

14th March 2024

The Manager
Market Announcements Platform Australian Securities Exchange Limited

RECEIPT OF ATO POSITION PAPER

Careteq Limited (ASX: CTQ) (Careteq) advises that it has received an audit position paper (**Position Paper**) from the Australian Taxation Office (**ATO**). The Position Paper relates to Careteq's R&D tax incentive claims for the years ended 30 June 2021 and 30 June 2022.

The ATO has expressed the view in the Position Paper that Careteq has not provided evidence of adequate substantiation for the expenditure incurred for the R&D activities and has not demonstrated the nexus between the expenditure and the R&D activities for the purposes of Division 355 of the Income Tax Assessment Act 1997. Accordingly, the ATO has indicated that in its view Careteq was not entitled to refundable tax offsets totaling approximately \$1.29 million across the two income years. The ATO has also indicated that Careteq is liable for an administrative penalty of approximately \$0.32 million.

The ATO has invited Careteq to make further technical and factual submissions in relation to the Position Paper. Careteq considers that it has provided evidence of adequate substantiation of the expenditure incurred on R&D activities and that it has adequately demonstrated the nexus between the expenditure and the R&D activities. Careteq will be making further submissions to the ATO on these matters in response to the Position Paper.

Careteq will continue to keep the market informed as appropriate.

This ASX announcement has been authorised by the Board of Careteq Limited (ASX: CTQ)

For further information, please contact:

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About Careteq Limited (ASX: CTQ)

Careteq Limited (ASX: CTQ) is an Australian-headquartered Healthtech company that has developed and commercialised a proprietary Assistive Living Technology platform. The company is now using its early-mover advantage in the Assistive Living Technology sector to revolutionise aged and disability care across the globe.

Careteq's revenues are derived from assistive passive technology products powered by Sofihub. The product suite on the Careteq Assistive Living Technology platform delivers better quality of life and productivity outcomes to a broad-based target addressable market, comprised of both patients (the elderly, disabled and vulnerable individuals), and their carers.

Careteq provides a range of solutions including continuous non-invasive monitoring, fall detection and mobile alarms. Careteq products are today widely available through their online store, industry leading distributors and specialist retailers, both in Australia and overseas.

To learn more, please visit: www.careteq.com.au/

Forward-looking statements

This announcement contains or may contain forward-looking statements that are based on Careteq's beliefs, assumptions, and expectations and on information currently available to Careteq. All statements that address operating performance, events, or developments that Careteq or its directors expect or anticipate will occur in the future are forward-looking statements, including, without limitation, statements as to the expectations of Careteq or the market it operates in.

Careteq believes that these forward-looking statements are reasonable as and when made. You should not place undue reliance on forward-looking statements because they speak only as of the date when made. Careteq does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

No assurance or guarantee is, or should be taken to be, given in relation to, and no reliance should be placed on, the future business performance or results of Careteq or the likelihood that the current assumptions, estimates or outcomes will be achieved. Actual results, developments or events could differ materially from those disclosed in the forward-looking statements.

For more information



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