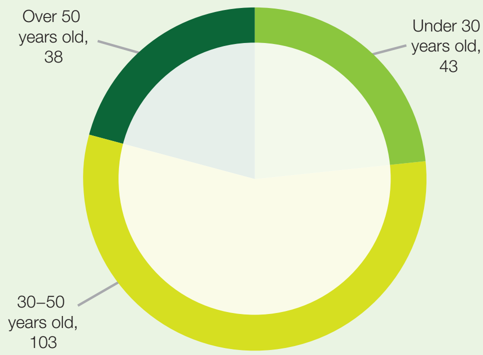


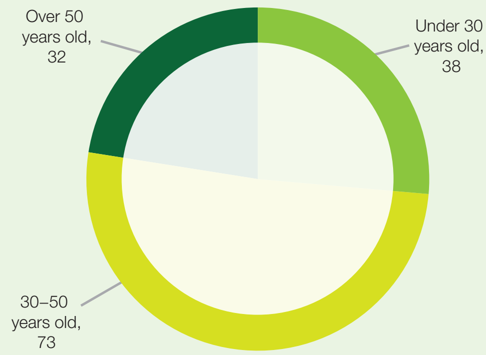


As of June 30,

2023	2022

Employees by Age Group

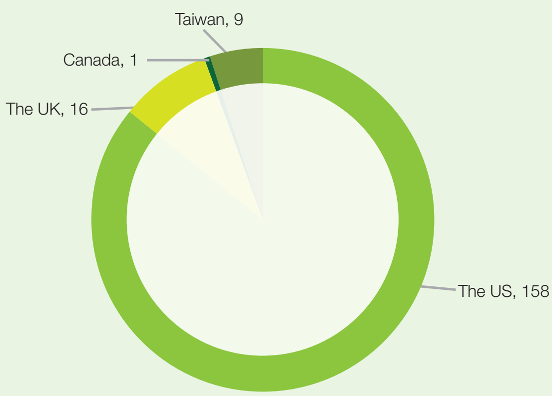


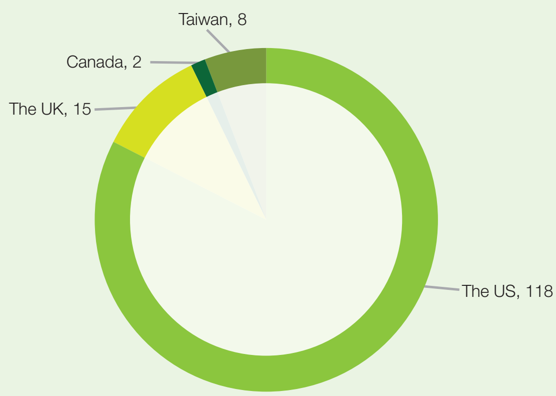


As of June 30,

2023	2022

Employees by Geographical Region





During the Reporting Period, the Group's overall monthly employee turnover rate[1] was approximately 4.11% (FY2022: approximately 6.83%). The following table summarises the employee turnover rate by gender, age group and geographical region.

Turnover rate (%)[2]		FY2023	FY2022
By gender	Male	**1.29%**	3.67
	Female	**2.77%**	3.16
By age group	Under 30 years old	**1.41%**	1.84
	30–50 years old	**2.12%**	3.52
	Over 50 years old	**0.58%**	1.48
By geographical region	The US	**4.54%**	7.35
	The UK	**2.09%**	7.18
	Canada	**8.33%**	—
	Taiwan	**0.83%**	—

Notes:

(1) The overall turnover rate is calculated by dividing the monthly average number of employees left by the monthly average number of employees.

(2) The turnover rate by category is calculated by dividing the monthly average number of employees left in the specified category by the monthly average number of employees.

Recruitment, Promotion and Dismissal

IntelliCentrics applies robust and transparent recruitment processes based on merit selection against the job criteria and recruits individuals based on their suitability for the position and potential to fulfil the Group's current and future needs. The Group has formulated the Position Requisition and Hiring Policy to establish the standards and procedures for the identification of staffing needs, the approval of vacant positions and the selection of individuals to fill those approved vacancies. Key elements of "Identifying Need, Position Request, Requisition Approval, Talent Acquisition, Selection, Offer, Onboarding and Orientation and External Recruiting Agencies" are stated in the policy to direct each leader in determining the need for new members of IntelliCentrics.

The promotion of the Group's employees is subject to review regularly. All employees received regular performance and career development reviews during the Reporting Period. The Group has established objective performance indicators for annual performance evaluations. Based on the evaluation results, the Group offers compensation adjustments and incentive rewards to employees for encouraging continuous improvement.

IntelliCentrics recognises that members leave employment from time to time, voluntarily and involuntarily. Therefore, the Group has established the Separation of Employment Policy to minimise disruption to its operation and to facilitate a smooth transition when the Group's workforce changes. All involuntary separations must be coordinated with the executive of the respective department and human resources. The executive and human resources departments must give advance approval for all involuntary separations. Unreasonable dismissal under any circumstances is forbidden in the Group.

Remuneration and Benefits

The basis for remuneration and promotion are job-related skills, qualifications and performances, ensuring that the Group treats and evaluates employees and applicants in a fair way and compensates employees relative to their industry and local labour markets in which the Group operates. Remuneration packages are competitive; individuals are rewarded according to their performance plus an annually reviewed framework of salary, working conditions, bonuses, and incentive systems. In addition, the Group strictly complies with applicable laws and regulations in terms of employer-employee relationships such as hours of work, minimum wages, overtime wages for exceeding a set number of hours per week, immigration, equal employment opportunity and fair employment practices, equal pay, employee benefits, mass layoffs, leave entitlements, collective bargaining, occupational safety and health, workers compensation, unemployment benefits, and affirmative action. Details of office hours, break times and other remuneration and benefits are clearly specified in the Group's Member Handbook.

Equal Opportunity, Diversity and Anti-discrimination

The Group is committed to creating and maintaining an inclusive and collaborative workplace culture. With the Equal Employment Opportunity in its Member Handbook, the Group is dedicated to providing equal opportunities to all qualified individuals, regardless of their age, ancestry, race, colour, religious creed, religion, sex, sexual orientation, national origin, citizenship, marital status, military or veteran status, physical or mental disability, pregnancy or other status protected by federal, state or local law. The policy of equal employment encompasses all aspects of the employment relationship, including hiring, evaluation, promotion and transfer, selection for training opportunities, wage and salary administration, and the application of benefit plans and the Group's policies.

In addition, the Group has established the Non-Discrimination and Non-Harassment Policy, committing to a work environment free from all forms of discrimination and unlawful harassment, including sexual harassment. It applies to all IntelliCentrics members and to the working relationships between IntelliCentrics members and applicants, customers, vendors, suppliers, independent contractors, and others with whom contact is necessary to perform company business.

Employees are encouraged to report any suspected discrimination or harassment cases to the management. The Group has established the Non-retaliation Policy to protect the interests of whistle-blowers. Any reported incident will be promptly and thoroughly investigated. If, as a result of the investigation, it is determined that any individual engaged in conduct that either constitutes harassment or otherwise violates IntelliCentrics' policies or rules of conduct, appropriate remedial or disciplinary action will be taken.

Prevention of Child and Forced Labour

Child and forced labour are strictly prohibited during the recruitment process as defined by laws and regulations. Internal administrative institutions were set up to manage the Group's employees in a professional manner when they were recruited and employed, so as to eliminate situations such as child labour and forced labour in the Group. Employees are hired in accordance with specific job requirements and talent matching process to build a sustainable workforce.

Personal data is collected during the process to assist in the selection of suitable candidates and to verify candidates' personal data. The human resources department also ensures identity documents are carefully checked so as to verify the information and prevent child labour. Moreover, the Group has adopted a Pay for Performance philosophy, and overtime compensation is clearly stipulated in the Group's Compensation Policy. The Group will follow related laws and regulations when calculating overtime pay. If child labour or forced labour is found to be employed as a result of an improper implementation of the recruitment process, the Group will immediately stop the work of the child labour or forced labour and provide the necessary assistance for the affected individuals.

During the Reporting Period, the Group was not aware of any non-compliance of laws and regulations in respect to preventing child and forced labour that are significant to the Group. The Group has strictly complied with laws and regulations, such as the Fair Labour Standards Act of the US, the Employment Rights Act 1996 of the UK, the Provincial Human Rights Code of Canada and the Labor Standards Act (勞動基準法) of Taiwan, etc.

Provision of Training Opportunities to Employees

IntelliCentrics recognizes the valuable contribution of its talents to the continued success of the business, and it is committed to inspiring its human capital towards delivering excellence. The Group has established the Professional Development Policy, providing reimbursement for employees to participate in professional development programs. During the Reporting Period, the Group had in place the NCQA Certification in Education and Training, demonstrating compliance with NCQA's requirements on the verification service of Education and Training.

The Group has multiple professional development programs designed to improve professional job performance and personal growth. Professional development programs and activities may include but are not limited to attendance at courses, seminars, conferences, institutes, lectures, meetings, workshops, and participation in professional and technical associations. Examples include various training programs for employees on the processing and verification of the documentation for credentialing solutions and customer service representatives by internally sourced speakers, management training on governance issues, and programs to advance career opportunities for all employees.

During the Reporting Period, the Group's employees have attended approximately 4,512 hours (FY2022: 3,912.00) of training in total for professional development. During the Reporting Period, approximately 97.90%[3] (FY2022: approximately 97.20%) of the Group's employees participated in training.

Categories	FY2023 Percentage of employees trained (%)[4]	FY2023 Breakdown of employees trained (%)[5]	FY2023 Average training hours per employee (hours)[6]	FY2022 Percentage of employees trained (%)[4]	FY2022 Breakdown of employees trained (%)[5]	FY2022 Average training hours per employee (hours)[6]
By gender						
Male	**97.35**	**37.44**	**34.40**	96.92	42.37	27.02
Female	**98.27**	**62.56**	**35.25**	97.44	57.63	27.64
By employment category						
Senior management	**100.00**	**8.33**	**16.59**	83.33	8.47	14.58
Middle management	**100.00**	**9.45**	**31.17**	100.00	11.02	25.15
General staff	**96.55**	**82.22**	**36.65**	98.31	98.31	28.90

Notes:

(3) The overall percentage of employees trained is calculated by dividing the total number of employees trained during the financial year by the total number of employees at the end of the financial year.

(4) The percentage of employees trained by category is calculated by dividing the total number of employees trained during the financial year by category by the total number of employees at the end of the financial year.

(5) The breakdown of employees trained by category is calculated by dividing the total number of employees trained during the financial year by category by the total number of employees trained during the financial year.

(6) Average training hours completed per employee is calculated by dividing the total training hours during the financial year by the total number of employees at the end of the financial year.

Employees' Health and Well-being

The Group is committed to providing a healthy and safe workplace for all its employees. The Workplace Safety and Security Policy was drafted and subsequently implemented in accordance with relevant health and safety laws and regulations. The policy establishes standards and procedures to provide a hazard-free work environment for its employees. Measures implemented and actions conducted to safeguard its employees include but are not limited to the following:

- Controlling access and monitoring of workplace facilities;
- Providing healthy fruits and snacks;
- Improving the lighting in the workplace;
- Carrying out regular and good maintenance and repairing of all devices and machines used in the workplace;

- Providing employees with regular mandatory training on health and safety-related policies, standards, protocols and procedures; and

- Providing sufficient supervision when necessary to ensure the health and safety of all employees at work.

Apart from establishing the aforementioned measures, the policy also details the complaint procedures with the intention of preventing a threat from being carried out, a violent act from occurring, or a life-threatening situation from developing. All IntelliCentrics personnel are responsible for notifying their department leader or human resources any threats which they have witnessed, received, or have been told that another person has witnessed or received.

Day-to-day responsibility for the administration of the Workplace Safety and Security Policy lies with the Vice President of Human Resources. In addition, the policy is reviewed, and where necessary revised, periodically to ensure that the said policy continues to protect the health and safety of its employees.

During the Reporting Period, the Group was not aware of any non-compliance with health and safety-related laws and regulations that would have a significant impact on the Group, including but not limited to the Occupational Safety and Health of 1970 of the US and the Health and Safety at Work etc. Act 1974 of the UK, the Provincial Occupational Health & Safety Act of Canada and the Occupational Safety and Health Act (職業安全衛生法) of Taiwan.

During the Reporting Period, there were no recorded lost days due to work injuries. In addition, there were no recorded work-related fatalities in the past three years including the Reporting Period. Lost days refer to time that cannot be worked as a consequence of workers being unable to perform their usual work because of an occupational disease or accident defined by the relevant statutory provisions of the respective jurisdictions.

Response to COVID-19 Outbreak

In light of the COVID-19 pandemic, the Group remains highly conscious of the potential health and safety impacts brought to its employees and continued to implement the COVID-19 Coronavirus Policy. During the Reporting Period, the Group continued to adopt flexible work arrangements for its employees. Moreover, in order to avoid the spread of disease and maintain a clean work environment, we have conducted additional sanitation procedures and provided hand sanitisers to employees in our operating locations. Apart from hand sanitisers, we also provide face masks to employees if they chose to wear mask in our operating locations. Furthermore, we encourage employees to exercise personal prudence and practice social distancing when in our operating locations to reduce the chance of infection.

COMMUNITY

Community Investment

The Group recognises the importance of contributing to the local community where the Group operates and encourages its employees to actively engage in community activities. The Group has formulated the community investment process which states its directions in engaging its employees in community participation and the selection criteria of the suitable donation partners. To ensure donations from the Group can be effectively allocated, the Group has assigned designated personnel to carefully select its donation partners every year.

The Group is committed to fulfilling its corporate social responsibility by participating in various charity activities. The focus areas of the Group include but are not limited to environmental concerns, labour needs and healthcare welfare.

During the Reporting Period, the Group took part in various charitable activities, including participating in the Christian Community Action to donate food. Both the UK and the US teams of the Group donated toys to children. Additionally, the UK team engaged in a school uniform donation activity, providing school uniforms to children in need. The Group also participated in an Easter egg donation activity. Moreover, the Group partnered with Donate 2 Impact on a Community Donation Event and raised a full truck of clothing and household items. The purpose of this activity is to prevent unwanted items from ending up in the landfills, while recycling donation items into financial support for local charities and providing funding for community partners. The Group also hosted a local community event with the Developer so that the Developer could discuss plans with local businesses and residents and collect feedback.


Employees of the Group participating in the 7's Community Donation Event

Hosting a meeting at the 7's with the Developer and local businesses and residents

ENVIRONMENTAL PROTECTION

The Group is committed to the long-term sustainability of the environment and community where it operates. As a corporation principally engaged in the operation of a technology platform that verifies data and information, the Group's daily operations have minimal impacts on the environment. Nevertheless, we recognise our responsibilities towards the potential indirect negative environmental impacts associated with our business operations, and we focus on nurturing and strengthening our employees' awareness of environmental protection in their daily work processes.

USE OF RESOURCES

During the Group's operations, electricity and water are the major resources being consumed. The Group continues with initiatives to introduce resource efficiency and eco-friendly measures to the Group's operations and is committed to optimising the use of resources in all of its business operations. The Group has established relevant policies and procedures in governing the efficient use of resources, in accordance with the objective of achieving higher energy efficiency and reducing unnecessary use of materials.

Energy Consumption

Electricity is the main energy source consumed by the Group. Related energy policies have been developed to set energy conservation as one of the Group's fundamental policies. All employees must implement the adopted measures, including the purchase of energy-efficient products and services, and assume responsibility for the Group's overall energy efficiency.

By building up an energy management system, the Group develops and regularly reviews its energy objectives and targets to continuously enhance the Group's energy performance. The Group has set a target of reducing at least 20% of its non-renewable energy consumption intensity (MWh per employee) in the financial year ending June 30, 2026 ("FY2026"), using 2.52 MWh per employee in FY2022 as the baseline. In FY2023, the Group's non-renewable energy consumption intensity (MWh per employee) was approximately 1.48 MWh per employee, representing a reduction of approximately 41.27% compared to the baseline. The Group will continue to monitor its progress to strive for further reduction. In order to achieve the target, the Group has performed the following measures to reduce energy consumption:

- Switching off electrical appliances when they are not in use;
- Adopting higher energy-efficiency office equipment in the workplace;
- Posting green messages on the information portal and message board to remind colleagues to support energy conservation;
- Encouraging staff to participate in campaign or activities relating to the promotion of green environment; and
- Installing electricity meter in office to monitor the electricity consumption regularly. Unexpected high consumption of electricity will be investigated to find out the root cause and preventive measures will be taken.

During the Reporting Period, the Group's total energy consumption intensity was approximately 1.48 MWh per employee (FY2022: approximately 2.52 MWh per employee), representing a year-on-year reduction of approximately 41.27%. The reduction in the Group's total energy consumption intensity was mainly due to evening and weekend energy conservation and increased staffing levels.

Summary of energy consumption performance:

Types of energy[7]	Unit	FY2023	FY2022
Direct energy consumption			
Gasoline consumption	MWh	**48.75**	59.41
Indirect energy consumption			
Purchased electricity[8]	MWh	**224.32**	300.63
Total energy consumption	**MWh**	**273.07**	360.04
Intensity[9]	**MWh/employee**	**1.48**	2.52

Notes:

(7) The unit conversion method of energy consumption data is based on the "Energy Statistics Manual" issued by the International Energy Agency.

(8) As the office in Canada is located in a fully serviced accommodation with all utilities provided, it is unable to assess the individual usage.

(9) As of June 30, 2023, the Group had a total of 184 (June 30, 2022: 143) employees who were in the reporting scope. These numbers would also be used for calculating other intensity data.

Water Consumption

The water consumption of the Group is limited to basic cleaning and sanitation in the office. Due to the Group's business nature and limited water consumption, water consumption-related target is not disclosed in this ESG Report. Nevertheless, the Group encourages all employees to develop the habit of conserving water consciously. For example, we have installed automated faucets in the restrooms at the US office. In the future, we will continue to explore new water-saving measures that can be adopted in our office and set water-related targets.

Summary of water consumption performance:

Indicator[10]	Unit	FY2023	FY2022
Total water consumption	m^3	17,591.00	3,876.00
Intensity	m^3/employee	95.60	27.10

Note:

(10) For the offices in the US, the UK and Canada, water usage was included in the management fee and rental fee, hence, it is unable to assess the individual usage.

Due to the Group's business nature and operations mainly based in the US, the UK, Canada and Taiwan, the issue in sourcing water that is fit for purpose is not relevant to the Group.

Use of Packaging Materials

The Group does not consume significant amounts of packaging materials for its product as it has no industrial production or any factory facilities.

EMISSIONS

As an operator of a world-leading credentialing platform for compliance and security purposes in the healthcare industry, the Group strives to protect the environment through the implementation of control activities and monitoring measures in its business activities and workplace. Considering its operations and ordinary course of business only lead to minimal environmental impacts, its emissions are limited to air and greenhouse gas ("GHG") emissions, domestic sewage discharge and waste disposal that are mainly derived from the use of resources in its offices. Therefore, the Group makes efforts to continuously improve its environmental practices in internal operations.

Within the Group's policy framework, it continually looks for different opportunities to pursue environmentally friendly initiatives and enhance its environmental performance by reducing energy and use of other resources. In order to mitigate the environmental impact produced by the Group's operations, it has adopted and implemented relevant environmental policies and initiatives. These policies and initiatives apply the waste management principle of "Reduce, Reuse, Recycle and Replace" as well as emission mitigation principle, with objectives of minimising the adverse environmental impacts and ensuring the waste disposal or emissions being generated are conducted in an environmentally responsible manner.

The Group has been committed to protecting the environment and strictly complies with the national and local environmental laws and regulations, including but not limited to the Clean Air Act of the US, the Clean Water Act of the US, the Control of Pollution Act 1974 of the UK, the Environmental Protection Act 1990 of the UK, the Canadian Environmental Protection Act, the Environmental Protection Basic Act (環境基本法) and the Air Pollution Control Act (空氣污染防制法) of Taiwan. During the Reporting Period, the Group was not aware of any non-compliance with related environmental laws and regulations relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

Air Emissions

The Group's major sources of air emissions originated from gasoline consumed by company vehicles. In response to the above sources, the Group has actively adopted the following measures to manage its air emissions:

- Planning routes ahead of time to avoid route repetition and optimise fuel consumption;
- Switching off the engine whenever the vehicle is idling;
- Conducting regular vehicle inspection and maintenance to ensure optimal engine performance and fuel use; and
- Using telephone/video conferencing for online presentations and meetings to substitute unnecessary business road trips.

During the Reporting Period, the Group's generated approximately 5.05 kg, 0.07 kg, and 0.37 kg of nitrogen oxides (NOx), sulphur oxides (SOx) and particulate matter (PM) emissions respectively[11], which were attributed to the usage of company vehicles in Taiwan.

Note:

(11) The calculation of exhaust gas emissions data is based on the "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange.

GHG Emissions

The principal GHG emissions of the Group are generated from electricity consumption. Therefore, the Group develops and regularly reviews its energy objectives and targets so as to minimise GHG emissions. The Group has set a target of reducing its GHG emissions intensity by reducing at least 20% of our non-renewable energy consumption intensity (MWh per employee) in FY2026, using the 2.52 MWh per employee in FY2022 as the baseline. In FY2023, the Group's non-renewable energy consumption intensity was reduced to approximately 1.48 MWh per employee. Please refer to the section headed "Energy Consumption" for further details. In the pursuit of our emissions reduction target, we actively adopt different electricity conservation measures as well as other initiatives to reduce GHG emissions, including:

- Actively adopting measures for environmental protection, energy conservation, and water saving. Relevant measures are described in the sections headed "Energy Consumption", "Water Consumption" as well as "Air Emissions"; and

- Actively adopting paper saving measures in our offices. The relevant measures are described in the section headed "Waste Management".

The Group only had minimal activities that resulted in direct GHG emissions (Scope 1) during operations. Energy indirect GHG emissions (Scope 2) due to purchased electricity were the principal source of GHG emissions. In FY2023, the Group's total GHG emissions intensity was approximately 0.54 tCO_2e per employee (FY2022: approximately 0.88 tCO_2e per employee), representing a year-on-year reduction of approximately 38.64%. The reduction in the Group's total GHG emissions intensity was mainly due to evening and weekend energy conservation and increased staffing levels.

Summary of GHG emissions performance:

Indicator[12]	**Unit**	**FY2023**	FY2022
Direct GHG emissions (Scope 1)			
Gasoline	tCO_2e	**13.38**	16.31
Energy indirect GHG emissions (Scope 2)			
Purchased electricity[8]	tCO_2e	**86.19**	109.87
Total GHG emissions	**tCO_2e**	**99.57**	126.18
Intensity	**tCO_2e/employee**	**0.54**	0.88

Note:

(12) GHG emissions data is presented in terms of carbon dioxide equivalent and are based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Bank Institute and the World Business Council for Sustainable Development, "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange, the "Global Warming Potential Values" from the IPCC Fifth Assessment Report, 2014 (AR5) and "eGRID Summary Tables 2021" from the US Environmental Protection Agency, the "Greenhouse gas reporting: conversion factors 2022" published by Department for Business, Energy & Industrial Strategy and the "2022 Electricity Carbon Emission Factor" from the Bureau of Energy, Ministry of Economic Affairs.

Sewage Discharge

The Group does not consume significant amounts of water in its business operations; therefore, its business activities did not generate a material portion of discharges into water during the Reporting Period. The amount of sewage was considered as equivalent to that of water consumed. Since the wastewater discharged by the Group is discharged into the municipal sewage pipeline network for processing, the amount of water consumption of the Group represents the wastewater discharge volume. The data in wastewater discharge volume will be described in the section headed "Water Consumption". The majority of the water supply and discharge facilities are provided and managed by the property management company.

Waste Management

The Group emphasises carbon reduction and waste reduction with the principle of "Reduce, Reuse, Recycle and Replace" to promote better utilisation of environmental resources. IntelliCentrics is always looking for ways to reduce waste at source and increase recycling rate. The Group has set a target of reducing at least 25% of its waste intensity (kg per employee) in FY2026, using 19.97 kg per employee in FY2022 as the baseline. In FY2023, the Group's waste intensity (kg per employee) was approximately 7.37 kg per employee, representing a reduction of approximately 63.09% compared to the baseline. The Group will continue to monitor its progress to strive for further reduction. In order to achieve our target, the Group has launched different waste reduction measures which will be described in this section.

Hazardous waste handling method

Due to the Group's business nature, the Group only generates a limited amount of hazardous waste. We have completed a relocation of our US office. We have upgraded our lighting system to LED lighting and replaced all aging network equipment with more efficient ones. Therefore, the Group only generated a small amount of e-waste during the Reporting Period. The Group has established guidelines in governing the management and disposal of hazardous wastes. In case there are any hazardous wastes produced, the Group must engage a qualified chemical or electronic waste collector to handle such wastes, which is complied with the relevant environmental laws and regulations.

Summary of hazardous waste generated:

Types of hazardous waste	**Unit**	**FY2023**	FY2022
E-waste	kg	**42.00**	–
Total hazardous waste	**kg**	**42.00**	–
Intensity	**kg/employee**	**0.23**	–

Non-hazardous waste handling method

The Group's total non-hazardous waste disposal was mainly office paper. With the aim of minimising the environmental impacts of non-hazardous wastes generated from its business operations, the Group's staff and assigned administrative staff in the workplace collectively take the responsibilities for waste management in the office, with reference to the established environmental policies, including but not limited to the following:

- Utilising electronic communication where applicable such as e-brochures for distribution to customers;
- Promoting the use of recycled paper and toner or environmentally friendly materials;
- Reducing paper consumption by printing on both sides of paper;

- Sorting recycled wastes into appropriate recycle bins, educating employees on sorting methods if needed; and

- Placing appropriate signage on walls and bins, stating what type of waste or recyclable should be placed in the recycle bins.

In FY2023, the Group's total non-hazardous waste intensity was approximately 7.14 kg per employee (FY2022: approximately 19.97 kg per employee), representing a year-on-year reduction of approximately 64.25%.

Summary of non-hazardous waste generated:

Types of non-hazardous waste	Unit	FY2023	FY2022
Office paper[13]	kg	**467.64**	1,252.35
Other paper products	kg	**630.71**	1,174.20
Plastic wastes[14]	kg	**214.89**	429.50
Total non-hazardous waste	**kg**	**1,313.24**	2,856.05
Intensity	**kg/employee**	**7.14**	19.97

Notes:

(13) During the Reporting Period, the Group recycled approximately 515.27 kg (FY2022: 1,064.54 kg) of office paper and paper products.

(14) During the Reporting Period, the Group recycled approximately 74.20 kg (FY2022: 11.00 kg) of plastic wastes.

THE ENVIRONMENT AND NATURAL RESOURCES

Although the core business of the Group has limited impact on the environment and natural resources, the Group recognises the responsibility in minimising the negative environmental impacts of its operations in achieving sustainable development to generate long-term values to its stakeholders and the community.

The Group works tirelessly to mitigate the environmental impacts of its activities through adopting industry best practices, targeted at the reduction of natural resources consumption and effective emission management. The Group's UK office workplace received the Green Apple Environmental Award from Houses of Parliament, London for its green office measures. The Group regularly assesses its businesses' environmental risks and adopts preventive measures to reduce those risks and ensure the compliance with relevant laws and regulations.

Promotion of Paperless Operations for Healthcare Industry

As a growing company, IntelliCentrics is striving to find a good measure that the Group can support its expansive network of around 10,000 locations and over 125,000 paying subscribers to reduce paper and carbon emissions. While supporting better healthcare security and practices, the services provided by IntelliCentrics enable the healthcare industry to move from paper files to technology, so as to save millions of pieces of paper each year.

Indoor Air Quality

Good indoor air quality is important as employees spend most of their time working in the offices. Indoor air quality in the workplace is regularly monitored and measured. Air pollutants, contaminants and dust particles are filtered out by air purifying equipment in the workplace, and regular cleaning of air conditioning system is conducted to ensure the indoor air quality is maintained at a satisfactory level.

CLIMATE CHANGE

We recognise that human activities are contributing to climate change and climate change is one of the most urgent challenges facing the world today. IntelliCentrics as a responsible corporate is committed to helping tackle this global challenge. The Group strives to further strengthen its resilience against climate change by identifying related challenges and by developing strategies in line with global best practices to mitigate and adapt to the impact of climate change on its operations. In order to manage climate-related risks and opportunities more effectively, the Group established the Climate-Change Committee during the Reporting Period. The Climate-Change Committee is made up of representatives from all business functions in the US and the UK who support the Group's climate action planning, as well as coordinate responses to climate-related risks and opportunities across business units. The Group has also included climate-related topics in its enterprise risk management framework and formulated the Climate Change Policy which outlines our commitment to managing climate risks across our operations and to developing mitigation, adaptation and resilience strategies to address those risks in line with global best practices. Besides, the Group has adopted the suggestions of the TCFD and conducted an annual climate risk assessment to identify climate-related risks and opportunities that are closely related to the Group's operation.

Transition Risks

The trend of transitioning to a low-carbon economy poses significant risks to the Group's business.

More ambitious climate policies, laws and regulations are expected to be implemented to support decarbonisation goals. For example, the Reporting Guide has been updated recently in respect to significant climate-related impact disclosures of an issuer. As a company listed on the Stock Exchange, we are required to increase the climate-related information disclosures. Stricter environmental laws and regulations may expose enterprises to higher risks of claims and lawsuits. Corporate reputation may also be impacted due to failure to meet the compliance requirements for climate change. The Group's related capital investment and compliance costs thus increase. In response to the policy and legal risks as well as the reputation risks, the Group regularly monitors existing and emerging trends, policies and regulations relevant to climate and be prepared to alert the top management where necessary to avoid cost increments, non-compliance fines or reputational risks due to delayed response.

Moreover, investor awareness that climate-related risks need to be integrated into overall risk management is rapidly evolving. As a result, we analyse market trends regularly and respond as required. We are also committed to maintaining a high level of transparency regarding our climate risk management to build trust and confidence among our investors.

Physical Risks

Climate change increases the severity and frequency of extreme weather events such as typhoons, intense precipitation, and flooding. Extreme weather events could disrupt supply chains, interrupt business operations, and cause financial and physical damage. Therefore, we assess business disruption risks associated with extreme weather events in the Information Security Policy Risk Assessment section. The Group's business platform also has been moved to AWS from local data centers over the last three years for improved resiliency. Business development and support can be accomplished within the office or remotely so there is no dependency on the office infrastructure. Besides, we have conducted business continuity management ("BCM") training to employees during the Reporting Period. The BCM training helps us improve our resilience and recovery ability in response to extreme weather events.

In addition, it is expected that the increase in average temperature will increase the demand of cooling for buildings. The Group thus incorporates energy efficiency and energy procurement considerations as part of due diligence for any new location that would help reduce costs related to energy consumption for cooling.

Opportunities

Climate change also creates business opportunities for the Group which it aims to incorporate into its business strategy. We will continue to implement different carbon reduction initiatives and measures in our operations and collaborate with suppliers to maximise our resources efficiency and reduce our material used, electricity consumption and thus the operational costs. For example, we have replaced the inefficient lighting with LED lighting in the offices as well as set environmental impact reduction targets and assesses its performance against these targets annually. In the future, we will also explore the opportunities of engaging renewable energy and establishing our sustainable products through investments in R&D and strategic mergers and acquisitions.

THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE

Mandatory Disclosure Requirements	**Sections**
Governance Structure	Sustainability Governance
Reporting Principles	About the Report — Reporting Principles
Reporting Boundary	About the Report — Reporting Scope

Subject Areas, Aspects, General Disclosures and KPIs	Description	Location/Statement
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Emissions
KPI A1.1	The types of emissions and respective emissions data.	Emissions — Air Emissions
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions — GHG Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions — Waste Management
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions — Waste Management
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Emissions — GHG Emissions
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Emissions — Waste Management

Subject Areas, Aspects, General Disclosures and KPIs	Description	Location/Statement
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Use of Resources — Energy Consumption
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Use of Resources — Water Consumption
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Use of Resources — Energy Consumption
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Use of Resources — Water Consumption
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Use of Resources — Use of Packaging Materials
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources — Promotion of Paperless Operations for Healthcare Industry; The Environment and Natural Resources — Indoor Air Quality

Subject Areas, Aspects, General Disclosures and KPIs	Description	Location/Statement
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change — Transition Risks; Climate Change — Physical Risks; Climate Change — Opportunities
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment and Labour Practices — Employment
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employment and Labour Practices — Employment
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment and Labour Practices — Employment

Subject Areas, Aspects, General Disclosures and KPIs	Description	Location/Statement
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Employment and Labour Practices — Employees' Health and Well-being
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Employment and Labour Practices — Employees' Health and Well-being
KPI B2.2	Lost days due to work injury.	Employment and Labour Practices — Employees' Health and Well-being
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Employment and Labour Practices — Employees' Health and Well-being
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Employment and Labour Practices — Provision of Training Opportunities to Employees
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Employment and Labour Practices — Provision of Training Opportunities to Employees
KPI B3.2	The average training hours completed per employee by gender and employee category.	Employment and Labour Practices — Provision of Training Opportunities to Employees

Subject Areas, Aspects, General Disclosures and KPIs	Description	Location/Statement
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Employment and Labour Practices — Prevention of Child and Forced Labour
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employment and Labour Practices — Prevention of Child and Forced Labour
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Employment and Labour Practices — Prevention of Child and Forced Labour
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Operating Practices — Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Operating Practices — Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Operating Practices — Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Operating Practices — Supply Chain Management — Sustainable Procurement
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Operating Practices — Supply Chain Management — Sustainable Procurement

Subject Areas, Aspects, General Disclosures and KPIs	Description	Location/Statement
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Operating Practices — Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Operating Practices — Product Responsibility
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Operating Practices — Product Responsibility
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Operating Practices — Protection of Intellectual Property Rights
KPI B6.4	Description of quality assurance process and recall procedures.	Operating Practices — Stability of Platform Services; Operating Practices — Accuracy and Veracity of Published Materials; Operating Practices — User Satisfaction
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Operating Practices — Protection of User Data Privacy; Operating Practices — Security and Cyber Security

Subject Areas, Aspects, General Disclosures and KPIs	Description	Location/Statement
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Operating Practices — Ethical Business Operations
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Operating Practices — Ethical Business Operations
KPI B7.2	Description of preventive measures and whistleblowing procedures, and how they are implemented and monitored.	Operating Practices — Ethical Business Operations
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Operating Practices — Ethical Business Operations
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community — Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community — Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community — Community Investment

GRI CONTENT INDEX

Statement of Use	IntelliCentrics has reported the information cited in this GRI content index for FY2023 with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Location/Statement
General disclosure		
GRI 2: General Disclosures 2021	2-1 Organizational details	• Legal name: IntelliCentrics Global Holdings Ltd. • Nature of ownership: publicly owned • Legal form: incorporated entity • Location of the Group's headquarters: the US • The Group's countries of operation: Canada, China, the UK and the US
	2-2 Entities included in the organization's sustainability reporting	About the Report — Reporting Scope
	2-3 Reporting period, frequency and contact point	About the Report — Reporting Period Reporting frequency: annual
	2-4 Restatements of information	Nil
	2-5 External assurance	We rely on the internal information monitoring and checking information samples to ensure its accuracy
	2-6 Activities, value chain and other business relationships	About the Report — Introduction
	2-7 Employees	Employment and Labour Practices — Employment
	2-9 Governance structure and composition	Sustainability Governance
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Governance

GRI Standard	Disclosure	Location/Statement
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance
	2-22 Statement on sustainable development strategy	Chairman's Statement
	2-23 Policy commitments	Employment and Labour Practices — Employment
	2-27 Compliance with laws and regulations	Operating Practices — Product Responsibility; Operating Practices — Ethical Business Operations; Employment and Labour Practices — Employment; Employment and Labour Practices — Prevention of Child and Forced Labour; Employment and Labour Practices — Employees' Health and Well-being; Emissions
	2-29 Approach to stakeholder engagement	Stakeholder Engagement
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment
	3-2 List of material topics	Materiality Assessment
Procurement Practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	Operating Practices — Supply Chain Management
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Operating Practices — Supply Chain Management

GRI Standard	Disclosure	Location/Statement
Anti-corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	Operating Practices — Ethical Business Operations
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Operating Practices — Ethical Business Operations
	205-2 Communication and training about anti-corruption policies and procedures	Operating Practices — Ethical Business Operations
	205-3 Confirmed incidents of corruption and actions taken	Operating Practices — Ethical Business Operations
Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	Use of Resources — Energy Consumption
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Use of Resources — Energy Consumption
	302-3 Energy intensity	Use of Resources — Energy Consumption
Water and Effluents		
GRI 3: Material Topics 2021	3-3 Management of material topics	Use of Resources — Water Consumption; Emissions — Sewage Discharge
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Use of Resources — Water Consumption
	303-2 Management of water discharge-related impacts	Emissions — Sewage Discharge
	303-3 Water withdrawal	Use of Resources — Water Consumption
	303-5 Water consumption	Use of Resources — Water Consumption

GRI Standard	Disclosure	Location/Statement
Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	Emissions — GHG Emissions
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Emissions — GHG Emissions
	305-2 Energy indirect (Scope 2) GHG emissions	Emissions — GHG Emissions
	305-4 GHG emissions intensity	Emissions — GHG Emissions
	305-5 Reduction of GHG emissions	Emissions — GHG Emissions
Waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	Emissions — Waste Management
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Emissions — Waste Management
	306-2 Management of significant waste-related impacts	Emissions — Waste Management
	306-3 Waste generated	Emissions — Waste Management
Supplier Environmental Assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Operating Practices — Supply Chain Management
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Operating Practices — Supply Chain Management

GRI Standard	Disclosure	Location/Statement
Occupational Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Employment and Labour Practices — Employees' Health and Well-being
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	Employment and Labour Practices — Employees' Health and Well-being
Training and Education		
GRI 3: Material Topics 2021	3-3 Management of material topics	Employment and Labour Practices — Provision of Training Opportunities to Employees
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Employment and Labour Practices — Provision of Training Opportunities to Employees
	404-2 Programs for upgrading employee skills and transition assistance programs	Employment and Labour Practices — Provision of Training Opportunities to Employees
Diversity and Equal Opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Employment and Labour Practices — Equal Opportunity, Diversity and Anti-discrimination
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Employment and Labour Practices — Employment
Child Labor		
GRI 3: Material Topics 2021	3-3 Management of material topics	Employment and Labour Practices — Prevention of Child and Forced Labor
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Employment and Labour Practices — Prevention of Child and Forced Labor
Forced or Compulsory Labor		
GRI 3: Material Topics 2021	3-3 Management of material topics	Employment and Labour Practices — Prevention of Child and Forced Labor
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Employment and Labour Practices — Prevention of Child and Forced Labor

GRI Standard	Disclosure	Location/Statement
Supplier Social Assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Operating Practices — Supply Chain Management
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Operating Practices — Supply Chain Management
Customer Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Operating Practices — Product Responsibility
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Operating Practices — Product Responsibility
Marketing and Labeling		
GRI 3: Material Topics 2021	3-3 Management of material topics	Operating Practices — Accuracy and Veracity of Published Materials
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	Operating Practices — Accuracy and Veracity of Published Materials
	417-3 Incidents of non-compliance concerning marketing communications	Operating Practices — Accuracy and Veracity of Published Materials
Customer Privacy		
GRI 3: Material Topics 2021	3-3 Management of material topics	Operating Practices — Protection of User Data Privacy
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Operating Practices — Protection of User Data Privacy

Crowe

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF INTELLICENTRICS GLOBAL HOLDINGS LTD.
(Incorporated in Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of IntelliCentrics Global Holdings Ltd. (the "Company") and its subsidiaries (together the "Group") set out on pages 127 to 215, which comprise the consolidated statement of financial position as at 30 June 2023, and the consolidated statement of profit or loss and other comprehensive income or loss, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board (the "IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MATERIAL UNCERTAINTY RELATING TO GOING CONCERN

We draw attention to Note 2 to the consolidated financial statements, which indicates that the Group recorded a net loss of approximately US$8,839,000 for the year ended 30 June 2023 and net liabilities of approximately US$4,084,000 as at the year ended. As at 30 June 2023, the Group's bank and other borrowings and lease liabilities repayable within twelve months totalled approximately US$24,931,000 while the Group's cash and cash equivalents and restricted cash were approximately US$23,701,000. These conditions, along with other events and conditions as set forth in Note 2 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

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

The Key Audit Matter	How the matter was addressed in our audit
Capitalized development costs	*Our audit procedures to assess the capitalization of development costs included the following:*
Refer to Notes 3, 5, and 18 of the consolidated financial statements As of 30 June 2023, the Group reported capitalized development costs, net of accumulated amortization, of US$9.5 million related to its healthcare technology platform, of which US$5.4 million was capitalized during the year ended 30 June 2023. The Group capitalizes development expenditures attributable to the design and testing of its healthcare technology platform products only when it can demonstrate: • The costs incurred related to a product that has reached technical feasibility; • The costs increase lifetime economic value of the platform product; and • The development will generate probable future economic benefits. We identified the capitalization of development costs as a key audit matter because there is a higher degree of judgement necessary to determine if the development costs had met the criteria for capitalization, in respect to both whether capitalized costs related to qualifying development activities, and whether the criteria for capitalization were met.	– Read and inspected product development plans prepared by project managers and management; – Understood and evaluated the key controls surrounding the capitalization of development costs for the underlying projects; – Inquired of the Group product development and finance and accounting teams to understand and assess whether the costs incurred were related to the healthcare technology platform, were technically feasible, and would generate probable future economic benefits; and – Selected a sample of capitalized development costs incurred during the year and obtained supporting documents, including project details and invoices, and timesheet details of product development employees, as applicable, to assess whether the costs capitalized were directly attributable to activities necessary to develop the healthcare technology platform.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Consolidated Financial Statements

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Crowe (HK) CPA Limited
Certified Public Accountants
Hong Kong, 29 September 2023

Alvin Yeung Sik Hung
Practising Certificate Number P05206

Consolidated Statement of Profit or Loss and Other Comprehensive Income or Loss

US$ in thousands	Note	**Year ended June 30, 2023**	Year ended June 30, 2022
Revenue	7	**43,980**	40,694
Cost of revenue	8	**(4,806)**	(5,388)
Gross profit		**39,174**	35,306
Selling and marketing expenses	8	**(5,244)**	(4,245)
General and administrative expenses	8	**(24,349)**	(21,815)
Research and development expenses	8	**(15,411)**	(14,127)
Other (loss)/income	10	**(467)**	394
Operating loss		**(6,297)**	(4,487)
Finance costs	11	**(2,258)**	(1,520)
Finance income	12	**518**	95
Other non-operating expenses	13	**(283)**	(6,331)
Share of profit/(loss) of a joint venture, net of tax	20	**31**	(127)
Loss before income tax		**(8,289)**	(12,370)
Income tax (expense)/benefit	14	**(550)**	724
Loss for the year		**(8,839)**	(11,646)
Other comprehensive income/(loss):			
Item that will not be subsequently reclassified to profit or loss:			
— Equity instruments at FVOCI — net change in fair value		**(536)**	211
Item that may be subsequently reclassified to profit or loss:			
— Currency translation differences		**834**	(2,079)
Other comprehensive income/(loss) for the year, net of tax		**298**	(1,868)
Total comprehensive loss for the year		**(8,541)**	(13,514)

US$ in thousands	Note	**Year ended June 30, 2023**	Year ended June 30, 2022
Loss for the year			
Attributable to owners of the Company		**(8,843)**	(11,592)
Attributable to non-controlling interests	33	**4**	(54)
		(8,839)	(11,646)
Total comprehensive loss for the year			
Attributable to owners of the Company		**(8,545)**	(13,460)
Attributable to non-controlling interests	33	**4**	(54)
		(8,541)	(13,514)
Loss per Share attributable to owners of the Company for the year (expressed in USD per Share)			
— Basic and diluted	15	**(0.020)**	(0.025)

The accompanying notes are an integral part of these annual consolidated financial statements.

Consolidated Statement of Financial Position

US$ in thousands	Note	**As at June 30, 2023**	As at June 30, 2022
ASSETS			
Non-current assets			
Property, plant and equipment, net	17	**5,448**	6,376
Goodwill and other intangible assets, net	18	**22,897**	22,969
Right-of-use assets, net	19	**4,512**	5,223
Deposits and prepayments	21	**143**	180
Interest in a joint venture	20	**—**	—
Restricted cash	22	**143**	94
		33,143	34,842
Current assets			
Financial assets at fair value through other comprehensive income	23	**276**	812
Deposits, prepayments and other receivables	21	**1,586**	2,515
Restricted cash	22	**10,800**	12,750
Cash and cash equivalents	24	**12,758**	23,506
		25,420	39,583
Total assets		**58,563**	74,425
EQUITY			
Equity attributable to owners of the Company			
Share capital	25	**46**	46
Share premium	25	**72,776**	72,776
Other reserves	26	**(98,160)**	(96,494)
Retained earnings		**21,366**	30,209
		(3,972)	6,537
Non-controlling interests	33	**(112)**	(116)
Total equity		**(4,084)**	6,421

US$ in thousands	Note	**As at June 30, 2023**	As at June 30, 2022
LIABILITIES			
Non-current liabilities			
Other liabilities		**7**	—
Deferred income tax liabilities	14	**1,968**	2,318
Lease liabilities	19	**6,237**	6,995
		8,212	9,313
Current liabilities			
Borrowings	28	**24,018**	28,511
Lease liabilities	19	**913**	810
Trade payables	29	**635**	2,685
Other payables	30	**5,262**	3,335
Amounts due to related parties	32	**562**	743
Contract liabilities	7	**22,102**	22,607
Current income tax liabilities		**943**	—
		54,435	58,691
Total liabilities		**62,647**	68,004
Total equity and liabilities		**58,563**	74,425

The accompanying notes are an integral part of these annual consolidated financial statements.

The annual consolidated financial statements have been approved by the Board of Directors on September 29, 2023 and were signed on behalf of the Board.

Lin Tzung-Liang
Director

Michael James Sheehan
Director

Consolidated Statement of Changes in Equity

US$ in thousands	Note	Share capital	Share premium	RSA scheme reserve	Capital reserve	Share Awards reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
As at July 1, 2021		46	77,100	(19,924)	(61,630)	1,905	(4,439)	245	41,801	35,104	(62)	35,042
Loss for the year		–	–	–	–	–	–	–	(11,592)	(11,592)	(54)	(11,646)
Other comprehensive income/(loss)												
– Equity instruments at FVOCI												
– net change in fair value		–	–	–	–	–	211	–	–	211	–	211
– Currency translation differences		–	–	–	–	–	–	(2,079)	–	(2,079)	–	(2,079)
Total comprehensive income/(loss) for the year		–	–	–	–	–	211	(2,079)	(11,592)	(13,460)	(54)	(13,514)
Transactions with owners:												
Acquisition of RSA shares	27	–	–	(11,949)	–	–	–	–	–	(11,949)	–	(11,949)
Share Buyback	25	–	(4,170)	–	–	–	–	–	–	(4,170)	–	(4,170)
Share-based payment	27	–	–	–	–	1,119	–	–	–	1,119	–	1,119
Share options exercised	27	–	(154)	1,493	–	(1,446)	–	–	–	(107)	–	(107)
Total transactions with owners		–	(4,324)	(10,456)	–	(327)	–	–	–	(15,107)	–	(15,107)
As at June 30, 2022		46	72,776	(30,380)	(61,630)	1,578	(4,228)	(1,834)	30,209	6,537	(116)	6,421
As at July 1, 2022		46	72,776	(30,380)	(61,630)	1,578	(4,228)	(1,834)	30,209	6,537	(116)	6,421
Loss for the year		–	–	–	–	–	–	–	(8,843)	(8,843)	4	(8,839)
Other comprehensive income/(loss)												
– Equity instruments at FVOCI												
– net change in fair value		–	–	–	–	–	(536)	–	–	(536)	–	(536)
– Currency translation differences		–	–	–	–	–	–	834	–	834	–	834
Total comprehensive income/(loss) for the year		–	–	–	–	–	(536)	834	(8,843)	(8,545)	4	(8,541)
Transactions with owners:												
Acquisition of RSA shares	27	–	–	(2,937)	–	–	–	–	–	(2,937)	–	(2,937)
Share-based payment	27	–	–	–	–	1,454	–	–	–	1,454	–	1,454
Share options exercised	27	–	–	1,151	–	(1,632)	–	–	–	(481)	–	(481)
Total transactions with owners		–	–	(1,786)	–	(178)	–	–	–	(1,964)	–	(1,964)
As at June 30, 2023		46	72,776	(32,166)	(61,630)	1,400	(4,764)	(1,000)	21,366	(3,972)	(112)	(4,084)

The accompanying notes are an integral part of these annual consolidated financial statements.

Consolidated Statement of Cash Flows

US$ in thousands	Note	**Year ended June 30, 2023**	Year ended June 30, 2022
Cash flows from operating activities			
Cash generated from operations	38	**3,223**	6,099
Interest received		**518**	1,155
Interest paid		**(2,238)**	(1,376)
Income tax received		**644**	193
Income tax paid		**(20)**	—
Net cash flows generated from operating activities		**2,127**	6,071
Cash flows from investing activities			
Proceeds from release of restricted cash		**2,015**	2,250
Payment for restricted cash		**(76)**	—
Redemption of financial assets		**—**	11,300
Purchase of property, plant and equipment	17	**(1,416)**	(2,355)
Payments related to technology platform and trademark	18	**(5,578)**	(4,681)
Net cash flows (used in)/generated from investing activities		**(5,055)**	6,514
Cash flows from financing activities			
Repayments of borrowings		**(4,500)**	(4,521)
Proceeds from borrowings		**—**	1,500
Payments for Shares Buyback		**—**	(4,095)
(Payment for)/proceeds from share options exercises		**(481)**	230
Acquisition of RSA shares	27	**(2,937)**	(11,949)
Principal payments on lease liabilities		**(969)**	(466)
Net cash flows used in financing activities		**(8,887)**	(19,301)
Net decrease in cash and cash equivalents		**(11,815)**	(6,716)
Cash and cash equivalents at the beginning of the year		**23,506**	31,317
Effects on exchange rate changes on cash and cash equivalents		**1,067**	(1,095)
Cash and cash equivalents at the end of the year		**12,758**	23,506

The accompanying notes are an integral part of these annual consolidated financial statements.

Notes to the Consolidated Financial Statements

1 GENERAL INFORMATION

IntelliCentrics Global Holdings Ltd. (the "Company") was established in the Cayman Islands on June 3, 2016 as an exempted company with limited liability under the Companies Law (2010 Revision) of the Cayman Islands. The registered office is situated at Suite 102, Cannon Place, North Sound Rd., George Town, P.O. Box 712, Grand Cayman, KY1-9006, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (collectively, the "Group") are principally engaged in the provision of credentialing services in the United States, Canada, and United Kingdom (the "UK") (collectively, the "Listing Business").

The Group has an interest in a joint venture in China that is licensed to use the Company's technology.

The ultimate holding company of the Company is Ocin Corp., a company incorporated in the Cayman Islands. Mr. Lin Tzung-Liang and his family including his spouse and parents (together as a "Controlling Shareholder") are the ultimate Controlling Shareholder of the Company.

The Company's shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited on March 27, 2019.

2 BASIS OF PREPARATION

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

The consolidated financial statements disclose all of the matters of which we are aware that are relevant to the Group's ability to continue as a going concern, including all significant conditions and events, mitigating factors and the Group's plans. The Group had a net loss of US$8.8 million for the year ended 30 June 2023. The Group had consolidated net current liabilities and net liabilities of approximately US$29.0 million and US$4.1 million respectively, and had committed capital expenditure of approximately US$1.1 million. As at June 30, 2023, the Group's cash and cash equivalents and restricted cash were approximately US$23.7 million. The Group generated a net operating inflow for the year ended June 30, 2023.

2 BASIS OF PREPARATION (Continued)

In view of such circumstances, in assessing the appropriateness of the use of going concern basis in the preparation of these consolidated financial statements, our management prepared a cash flow forecast covering a period of not less than 12 months from June 30, 2023. The Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern.

Based on the reasons set forth in the section headed "Management Discussion and Analysis — Liquidity", the Directors believe the Group will have sufficient working capital to maintain its operations in the next twelve months from June 30, 2023. In addition, certain measures have been taken by the Group during the year to mitigate the liquidity pressure and to improve its financial position and performance which include, but not limited to the following:

a. reduce cash outflows from acquisition of RSA shares and elect not to conduct any repurchase of shares;

b. reduce the purchases of property, plant and equipment; and

c. continue to pursue financing.

Having taken into account the above measures, the Directors believe the Group will have sufficient working capital to maintain its operations in the next twelve months from June 30, 2023. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Should the Group be unable to operate as a going concern, adjustments would have to be made to reduce the carrying values of the Group's assets to their recoverable amounts, to provide for further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

The related changes in significant accounting policies are described in Note 4.

Details of the Group's significant accounting policies are included in Note 5.

The 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.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Management of the Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The accounting policies and estimates are considered critical because they had a material impact, or they have the potential to have a material impact, on our consolidated financial statements and because they require us to make significant judgments, assumptions or estimates. We believe that the estimates, judgments and assumptions made when accounting for the items described below were reasonable, based on information available at the time they were made. However, actual results may differ from those estimates, and these differences may be material.

(a) Impairment of goodwill and intangible assets

The Group tests annually whether goodwill has suffered any impairment. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts have been determined based on value-in-use calculations or fair value less costs to sell. These calculations require the use of judgments and estimates.

Judgements are required to determine key assumptions for impairment review purposes. Changing the assumptions selected by management in assessing impairment could materially affect the result of the impairment test and as a result affect the Group's financial condition and financial performance. If there is a significant adverse change in the key assumptions applied, it may be necessary to take an impairment charge to the consolidated statement of profit or loss and other comprehensive income or loss.

(b) Impairment of property, plant and equipment (including right-of-use assets)

Property, plant and equipment and right-of-use assets are stated at cost less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amount including cash flow projections and an appropriate discount rate.

When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Group estimates the recoverable amount of the cash generating unit to which the assets belong, including allocation of corporate assets when a reasonable and consistent basis of allocation can be established, otherwise recoverable amount is determined at the smallest group of cash generating units, for which the relevant corporate assets have been allocated. Changing the assumptions and estimates, including the discount rate or the growth rates in a cash flow projection, could materially affect the recoverable amount.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(c) Current and deferred income taxes

The Group is subject to various income taxes in the jurisdictions where it operates. Judgment is required in determining the provision for income taxes in each of these jurisdictions. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised. If the actual future taxable profit is less than the original estimate, or change in facts and circumstances which result in reduction of future taxable profit estimation, a material reversal of deferred tax assets may arise.

(d) Capitalisation of development expenditures

Development expenditures incurred on specific projects are capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use, increase the lifetime economic value of the platform product, and how the asset will generate future economic benefits.

(e) Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

4 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

4.1 New standards, interpretations, and amendments adopted early from July 1, 2022

The Group has adopted the following new standards and amendments in the consolidated financial statements for the financial year ended June 30, 2023:

- Disclosure of Accounting Policies — Amendments to IAS 1 and IFRS Practice Statement 2
- Definition of Accounting Estimates— Amendments to IAS 8
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction— Amendments to IAS 12
- International Tax Reform-Pillar Two Model Rules — Amendments to IAS 12
- Insurance Contracts— IFRS 17 and Amendments to IFRS 17

The adoption of the new standards and amendments listed and above have not had a significant impact on the Group's consolidated financial statements for the financial year ended June 30, 2023.

4.2 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 — Classification of Liabilities as Current or Non-current and Non-Current Liabilities with Covenants	January 1, 2024
Amendments to IAS 7 and IFRS 7 — Supplier Finance Arrangements	January 1, 2024
Amendments to IFRS 16 — Leases Liability on Sale and Leaseback	January 1, 2024
Amendments to IAS 21— Lack of Exchangeability	January 1, 2025
Amendments to IFRS 10 and IAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

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.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 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 remeasured 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 remeasured, and its subsequent settlement is accounted for within equity.

There were no acquisitions during the year ended June 30, 2023.

(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.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.1 Principles of consolidation and equity accounting (Continued)

(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) Interests in joint ventures

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

Under the equity method of accounting, the investment is 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 venture are recognised as a reduction in the carrying amount of the investment.

For entity 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 5.8.

(f) Investments in Subsidiaries

Investments in subsidiaries are accounted for at cost less impairment in the Company's statement of financial position. 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.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.2 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.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.3 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.

5.4 Property, plant and equipment

All property, plant and equipment are stated at historical cost 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 (loss)/income in the consolidated statement of profit or loss and other comprehensive income or loss.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.5 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 the fair value of 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 5.6) 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 to which goodwill is allocated are identified at the lowest level at which goodwill is 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:

a. It is technically feasible to complete the technology so that it will be available for use;

b. The management intends to complete the technology;

c. The technology will be sold individually or increase the lifetime economic value of the platform product;

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.5 Intangible assets (Continued)

(c) Technology platform (Continued)

d. The technology will generate probable future economic benefits;

e. The management provides adequate technical, financial, and other resources to complete the development to generate the future economic benefit; and

f. 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) Others

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

5.6 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. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero.

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"). The recoverable amount of an asset is estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.6 Impairment of non-financial assets (Continued)

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.

5.7 Investments and other financial assets

(a) Classification

The Group classifies its financial assets in the following measurements categories: those to be measured subsequently at fair value either through other comprehensive income 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.

The carrying amounts of refundable deposits, and other receivables, restricted cash, cash and cash equivalents, are assumed to approximate their fair values due to their short-term nature. If the carrying amount of the financial assets and financial liabilities are a reasonable approximation of fair value, they are not valued at fair value.

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").

(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. Subsequent to initial recognition, all other financial assets are stated at amortized cost, using the effective interest method, less allowance for ECL.

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.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.7 Investments and other financial assets (Continued)

(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) 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.

5.8 Impairment of financial assets

The Group assesses, on a forward-looking basis, the expected credit losses associated with its equity instruments carried at fair value. 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.

The Group is exposed to credit risk primarily in relation to its cash, and deposits (including term deposits) placed with banks and financial institutions, as well as other receivables. The carrying amount of each class of the above financial assets represents the Group's maximum exposure to credit risk in relation to the corresponding class of financial assets. The Group's cash deposits are placed with reputable financial institutions with high credit-ratings assigned by international credit-rating agencies. There has been no recent history of default in relation to these financial institutions.

Other receivables mainly comprise amounts due from related parties, deposits, and other receivables. The Group closely monitors these other receivables to ensure actions are taken to recover these balances in the case of any increase in risk of default. The Group has concluded that there is no material credit risk inherent in the Group's outstanding balance of other receivables.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.8 Impairment of financial assets (Continued)

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information. Especially the following indicators are incorporated:

- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations.

- Significant changes in the expected performance and behavior of the debtors, including changes in the payment status of debtors.

The Group uses four categories for those receivables which reflect their credit risk and how the loss provision is determined for each of those categories. These internal credit risk ratings are aligned to external credit ratings.

The Group's current credit risk grading framework comprises the following categories:

Basis for recognition of	**Expected Category**	**Group definition of category credit loss provision**
Performing	The counterparty has a low risk of default and a strong capacity to meet contractual cash flow	12 months expected losses; where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime
Underperforming	Receivables for which there is a significant increase in credit risk; as significant increase in credit risk presumed if interest and/or principal repayments are more than 30 days past due	Lifetime expected losses
Non-performing	Interest and/or principal repayments are more than 365 days past due	Lifetime expected losses
Write-off	Interest and/or principal repayments are more than 3 years past due and there is no reasonable expectation of recovery	Asset is written-off

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.8 Impairment of financial assets (Continued)

The Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of receivable and adjusts for forward looking macroeconomic data. For deposits and other receivables, the historical loss rate for these receivables are low. Thus, no impairment provision was recognised for these receivables as the expected credit loss was not material during the period.

5.9 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.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.10 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$12.8 million.

Restricted cash refers to cash and cash equivalents that are subject to contractual restrictions and not available for immediate business use which is no longer meeting the definition of cash. 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, 2023 was US$10.9 million.

5.11 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.

5.12 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.

5.13 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.

5.14 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.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.14 Current and deferred income tax (Continued)

(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.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.15 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 of the Listing Rules.

(c) Share-based payment arrangements

Share-based compensation benefits are provided to employees via the pre-IPO 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"). The Company also grants restricted Share Awards to all employees worldwide under its 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 5.15(d) and Note 5.15(e).

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.15 Employee benefits (Continued)

(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 the 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 RSA scheme 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 an exercise 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 the 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 other reserve), and the cost of awarded shares is recognised in other reserves in the Consolidated Statement of Financial Position.

Measurement of the fair values at grant date and measurement date of the Pre-IPO Share Option Scheme, RSA Scheme, RSA Scheme for Core Connected Persons and ERR program are listed in detail in the Annual Report. There were no significant changes in the Company's accounting policies as at June 30, 2023.

5.16 Other equity

Shares held by the RSA scheme reserve are presented in the equity section in the Consolidated Statement of Financial Position as other reserves.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.17 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.

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.

5.18 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.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.18 Revenue recognition (Continued)

The Group evaluates whether it is appropriate to record the gross amount of service revenues and related costs or the net amount earned as commissions. The Group is considered a principal, if it obtains control of the specified goods or services before they are transferred to the customers, then revenues should be recognized in the gross amount of consideration to which it expects to be entitled in exchange for the specified goods or services transferred. When a Group is an agent and its obligation is to facilitate third parties in fulfilling their performance obligation for specified goods or services, the revenues should be recognized in the net amount for the amount of commission which the Group earns in exchange for arranging for the specified goods or services to be provided by other parties. The Group is the principle versus agent for all transactions with subscribers.

(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.

(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 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").

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.18 Revenue recognition (Continued)

(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.

5.19 Finance costs

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

5.20 Finance income

The Group's financial income represents interest income of bank deposits. 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 (Note 12).

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.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.21 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. Security deposits that are refundable at the end of the lease, less any damage incurred on the property, are included in deposits and prepayments. The initial fair value of refundable rental deposits is accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in debt securities carried at amortised cost. Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

(a) Right-of-use assets

Right-of-use assets are presented as a separate line item in the Consolidated Statement of Financial Position (see Note 19). 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. The right-of-use assets are presented as a separate line item in the consolidated statement of financial position.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.21 Leases (Continued)

(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.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

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. To determine the incremental borrowing rate, the Group, where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received, and makes adjustments specific to the lease. 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.

The lease liabilities are presented as a separate line item on the consolidated statement of financial position.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5.22 Research and development expenses

R&D costs are expensed as incurred unless the development cost incurred has satisfied the recognition criteria for capitalisation as disclosed in Note 5.5(c). Amortisation of capitalised development cost is recognised as research and development expense.

5.23 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.

5.24 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.

6 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.

Our customers are comprised of our LoCs and paying subscribers. For both years ended June 30, 2023 and June 30, 2022, no single customer contributed more than 1.0% to our total revenue and we did not have a concentration risk.

7 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 years indicated:

US$ in thousands	**Year ended June 30, 2023**	Year ended June 30, 2022
Vendor and Medical Credentialing	**43,154**	39,894
Add-On Services	**826**	800
	43,980	40,694

Disaggregation of Revenue from Contracts with Customers

US$ in thousands	**Year ended June 30, 2023**	Year ended June 30, 2022
Timing of revenue recognition		
— Over time	**43,674**	40,316
— At a point in time	**306**	378
	43,980	40,694

The Group's revenues are substantially generated in the U.S., with revenues attributed to the U.S. for the year ended June 30, 2023 totaling US$42.7 million (US$39.6 million for the year ended June 30, 2022).

Trade Accounts Receivable

As at June 30, 2023, and June 30, 2022, the Company had negligible trade accounts receivable.

7 REVENUE (Continued)

Contract Liabilities

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

US$ in thousands	**As at June 30, 2023**	As at June 30, 2022
Contract liabilities	**22,102**	22,607

Contract liabilities consists of membership fees and renewal 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 expected to be recognized as revenue within one year. The amount of revenue recognized for the year ended June 30, 2023 that was included in the contract liabilities balance at the beginning of the year was US$22.6 million (at the beginning of the year ended June 30, 2022: US$19.7 million).

Seasonality

The Company has no material impact due to seasonality.

8 EXPENSES BY NATURE

The following table sets forth a breakdown of the nature of our expenses for the years indicated:

US$ in thousands	**Year ended June 30, 2023**	Year ended June 30, 2022
Employee benefits expenses and directors' emoluments[(1)]	**23,212**	19,498
Dues and Subscription	**982**	948
Professional service fees	**5,819**	5,051
Promotion and advertisement expenses	**1,716**	1,166
Maintenance	**3,232**	2,751
Payment processing fees[(1)]	**1,181**	1,184
Rent and facility	**603**	820
Depreciation expense[(1)]	**3,242**	4,547
Amortisation expense	**5,561**	6,695
Auditors' remuneration	**1,184**	1,312
Others[(1)]	**3,078**	1,603
Total cost of revenues, selling and marketing expenses, general and administrative expenses, and research and development expenses	**49,810**	45,575

Note:

(1) Employee benefits expenses of US$0.6 million (2022: US$0.5 million), payment processing fees of US$1.2 million (2022: US$1.2 million), depreciation of subscriber equipment of US$1.6 million (2022: US$3.1 million) and other expenses of US$1.4 million (2022: US$0.6 million) have been charged in "Cost of revenue".

9 EMPLOYEE BENEFITS EXPENSES (INCLUDING DIRECTORS' EMOLUMENT)

Employee Benefits Expenses (including Directors' Emoluments)

US$ in thousands	**Year ended June 30, 2023**	Year ended June 30, 2022
Wages, salaries and bonuses	**21,831**	18,367
Pension costs — defined contribution plans	**331**	235
Other benefits	**1,050**	896
	23,212	19,498

Five highest paid individuals (excluding Directors' emoluments)

The five individuals whose emoluments were the highest in the Group include two Directors for both the years ended June 30, 2023 and June 30, 2022 and their emoluments are reflected in the analysis shown in Note 35. The emoluments paid to the remaining three individuals for the years ended June 30, 2023, and June 30, 2022, are as follows:

US$ in thousands	**Year ended June 30, 2023**	Year ended June 30, 2022
Wages and salaries	**1,033**	1,008
Bonuses[1]	**164**	354
Pension costs — defined contribution plans	**13**	35
Other benefits	**53**	112
	1,263	1,509

Note:

(1) Bonuses reflect amounts paid during the year and are generally based on the performance of the Group for the previous year.

9 EMPLOYEE BENEFITS EXPENSES (INCLUDING DIRECTORS' EMOLUMENT) (Continued)

The emoluments fell within the following bands (including Directors' emoluments)

	Year ended June 30, 2023	Year ended June 30, 2022
	(number of individuals)	
Emoluments bands:		
HK$2,500,001 to HK$3,000,000	—	3
HK$3,000,001 to HK$3,500,000	2	—
HK$3,500,001 to HK$4,000,000	1	—
HK$5,500,001 to HK$6,000,000	—	1 (1)
HK$7,500,001 to HK$8,000,000	—	1 (1)
HK$8,000,001 to HK$8,500,000	1 (1)	—
HK$13,500,001 to HK$14,000,000	1 (1)	—
	5	5

Notes:

(1) These number of individuals have included 2 directors' emoluments for both the years ended June 30, 2023 and June 30, 2022. For analysis of directors' emoluments, please refer to Note 35.

(2) For the years ended June 30, 2023, and June 30, 2022, no Director or the five highest paid individuals received any emolument from the Group as an inducement to join, upon joining the Group, leave the Group or as compensation for loss of office.

10 OTHER LOSS/(INCOME)

US$ in thousands	**Year ended June 30, 2023**	Year ended June 30, 2022
Foreign exchange loss/(gain)	**448**	(407)
Other loss	**19**	13
	467	(394)

11 FINANCE COSTS

US$ in thousands	**Year ended June 30, 2023**	Year ended June 30, 2022
Interest expense on bank borrowings	**1,626**	912
Acquisition and handling charge on investing accounts	**9**	8
Bank charges on bank borrowings	**60**	79
Interest expense on lease liabilities	**563**	521
	2,258	1,520

12 FINANCE INCOME

US$ in thousands	**Year ended June 30, 2023**	Year ended June 30, 2022
Interest income from promissory notes	**—**	22
Interest income from bank deposits	**518**	73
	518	95

13 OTHER NON-OPERATING EXPENSES

US$ in thousands	**Year ended June 30, 2023**	Year ended June 30, 2022
Other	**(283)**	(6,331)
	(283)	(6,331)

Other non-operating expenses for the year ended June 30, 2022 was primarily comprised of the unretrieved portion of the Unauthorized Disbursement which was written off in the year ended June 30, 2022, of which further details are set out in the 2021-22 Annual Report of the Company.

14 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 its shareholders, no Cayman Islands withholding tax will be imposed in the Cayman Islands.

(b) **United Kingdom CIT**

Entities incorporated in the UK are subject to UK CIT at a rate of 19% for both the years ended June 30, 2023 and June 30, 2022. 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 years ended June 30, 2023 and June 30, 2022. 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 years ended June 30, 2023 and June 30, 2022. 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 years ended June 30, 2023 and June 30, 2022.

14 INCOME TAXES (Continued)

Income tax expense (Continued)

(f) Global income tax expense/(benefit)

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

US$ in thousands	**Year ended June 30, 2023**	Year ended June 30, 2022
Current income tax	**549**	(92)
Deferred income tax	**1**	(632)
	550	(724)

The Company filed UK tax refund claims relating to Research and Development of which US$0.6 million cash tax refunds have been received, with carryforwards remaining of US$1.2 million. The Company has US$3.1 million and US$1.6 million of US federal and state net operating loss carryforwards, respectively, having a 20-year carryover period, that begin to expire at June 30, 2042.

The Company has no tax on the components of other comprehensive income.

14 INCOME TAXES (Continued)

Income tax expense (Continued)

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

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the enacted tax rate of the group entities as follows:

US$ in thousands	**Year ended June 30, 2023**	Year ended June 30, 2022
Loss before income tax	**(8,289)**	(12,370)
Tax calculated based on applicable statutory rate	**405**	(228)
Effect on differences in applicable tax rate	**(9)**	(78)
Tax effect of amounts which are not deductible for tax purpose	**341**	243
Research and development tax credit	**(421)**	(404)
Under/(over) provision in prior years	**201**	(287)
State Income Taxes	**(92)**	(117)
Other	**125**	147
	550	(724)

14 INCOME TAXES (Continued)

Deferred Income Taxes

The movement in deferred income tax assets and liabilities, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

(a) Deferred tax assets

US$ in thousands	Gain/ loss on fixed assets	Accrued bonus	Share-Based Compensation	Right-of-use/ lease liability	U.S. Research and Development Income Tax credits	Net operating loss — US	Net operating loss — UK	Total
At July 1, 2021	4	20	320	195	1,088	—	845	2,472
Credited/(charged) to consolidated statement of profit or loss and other comprehensive income or loss	—	276	(21)	68	(160)	739	(535)	367
Charged to Equity	—	—	—	—	—	—	—	—
Exchange translation differences	—	—	—	—	—	—	22	22
At June 30, 2022 and July 1, 2022	4	296	299	263	928	739	332	2,861
(Charged)/credited to consolidated statement of profit or loss and other comprehensive income or loss	(2)	380	(50)	(40)	396	(43)	(332)	309
Charged to Equity	—	—	(163)	—	—	—	—	(163)
Exchange translation differences	—	—	—	—	—	—	—	—
At June 30, 2023	2	676	86	223	1,324	696	—	3,007

14 INCOME TAXES (Continued)

Deferred Income Taxes (Continued)

(b) Deferred tax liabilities

US$ in thousands	Research and Development capitalisation	Depreciation	Amortisation	Total
At July 1, 2021	(2,755)	(757)	(1,592)	(5,104)
Credited/(charged) to consolidated statement of profit or loss and other comprehensive income or loss	449	(340)	(171)	(62)
Exchange translation differences	62	(47)	(23)	(8)
At June 30, 2022 and July 1, 2022	(2,244)	(1,144)	(1,786)	(5,174)
(Charged)/credited to consolidated statement of profit or loss and other comprehensive income or loss	**(119)**	**358**	**(40)**	**199**
Exchange translation differences	—	—	—	—
At June 30, 2023	**(2,363)**	**(786)**	**(1,826)**	**(4,975)**

Deferred income tax assets are recognised for tax loss carryforwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. As at June 30, 2023, UK operations had net deferred tax liabilities of US$2.4 million (2022: US$2.0 million). US$4.1 million (2022: US$4.0 million) of Canadian tax losses expires 20 years from the year the loss was recognised.

15 LOSSES 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 year.

	Year ended June 30, 2023	Year ended June 30, 2022
The Group's loss attributable to owners of the Company *(US$ in thousands)*	**(8,843)**	(11,592)
Weighted average number of shares in issue (*in millions*)	**453**	455
Basic and diluted loss per Share *(USD per Share)*	**(0.020)**	(0.025)

Diluted earnings 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 and ERR Scheme) to assume conversion of all dilutive potential ordinary shares. The Group has no dilutive potential ordinary shares during the year ended June 30, 2023 or the year ended June 30, 2022, and accordingly the diluted loss per Share equals the basic loss per Share.

16 DIVIDENDS

No dividends have been paid or declared by the Company for the year ended June 30, 2023, nor for the year ended June 30, 2022.

17 PROPERTY, PLANT AND EQUIPMENT

US$ in thousands	Computer equipment	Furniture and fixtures	Leasehold improvements	Subscriber equipment	Total
COST					
Balance at July 1, 2021	659	1,595	3,903	6,848	13,005
Additions	131	2	—	2,211	2,344
Disposals	(6)	—	—	—	(6)
Exchange translation differences	(23)	(1)	(1)	(269)	(293)
Balance at June 30, 2022	761	1,596	3,902	8,790	15,050
Balance at July 1, 2022	761	1,596	3,902	8,790	15,050
Additions	**69**	**—**	**—**	**1,347**	**1,416**
Reclassifications	**183**	**(183)**	**—**	**—**	**—**
Disposals	**(22)**	**—**	**—**	**—**	**(22)**
Exchange translation differences	**1**	**1**	**—**	**3**	**5**
Balance at June 30, 2023	**992**	**1,414**	**3,902**	**10,140**	**16,449**
ACCUMULATED DEPRECIATION					
Balance at July 1, 2021	(414)	(677)	(361)	(3,415)	(4,867)
Depreciation expense	(158)	(205)	(366)	(3,109)	(3,838)
Disposals	6	—	—	—	6
Exchange translation differences	—	—	—	25	25
Balance at June 30, 2022	(566)	(882)	(727)	(6,499)	(8,674)
Balance at July 1, 2022	(566)	(882)	(727)	(6,499)	(8,674)
Depreciation expense	**(149)**	**(207)**	**(368)**	**(1,645)**	**(2,369)**
Disposals	**40**	**—**	**—**	**—**	**40**
Exchange translation differences	**5**	**(1)**	**2**	**(4)**	**2**
Balance at June 30, 2023	**(670)**	**(1,090)**	**(1,093)**	**(8,148)**	**(11,001)**
NET BOOK VALUE					
Balance at June 30, 2022	195	714	3,175	2,291	6,376
Balance at June 30, 2023	**321**	**325**	**2,809**	**1,994**	**5,448**

17 PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation expense on property, plant and equipment of US$1,645 thousand (June 30, 2022: US$3,109 thousand) has been charged in “Cost of revenue”, no depreciation expense has been charged in “Selling and marketing expenses” for both June 30, 2022 and June 30, 2023, US$708 thousand (June 30, 2022: US$729 thousand) has been charged in “General and administrative expenses” and US$16 thousand (June 30, 2022: US$3 thousand) has been charged in “Research and development expenses” for the year ended June 30, 2023. See Note 19 for depreciation on right-of-use assets.

Capital commitments

As of June 30, 2023, the Group entered into contracts to buy property, plant and equipment for US$1.1 million. Delivery is expected throughout the next financial year.

18 GOODWILL AND OTHER INTANGIBLES ASSETS

US$ in thousands	Goodwill	Software	Customer Relationship	Technology Platform	Trademark	Total
Cost						
Balance at July 1, 2021	11,515	647	5,898	17,578	—	35,638
Additions	—	—	—	5,654	—	5,654
Exchange translation differences	(372)	—	(43)	(2,635)	—	(3,050)
Balance at June 30, 2022	11,143	647	5,855	20,597	—	38,242
Balance at July 1, 2022	11,143	647	5,855	20,597	—	38,242
Additions	—	—	—	5,412	166	5,578
Reclassifications	—	(625)	625	—	—	—
Exchange translation differences	107	—	12	568	8	695
Balance at June 30, 2023	11,250	22	6,492	26,577	174	44,515
Accumulated amortisation and impairment losses						
Balance at July 1, 2021	—	(165)	(3,309)	(6,461)	—	(9,935)
Amortisation	—	(216)	(305)	(6,174)	—	(6,695)
Exchange translation differences	—	—	22	1,335	—	1,357
Balance at June 30, 2022	—	(381)	(3,592)	(11,300)	—	(15,273)
Balance at July 1, 2022	—	(381)	(3,592)	(11,300)	—	(15,273)
Amortisation	—	(221)	(299)	(5,041)	—	(5,561)
Reclassifications	—	600	(600)	—	—	—
Exchange translation differences	—	—	(10)	(774)	—	(784)
Balance at June 30, 2023	—	(2)	(4,501)	(17,115)	—	(21,618)
Carrying amounts						
Balance at June 30, 2022	11,143	266	2,263	9,297	—	22,969
Balance at June 30, 2023	11,250	20	1,991	9,462	174	22,897

18 GOODWILL AND OTHER INTANGIBLES ASSETS (Continued)

The carrying amount of goodwill, net of impairment loss, is allocated to the following CGUs:

US$ in thousands	**As at June 30, 2023**	As at June 30, 2022
USA operation	**8,460**	8,460
UK operation	**2,790**	2,683
	11,250	11,143

Amortisation expense of US$0.5 million (June 30, 2022: US$0.5 million) has been charged in "General and administrative expenses" and US$5.0 million (June 30, 2022: US$6.2 million) has been charged in "Research and development expenses" for the year ended June 30, 2023.

Since June 30, 2022 US$5.4 million of additional Research and Development cost were capitalised in relation to the development of the technology platform.

IAS 36 requires an entity to assess at each reporting date, whether there are any indicators that assets or cash-generating units may be impaired. The recoverable amount is the higher of the amounts calculated under the fair value less cost of disposal and value in use approaches. An impairment test is to be carried out on an annual basis unless indicators would trigger an impairment loss on a date other than the date of the annual impairment test. The Company has elected to perform its annual impairment test in the fourth quarter of each financial year.

The Company completed its annual evaluation as of April 1, 2023, based on valuations performed by a third-party specialist, and management determined there were no impairments on its CGUs.

For the purpose of impairment testing, goodwill is allocated to the Group's regional CGUs, as these represent the lowest level within the Group at which the goodwill is monitored for internal management purposes. The allocation is made to those CGUs that are expected to benefit from the business combination in which the goodwill arose. As part of the annual evaluation process, separate calculations are prepared for each of the groups of CGUs that make up the consolidated Group. These calculations used discounted cash flow projections based on financial estimates reviewed by management covering an eight-year period. Cash flows beyond the eight-year period are extrapolated using estimated growth rates appropriate for the market in which the unit operates. The values assigned to the key assumptions represent management's assessment of future trends and are based on both external sources and internal sources (historical data) and are summarised below.

18 GOODWILL AND OTHER INTANGIBLES ASSETS (Continued)

- The impairment was performed using the fair value less costs of disposal approach. The fair value less cost of disposal approach is based on the amount to be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties, less the cost of disposal in a perfectly rational economic environment.

- After-tax discount rates of 26.5% (2022: 22.5%) and 53% (2022: 39.0%) were used in discounting the projected cash flows for the US CGU and the UK CGU respectively. The after-tax discount rates were applied to the after-tax cash flows of each CGU.

- After-tax cash flows were projected taking into consideration historical operating results and management's eight year plan through FY2031.

- The projected average revenue growth rate is approximately 28.6% for the US CGU eight-year plan, compared to the average growth rate of 27.0% from the prior year projection. The projected average revenue growth rate is approximately 33.7% for the UK CGU eight-year plan, compared to the average growth rate of 33.4% from the prior year projection.

- The projected average gross profit margin (excluding the cost of revenue related to depreciation) as a percentage of revenue is approximately 56.9% for the US CGU eight-year plan, compared to 62.1% from the prior year projection. The projected average gross profit margin (excluding the cost of revenue related to depreciation) as a percentage of revenue is approximately 69.9% for the UK CGU eight -year plan, compared to 73.6% from the prior year projection.

- The terminal values were extrapolated using a constant long-term growth rate of 2.0% (2022: 2.0%), which takes into consideration inflation plus real growth.

- There are a few factors putting pressure on growth and margins as compared to prior years. These factors include, 1) high inflation resulting in key customers reducing headcount and lowering the demand for credentialing; and 2) a shift to the right of the business operating plan as a result of the economic environment. However, various factors are still driving expectations of high growth, including 1) rapidly evolving technology that is capable and efficient; 2) the desire of local operating companies to reduce costs and administrative burdens; and 3) new solutions covering all categories of visitors including medical professionals entering the facility and their unique circumstances. To achieve these plans, management intends to 1) further grow its registered local operating customer base and Medical Staff Office customer base through increased sales and marketing efforts; 2) ramp up the penetration of the addressable medical credentialing market; and 3) continue to innovate to enrich its solutions and add-on services.

18 GOODWILL AND OTHER INTANGIBLES ASSETS (Continued)

- The fair value is greater than the carrying amount for both US and UK CGUs, therefore goodwill is not impaired. The US CGU headroom is US$227,730 thousand (2022: US$264,812 thousand) which is significantly above the carrying amount. The UK CGU headroom is GBP£4,277 thousand (2022: GBP£3,766 thousand) which is significantly above the carrying amount.

- The sensitivity of the headroom amount to key assumptions in the calculation is set out below:

US$ in thousands	**Reduction in headroom**	
Cash generating unit	**US (USD)**	**UK (GBP)**
10 % reduction in forecasted cash flows	(21,729)	(619)
10 % reduction in terminal value	(6,554)	(40)
100 bps increase in the discount rate	(12,606)	(146)

Judgment is required to determine key assumptions adopted in the cash flow projections and the changes to key assumptions can significantly affect these cash flow projections. Management has considered the above assumptions and valuation and has also taken into account the business plans going forward. Actual results will be influenced by the prevailing economic conditions and potentially other unforeseen events or circumstances that could have a negative impact on future results. Changes in key assumptions could impact calculated recoverable amounts and may result in future impairment (see Note 3a).

19 RIGHT-OF-USE ASSETS INCLUDING LEASE LIABILITIES

The Group leases various offices, motor vehicles and office equipment. Rental contracts are typically made for fixed periods of 1 to 5 years but have extension options for further 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

During the year ended June 30, 2022, the Group entered into a lease agreement for its existing office space in Taiwan. The Group is required to make fixed monthly payments on this lease, and additional payments for common area maintenance, utilities, insurance and taxes. The initial lease term is for three years with no renewal option. The incremental borrowing rate applied to this lease is 5.34%.

19 RIGHT-OF-USE ASSETS INCLUDING LEASE LIABILITIES (Continued)

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Right of Use Assets *US$ in thousands*	**Buildings**	**Vehicles**	**Office Equipment**	**Total**
At July 1, 2021	5,105	108	9	5,222
Additions to right-of-use assets	828	—	—	828
Depreciation charge for the year	(643)	(61)	(3)	(707)
Exchange translation differences	(117)	(3)	—	(120)
As at June 30, 2022	5,173	44	6	5,223
At July 1, 2022	5,173	44	6	5,223
Additions to right-of-use assets	—	180	—	180
Depreciation charge for the year	(809)	(61)	(3)	(873)
Exchange translation differences	(16)	(2)	—	(18)
As at June 30, 2023	4,348	161	3	4,512

US$ in thousands	Year ended June 30, 2023	Year ended June 30, 2022
Within 1 year	913	809
After 1 year but within 2 years	860	857
After 2 years but within 5 years	1,562	1,738
After 5 years	3,815	4,401
	6,237	6,996
	7,150	7,805

19 RIGHT-OF-USE ASSETS INCLUDING LEASE LIABILITIES (Continued)

Amounts recognised in profit or loss *US$ in thousands*	**Year ended June 30, 2023**	Year ended June 30, 2022
Depreciation expense on right-of-use assets	**873**	707
Interest expense on lease liabilities	**563**	521
Expense relating to short term leases	**162**	—

Cash outflows for leases *US$ in thousands*	**Year ended June 30, 2023**	Year ended June 30, 2022
Cash flows excluding interest expense	**969**	516
Total cash outflows for interest expense	**563**	521
Total cash outflows for leases	**1,532**	1,037

As at June 30, 2023 and June 30, 2022, the Group had total cash outflows for leases of US$1.5 million and US$1.0 million, respectively. The Group had not executed any new leases as at June 30, 2023 that have not yet commenced.

20 INTEREST IN A JOINT VENTURE

In February 2019, the Group contributed US$0.3 million to a joint venture of the Group, Beijing Sciencare Technology Co., Ltd. ("Sciencare"). Sciencare was incorporated in the PRC with limited liability. The principal activity of Sciencare is provision of health technology business supporting the development of a healthcare credit system in PRC and is committed to providing patients with genuine and reliable healthcare services. As at June 30, 2023, the joint venture is 54.54% owned by Mr. Li Zheng, 2.73% owned by VTC Electronics (Shanghai), 2.73% owned by Tritech Development Limited, and 40.0% owned by IntelliCentrics Zengine (Hong Kong) Company Limited, a subsidiary of the Group. In January 2021, the Group contributed an additional US$0.4 million to the joint venture. See details of the additional capital commitment contracted, but not provided for, below.

As at June 30, 2023, the Company's carrying amount in the joint venture has been reduced to US$Nil. There are no significant restrictions on the ability of the joint venture to transfer funds to the Group.

No dividends were received from the joint venture during the year ended June 30, 2023.

Contracted but not provided for

On May 16, 2018, the Group contracted to inject an initial capital contribution to a joint-venture, Sciencare in PRC of US$1.0 million with reference to the underlying shareholders agreement. US$0.3 million remained contracted but not provided for as at June 30, 2023.

21 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

US$ in thousands	**As at June 30, 2023**	As at June 30, 2022
Non-current:		
Deposits and prepayments	**143**	180
	143	180
Current:		
Other receivables	**215**	78
Prepaid expenses	**1,212**	1,211
Current income tax receivable-federal	**142**	1,061
Current income tax receivable-state	**—**	155
Short-term bank deposits	**17**	10
	1,586	2,515
Total	**1,729**	2,695

The Group considered that the carrying amounts of deposits and other receivables approximated to their respective fair values as at June 30, 2023 and June 30, 2022.

The carrying amounts of deposits, prepayments and other receivables are mainly denominated in US$.

22 RESTRICTED CASH

US$ in thousands	**As at June 30, 2023**	As at June 30, 2022
Restricted cash — Non-current	**143**	94
Restricted cash — Current	**10,800**	12,750
	10,943	12,844

As at June 30, 2023 and June 30, 2022, bank deposits of US$10.9 million and US$12.8 million, respectively, were restricted certificates of deposit held as security for certain banking borrowings of the Group as disclosed in Note 28. Other non-current restricted cash of US$0.1 million and US$0.1 million as at June 30, 2023 and June 30, 2022, respectively, was cash held by the RSA Scheme.

The carrying amounts of restricted cash are denominated in US$.

23 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The financial assets at FVOCI is comprised of the following:

US$ in thousands	**Fair value at June 30, 2023**	Fair value at June 30, 2022
Investment in equity instruments	**276**	812
	276	812

The Group's investment in equity instruments consists of listed equity securities of AerKomm Inc. The Group currently owns approximately 118,000 shares of AerKomm Inc. representing approximately 1.2% of the issued and outstanding shares as at June 30, 2023. The cost of the equity instruments was US$5.0 million. The fair value of the instruments as at June 30, 2023 and June 30, 2022 was US$0.3 million and US$0.8 million, respectively. The investments are designated as equity securities at FVOCI as the investment is held for both collecting contractual cash flows and selling the financial assets. No dividend was received from this investment. No strategic investments were disposed of during the current reporting period, and there were no transfers of any cumulative gain or loss within equity relating to this investment.

23 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Continued)

During the year ended June 30, 2022, the Group redeemed the remaining promissory notes and interest totaling US$12.3 million.

Please refer to Note 36 for further information on fair value measurement.

24 CASH AND CASH EQUIVALENTS

US$ in thousands	**As at June 30, 2023**	As at June 30, 2022
Cash on hand	**14**	14
Bank balances	**12,744**	23,492
Cash and cash equivalents	**12,758**	23,506
Maximum exposure to credit risk	**12,744**	23,492

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

US$ in thousands	**As at June 30, 2023**	As at June 30, 2022
HKD	**238**	2,788
USD	**11,671**	20,014
GBP	**708**	625
NTD	**67**	37
CAD	**63**	42
EUR	**11**	—
	12,758	23,506

25 SHARE CAPITAL AND SHARE PREMIUM

As at June 30, 2023, the Company had 620,000,000 authorised number of shares at par value of US$0.0001 each (June 30, 2022: 620,000,000 at par value of US$0.0001). The authorised share capital totalled US$62,000 (June 30, 2022: US$62,000).

	Number of ordinary shares *(in thousands)*	Share capital	Share premium *(US$ in thousands)*	Total
As at July 1, 2021	457,112	46	77,100	77,146
Shares bought back on-market and cancelled	(4,567)	—	(4,170)	(4,170)
Transaction costs attributed to the listing	—	—	(154)	(154)
As at June 30, 2022, July 1, 2022 and June 30, 2023	452,545	46	72,776	72,822

During the year ended June 30, 2023 no share was repurchased by the Group on the Stock Exchange.

During the year ended June 30, 2022 the Group repurchased 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 report neither the Group nor its subsidiaries purchased sold or redeemed any of the Company's listed securities during the reporting period. All ordinary shares rank equally with regard to the Group's residual assets.

26 OTHER RESERVES

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
RSA scheme reserve	The RSA scheme reserve comprises the ordinary shares held by the various share trusts. As at June 30, 2023, the RSA scheme reserve held 34,965,789 ordinary shares.
Capital reserve	The capital reserve represents consolidated share capital of the subsidiaries, after elimination of inter-company investments, deemed contribution from or deemed distribution to Controlling Shareholder.
Share option reserve	The share option reserve comprises the share-based payments for Share Options and Share Awards that are equity-settled.
Fair value reserve	The fair value reserve represents: — the cumulative net change in the fair value of equity securities designated at FVOCI.
Foreign currency translation reserve	The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

27 SHARE-BASED PAYMENT

(a) Description of share-based payment arrangements

At June 30, 2023, the Group had the following share-based payment arrangements.

- **Pre-IPO Share Option Scheme**

  The Company adopted the Pre-IPO Share Option Scheme by the Board's resolutions dated August 7, 2018. The purpose of the Pre-IPO Share Option Scheme is to provide certain incentives and to reward the participants for their past contributions to the success of the Group and to maintain or attract business relationships with the grantees whose contributions are, or may be beneficial to the growth of the Company. On February 14, 2019, the Board approved the grant of the Share Options for an aggregate of up to 11,700,000 Shares. On February 18, 2019, Share Options were granted to 46 grantees comprising an aggregate of 11,535,000 Shares.

  As of June 30, 2023, 3,072,500 Share Options have lapsed under the Pre-IPO Share Option Scheme due to resignation of staff, 4,000,000 Share Options have been vested, none of the outstanding Share Options have been exercised, and 3,462,500 Share Options have been cancelled due to conversion to the RSA Scheme.

	Outstanding Share Options *(in thousands)*	**Average exercise price** *(US$ per Share)*
Beginning Share Options authorised at US$0.875	11,700.0	0.875
Original Share Options granted on February 18, 2019	11,535.0	0.875
Lapsed under scheme	(3,072.5)	0.875
Cancelled	(3,462.5)	0.875
Balance as at June 30, 2023	**5,000.0**	0.875
Vested	4,000.0	0.875
Exercisable at of June 30, 2023	**4,000.0**	**0.875**

27 SHARE-BASED PAYMENT (Continued)

(a) Description of share-based payment arrangements (Continued)

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

  As at June 30, 2023, 5,000,000 restricted shares have been granted under the Pre-IPO Share Option Scheme as detailed below.

Grant date/employees entitled	Number of instruments	Vesting conditions	Contractual life of options
Director of our Company			
On February 18, 2019	5,000,000	5 years of service from the 1 February 2020	6 years
Total number of instruments as at June 30, 2023	5,000,000		

  Subject to the Pre-IPO Share Option Scheme, the Share Options shall be vested in five even tranches at 20% on February 1, 2020, February 1, 2021, February 1, 2022, February 1, 2023, and February 1, 2024, respectively.

- **RSA Scheme**

  On April 26, 2019, the Company's Board adopted the RSA Scheme. On May 16, 2019, a trust deed was executed to constitute the trust in relation to the RSA Scheme for the purpose of the Company's grant of award shares to selected non-connected participants from time to time pursuant to the scheme rules. The objectives of the RSA Scheme are to recognise the contributions by the selected non-connected participants, to give them incentives to achieve performance goals, and to attract suitable personnel for further development of the Group. The RSA Scheme shall be subject to the administration of the Company's RSA Scheme for Non-Connected Persons Administration Committee and the trustee in accordance with the RSA Scheme Rules and the trust deed. The trustee shall hold the trust fund in accordance with the terms of the trust deed.

  The board has resolved to amend the rules governing the RSA Scheme and the RSA Scheme for Core Connected Persons to reallocate the maximum share purchase limits of the RSA Schemes with effect from June 7, 2022.

  No shares shall be purchased pursuant to the RSA Scheme if as a result of such purchase, the number of Shares administered under the RSA Scheme shall exceed 34,283,411 Shares, being 7.5% of the issued share capital of the Company at the date of the Board's approval of the RSA Scheme, or such other limit as determined by the RSA Scheme for Non-Connected Persons Administration Committee at its sole discretion subject always to compliance with the Listing Rules. The maximum number of award shares which may be granted to a selected participant at any one time or in aggregate may not exceed 4,571,121 shares, being 1% of the issued share capital of the Company at the same date.

27 SHARE-BASED PAYMENT (Continued)

(a) Description of share-based payment arrangements (Continued)

- RSA Scheme (Excludes ERR Shares)

Grant date/employees entitled	Number of instruments	Vesting conditions	Contractual life of options
Senior Management of our Company			
On February 18, 2019	575,000	5 years	6 years
On March 3, 2021	350,000	3 years	8 years
On August 11, 2022	1,000,000	4 years	10 years
Subtotal:	1,925,000		
Other Employees in Aggregate and Consultants of our Company			
On February 18, 2019	1,091,000	5 years	6 years
On April 1, 2021	50,000	4 years	8 years
On October 1, 2021	75,000	4 years	10 years
On January 1, 2022	150,000	4 years	10 years
On March 21, 2022	75,000	5 years	10 years
On April 24, 2022	1,000,000	4 years	10 years
On May 1, 2022	25,000	5 years	10 years
On August 11, 2022	150,000	5 years	10 years
On November 23, 2022	75,000	5 years	10 years
On May 1, 2023	75,000	5 years	10 years
Total	4,691,000		

27 SHARE-BASED PAYMENT (Continued)

(a) Description of share-based payment arrangements (Continued)

- **Employee Retention and Recognition (ERR) Program**
  On December 1, 2021, the Company's Board adopted the ERR Program ("ERR"), pursuant to which restricted shares awards would be granted to all employees worldwide in accordance with the rules governing the RSA Schemes. The value of each grant of restricted shares awards made under the ERR Program is up to 20% of the annual salary of the grantee, prorated based on hire date with vesting every three months through November 2023.

  As at June 30, 2023, 702,231 restricted shares have been granted under the ERR Program as detailed below.

Grant date/employees entitled	Number of instruments	Vesting conditions	Contractual life of options
Senior Management of our Company			
Michael McDonald	12,962	11/30/2023	2 years
Hans Moller	34,286	11/30/2023	1.3 years
Simone Pringle	27,174	11/30/2023	2 years
Subtotal:	74,422		
Other Employees in Aggregate of our Company	627,809	11/30/2023	1.6 years
Total	702,231		

27 SHARE-BASED PAYMENT (Continued)

(a) Description of share-based payment arrangements (Continued)

- **RSA Scheme for Core Connected Persons**

  On October 20, 2020, the Company's Board adopted the RSA Scheme for Core Connected Persons. On May 28, 2021, a trust deed was executed to constitute the trust in relation to the RSA Scheme for Core Connected Persons for the purpose of the Company's grant of award shares to selected core connected participants from time to time pursuant to the scheme rules. The objectives of the RSA Scheme for Core Connected Persons are to recognise the contributions by the selected core connected participants, to give them incentives to achieve performance goals, and to attract suitable personnel for further development of the Group. The RSA Scheme for Core Connected Persons shall be subject to the administration of the Company's RSA Scheme for Core Connected Persons Administration Committee and the trustee in accordance with the RSA Scheme for Core Connected Persons Rules and the trust deed. The trustee shall hold the trust fund in accordance with the terms of the trust deed.

  With effect from June 7, 2022, no shares shall be purchased pursuant to the RSA Scheme for Core Connected Persons if as a result of such purchase, the number of Shares administered under the RSA Scheme for Core Connected Persons shall exceed 11,427,803 Shares, being 2.5% of the issued share capital of the Company.

  At the date of the Board's approval of the RSA Scheme for Core Connected Persons, or such other limit as determined by the RSA Scheme for Core Connected Persons Administration Committee at its sole discretion subject always to compliance with the Listing Rules. The maximum number of award shares which may be granted to a selected participant at any one time or in aggregate may not exceed 4,571,121 shares, being 1% of the issued share capital of the Company at the same date.

  As at June 30, 2023, 517,784 restricted shares have been granted under the RSA Scheme for Core Connected Persons as detailed below.

Grant date/employees entitled	Number of instruments	Vesting conditions	Contractual life of options
Directors of our Company			
On January 18, 2021	238,464	6/30/2021	8 years
On January 18, 2021	128,405	10/1/2021	8 years
On November 5, 2021	95,573	11/16/2021	8 years
On November 6, 2022	55,342	11/17/2022	8 years
Total number of instruments as at June 30, 2023	**517,784**		

27 SHARE-BASED PAYMENT (Continued)

(b) Measurement of fair values

The inputs used in the measurement of the fair values at during the year of the Pre-IPO Share Option Scheme, RSA Scheme, and RSA Scheme for Core Connected Persons, and Employee Retention and Recognition Program.

	As at June 30, 2023			
	Pre-IPO Share Option Scheme	RSA Scheme	Core Connected Persons RSA Scheme	Employee Retention and Recognition Program
Model used	Black-Scholes Model	Black-Scholes Model	Black-Scholes Model	Black-Scholes Model
Weighted average fair values at the grant date (US$)	0.098	0.489	0.670	0.686
Weighted average share price at grant date (US$)	0.680	0.875	0.670	0.686
Weighted average exercise price (US$)	0.875	0.873	N/A	N/A
Expected volatility (%)	30.40%	74.63%	N/A	N/A
Expected life of Share Options and Share Awards (years)	4.50	7.81	N/A	N/A
Expected dividend yield (%)	2.33%	—%	N/A	N/A
Risk–free interest rate (%)	2.53%	0.97%	N/A	N/A

The volatility is measured by tracing the histories of stock price volatility of comparable companies during comparable period.

The fair value of Share Awards granted with no exercise price under the RSA Scheme, and the RSA Scheme for Core Connected Persons during the year ended June 30, 2023 was measured using the stock price of US$0.710 on the grant date of January 18, 2021.

27 SHARE-BASED PAYMENT (Continued)

(c) Reconciliation of outstanding Share Options and Share Awards

The following table shows the number, weighted average exercise prices of, and movements in, Share Options and Share Awards under the RSA Scheme, and the RSA Scheme for Core Connected Persons during the years ended June 30, 2023 and June 30, 2022.

	RSA Scheme		RSA Scheme for Core Connected Persons		Employee Retention and Recognition Program	
	Number of Share Awards *(in thousands)*	Weighted average exercise price *(US$ per share)*	Number of Share Awards *(in thousands)*	Weighted average exercise price *(US$ per share)*	Number of Share Awards *(in thousands)*	Weighted average exercise price *(US$ per share)*
As at July 1, 2021	6,761	0.842	128	—	—	—
Vested	—	—	238	—	—	—
Share Awards granted	4,221	0.878	96	—	2,682	0.891
Lapsed Under scheme or program	(4,680)	0.814	—	—	(541)	0.918
Exercised[1]	(1,081)	1.102	—	—	(462)	0.803
Expired	—	—	—	—	—	—
Cancelled	—	—	—	—	—	—
Outstanding as at June 30, 2022	5,221	0.876	462	—	1,678	0.876
Vested	4,039	0.863	462	—	489	0.916
Exercisable as at June 30, 2022	4,039	0.863	462	—	489	0.916
As at July 1, 2022	5,221	0.876	462	—	1,678	0.876
Vested	—	—	—	—	—	—
Share Awards granted	1,450	0.873	55	—	704	0.686
Lapsed Under scheme or program	(206)	0.811	—	—	(389)	0.826
Exercised[1]	—	—	—	—	(1,291)	0.637
Expired	—	—	—	—	—	—
Cancelled	(1,774)	0.811	—	—	—	—
Outstanding as at June 30, 2023	4,691	0.875	518	—	702	0.807
Vested	5,115	0.865	518	—	1,778	0.851
Exercisable as at June 30, 2023	2,261	0.874	518	—	27	0.920

Note:

(1) The weighted average share price at the date of exercise for Share Awards exercised during the period was US$0.862.

27 SHARE-BASED PAYMENT (Continued)

(c) Reconciliation of outstanding Share Options and Share Awards (Continued)

The following table shows the weighted average remaining contractual life of the Pre-IPO Share Option Scheme, The RSA Scheme, the RSA Scheme for Core Connected Persons outstanding at June 30, 2023.

Scheme Name	Weighted Average Remaining Contractual Life Outstanding As at June 30, 2023	 As at June 30, 2022
Pre-IPO Share Option Scheme	**1.67 years**	2.67 years
RSA Scheme	**5.82 years**	6.82 years
RSA Scheme for Core Connected Persons	**6.31 years**	7.31 years
ERR Program	**0.42 years**	1.42 years

(d) Bonus conversion to share-based payment

The Board voted to formally approve a bonus for the employees and to convert the US$1.1 million cash bonus accrual recognised as at June 30, 2020 to a share-based bonus. The shares to be assigned for this share-based bonus were approved to be allocated out of the RSA Scheme for Core Connected Persons and the RSA Scheme. The terms of the share-based bonus for the year ended June 30, 2022 included a retention period where 65% of the shares vested for those employed on June 30, 2021 and 35% on October 1, 2021. The Company recognised share-based payment expense of US$0.1 million during the year ended June 30, 2022. There were no bonus conversions for the year ended June 30, 2023.

(e) Expense recognised in profit or loss

The Group recognised total expenses of US$1.5 million related to equity-settled share-based payment transactions during the year ended June 30, 2023, compared to US$1.1 million during the year ended June 30, 2022.

28 BORROWINGS

US$ in thousands	**As at June 30, 2023**	As at June 30, 2022
Non-current bank borrowings	**—**	—
Current bank borrowings	**24,018**	28,511
	24,018	28,511

The Group's variable interest rate borrowings repayable based on the scheduled repayment dates are as follows:

US$ in thousands	**As at June 30, 2023**	As at June 30, 2022
Within 1 year	**24,018**	28,511
After 1 year but within 2 years	**—**	—
After 2 years but within 5 years	**—**	—
	24,018	28,511

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates were as follows:

US$ in thousands	**As at June 30, 2023**	As at June 30, 2022
6 months or less	**24,018**	28,511

The effective interest rates per annum of the bank borrowings are ranged as follows:

US$ in thousands	**As at June 30, 2023**	As at June 30, 2022
Bank floating interest rates	**3.60%–8.18%**	2.39%–4.89%

28 BORROWINGS (Continued)

The Group commenced discussions with its lender, to obtain an exemption of certain missed covenants applicable to both the reporting period ended June 30, 2023 and June 30, 2022. An exemption was executed immediately following the conclusion of the reporting period ended June 30, 2022, which extended to maturity.

The bank covenants are as follows:

(1) The ratio of (Total liabilities — Contract liabilities) to (Total Assets — Net goodwill and other intangible assets) should be less than 70% for both fiscal year 2022 and 2023.

(2) The ratio of Total Financial Liabilities (including Bank Borrowings, Convertible Bonds) to EBITDA (Profit Before Income Tax + Finance costs + Depreciation + Amortization) should be less than 3x for the fiscal year 2022, and less than 2x for the fiscal year 2023.

Bank borrowings are secured by certain bank deposits of the Group as disclosed in restricted cash.

29 TRADE PAYABLES

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

US$ in thousands	**As at June 30, 2023**	As at June 30, 2022
Current	**215**	1,469
Within 1 month	**149**	1,216
Due 1 to 3 months	**58**	—
Due over 3 months but less than 12 months	**213**	—
	635	2,685

The average credit period is within 29.5 days for the current year (2022: within 76.2 days). The Group considered that the carrying amounts of trade payables approximated to their respective fair values as at June 30, 2023 and June 30, 2022.

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

30 OTHER PAYABLES

US$ in thousands	**As at June 30, 2023**	As at June 30, 2022
Salaries and bonuses payable	**3,304**	1,415
Professional service fee payable	**578**	869
Others	**1,380**	1,051
	5,262	3,335

The Group considered that the carrying amounts of other payables approximated to their respective fair values as at June 30, 2023 and June 30, 2022.

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

31 CONTINGENT LIABILITIES

The Company has 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 parties agreed to a settlement of $10,000 on August 25, 2023. The payment was delivered on September 14, 2023.

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 annual report, the lawsuit is ongoing. In review of the status with our external counsel, the Group believes that there will be a positive outcome for the Group and no provision is recorded.

Except as disclosed above, as at June 30, 2023, the Group did not have any other known contingent liabilities.

32 RELATED PARTY TRANSACTIONS

The following individuals and companies are related parties of the Group that had balances and/or transactions with the Group for the years ended June 30, 2023, and June 30, 2022:

Names of the Related Parties	Nature of Relationships
VTC Electronics Corp. (“VTC”)	Controlled by the same controlling shareholder
ICTW Corp. (“ICTW”)	Controlled by the same controlling shareholder
Security Manufacturing Ltd.	Controlled by the same controlling shareholder
Sophist Consulting	Controlled by our Chief Product Officer
Leo Hermancinski (Consulting)	Controlled by a Board Member
Ocin Corp.	Ultimate holding company

Each of the related party transactions has been reviewed by operating and financial management.

The following transactions were carried out with related parties:

(a) Key management compensation

Key management includes directors and senior management of the Group.

Compensation of the key management personnel of the Group, including directors’ remunerations, was as follows:

US$ in thousands	**Year ended June 30, 2023**	Year ended June 30, 2022
Wages and salaries	**2,813**	2,330
Bonuses[1]	**676**	237
Pension cost — defined contribution plans	**26**	48
Other benefits	**461**	863
	3,976	3,479

Note:

(1) Bonuses reflect amounts paid during the year and are generally based on the performance of the Group for the previous year.

32 RELATED PARTIES TRANSACTIONS (Continued)

(b) Transactions with key management personnel

The aggregate value of transactions and outstanding balances related to key management personnel and entities over which they have control or significant influence were as follows:

	Transactions		Balances	
US$ in thousands	**Year ended June 30, 2023**	Year ended June 30, 2022	**As at June 30, 2023**	As at June 30, 2022
Office rental expense[(1)]	**—**	313	**—**	—
Consulting services[(2)]	**4,773**	3,841	**562**	743
	4,773	4,154	**562**	743

Notes:

(1) The Group rents office space in Taiwan from VTC. VTC rents the space from a third party that is not considered a related party. The office space is used by the Chairman and other employees of the Group located in Taiwan. Amounts due under this agreement are regarded as short term lease, non-trade in nature, unsecured, interest free, repayable on demand and short term denominated in US$.

(2) During the year ended June 30, 2022, the Company entered into a contract with Sophist Consulting for product development. The company is 50% owned and operated by a family member of the Group's Chief Product Officer and defined as a related party. The contract was approved and signed by the Group's Chief Executive Officer. Amounts due under this contract are non-trade in nature, unsecured, interest free, and repayable on demand.

33 NON-CONTROLLING INTERESTS

On November 21, 2018, IntelliCentrics Zengine (Hong Kong) Company Limited ("IntelliCentrics HK") which was formerly a wholly owned subsidiary of the Company, became owned by a third party, through subscription by the third party of shares representing 33% of the shares (as enlarged by the subscription) of IntelliCentrics HK, for consideration of HK$1,029,600 (equivalent to US$132,000) without loss of control. The Group retains 67% interest in that subsidiary immediately after the transaction. The carrying amount of the 33% equity interest in IntelliCentrics HK on the date of subscription by the third-party shareholder was approximately US$130,000.

33 NON-CONTROLLING INTERESTS (Continued)

The following table summarises the information relating to the Group's subsidiary, IntelliCentrics Zengine (Hong Kong) Company Limited, that has material NCI, before any intra-group eliminations:

Summarised statement of financial position *US$ in thousands*	**As at June 30, 2023**	As at June 30, 2022
Current assets	**82**	82
Total assets	**82**	82
Current liabilities	**420**	431
Total liabilities	**420**	431
Equity attributable to owners of the parent	**(226)**	(233)
Non-controlling interests	**(112)**	(116)

There are no significant restrictions on the ability of the Group to access or use assets and settle liabilities.

33 NON-CONTROLLING INTERESTS (Continued)

Summarised statement of profit or loss and other comprehensive income or loss *US$ in thousands*	**Year ended June 30, 2023**	Year ended June 30, 2022
General and administrative expenses	**(20)**	(4)
Other gains/(losses)	**—**	(34)
Operating loss	**(20)**	(38)
Finance income	**1**	—
Share of profit/(loss) of a joint venture	**31**	(127)
Profit/(loss) before income tax	**12**	(165)
Profit/(loss) for the year	**12**	(165)
Other comprehensive loss:		
Item that may be subsequently reclassified to profit or loss:		
— Currency translation differences	**—**	—
Other comprehensive loss for the year, net of tax	**—**	—
Total comprehensive income/(loss) for the year	**12**	(165)
Profit/(loss) for the year		
Attributable to owners of the Company	**8**	(111)
Attributable to non-controlling interest	**4**	(54)
Total comprehensive income/(loss) for the year		
Attributable to owners of the Company	**8**	(111)
Attributable to non-controlling interest	**4**	(54)

33 NON-CONTROLLING INTERESTS (Continued)

Summarised statement of cash flows *US$ in thousands*	**As at June 30, 2023**	As at June 30, 2022
Cash flows generated from/(used in) operating activities	**1**	(4)
Cash flows used in investing activities	**(1)**	—
Cash flows generated from financing activities	**—**	—
Net decrease in cash and cash equivalents	**—**	(4)

34 SUBSIDIARIES

Details of the principal subsidiaries of the Company as at June 30, 2023 and June 30, 2022 are as follows. The class of shares held is ordinary unless otherwise stated.

Name	Place of incorporation	Date of incorporation	Principal country of operation	Activities	Paid up capital US$'000	Effective interest held As at June 30, 2023	Effective interest held As at June 30, 2022
Directly held by the Company							
Victos Holding Corp.	Samoa	October 31, 2003	Samoa	Investment holding	5,339	100 %	100 %
IntelliCentrics Zengine (Hong Kong) Company Limited	Hong Kong	April 11, 2018	Hong Kong	Investment holding	13	67 %	67 %
Indirectly held by the Company							
IntelliCentrics Holding Company	Cayman Islands	April 27, 2012	Cayman Islands	Investment holding	6,165	100 %	100 %
Inception Point Systems Ltd.	United Kingdom	July 25, 2012	United Kingdom	Investment holding	16,442	100 %	100 %
IntelliCentrics UK Ltd.	United Kingdom	July 23, 2012	United Kingdom	Healthcare technology	2,050	100 %	100 %
Zengine Limited	United Kingdom	August 28, 2013	United Kingdom	Possession and management of intellectual property	3,050	100 %	100 %
IntelliCentrics Solutions Inc.	Canada	July 20, 2012	Canada	Healthcare technology	3,050	100 %	100 %
USA deView, Inc.	USA	June 4, 2004	USA	Investment holding and provision of administrative services to the group companies	33,889	100 %	100 %
IntelliCentrics, Inc.	USA	May 19, 2010	USA	Healthcare technology	10	100 %	100 %
Vendor Clear.com, LLC	USA	November 28, 2005	USA	Inactive	5,000	100 %	100 %
Status Blue LLC	USA	September 27, 2005	USA	Inactive	5,795	100 %	100 %
Who Are You Limited	United Kingdom	April 13, 2013	United Kingdom	Healthcare technology	1	100 %	100 %
IntelliCentrics International, Ltd.	Cayman Islands	August 24, 2021	Taiwan	Healthcare technology	–	100 %	100 %

35 BENEFITS AND INTERESTS OF DIRECTORS

The remuneration of each director of the Company paid/payable by the Group for the years ended June 30, 2023 and June 30, 2022 are set out as follows:

For the year ended June 30, 2023 *US$ in thousands*	Director's fee	Salaries and wages	Bonuses	Pension cost-defined contribution plan	Other social security costs, housing benefits and other employee benefits	Total
Executive directors						
Mr. Lin Tzung-Liang	51	972	—	—	54	1,077
Mr. Michael James Sheehan	38	808	513	13	353	1,724
Non-executive directors						
Mr. Lin Kuo-Chang	45	—	—	—	—	45
Mr. Leo Hermacinski	45	—	—	—	—	45
Independent non-executive directors						
Mr. Hsieh Yu Tien	57	—	—	—	—	57
Ms. Huang Yi-Fen	23	—	—	—	—	23
Mr. Wong Man Chung Francis	67	—	—	—	—	67
Mr. Liao Xiaoxin	18	—	—	—	—	18
	344	1,780	513	13	407	3,057

35 BENEFITS AND INTERESTS OF DIRECTORS (Continued)

For the year ended June 30, 2022 *US$ in thousands*	Director's fee	Salaries and wages	Bonuses	Pension cost-defined contribution plan	Other social security costs, housing benefits and other employee benefits	Total
Executive directors						
Mr. Lin Tzung-Liang	401	295	—	—	59	755
Mr. Michael James Sheehan	38	500	237	9	202	986
Non-executive directors						
Mr. Lin Kuo-Chang	46	—	—	—	—	46
Mr. Leo Hermacinski	40	—	—	—	—	40
Independent non-executive directors						
Mr. Hsieh Yu Tien	59	—	—	—	—	59
Ms. Huang Yi-Fen	52	—	—	—	—	52
Mr. Wong Man Chung Francis	59	—	—	—	—	59
	695	795	237	9	261	1,997

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

The non-executive directors' emoluments shown above were for their services as directors of the Company.

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

(a) Directors' retirement benefits

None of the directors received or will receive any retirement benefits for the years ended June 30, 2023, and June 30, 2022.

(b) Directors' termination benefits

None of the directors received or will receive any termination benefits for the years ended June 30, 2023, and June 30, 2022.

35 BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(c) Consideration provided to third parties for making available directors' services

For the years ended June 30, 2023, and June 30, 2022, the Group did not pay consideration to any third parties for making available directors' services.

(d) Information about loans, quasi-loans, and other dealings in favour of directors, corporate bodies controlled by, and connected entities with such directors

There were no other loans, quasi-loans and other dealing arrangements in favour of directors, or corporate bodies controlled by, and connected entities with, such directors for the years ended June 30, 2023, and June 30, 2022.

(e) Directors' material interests in transactions, arrangements, or contracts

There were no significant transactions, arrangements and contracts in relation to the Group's business to which the Group was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time for the years ended June 30, 2023, and June 30, 2022.

36 FINANCIAL INSTRUMENTS — FAIR VALUE MEASUREMENT

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards as discussed in Note 5.9.

(a) Financial instruments by category

The following table shows the carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

US$ in thousands	Note	**As at June 30, 2023**	As at June 30, 2022
Financial assets measure at fair value through other comprehensive income			
Investment in equity instruments	23	**276**	812
		276	812
Financial assets at amortised cost			
Deposits and other receivables	21	**1,729**	2,695
Restricted cash	22	**10,943**	12,844
Cash and cash equivalents	24	**12,758**	23,506
		25,430	39,045
Financial liabilities at amortised cost			
Borrowings	28	**24,018**	28,511
Lease liabilities	19	**7,150**	7,805
Trade payables	29	**635**	2,685
Other payables	30	**5,262**	3,335
Amounts due to related parties	32	**562**	743
		37,627	43,079

36 FINANCIAL INSTRUMENTS — FAIR VALUE MEASUREMENT (Continued)

(b) Fair value and fair value hierarchy of financial instruments

The carrying amounts of deposits, and other receivables, restricted cash, cash and cash equivalents, borrowings, trade payables, other payables, and amounts due to related parties are assumed to approximate their fair values.

Further, for the current or prior reporting period, the fair value disclosure of lease liabilities is not required.

- **Fair value of financial instruments measured at fair value**
  The following table shows the carrying amounts and the recurring fair values of financial assets, including their levels in the fair value hierarchy. There were no financial liabilities measured at fair value.

As at June 30, 2023		Carrying amount		Fair value			
US$ in thousands	Note	FVOCI — equity instruments	Total	Level 1	Level 2	Total	Net change in fair value in OCI
Financial assets							
Investment in equity instruments	23	276	276	276	–	276	(536)

As at June 30, 2022		Carrying amount		Fair value			
US$ in thousands	Note	FVOCI — equity instruments	Total	Level 1	Level 2	Total	Net change in fair value in OCI
Financial assets							
Investment in equity instruments	23	812	812	812	–	812	211

  There were no transfers between the different levels during the current reporting period.

- **Fair value of financial instruments not measured at fair value**
  At the years ended June 30, 2023 and June 30, 2022, all borrowings were classified as current In compliance with IFRS and as such the fair value approximate the carrying value. As of June 30, 2023 and June 30, 2022, the carrying amounts and the fair values of financial liabilities were US$24.0 million and US$28.5 million, respectively.

37 FINANCIAL RISK MANAGEMENT

37.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange rates, interest rate risk and other market risks), credit risk and liquidity risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Risk management is carried out by the senior management of the Group in close cooperation with the Board and focuses on actively securing and managing the Group's cash flows. Significant investments must be approved by the Board of Directors.

(a) Market risk

Market risk arises from the Group's use of foreign currency, interest bearing, and tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates (foreign exchange risk), interest rates (cash flow and fair value interest rate risk), or other market factors (other price risk such as equity price risk).

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the Group entities' functional currency. The functional currency of the Company and subsidiaries operating in the USA is US$ whereas functional currency of the subsidiaries operating in the United Kingdom and Canada are British Pound ("GBP") and Canadian Dollar ("CAD"), respectively.

The Group operates mainly in the USA with most of the transactions settled in US$, management considers that the business is not exposed to any significant foreign exchange risk as there are no significant financial assets or liabilities of the Group denominated in the currencies other than US$. The Group is traded on the Hong Kong exchange and holds bank accounts in Hong Kong dollars.

The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures.

The foreign exchange loss for the 12 months ended June 30, 2023 was US$448.1 thousand (June 30, 2022: gain of US$407.0 thousand) and was recognised in Other (Gains) and losses in the consolidated statement of profit or loss and other comprehensive income or loss.

37 FINANCIAL RISK MANAGEMENT (Continued)

37.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's exposure to interest rates is attributable to its bank balance and restricted cash.

The Group's exposure to changes in interest rates is also attributable to its borrowings, details of which have been disclosed in Note 28. Borrowings carried at floating rates expose the Group to cash flow interest-rate risk whereas those carried at fixed rates expose the Group to fair value interest-rate risk.

As at June 30, 2023, if the interest rates had been 1% higher/lower and all other variables were held constant, the Group's pre-tax loss would have been approximately US$3.1 thousand higher/lower (June 30, 2022: US$78.4 thousand higher/lower), mainly attributable to the Group's exposure to interest rates on its variable rate bank balance, restricted cash and bank borrowings.

(iii) Other market factors

The Group's listed equity instruments (disclosed in Note 23) are susceptible to market price risk arising from uncertainties about future values of the investment securities. The effect of a 66% decrease at June 30, 2023 (June 30, 2022: 35% increase) in the value of the equity instruments held at the reporting date would, all other variables held constant, have resulted in a decrease in the fair value through other comprehensive income reserve and net assets of US$0.2 million (June 30, 2022: US$0.3 million).

(b) Credit risk

The Group is exposed to credit risk primarily in relation to its cash, and deposits (including term deposits) placed with banks and financial institutions, as well as other receivables. The carrying amount of each class of the above financial assets represents the Group's maximum exposure to credit risk in relation to the corresponding class of financial assets.

The Group's cash deposits are placed with reputable financial institutions with high credit-ratings assigned by international credit-rating agencies. There has been no recent history of default in relation to these financial institutions.

Other receivables mainly comprise deposits, and other receivables. The Group closely monitors these other receivables to ensure actions are taken to recover these balances in the case of any increase in risk of default. The Group has concluded that there is no material credit risk inherent in the Group's outstanding balance of other receivables.

37 FINANCIAL RISK MANAGEMENT (Continued)

37.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information. Especially the following indicators are incorporated:

- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations.
- Significant changes in the expected performance and behavior of the debtors, including changes in the payment status of debtors.

The Group uses four categories for those receivables which reflect their credit risk and how the loss provision is determined for each of those categories. These internal credit risk ratings are aligned to external credit ratings.

The Group's current credit risk grading framework comprises the following categories:

Basis for recognition of	**Expected Category**	**Group definition of category credit loss provision**
Performing	The counterparty has a low risk of default and a strong capacity to meet contractual cash flow	12-month expected losses; where the expected lifetime of an asset is less than 12-month, expected losses are measured at its expected lifetime
Underperforming	Receivables for which there is a significant increase in credit risk; as significant increase in credit risk presumed if interest and/or principal repayments are more than 30 days past due	Lifetime expected losses
Non-performing	Interest and/or principal repayments are more than 365 days past due	Lifetime expected losses
Write-off	Interest and/or principal repayments are more than 3 years past due and there is no reasonable expectation of recovery	Asset is written-off

The Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of receivable and adjusts for forward looking macroeconomic data. For deposits and other receivables, the historical loss rate for these receivables are low. Thus, no impairment provision was recognised for these receivables as the expected credit loss was not material during the period.

37 FINANCIAL RISK MANAGEMENT (Continued)

37.1 Financial risk factors (Continued)

(c) Liquidity risk

The origination of the borrowings for the Group is located in Asia. The Group has certain restricted cash at the bank equal to 50% of the value of the debt. The Group aims to maintain sufficient cash and cash equivalents to maintain flexibility in the current business environment.

The table below analyses the Group's financial liabilities into relevant maturity grouping based on the remaining period at the end of each reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

US$ in thousands	Weighted average effective interest rate	Within 1 year	After 1 year but within 2 years	After 2 years but within 5 years	After 5 years	Total undiscounted cash flow	Carrying Amount
As at June 30, 2023							
Trade payables		635	–	–	–	635	635
Other payables		5,262	–	–	–	5,262	5,262
Amounts due to related parties		562	–	–	–	562	562
Lease liabilities	5.25%–7.93%	1,422	1,267	2,699	4,617	10,005	7,150
Borrowings (including accrued interests)	3.60%–8.18%	24,018	–	–	–	24,018	24,018
Total		31,899	1,267	2,699	4,617	40,482	37,627
As at June 30, 2022							
Trade payables		2,685	–	–	–	2,685	2,685
Other payables		3,335	–	–	–	3,335	3,335
Amounts due to related parties		743	–	–	–	743	743
Lease liabilities	5.25%–7.93%	1,363	1,359	2,953	5,525	11,200	7,805
Borrowings (including accrued interests)	2.39%–4.89%	29,872	–	–	–	29,872	28,511
Total		37,998	1,359	2,953	5,525	47,835	43,079

37 FINANCIAL RISK MANAGEMENT (Continued)

37.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

The Group commenced discussions with its lender, to obtain an exemption of certain missed covenants applicable to both the reporting period ended June 30, 2023 and June 30, 2022. An exemption was executed immediately following the conclusion of the reporting period ended June 30, 2023. In compliance with IFRS, the Company has classified all borrowings as due within 1 year. Bank borrowings are secured by certain bank deposits of the Group as disclosed in restricted cash.

The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

37.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total debts divided by total equity. Total debts are calculated as total borrowings. Total equity is total equity of the Group as shown in the consolidated statement of financial position.

US$ in thousands	**As at June 30, 2023**	As at June 30, 2022
Borrowings	**24,018**	28,511
Total debt	**24,018**	28,511
Total equity	**(4,084)**	6,421
Gearing ratio	**(588.1)%**	444.0%

The gearing ratio (calculated by dividing (i) total debts by (ii) total equity) decreased to negative of 588.1% as at June 30, 2023, from positive of 444.0% as at June 30, 2022, is primarily due to due to acquisitions by the Group in the open market of RSA shares equaling US$2.9 million pursuant to the Group's RSA Schemes, and net loss for the year ended June 30, 2023, and borrowing repayments of US$4.5 million.

37 FINANCIAL RISK MANAGEMENT (Continued)

37.2 Capital risk management (Continued)

The bank covenants for borrowings are as follows:

(1) The ratio of (Total liabilities — Contract liabilities) to (Total Assets — Net goodwill and other intangible assets) should be less than 70% for both fiscal year 2022 and 2023.

(2) The ratio of Total Financial Liabilities (including Bank Borrowings, Convertible Bonds) to EBITDA (Profit Before Income Tax + Finance costs + Depreciation + Amortization) should be less than 3x for the fiscal year 2022, and less than 2x for the fiscal year 2023.

38 NOTE TO CONSOLIDATED STATEMENT OF CASH FLOWS

US$ in thousands	Note	**Year ended June 30, 2023**	Year ended June 30, 2022
Loss before income tax		**(8,289)**	(12,370)
Adjustments for:			
Depreciation	17, 19	**3,242**	4,545
Amortisation	18	**5,561**	6,695
Interest income	12	**(518)**	(95)
Interest expense		**2,189**	1,433
Other financing costs		**69**	87
Gain on redemption		**—**	(93)
Equity-settled share-based payment		**1,454**	782
Share of (profit)/loss of a joint venture		**(31)**	127
Changes in working capital:			
Deposits, prepayments and other receivables		**929**	441
Trade payables		**(2,050)**	(11)
Contract liabilities		**(505)**	2,868
Other payables		**1,353**	975
Amounts due to related parties		**(181)**	715
Cash generated from operations		**3,223**	6,099

38 NOTE TO CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

Reconciliation of liabilities arising from financing activities

	Liabilities from financing activities			
US$ in thousands	**Borrowings due within 1 year**	**Borrowings due after 1 year but within 2 years**	**Lease Liability**	**Total**
As at July 1, 2021	5,982	25,491	7,565	39,038
Cash flows	21,615	(25,491)	(466)	(4,342)
Non-cash amounts recognised in profit or loss	926	—	521	1,447
New leases	—	—	828	828
Exchange translation differences	(12)	—	(643)	(655)
As at June 30, 2022 and July 1, 2022	28,511	—	7,805	36,316
Cash flows	**(6,175)**	**—**	**(1,532)**	**(7,707)**
Non-cash amounts recognised in profit or loss	**1,695**	**—**	**563**	**2,258**
New leases	**—**	**—**	**180**	**180**
Exchange translation differences	**(13)**	**—**	**134**	**121**
As at June 30, 2023	**24,018**	**—**	**7,150**	**31,168**

39 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

US$ in thousands	Note	**As at June 30, 2023**	As at June 30, 2022
ASSETS			
Non-current assets			
Property, plant and equipment, net		**—**	5
Investment in subsidiaries		**53,789**	58,523
Right-of-use assets, net		**444**	764
Deposits and prepayments		**5,528**	5,363
Restricted cash		**143**	94
		59,904	64,749
Current assets			
Financial assets at fair value through other comprehensive income		**276**	812
Deposits, prepayments and other receivables		**30**	123
Amounts due from related parties		**1**	—
Cash and cash equivalents		**6,559**	11,506
		6,866	12,441
Total assets		**66,770**	77,190
EQUITY			
Equity attributable to owners of the Company			
Share capital		**46**	46
Share premium	(a)	**72,776**	72,776
Other equity	(a)	**(32,166)**	(30,380)
Other reserves	(a)	**(5,242)**	(4,593)
Accumulated losses	(a)	**(40,472)**	(31,629)
Total equity		**(5,058)**	6,220

39 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

US$ in thousands	Note	As at June 30, 2023	As at June 30, 2022
LIABILITIES			
Non-current liabilities			
Lease liabilities		206	712
		206	712
Current liabilities			
Borrowings		—	1,501
Lease liabilities		256	54
Other payables		590	1,137
Amounts due to subsidiaries		70,542	66,322
Current income tax liabilities		234	1,244
		71,622	70,258
Total liabilities		71,828	70,970
Total equity and liabilities		66,770	77,190

39 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

Note (a): Reserve movement of the Company

US$ in thousands	Share premium	Other equity	Accumulated losses	Share Option reserve	Fair value reserve	Foreign translation reserve	Total
As at July 1, 2021	77,100	(19,924)	(12,447)	1,905	(4,439)	536	42,731
Loss for the year	—	—	(19,182)	—	—	—	(19,182)
Other comprehensive loss							
— Equity instruments at FVOCI							
— net change in fair value	—	—	—	—	211	—	211
— Currency translation differences	—	—	—	—	—	(2,479)	(2,479)
Total comprehensive loss for the period	—	—	(19,182)	—	211	(2,479)	(21,450)
Transactions with owners:							
Acquisition of RSA shares	—	(11,949)	—	—	—	—	(11,949)
Share-based payment	—	—	—	1,119	—	—	1,119
Shares buy back	(4,170)	—	—	—	—	—	(4,170)
Share Options exercised	(154)	1,493	—	(1,446)	—	—	(107)
Total transactions with owners	(4,324)	(10,456)	—	(327)	—	—	(15,107)
As at June 30, 2022	72,776	(30,380)	(31,629)	1,578	(4,228)	(1,943)	6,174
As at July 1, 2022	72,776	(30,380)	(31,629)	1,578	(4,228)	(1,943)	6,174
Loss for the year	—	—	(8,843)	—	—	—	(8,843)
Other comprehensive loss							
—Equity instruments at FVOCI							
— net change in fair value	—	—	—	—	(536)	—	(536)
— Currency translation differences	—	—	—	—	—	65	65
Total comprehensive loss for the period	—	—	(8,843)	—	(536)	65	(9,314)
Transactions with owners:							
Acquisition of RSA shares	—	(2,937)	—	—	—	—	(2,937)
Share based payment	—	—	—	1,454	—	—	1,454
Share Options exercised	—	1,151	—	(1,632)	—	—	(481)
Total transactions with owners	—	(1,786)	—	(178)	—	—	(1,964)
As at June 30, 2023	**72,776**	**(32,166)**	**(40,472)**	**1,400**	**(4,764)**	**(1,878)**	**(5,104)**

40 EVENTS AFTER THE REPORTING PERIOD

On July 20, 2023, the Group entered into the agreement with the lender of its bank borrowings to extend the repayment date by three months from December 2023 to March 2024. Save as disclosed above, there were no other significant events affecting the Group subsequent to the end of the year ended June 30, 2023.

Financial Summary

Results *US$ in thousands*	**12 months ended June 30, 2023**	12 months ended June 30, 2022	12 months ended June 30, 2021	18 months ended June 30, 2020	12 months ended December 31, 2018
Revenue	**43,980**	40,694	37,666	54,648	34,037
(Loss)/profit before income tax	**(8,289)**	(12,370)	(4,797)	4,298	5,621
Income tax (expenses)/benefit	**(550)**	724	1,823	(2,062)	(2,572)
(Loss)/profit for the period	**(8,839)**	(11,646)	(2,974)	2,236	3,049

Assets, Equity and Liabilities *US$ in thousands*	**As at June 30, 2023**	As at June 30, 2022	As at June 30, 2021	As at June 30, 2020	As at December 31, 2018
ASSETS					
Non-current assets	**33,143**	34,842	52,267	28,725	32,305
Current assets	**25,420**	39,583	49,486	68,423	35,660
Total assets	**58,563**	74,425	101,753	97,148	67,965
EQUITY AND LIABILITIES					
Total equity	**(4,084)**	6,421	35,042	45,514	1,090
Non-current liabilities	**8,212**	9,313	35,285	4,479	31,800
Current liabilities	**54,435**	58,691	31,426	47,155	35,075
Total liabilities	**62,647**	68,004	66,711	51,634	66,875
Total equity and liabilities	**58,563**	74,425	101,753	97,148	67,965

“AGM”	annual general meeting of the Company;
“Articles of Association”	the Third Amended and Restated Memorandum and Articles of Association of the Company (as amended from time to time), conditionally adopted by a special resolution passed on December 15, 2022;
“Audit Committee”	the audit committee of the Board;
“Board” or “Board of Directors”	the board of Directors;
“CEO”	the chief executive officer 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;
“Controlling Shareholder(s)”	the controlling shareholders (as defined in the Listing Rules) of the Company, namely Mr. Lin and Ocin Corp.;
“Director(s)”	director(s) of the Company;
“FVOCI’	fair value through other comprehensive income;
“Global Offering”	the global offering of new Shares in March 2019;
“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);
“HK$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“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 Date"	the date on which dealings in the Shares first commenced on the Stock Exchange, i.e. March 27, 2019;
"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;
"Mr. Lin"	Mr. Lin Tzung-Liang (林宗良), the chairman of the Board, an executive Director and one of our Controlling Shareholders;
"Mr. Sheehan"	Mr. Michael James Sheehan, the CEO and an executive Director;
"Nomination Committee"	the nomination committee of the Board;
"Non-Compete Period"	the period commencing on the Listing Date and ending on the earliest of: (a) the date on which any relevant Controlling Shareholder ceases to be a Controlling Shareholder as defined in the Listing Rules, (b) the date on which the Shares cease to be listed on the Stock Exchange, and (c) the date on which the Group ceases to engage in the restricted business;
"Ocin Corp."	an exempted company with limited liability incorporated in the Cayman Islands on May 26, 2016 and one of the Controlling Shareholders, and is wholly owned by Mr. Lin;
"PRC"	People's Republic of China;
"Pre-IPO Share Option(s)" or "Share Option(s)"	the option(s) granted by the Company under the Pre-IPO Share Option Scheme;
"Pre-IPO Share Option Scheme"	the share option plan adopted by the Board on August 7, 2018;
"Prospectus"	the prospectus dated March 18, 2019 issued by the Company;

"Registered LoCs"	LoC that has registered on our platform and has not cancelled its registration;
"Remuneration Committee"	the remuneration committee of the Board;
"R&D"	research and development;
"RSA Scheme"	the Restricted Share Award Scheme approved and adopted 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;
"RSA Schemes"	the RSA Scheme and the RSA Scheme for Core Connected Persons;
"Sciencare"	Beijing Sciencare Technology Co., Ltd. (北京仁正醫德科技有限公司), a company incorporated in the PRC with limited liability;
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;
"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;
"Subsidiaries"	has the meaning ascribed to it in Section 2 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
"Used Amount"	the used amount of the Net Proceeds;
"Unused Amount"	the unused amount of the Net Proceeds;
"UK", "U.K.", or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland;
''Unauthorized Disbursements''	unauthorized disbursement of funds in the aggregate amount of US$7.0 million to bank accounts unassociated with the Company as a result of social engineering crime in July 2021 which targeted the Company. Further details of the Unauthorized Disbursements are set out in the announcements of the Company dated July 12, 2021, July 22, 2021, and January 24, 2022;

"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;
"VTC Electronics"	VTC Electronics Corp. (遠業科技股份有限公司), a joint stock company with limited liability incorporated in Taiwan on August 30, 1995, a company controlled by Mr. Lin; and
"%"	Percent.

In this annual report, the terms "associate", "connected person", "connected transaction", "controlling shareholder", "subsidiary" and "substantial shareholder" shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

IntelliCentrics Global Holdings Ltd.
中 智 全 球 控 股 有 限 公 司