

Oakridge International Limited

ABN 89 122 203 196

**Oakridge International Limited
(formerly known as Xped Limited)**

**Annual Financial Report
for the financial year ended
30 June 2021**

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Corporate directory

Directors	Mr. Con Unerkov (Executive chairman and director) Mr. Elvis Diao (Non-executive director) Mr. Peter John Whelan (Non-executive director)
Company secretary	Ms. Julie Edwards
Registered office in Australia	Level 6, 412 Collins Street Melbourne, Victoria, 3000 Phone: +61 3 9642 0655
Principal office in Australia	Unit 1, 25 London Road Mile End South, SA 5031
Share registry	Automic Registry Services Level 5, 126 Phillip Street Sydney NSW 2000
Auditor	HLB Mann Judd Audit (SA) Pty. Ltd. 169 Fullarton Road DULWICH SA 5065
Stock exchange listing	Australian Securities Exchange Ltd OAK - listed ordinary shares
Website address	www.oakridgeint.com

Directors' Report

Your directors present their report on the consolidated entity (referred to hereafter as the "Group" or "Oakridge International" or "the Company") consisting of Oakridge International Limited (formerly known as Xped Limited) and its controlled entities for the financial year ended 30 June 2021.

Directors

The following persons were directors of Oakridge International Limited during the financial year and up to the date of this report unless otherwise stated:

Mr. Con Unerkov	Executive Chairman and director	
Mr Elvis Diao	Non-executive director	
Mr. Peter John Whelan	Non-executive director	(Appointed on 29 January 2021)
Mr. John Schultz	Executive director	(Retired on 29 January 2021)
Mr. Cecil Te Hwai Ho	Executive director	(Retired on 29 January 2021)
Dr. Heming Cui	Non-executive director	(Retired on 29 January 2021)

Company secretaries

Ms. Julie Edwards

Principal activities and changes in state of affairs

Oakridge International is engaged in the business of selling professional healthcare technology equipment and solutions to healthcare facilities. Oakridge International has recently focused on expanding into delivering assisted independent living technologies utilising synergies with Oakridge International's Internet of Things (IoT) platform. Oakridge International also intends to build on smart home and smart building solutions for a more efficient interactive environment for the occupant.

There were no significant changes in the nature of the Group's activities other than that the Group no longer conducts its own technology development in the IoT sector, but rather outsource to third party developers. There were no significant changes in the state of the Group's affairs during the year.

Dividends

No amounts have been paid or declared by way of dividend during the year.

Significant events after the balance date

The significant events after the balance sheet date are set out in Note 28 of the financial statements.

Review and results of operations

The Group realised a profit after tax for the full-year of \$612,698 (2020: \$132,755 loss) from its continuing operations. The following provides a summary of the Group's activities and achievements during the course of the financial year:

- i) Successfully streamlined the operations.
- ii) Successfully positioned the Group to come out of the pandemic and be stronger in the professional healthcare market.
- iii) Termination Agreement With Heuresy – On 7 July 2020, the Company entered into a termination agreement with Heuresy LLC and Heuresy Labs LLC to terminate the Technology Development Agreement dated 23 May 2018 amongst the parties.
- iv) Placement of Shares - On 13 January 2021, the Company placed out 200 million shares at the issue price of \$0.001 per share for total proceeds of \$200,000.
- v) Entitlement Offer. On 25 January 2021, the Company announced a 1 for 2 non -renounceable Entitlement Offer at \$0.001 per share. The issue raised \$996,431 (excluding an underwriting fee of \$25,000), having been fully subscribed and 996,430,895 shares were issued.
- vi) Issue of Share Options and Convertible Note. At the Annual General Meeting held on 29 January 2021, the Shareholders approved the following:
 - a) the issuance to Teko International Limited, a substantial shareholder of the Company, options to subscribe for 250 million shares at an exercise price of \$0.001 by 30 June 2021; and
 - b) the capacity to issue the 200 million shares to Heuresy Labs LLC in respect of the short-term debts of \$200,000 on the balance sheet. Pursuant to the Debt Agreement, the \$200,000 debt is automatically converted once the Company has the legal capacity to issue such shares. On 5 February 2021, the \$200,000 debt was converted into 200 million shares in the Company.

- vii) Convertible Debt. On 8 February 2021 the Company issued a \$200,000 convertible note deed. Under the terms of the deed, the convertible note is unsecured and accrue interest at 8% per annum, and convertible into shares in the Company at a conversion price of \$0.001 per share within 12 months from the date of receipt of the subscription amount, provided that the Company has the legal capacity to issue the shares under the conversion and the voting power does not exceed 19.99%. The holder's rights to convert the convertible notes into shares were approved by the shareholders of the Company at a general meeting held on 14 April 2021.
- viii) Company Name Change – On 16 April 2021, the Company announced that it had changed its Company name to Oakridge International Limited following shareholder approval at an Extraordinary General Meeting held on 14 April 2021.
- ix) Company ASX Code Change – On 20 April 2021, the Company announced, that as a result of the change of Company name, that the ASX code would change to 'OAK' effective 21 April 2021.
- x) Share Option Conversion – On 30 June 2021, the Company issued 250,000,000 fully paid ordinary shares to Teko International Limited, a substantial shareholder of the Company, upon the conversion of 250,000,000 unlisted options at 0.1 cent each, raising \$250,000. These options were approved at the Annual General Meeting held on 29 January 2021.

Prospects

The Group will continuously monitor its overhead costs and cashflow so that it will be prepared to take remedial actions should there be another COVID 19 outbreak in the coming months. Going forward, the Group will continue to look at strengthening its capital base and seek strategic partners to further develop its business.

Information on directors

The names and details of Oakridge International Limited's directors as at balance date and up to the date of this report are set out below, unless noted otherwise.

Mr. Con Unerkov (Executive chairman, director and CEO)

Experience and expertise

Mr. Con Unerkov ("Mr. Unerkov"), was originally appointed non-executive chairman and director on 31 December 2019. On the 3rd February 2021, Mr. Unerkov was appointed into an executive role as CEO and remained as Chairman and Director. Mr. Unerkov is an Australian based businessman with more than 25 years of local and international senior executive experience. Throughout his career, Mr. Unerkov has worked as an executive and chief executive officer for a number of companies both in the private and public sectors. He has significant experience in the financial markets with a focus on structuring, M&A and corporate financing for both private and public companies, simultaneously providing parallel guidance for companies to gain market recognition, shareholder value and liquidity. Mr. Unerkov is a former Chairman and Executive director of Integrated Media Technology Limited, a company listed on the Nasdaq Capital Markets, engaged in technology investment with a focus on glasses free autostereoscopic 3D display technology.

Other current ASX directorships

Nil

Former ASX directorships in last 3 years

Nil

Special responsibilities

Executive Chairman of the Board of Directors

Chief Executive Officer

Member of the Nomination and Remuneration Committee

Interests in shares and options

Nil

Mr. Elvis Diao (Non-executive director)

Experience and expertise

Mr. Elvis Diao ("Mr. Diao"), was appointed non-executive director on 24 April 2020. Mr. Diao is the General Manager China of Asia Times Holdings Limited focusing on business development in the media and consultancy for the Greater China area. Prior to joining Asia Times Mr. Diao worked in media and project investment in China. Mr. Diao has broad experience in the marketing, communications and media industries in China. Mr. Diao is currently a guest professor for the Business School at the Guizhou Education University in China.

Mr. Diao holds a Master's Degree in Social Policy from the Chinese University of Hong Kong and the dual Bachelor of Business Administration and English Literature from Shanghai International Studies University.

Other current ASX directorships

Nil

Former ASX directorships in last 3 years

Nil

Special responsibilities

Member of the Audit Committee

Member of the Nomination and Remuneration Committee (Chair)

Interests in shares and options

Nil

Mr. Peter John Whelan (Non-executive director) Appointed 29 January 2021

Experience and expertise

Mr. Peter John Whelan ("Mr. Whelan"), was appointed non-executive director on 29 January 2021. Mr Whelan is a Chartered Accountant with over 50 years' experience as a professional accountant. He has held positions as Managing Partner and Chairman of Partners of a major mid-tier accounting firm in South Australia. He practiced mainly in the areas of corporate advisory and audit.

Mr Whelan has extensive experience as an auditor and adviser in the aged care and retirement living sectors. He has also prepared experts reports for capital raisings and company listings.

Mr Whelan is currently a member of the Board and Finance Committee of a major South Australian charity that provides affordable accommodation to those in need. He is also a director of a family business operating in the retail clothing and footwear sector.

Other current ASX directorships

Nil

Former ASX directorships in last 3 years

Nil

Special responsibilities

Member of the Audit Committee (Chair)

Member of the Nomination and Remuneration Committee

Interests in shares and options

Nil

Company secretaries

Ms. Julie Edwards

Ms. Julie Edwards ("Ms. Edwards") has had significant experience and involvement in the management of accounting and finance functions of companies. Ms. Edwards holds a Bachelor of Commerce, is a member of CPA Australia, holds a CPA Public Practice Certificate and is a registered Tax Agent.

Meetings of directors

The number of meetings of the Group's Board of Directors (including meetings of the Board committees) held during the year, and the numbers of meetings attended by each director are as follows:

	Board of Directors		Audit Committee	
	Eligible	Attended	Eligible	Attended
Mr. Con Unerkov	5	5	1	1
Mr. John Schultz	2	2	-	-
Mr. Cecil Te Hwai Ho	2	2	-	-
Mr. Elvis Diao	5	4	2	2
Dr. Heming Cui	2	2	1	1
Mr. Peter John Whelan	3	3	1	1

There were no remuneration committee meetings during the financial year. The above does not include any circular resolutions approved by the board during the year from 1 July 2020 to 30 June 2021.

Shares under option

At the end of the financial year and at the date of this report, there were no outstanding options over ordinary shares in the Group. On 30 June 2021, the Group issued 250,000,000 ordinary shares to Teko International Limited ('Teko'), a substantial shareholder of the Company, following the exercise by Teko of 250,000,000 options which were approved at the Annual General Meeting on 29 January 2021 with an exercise price of \$0.001 per share.

Remuneration report (audited)

(a) Policy for determining the nature and amount of key management personnel remuneration

The remuneration committee of Oakridge International Limited is responsible for determining and reviewing compensation arrangements for the directors and the executive team. The Board's remuneration policy is to ensure that the remuneration package properly reflects the person's duties and responsibilities, with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality board and executive team. Such officers are given the opportunity to receive their base emolument in a variety of forms, with the intention that the manner of payment chosen by the recipient is optimal to the recipient without creating an undue cost on the Group.

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

The Board remains confident that its remuneration policy and the level and structure of its executive remuneration is suitable for the Group and its shareholders.

(i) Non-executive director remuneration

Objective

The Board seeks to set aggregate remuneration at a level which provides the Group with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

Remuneration of non-executive directors is determined by the Board, within the maximum amount approved by the shareholders from time to time (currently set at an aggregate of \$300,000 per annum). The Board intends to undertake an annual review of its performance and the performance of the Board committees against goals set at the start of the year.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers advice from time to time from external consultants as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process. During the financial year, the Board did not receive any advice from external consultants in respect to the annual review process.

Certain directors received a fee for being a director of the Group, which was not linked to director's performance. The directors of the Group had resolved to not receive any director remuneration from 1 January 2020 until the 29th January 2021. Directors who are called upon to perform extra services beyond the director's ordinary duties may be paid additional fees for those services.

The remuneration of non-executive directors for the year ended 30 June 2021 is detailed in this remuneration report.

Remuneration report (continued)

(ii) Senior executive remuneration

Objective

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group so as to:

- Reward executives for Group and individual performance against targets set by reference to appropriate benchmarks;
- Align the interest of executives with those of shareholders;
- Link reward with the strategic goals and performance of the Group; and
- Ensure total remuneration is competitive by market standards.

Structure

In determining the level and make-up of executive remuneration, the Board has had regard to market levels of remuneration for comparable executive roles. It is the Board's policy that employment contracts are entered into with all senior executives.

(iii) Variable remuneration – short and long term incentives

Objective

The objectives of the incentive arrangements are to:

- Recognise the ability and efforts of the employees of the Group who have contributed to the success of the Group and to provide them with rewards where deemed appropriate;
- Provide an incentive to the employees to achieve the long-term objectives of the Group and improve the performance of the Group; and
- Attract persons of experience and ability to employment with the Group and foster and promote loyalty between the Group and its employees.

Structure

No short or long-term incentives have been provided to executive management during the reporting period.

(b) Remuneration, Group performance and shareholder wealth

The development of remuneration policies and structure are considered in relation to the effect on Group performance and shareholder wealth. They are designed by the Board to align Director and Executive behaviour with improving Group performance and ultimately shareholder wealth.

The performance of the consolidated entity for five years to 30 June 2021 are summarised below:

	2021	2020	2019 (restated)	2018	2017
Profit/(Loss) attributable to owners of the Group (dollars)	603,219	(132,755)	(3,783,244)	(9,062,425)	(11,853,736)

The factors that are considered to affect total shareholders return ("TSR") are summarised below:

	2021	2020	2019	2018	2017
Share price (dollars)	0.001	0.001	0.001	0.003	0.017
Change in share price	-	-	(0.002)	(0.014)	(0.083)
Dividends declared	Nil	Nil	Nil	Nil	Nil
Basic and diluted EPS (cents)	0.03	(0.01)	(0.24)	(0.62)	(1.10)

(c) Key management personnel

KMP are the non-executive directors, executive directors, and employees who have the authority and responsibility for planning, directing and controlling the activities of the consolidated entity. On that basis, the individuals classified as KMP are set out below:

Name	Title
Mr. Con Unerkov	Executive chairman and director
Mr. Elvis Diao	Non-executive director
Mr. Peter John Whelan	Non-executive director

Remuneration report (continued)

(d) Details of remuneration

Compensation paid, payable or provided by the Group or on behalf of the Group, to key management personnel is set out below. Key management personnel include all directors of the Group and certain executives who, in the opinion of the Board and Chairman, have authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly.

2021	Short-term employee benefits	Post-employment benefits	Termination benefits	Share-based payments		Long-term employee benefits	Total	Proportion of remuneration that is performance based %
Name	Cash salary and fees \$	Super-annuation \$	Cash \$	Shares \$	Options \$	\$	Total \$	
<i>Non-executive directors</i>								
Mr. Elvis Diao	-	-	-	-	-	-	-	-
Mr. Peter John Whelan (1)	7,500	-	-	-	-	-	7,500	-
Dr. Heming Cui (2)	-	-	-	-	-	-	-	-
Total non-executive directors	7,500	-	-	-	-	-	7,500	-
<i>Executive directors</i>								
Mr. Con Unerkov (3)	133,330	-	-	-	-	-	133,330	-
Mr. Cecil Ho (4)	-	-	-	-	-	-	-	-
Mr. John Schultz (5)	-	-	-	-	-	-	-	-
Total executive directors	133,330	-	-	-	-	-	133,330	-
Total KMP compensation	140,830	-	-	-	-	-	140,830	-

(e) Details of remuneration

2020	Short-term employee benefits	Post-employment benefits	Termination benefits	Share-based payments		Long-term employee benefits	Total	Proportion of remuneration that is performance based %
Name	Cash salary and fees \$	Super-annuation \$	Cash \$	Shares \$	Options \$	\$	Total \$	
<i>Non-executive directors</i>								
Mr. Peter Hunt (6)	30,000	-	-	-	-	-	30,000	-
Total non-executive directors	30,000	-	-	-	-	-	30,000	-
<i>Executive directors</i>								
Mr. Christopher Wood (7)	68,483	-	-	-	-	-	68,483	-
Mr. John Schultz (5)	68,500	-	-	-	-	-	68,500	-
Total executive directors	136,983	-	-	-	-	-	136,983	-
Total KMP compensation	166,983	-	-	-	-	-	166,983	-

1 Mr. Peter John Whelan was appointed on 29 January 2021.

2 Dr. Heming Cui resigned on 29 January 2021.

3 Mr. Con Unerkov's remuneration is paid via a consultancy agreement to a company controlled by Mr. Unerkov.

4 Mr. Cecil Ho resigned on 29 January 2021.

5 Mr. John Schultz resigned on 29 January 2021.

6 Mr. Peter Hunt resigned on 5 February 2020.

7. Mr. Christopher Wood resigned on 31 December 2019.

Remuneration report (continued)

(f) Service & consultancy agreements

On appointment to the Board, non-executive directors enter into a service agreement with Oakridge International Limited in the form of a letter of appointment ("Director Agreement"). The letter summarises the Board policies and terms, including compensation, relevant to the office of director. Remuneration and other terms of employment for the CEO and the other key management personnel are also formalised in service agreements.

Mr. Con Unerkov (Executive Chairman and Chief Executive Officer)

Mr. Con Unerkov was originally appointed Chairman and Non-Executive Director on 31 December 2019. On 3 February 2021, Mr. Unerkov was appointed into an executive role as Chief Executive Officer and remained as Chairman and Director. Mr. Unerkov is contracted via a consultancy agreement with a company controlled by Mr Unerkov. The consultancy agreement is for no fixed term, with either party able to terminate the agreement with six months' notice. Mr. Unerkov was paid a sign on bonus of \$50,000 and his ongoing remuneration is \$16,666 per month.

Mr. Peter John Whelan (Non-executive director)

Mr. Whelan was appointed Non-Executive Director on 29 January 2021. Mr. Whelan's remuneration is \$1,500 per month.

Mr. Elvis Diao (Non-executive director)

Mr. Diao was appointed Non-Executive Director on 24 April 2020. Mr. Diao is not entitled to remuneration under his Director Agreement. Mr. Diao's contract may be terminated with no notice from either party.

Mr. Heming Cui (Non-executive director)

Mr. Cui was appointed Non-Executive Director on 24 April 2020 and resigned on 29 January 2021. Mr. Cui was not entitled to remuneration under his Director Agreement.

Mr. John Schultz (Executive director)

Mr. Schultz was appointed Executive Director on 30 March 2018 and resigned on 29 January 2021. Mr. Schultz's remuneration was \$250,000 per annum from 1 July 2019 to 30 September 2019, \$60,000 per annum from 1 October 2019 to 31 December 2019 and \$nil per annum from 1 January 2020 onwards.

Mr. Cecil Te Hwai Ho (Chief Financial Officer and Executive director)

Mr. Ho was appointed Chief Financial Officer and Executive Director on 16 March 2020 and resigned on 29 January 2021. Mr. Ho was not entitled to remuneration under his Director Agreement.

(g) Share-based compensation

Options may be granted to attract and retain key management personnel. The Board has rules that contain restrictions on removing the 'at risk' aspect of the options granted to executives. Executives may not enter into any transactions designed to remove the 'at risk' aspect of an instrument before it vests.

There are no performance hurdles attached to options granted other than service vesting conditions. In the event of termination (specified circumstances) only vested options are entitled to be exercised. Unvested options are forfeited.

The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

No options were outstanding at the beginning of the financial year and no options were granted to directors or other key personnel during the financial year.

(h) Equity instruments disclosures relating to key management personnel

(i) Unlisted option holdings

No unlisted options over ordinary shares in the Group were held during the year by directors of the Group and other key management personnel of the Group, including their personally related parties.

(ii) Ordinary share holdings

Ordinary shares held directly, indirectly or beneficially by each key management person, including their personally related entities, are shown below.

2021	Balance at start of the year	Acquired during the year	Other changes¹	Balance at the end of the year
Mr. Con Unerkov	-	-	-	-
Mr. Elvis Diao	-	-	-	-
Dr. Heming Cui	-	-	-	-
Mr. John Schultz	147,481,654	-	-	147,481,654
Mr. Cecil Te Hwai Ho	-	-	-	-
Mr. Peter John Whelan	-	-	-	-
2020	Balance at start of the year	Acquired during the year	Other changes¹	Balance at the end of the year
Mr. Con Unerkov	-	-	-	-
Mr. Elvis Diao	-	-	-	-
Dr. Heming Cui	-	-	-	-
Mr. John Schultz	147,481,654	-	-	147,481,654
Mr. Cecil Te Hwai Ho	-	-	-	-
Mr. Christopher Wood	112,825,200	-	(112,825,200)	-

1. the amount in other changes is the individual's shareholding at the date he commenced or ceased to be a key management person, as applicable, in addition to the individual's on-market trading.

(iii) Listed option holdings

No listed options over ordinary shares in the Group were held during the year by directors of the Group and other key management personnel of the Group, including their personally related parties.

(i) Loans to key management personnel

There were no loans to key management personnel at any time during the financial year.

(j) Other transactions with key management personnel

There were no other transactions with key management personnel at any time during the financial year.

In the prior year, the Group was a party to a number of transactions with Teko International Limited ("Teko"), a company of which Mr. Con Unerkov was a director and shareholder. Mr. Unerkov resigned as a director of Teko as at 31 December 2020 but is still a shareholder of Teko. The Board has confirmed Mr. Unerkov and his associates shareholding in Teko (4.04%).

(k) External remuneration consultant advice

No external remuneration consultant has been utilised during the financial year.

END OF REMUNERATION REPORT

Insurance of officers and indemnities

During or since the end of the year, the Group has not given any indemnity to a current or former officer or auditor against a liability or made any agreement under which an officer or auditor may be given any indemnity of the kind covered by the *Corporations Act 2001*.

During the year, the Group paid premiums in respect of directors' and officers' indemnity insurance contracts for the period ended 30 June 2021. The insurance contracts offer continuing indemnity to officers of the Group where the person is no longer an officer at the time the claim is made. The Group paid premiums of \$51,097 (2020: \$36,712) to insure the directors of the Group during the financial year. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for them or someone else or to cause detriment to the Group. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Proceedings on behalf of the Group

The Group is not aware that any person has applied to the court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings in which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings. No proceedings have been brought or intervened in on behalf of the Group with leave of the court under section 237 of the *Corporations Act 2001*.

Environmental regulation and performance

The Group is not subject to any particular or significant environmental regulations.

Non-audit services

On 4 August 2021, the Group announced the appointment of HLB Mann Judd as the Group's auditor following the resignation of Pitcher Partners and ASIC consent to the resignation. Prior to this appointment, Pitcher Partners remained in office in accordance with section 327 of the *Corporations Act 2001*. The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important. Fees the Group paid or owed to the auditors for these services during the year are included in the following table:

	2021 \$	2020 \$
<u>Audit and other assurance services:</u>		
Audit and review of financial report	48,375	61,600
<u>Non-audit services:</u>		
Tax and other services	-	32,900
Total remuneration	<u>48,375</u>	<u>94,500</u>

The Board of directors has considered the position and, in accordance with advice received from the Audit Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor, as set out above, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* or the *Corporations Act 2001*.

Rounding of amounts

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191, relating to the "rounding" of amounts in the directors' report and financial report. The Group has rounded amounts in the directors' report and financial report to the nearest dollar, in accordance with that instrument.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is attached to this report.

This report is made in accordance with a resolution of directors.



Con Unerkov
Executive Chairman and CEO
Date: 30 September 2021

OAKRIDGE INTERNATIONAL LIMITED**ABN 89 122 203 196****AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of Oakridge International Limited and its controlled entities for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.



HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Adelaide, South Australia
29 September 2021



Corey McGowan
Director

Corporate governance statement

Oakridge International Limited has published its corporate governance statement on its website. It can be found at <https://xped.com/app/uploads/2021/09/Oakridge-Corporate-Governance-Statement-2021.pdf>

Annual financial report

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These financial statements cover the Group consisting of Oakridge International Limited and its subsidiaries. The financial report is presented in Australian currency.

Oakridge International Limited is a listed public company limited by shares, incorporated and domiciled in Australia and listed on the Australian Securities Exchange.

The principal place of business is:

Unit 1, 25 London Road,
Mile End South, SA 5031

The registered office is:

Level 6, 412 Collins Street
Melbourne, Victoria 3000

A description of the nature of the Group's operations and its principal activities is included in the review of operations and activities on page 2.

The financial statements were authorised for issue by the directors on 30 September 2021. The Group has the power to amend and reissue the financial statements.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete, and available globally at minimum cost to the Group. All press releases, financial reports and other information are available at our Shareholders' Centre on our website: www.oakridgeint.com.

Oakridge International Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2021

		2021	2020
	Note	\$	\$
Revenue and other income	5	2,209,084	2,860,418
Cost of sales: inventories and other cost of sales		(250,709)	(124,339)
Employee and contracting expenses	6	(464,915)	(1,130,718)
Finance costs		(14,986)	(13,527)
Directors remuneration		(140,830)	(166,983)
Consulting and advisory fees		(33,650)	(48,643)
Occupancy costs		(7,980)	(73,310)
Travel		(6,609)	(32,269)
Marketing and promotion costs		(4,153)	(25,095)
Professional and legal fees		(193,009)	(395,353)
Legal settlement fee		-	(443,473)
Patents and trademarks fees		-	(24,222)
Depreciation expense	12	(6,922)	(22,032)
Amortisation expense	17	(49,809)	(52,111)
Bad debts expense	10	-	(11,250)
Impairment loss on other receivables	10	(21,234)	-
(Impairment loss)/reversal of impairment loss on inventory		(170,395)	(87,220)
Foreign currency gains/(losses)		4,164	(194)
Rehabilitation (expense)/benefit		(72,091)	(60,408)
Other expenses		(163,258)	(282,026)
Profit/(Loss) before income tax		612,698	(132,755)
Income tax benefit	7	-	-
Profit/(Loss) from continuing operations		612,698	(132,755)
Loss from discontinued operations, net of income tax		(9,479)	-
Total profit/(loss) for the year		603,219	(132,755)
Other comprehensive income		-	-
Total comprehensive income		603,219	(132,755)
Total profit/(loss) and comprehensive income for the period attributable to:			
Owners of the parent		603,219	(132,755)
Non-controlling interests		-	-
		603,219	(132,755)
Total profit/(loss) and comprehensive income for the period attributable to:			
Continuing operations		612,698	(132,755)
Discontinued operations	20	(9,479)	-
		603,219	(132,755)
Earnings per share for profit/(loss) from continuing operation attributable to the shareholders of the Group		Cents	Cents
Basic and diluted profit/(loss) per share	24	0.03	(0.01)
Earnings per share for profit/(loss) attributable to the shareholders of the Group		Cents	Cents
Basic and diluted profit/(loss) per share	24	0.03	(0.01)

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

Oakridge International Limited
Consolidated Statement of Financial Position
As at 30 June 2021

		2021	2020
	Notes	\$	\$
Current assets			
Cash and cash equivalents	8	2,377,753	370,675
Other financial asset	9	100,000	100,000
Trade and other receivables	10	196,816	119,813
Prepayments		80,096	61,432
Inventory	11	20,407	232,674
Total current assets		2,775,072	884,594
Non-current assets			
Plant and equipment	12	27,403	43,263
Right of use assets	17	20,906	28,902
Intangible assets	13	-	-
Total non-current assets		48,309	72,165
TOTAL ASSETS		2,823,381	956,759
Current liabilities			
Trade and other payables	14	191,445	379,952
Convertible note	18	200,000	-
Borrowings	15	20,000	-
Provisions	16	177,314	545,424
Lease liabilities	17	21,178	27,883
Total current liabilities		609,937	953,259
Non-current liabilities			
Borrowings	15	243,825	261,102
Provisions	16	10,186	7,615
Total non-current liabilities		254,011	268,717
TOTAL LIABILITIES		863,948	1,221,976
NET ASSETS/(LIABILITIES)		1,959,433	(265,217)
EQUITY			
Contributed equity	18	28,799,411	27,177,980
Accumulated losses	19	(26,839,978)	(27,443,197)
TOTAL EQUITY		1,959,433	(265,217)

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

Oakridge International Limited
Consolidated Statement of Changes in Equity
For the year ended 30 June 2021

	Contributed equity \$	Other reserves \$	Accumulated losses \$	Non- controlling interest \$	Total \$
2020					
Balance at 1 July 2019	26,891,949	-	(27,310,442)	-	(418,493)
Loss for the year (restated)	-	-	(132,755)	-	(132,755)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	(132,755)	-	(132,755)
Transactions with owners in their capacity as owners:					
Transactions with owners in their capacity as owners:					
Ordinary shares issued	286,031	-	-	-	286,031
Balance at 30 June 2020	27,177,980	-	(27,443,197)	-	(265,217)
2021					
Balance at 1 July 2020	27,177,980	-	(27,443,197)	-	(265,217)
Profit for the year	-	-	603,219	-	603,219
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	603,219	-	603,219
Transactions with owners in their capacity as owners:					
Ordinary shares issued, net of transaction costs	1,621,431	-	-	-	1,621,431
Balance at 30 June 2021	28,799,411	-	(26,839,978)	-	1,959,433

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

Oakridge International Limited
Consolidated Statement of Cash Flows
For the year ended 30 June 2021

	2021	2020
Notes	\$	\$
Cash flows from operating activities		
Receipts from customers	889,754	1,223,118
Interest received	432	2,564
Interest paid	(6,214)	(8,338)
Government grants and R&D incentives received	1,027,471	98,000
Payments to suppliers and employees	(1,487,854)	(2,563,025)
Net cash outflow from operating activities	23 423,589	(1,247,681)
Cash flows from investing activities		
Payments for plant and equipment	(399)	-
Proceeds from sale of plant and equipment	12,473	455
Proceeds from redemption of term deposits	-	20,000
Net cash inflow from investing activities	12,074	20,455
Cash flows from financing activities		
Proceeds from issue of shares	18 1,196,431	250,000
Proceeds from issue of convertible notes	200,000	-
Proceeds from exercise of share options	250,000	-
Transaction costs related to issues of shares, convertible notes or options	(25,000)	-
Payment of borrowings	-	(4,800)
Payment of lease liability	17 (50,016)	(53,130)
Net cash inflow/(outflow) from financing activities	1,571,415	192,070
Net increase/(decrease) in cash and cash equivalents	2,007,078	(1,035,156)
Cash and cash equivalents at the beginning of the year	370,675	1,405,831
Cash and cash equivalents at the end of the year	8 2,377,753	370,675
Non-cash financing activities:		
Settlement of consultancy fees by issuing 36,031,250 shares	-	36,031
Settlement of Termination Agreement via Convertible Note issue	200,000	-
Cash outflow from discontinued operations	20 9,479	-

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

1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements relate to the Group consisting of Oakridge International Limited and its subsidiaries.

Oakridge International Limited is a publicly listed company limited by shares, incorporated and domiciled in Australia and listed on the Australian Securities Exchange (ASX: OAK). Its registered office is:

Level 6, 412 Collins Street, Melbourne, Victoria 3000.

Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001*. Oakridge International Limited is a for-profit entity for the purpose of preparing financial statements. All amounts are presented in Australian Dollars unless otherwise noted.

Compliance with IFRS

This financial report also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Historical cost convention

These financial statements have been prepared under the historical cost convention.

Rounding of amounts

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, relating to the "rounding off" of amounts in the directors' report and financial report. The Group has rounded off amounts in the directors' report and financial report to the nearest dollar, in accordance with that instrument.

Critical accounting estimates and judgements

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

New and amended standards adopted by the Group

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2021. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

1. Summary of significant accounting policies (continued)

(a) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Oakridge International Limited ("Company" or "Parent Entity") as at 30 June 2021 and the results of all subsidiaries for the year then ended. Oakridge International Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all entities (including structured 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 to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in subsidiaries are accounted for at cost in the individual financial statements of Oakridge International Limited and are eliminated on consolidation for the purpose of preparing these financial statements.

(ii) Joint arrangements

Under AASB 11 *Joint Arrangements* investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint operations

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings. Details of the joint operation are set out in Note 27.

1. Summary of significant accounting policies (continued)

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

(b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operated ("the functional currency"). The consolidated financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

(ii) 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 profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

(iii) Group companies

JCT Asia Limited has a functional currency (USD) which is different to the presentation currency of the Group. The assets and liabilities of this foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

(c) Revenue from contracts with customers

Revenue comprises revenue from the sale of goods, rendering of services, government grants and interest.

(i) Revenue recognised at a point in time

Revenue is recognised at a point in time (e.g. sale of goods) when the goods are received at a customer's specified location or control by the customer pursuant to a sales order, the risks of obsolescence and loss have passed to the customer, and the customer has either accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group have objective evidence that all criteria for acceptance have been satisfied.

(ii) Revenue recognised over time

Revenue is recognised over time (e.g. project or services) based on our achievement of milestones, if specified in the contract, or costs incurred as a percentage of estimated total costs for each contract where the Group have an enforceable right to payment for performance completed. Where it is probable that a loss will arise from a fixed price service contract, the Group immediately recognise the excess of total costs over revenue as an expense.

(iii) Jobkeeper and cash flow boost assistance

Government assistance payments received in the form of Jobkeeper subsidies and Cash Flow Boost subsidies are recognised in the statement of profit or loss and other comprehensive income when the Group has reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them..

(iv) Interest revenue

Interest revenue is recognised as it accrues using the effective interest rate method.

1. Summary of significant accounting policies (continued)

(d) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Other long-term employee benefit obligations

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Superannuation

The Group makes contributions to defined contribution superannuation funds. Contributions are recognised as an expense as they become payable.

(e) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, 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 substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amounts and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

1. Summary of significant accounting policies (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Tax consolidation legislation

Oakridge International Limited and its wholly owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

Current tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated Group are recognised in the separate financial statements of the members of the tax consolidated Group, using the 'separate taxpayer within Group' approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

Any current tax liabilities or assets and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity in the tax-consolidated Group and are recognised as amounts payable (receivable) to (from) other entities in the tax-consolidated Group in conjunction with any tax funding arrangement amounts referred to in the following section. Any difference between these amounts is recognised by the Group as an equity contribution or distribution.

The Group recognises deferred tax assets arising from unused tax losses of the tax-consolidated Group to the extent that it is probable that future taxable profits of the tax-consolidated Group will be available against which the asset can be utilised. Any subsequent period adjustment to deferred tax assets arising from unused tax losses, as a result of revised assessments of the probability of recoverability, is recognised by the head entity only.

Nature of tax funding arrangements and tax sharing arrangements

The head entity, in conjunction with other members of the tax-consolidated Group, has entered into a tax funding arrangement, which sets out the funding obligations of members of the tax-consolidated Group in respect of tax amounts.

The tax funding arrangements require payments to/from the head entity equal to the current tax liability (asset) assumed by the head entity and any tax-loss deferred tax asset assumed by the head entity, resulting in the head entity recognising an inter-entity receivable (payable) equal in amount to the tax liability (asset) assumed.

Contributions to fund the current tax liabilities are payable as per the tax funding arrangement and reflect the timing of the head entity's obligation to make payments for tax liabilities to the relevant tax authorities.

The head entity, in conjunction with other members of the tax-consolidated Group, has also entered into a tax sharing agreement. The tax sharing agreement provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements.

(f) Cash and cash equivalents

For cash-flow presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

1. Summary of significant accounting policies (continued)

Trade and other receivables

Trade and other receivables arise from the Group's transactions with its customers and are normally settled within 30 days. Consistent with both the Group's business model for managing the financial assets and the contractual cash flow characteristics of the assets, trade and other receivables are subsequently measured at amortised cost.

Financial liabilities

Financial liabilities include trade and other payables, borrowings, other creditors and loans from third parties including inter-company balances and loans from or other amounts due to director-related entities. Non-derivative financial liabilities are subsequently measured at amortised cost, comprising original debt less principal payments and amortisation.

Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Financial liabilities are either classified at fair value or amortised cost.

Classification of financial assets

Financial assets recognised by the Group are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the Group irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9.

Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- (a) the Group's business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial asset.

Impairment of financial assets

The following financial assets are tested for impairment by applying the 'expected credit loss' impairment model:

- (a) debt instruments measured at amortised cost;
- (b) debt instruments classified at fair value through other comprehensive income; and
- (c) receivables from contracts with customers and contract assets.

The Group applies the simplified approach under AASB 9 to measuring the allowance for credit losses for both receivables from contracts with customers and contract assets. Under the AASB 9 simplified approach, the Group determines the allowance for credit losses for receivables from contracts with customers and contract assets on the basis of the lifetime expected credit losses of the instrument. Lifetime expected credit losses represent the expected credit losses that are expected to result from default events over the expected life of the financial asset.

For all other financial assets subject to impairment testing, when there has been a significant increase in credit risk since the initial recognition of the financial asset, the allowance for credit losses is recognised on the basis of the lifetime expected credit losses. When there has not been an increase in credit risk since initial recognition, the allowance for credit losses is recognised on the basis of 12-month expected credit losses. '12-month expected credit losses' is the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The Group consider a range of information when assessing whether the credit risk has increased significantly since initial recognition. This includes such factors as the identification of significant changes in external market indicators of credit risk, significant adverse changes in the financial performance or financial position of the counterparty, significant changes in the value of collateral, and past due information.

The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition when the financial asset is determined to have a low credit risk at the reporting date. The Group considers a financial asset to have a low credit risk when the counter party has an external 'investment grade' credit rating (if available) of BBB or higher, or otherwise is assessed by the Group to have a strong financial position and no history of past due amounts from previous transactions with the Group. The Group assumes that the credit risk on a financial instrument has increased significantly since initial recognition when contractual payments are more than 30 days past due.

The Group determines expected credit losses using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the financial asset as well as current and future expected economic conditions relevant to the financial asset. When material, the time value of money is incorporated into the measurement of expected credit losses. There has been no change in the estimation techniques or significant assumptions made during the reporting period.

1. Summary of significant accounting policies (continued)

The Group has identified contractual payments more than 180 days past due as default events for the purpose of measuring expected credit losses. These default events have been selected based on the Group's historical experience. Because contract assets are directly related to unbilled work in progress, contract assets have a similar credit risk profile to receivables from contracts with customers. Accordingly, the Group applies the same approach to measuring expected credit losses of receivables from contracts with customers as it does to measuring impairment losses on contract assets.

The measurement of expected credit losses reflects the Group's 'expected rate of loss', which is a product of the probability of default and the loss given default, and its 'exposure at default', which is typically the carrying amount of the relevant asset. Expected credit losses are measured as the difference between all contractual cash flows due and all contractual cash flows expected based on the Group's exposure at default, discounted at the financial asset's original effective interest rate.

Financial assets are regarded as 'credit-impaired' when one or more events have occurred that have a detrimental impact on the estimated future cash flows of the financial asset. Indicators that a financial asset is 'credit-impaired' include observable data about the following:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) breach of contract;
- (c) the lender, for economic or contractual reasons relating to the borrower's financial difficulty, has granted concessions to the borrower that the lender would not otherwise consider; or
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

The gross carrying amount of a financial asset is written off (i.e. reduced directly) when the counterparty is in severe financial difficulty and the Group has no realistic expectation of recovery of the financial asset. Financial assets written off remains subject to enforcement action by the Group. Recoveries, if any, are recognised in profit or loss.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value represents the estimate selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(i) Intangible assets

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives.

Patents and trademarks are recognised at cost on the date of acquisition. Trademarks have an indefinite life as the Group intends to renew its trademarks continuously when its trademarks expire at little cost. Trademarks are assessed to have an indefinite life and are tested annually for impairment and carried at cost less any accumulated impairment losses.

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed 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 to sell 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). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of impairment at each reporting date.

(j) Plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is 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. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

1. Summary of significant accounting policies (continued)

Depreciation of assets is calculated on the straight line and diminishing value methods to allocate their cost, net of their residual values, over their estimated useful lives. The depreciation rates used for each class of depreciable asset are:

Classification	Useful life	Depreciation basis
Plant and equipment	1-5 years	Diminishing value
Office equipment	1-20 years	Straight line
Computer equipment	1-4 years	Straight line
Software	2-2.5 years	Straight line
Motor vehicles	4 years	Diminishing value
Leasehold improvements	40 years	Straight line

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. The difference between the sale proceeds and the carrying amount of an asset is recognised in the statement of profit or loss and other comprehensive income.

(k) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(l) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

(m) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(n) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at balance date.

(o) Earnings per share

(i) Basic earnings per share

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

ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(p) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority, are presented as operating cash flows.

1. Summary of significant accounting policies (continued)

(q) Convertible Note

Convertible note that can be converted into ordinary shares at the option of the holder, where the number of shares to be issued is fixed, are accounted for as compound financial instruments, i.e. they contain both a liability component and an equity component.

At initial recognition the liability component of the convertible bonds is measured at fair value based on the future interest and principal payments, discounted at the prevailing market rate of interest for similar non-convertible instruments. The equity component is the difference between the initial fair value of the convertible note as a whole and the initial fair value of the liability component. Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components in proportion to the allocation of proceeds.

The liability component is subsequently carried at amortised cost. Interest expense recognised in profit or loss on the liability component is calculated using the effective interest method. The equity component is recognised in the capital reserve until either the bonds are converted or redeemed.

If the notes are converted, the capital reserve, together with the carrying amount of the liability component at the time of conversion, is transferred to share capital and share premium as consideration for the shares issued. If the notes are redeemed, the capital reserve is released directly to retained profits.

(r) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors.

(s) Discontinued operations

A discontinued operation is a component of the Group that has been disposed of in the current, or prior, reporting period or is classified as held for sale at the reporting date, and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are disclosed separately in the statement of profit or loss and other comprehensive income.

(t) New accounting standards interpretations

Relevant Australian Accounting Standards that have recently been issued or amended, but are not yet effective and have not been adopted for the annual reporting period ended 30 June 2021, are as follows:

Standard / Interpretation	Application date of Standard ⁽¹⁾	Application date for the Group ⁽¹⁾
AASB 2019-5 <i>Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia</i>	1 January 2020	1 July 2020
AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current</i>	1 January 2022	1 July 2022
IASB Amendments to IFRS 3 <i>Business Combinations</i>	1 January 2022	1 July 2022
IASB Amendments to IAS 37 <i>Provisions, Contingent Liabilities and Contingent Assets</i>	1 January 2022	1 July 2022
IASB Annual Improvements to IFRS 9 <i>Financial Instruments</i> and the Illustrative Examples accompanying IFRS 16 <i>Leases</i>	1 January 2022	1 July 2022

⁽¹⁾ Application date is for annual reporting periods beginning on or after the date shown in the above table.

The directors anticipate that the adoption of these standards and interpretations in future years may have the following impacts:

AASB 2019-5 - the standard amends AASB 1054 *Australian Additional Disclosures* by adding a disclosure requirement for an entity intending to comply with IFRS standards to disclose the information specified in paragraphs 30 and 31 of AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* on the potential effect of an IFRS standard that has not yet been issued by the AASB. This ensures that for-profit publicly accountable entities complying with Australian Accounting Standards can assert compliance with IFRS standards. When this Standard is first adopted for the year ending 30 June 2021, additional disclosures may be necessary if there are any pronouncements issued by the International Accounting Standards Board that have not yet been issued by the AASB at the date of authorisation of our financial report.

1. Summary of significant accounting policies (continued)

AASB 2020-1 - the standard amends AASB 101 *Presentation of Financial Statements* to clarify that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. When this Standard is first adopted for the year ending 30 June 2023, we do not expect there will be any changes to the classification of liabilities within our financial report, as we do not have any material borrowings.

IASB Amendments to IFRS 3 *Business Combinations* – the amendments update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations. When this Standard is first adopted for the year ending 30 June 2023, there will be no material impact on the financial statements.

IASB Amendments to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* – the amendments specify which costs a company includes when assessing whether a contract will be loss making. IAS 37 defines an onerous contract as one in which the unavoidable costs of meeting the entity's obligations exceed the economic benefits to be received under that contract. Unavoidable costs are the lower of the net cost of exiting the contract and the costs to fulfil the contract. The amendment clarifies the meaning of costs to fulfil a contract. When this Standard is first adopted for the year ending 30 June 2023, there will be no material impact on the financial statements.

IASB Annual Improvements to IFRS 9 *Financial Instruments* and the *Illustrative Examples accompanying IFRS 16 Leases* – the amendment to IFRS 9 addresses which fees should be included in the 10% test for derecognition of financial liabilities. The amendment to Illustrative Example 13 that accompanies IFRS 16 removes the illustration of payments from the lessor relating to leasehold improvements. The reason for the amendment is to remove any potential confusion about the treatment of lease incentives. When these Amendments are first adopted for the year ending 30 June 2023, there will be no material impact on the financial statements.

2. Critical accounting estimates, judgements and errors

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. The critical estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Rehabilitation

The Group assesses rehabilitation requirements at each reporting date by evaluating costs for closure, restoration and for environmental clean-up costs. Provision is made in the accounting period when the related disturbance occurs, based on the net present value of estimated future costs.

(b) Recoverability and classification of other receivable from K.S Orka

The Group has a receivable in relation to an additional payment from the sale of its interest in PT Sokoria Geothermal Indonesia. The payment of the receivable under the Payment Commitment Agreement between Oakridge International Limited and KS Orka Renewables Pte. Ltd. ('KS Orka') is triggered by KS Orka's Notice of Intent to Develop ('NOID') which is to be approved by PT PLN (Persero) under the Power Purchase Agreement ('PPA'). The Payment Multiple under the Payment Commitment Agreement is a factor of the Total Committed Capacity (as specified in the NOID) and the final negotiated Base Power Price per the PPA.

This receivable is carried at amortised cost less accumulated impairment. After taking into consideration the timing and final amount to be paid, management estimate the recoverable amount at 30 June 2021 to be \$Nil (2020: \$Nil). Any material change in the status of the project may result in a material change in the receivable to be recovered. This receivable has been classified as non-current at 30 June 2021 due to uncertainty in the timing of final settlement.

(c) Inventory

The Group assesses inventory for obsolescence each reporting date by evaluating whether the carrying value of inventory items exceeds its net realisable value. The net realisable value of the inventory is mainly determined based on assumptions of future demand within a specific time horizon. An allowance for obsolescence for the difference between the carrying value of an inventory items and its expected net realisable value.

(d) Deferred tax assets

The Group recognises deferred tax assets only to the extent that it is probable that future taxable profits, feasible tax planning strategies and deferred tax liabilities will be available against which the tax losses can be utilized. Estimation of the level of future taxable profits is therefore required in order to determine the appropriate carrying value of the deferred tax asset. Given the Group past losses, plans to continue research and development in other indications and uncertainty of its ability to generate future taxable profit, the Group does not believe that it is more probable than not that the Group can realize its deferred tax assets and therefore, it has not recognised any amount in the consolidated statements of financial position. Additional information is included in Note 7.

3. Financial risk management

The Group's principal financial instruments include cash and cash equivalents, term deposits, trade and other receivables, trade and other payables, and borrowings. The Group's business activities can expose us to a variety of financial risks, including market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk.

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's performance. We use sensitivity analysis to measure interest rate and foreign exchange risks, and aging for credit risk. The primary responsibility for risk management is carried out by the Group's executive director and CEO under policies approved by the Board of Directors. The executive directors and General Manager are responsible for the identification, evaluation and mitigation of financial risks.

It is the Group's policy that no trading in speculative financial instruments shall be undertaken. This does not prevent the Group from holding financial assets for strategic purposes.

Refer to Note 1 of these financial statements for further information on significant accounting policies applied, including the criteria for recognition of financial instruments, the basis of measurement, and the basis on which income and expenses are recognised.

(a) Financial instruments

The Group holds the following financial instruments:

	2021	2020
	\$	\$
Financial assets		
Cash and cash equivalents	2,377,753	370,675
Other financial assets	100,000	100,000
Trade and other receivables	196,816	119,813
	2,674,569	590,488
Financial liabilities		
Trade and other payables	191,445	379,952
Borrowings	263,825	261,102
Convertible note	200,000	-
Lease liability	21,178	27,883
	676,448	668,937

All financial instruments are classified and measured at amortised cost.

The carrying amount of financial assets (net of any provision for impairment) and current financial liabilities approximate their fair value primarily because of their short maturities. The carrying amount of any non-current borrowings approximates fair value because the interest rate applicable to the borrowing approximates current market rates.

(b) Market risk

Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency other than Australian dollars. From time to time the Group make sales to customers who require the currency of settlement to be a foreign currency. The Group has not entered into forward currency contracts to hedge these exposures due to the short time frame associated with the currency exposure and the Group's limited foreign currency exposure.

At 30 June 2021 and 2020 the Group's exposure to foreign currency risk was immaterial.

Price risk

The Group is not exposed to equity securities or commodity price risk.

3. Financial risk management (continued)

Interest rate risk

The Group's exposure to interest rate risk arise predominantly from cash and cash equivalents bearing variable interest rates. The Group's cash position fluctuates regularly, and ongoing liquidity needs mean most of the Group's funds are maintained in at-call accounts. The Group's term deposit and short-term borrowings are held in fixed interest rate accounts and are not subject to interest rate risks.

	30 June 2021		30 June 2020	
	Weighted average interest rate %	Balance \$	Weighted average interest rate %	Balance \$
Cash and cash equivalents	0.15	2,377,753	0.15%	370,675

At balance sheet date, if the interest rates had changed, as illustrated in the table below, with all other variables remaining constant, after-tax profit and equity would have been affected as follows:

	After-tax profit higher / (lower)		Equity higher / (lower)	
	2021	2020	2021	2020
	\$	\$	\$	\$
+1.00% (100 basis points) (FY20: +1.00%)	23,777	3,707	23,777	3,707
-1.00% (100 basis points) (FY20: -1.00%)	(23,777)	(3,707)	(23,777)	(3,707)

(c) Credit risk

Credit risk arises from financial assets of the Group, which comprises cash and cash equivalents, term deposits and trade and other receivables. The Group's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. The Group does not hold any credit derivatives to offset the credit exposure.

Specific information as to the Group's credit risk exposures is as follows:

- Cash and cash equivalents and term deposits are maintained at two large financial institutions, Westpac Banking Corporation and Commonwealth Banking Corporation. Both of these institutions have an independent credit rate of AA.
- Policies are in place to ensure that sales are made to customers with an appropriate credit history. The risk control procedures assess the credit quality of the customer, taking into account its financial position, past experience and other factors. The Group's customers generally do not have an independent credit rating. No collateral is obtained from customers.

3. Financial risk management (continued)

The following table details the Group's trade and other receivables exposed to credit risk with aging analysis and expected credit loss provided for thereon. Amounts are considered as "past due" when the debt has not been settled within the terms and conditions agreed between the Group and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Group. The balance of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount \$	Within trade terms current \$	Past due but not impaired				Credit loss allowance \$	Expected credit loss %
			31-60 days \$	61-90 days \$	90-365 days \$	365+ days \$		
2021								
Trade receivables	180,540	144,246	8,146	2,160	25,988	-	-	0%
Other receivable	16,276	16,276	-	-	-	-	-	0%
KS Orka receivable	1,300,000	-	-	-	-	1,300,000	(1,300,000)	100%
	1,496,816	160,522	8,146	2,160	25,988	1,300,000	(1,300,000)	
2020								
Trade receivables	72,426	30,744	40,605	-	1,077	-	-	0%
Other receivable	47,387	47,387	-	-	-	-	-	0%
KS Orka receivable	1,300,000	-	-	-	-	1,300,000	(1,300,000)	100%
	1,419,813	78,131	40,605	-	1,077	1,300,000	(1,300,000)	

(d) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities in order to meet the Group's forecast requirements. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Surplus funds are invested in term deposits. At reporting date, the Group did not have access to any undrawn borrowing facilities.

3. Financial risk management (continued)

Maturity of financial liabilities

The table below categorises the Group's financial liabilities into relevant maturity Groups based on their contractual maturities, calculated as their undiscounted cash flows. All the financial liabilities are non-derivative.

	Less than 12 months	Between 2 and 5 years	Total contractual cash flows	Carrying amount
	\$	\$	\$	\$
2021				
<i>Non-interest bearing</i>				
Trade and other payables	191,445	-	191,445	191,445
Borrowings	-	263,825	263,825	263,825
	191,445	263,825	455,270	455,270
<i>Interest bearing</i>				
Lease liability	21,178	-	21,178	21,178
Convertible Note	200,000	-	200,000	200,000
	221,178	-	221,178	221,178
2020				
<i>Non-interest bearing</i>				
Trade and other payables	379,952	-	379,952	379,952
Borrowings	-	261,102	261,102	261,102
	379,952	261,102	641,054	641,054
<i>Interest bearing</i>				
Lease liability	27,883	-	27,883	27,883
	27,883	-	27,883	27,883

Lease liabilities have an interest rate of 5.2% per annum. Convertible note has an interest rate of 8% per annum. All other financial liabilities do not attract interest.

4. Operating segments

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and meet the other aggregation criteria of AASB 8 *Operating Segments*.

Operating segment are Australian based unless otherwise stated.

Activity by segment

Technology development

Technology focussed on the Internet of Things (IoT) and primarily developing Auto Discovery Remote Control (ADRC) technology.

Healthcare technology

JCT Healthcare Pty Ltd provides communication solutions to the Healthcare sector with products that are tailored for Hospitals, Aged Care, Independent Living and Disability Care.

Geothermal projects

Oakridge International held interests in three geothermal projects in Indonesia:

- Sokoria Geothermal Project, under a Joint Venture with PT Bakrie Power, for a 30 MW geothermal development on Flores Island, Indonesia, with Oakridge International holding a 45% interest in the project. On 16th January 2017 KS Orka completed acquisition of Sokoria Geothermal Project. Under the terms of the SPA Oakridge International received the nominal amount of \$1 USD. An additional payment of up to \$947,368 USD will become payable within 30 days of KS Orka issuing notification of intent to develop project. This has been fully impaired.
- Ngebel Geothermal Project, under a Joint Venture with PT Bakrie Power, for a 165 MW geothermal development on East Java, Indonesia, with Oakridge International holding a 35% interest in the project. The Group will not seek to further invest in the Ngebel project and an impairment charge was recorded against the full carrying value of the asset at 30 June 2016, and has no further commitment to development of this project.
- Dairi Prima Geothermal Project, under a Joint Venture with PT Bakrie Power, for a 25 MW geothermal development in Northern Sumatra, Indonesia, with Oakridge International holding a 51% interest in the project. The Group will not seek to further invest in the Dairi Prima project and an impairment charge was recorded against the full carrying value of the asset at 30 June 2016, and has no further commitment to development of this project.

Oakridge International held an interest in a geothermal project in India:

- Puga Geothermal Project in the Himalayan Geothermal Province of Northern India, in a joint venture between Oakridge International and Geosyndicate Power Private, under which Oakridge International is earning in to a 49% interest. Oakridge International is the Operator of this Project. An impairment charge has been recorded against the full carrying value of the asset as at 30 June 2016 and the Group is looking to divest its interest in the project.

Corporate

Comprising overhead costs such as director's fees, listing and share registry fees, acquisitions and associated costs.

4. Operating segments (continued)

Segment performance

	Technology development \$	Healthcare technology \$	Geothermal projects \$	Corporate \$	Total \$
Year ended 30 June 2021:					
Revenue from contracts with customers	-	908,948	-	-	908,948
R and D tax concession	-	-	-	881,270	881,270
Interest income	-	26	-	406	432
Grant revenue	-	151,600	-	-	151,600
Gain on disposal of shares in subsidiaries	110,000	-	-	153,698	263,698
Other income	-	3,136	-	-	3,136
Total segment revenue	110,000	1,063,710	-	1,035,374	2,209,084
Cost of sales: inventories and other cost of sales	-	(250,709)	-	-	(250,709)
Employee and contracting expenses	-	(464,915)	-	-	(464,915)
Finance costs	-	(8,626)	-	(6,360)	(14,986)
Directors fees	-	-	-	(140,830)	(140,830)
Consulting and advisory fees	-	(33,650)	-	-	(33,650)
Occupancy costs	-	(7,980)	-	-	(7,980)
Travel	-	(5,946)	-	(663)	(6,609)
Marketing and promotion costs	-	(4,153)	-	-	(4,153)
Professional and legal fees	(1,414)	(18,602)	(5,697)	(168,710)	(194,423)
Legal settlement fee	-	-	-	-	-
Patents and trademarks fees	(8,065)	-	-	-	(8,065)
Depreciation expense	-	(6,922)	-	-	(6,922)
Amortisation expense	-	(49,809)	-	-	(49,809)
Gain / (loss) on impairment of loans to / borrowings from group entity	15,082,732	-	-	(15,082,732)	-
Impairment loss on other receivables	-	-	-	(21,234)	(21,234)
Impairment loss on inventory	-	(170,395)	-	-	(170,395)
Foreign currency gains/(losses)	-	(108)	-	4,272	4,164
Rehabilitation expense	-	-	(72,091)	-	(72,091)
Other expenses	-	(72,840)	-	(90,418)	(163,258)
Total segment expenses	15,073,253	(1,094,655)	(77,788)	(15,506,675)	(1,605,865)
Profit / (loss) before income tax for the year	15,183,253	(30,945)	(77,788)	(14,471,301)	603,219

4. Operating segments (continued)

	Technology development \$	Healthcare technology \$	Geothermal projects \$	Corporate \$	Total \$
Year ended 30 June 2020:					
Revenue from contracts with customers	-	1,089,475	-	-	1,089,475
R and D tax concession	1,630,695	-	-	-	1,630,695
Interest income	-	-	-	2,293	2,293
Grant revenue	-	137,500	-	-	137,500
Total segment revenue	1,630,695	1,226,975	-	2,293	2,859,963
Cost of sales: inventories and other cost of sales	(6,611)	(117,728)	-	-	(124,339)
Employee and contracting expenses	(271,274)	(859,444)	-	-	(1,130,718)
Finance costs	701	(13,418)	-	(810)	(13,527)
Directors fees	(136,983)	(15,000)	-	(15,000)	(166,983)
Consulting and advisory fees	(143)	(32,000)	-	(16,500)	(48,643)
Occupancy costs	(65,990)	(7,320)	-	-	(73,310)
Travel	(466)	(31,803)	-	-	(32,269)
Marketing and promotion costs	(1,538)	(23,557)	-	-	(25,095)
Professional and legal fees	(138,697)	(66,795)	-	(189,861)	(395,353)
Legal settlement fee	-	-	-	(443,473)	(443,473)
Patents and trademarks fees	(24,222)	-	-	-	(24,222)
Depreciation expense	(11,958)	(10,074)	-	-	(22,032)
Amortisation expense	-	(52,111)	-	-	(52,111)
Bad debts expense	(11,250)	-	-	-	(11,250)
Impairment loss on inventory	-	(87,220)	-	-	(87,220)
Foreign currency losses	(115)	71	-	(150)	(194)
Rehabilitation expense	-	-	-	(60,408)	(60,408)
Gain on disposal of assets	-	455	-	-	455
Other expenses	(17,000)	(88,101)	-	(176,925)	(282,026)
Total segment expenses	(685,546)	(1,404,045)	-	(903,127)	(2,992,718)
Profit / (loss) before income tax for the year	945,149	(177,070)	-	(900,834)	(132,755)

Reconciliation of reportable segment revenues and profit or loss:

	2021 \$	2020 \$
Revenue		
Total revenue for reportable segments	1,945,386	2,859,963
Elimination of discontinued operations	-	-
Consolidated revenue from continuing operations	1,945,386	2,859,963
Profit or loss		
Total loss for reportable segments	603,219	(132,755)
Elimination of discontinued operations	(9,479)	-
Consolidated loss before income tax from continuing operations	612,698	(132,755)

4. Operating segments (continued)

Segment assets and liabilities

	Technology development \$	Healthcare technology \$	Geothermal projects \$	Corporate \$	Eliminations \$	Total \$
As at 30 June 2021:						
Total assets	-	542,581	240	7,282,175	(5,001,615)	2,823,381
Total liabilities	-	(3,170,968)	(2,365,752)	(328,843)	5,001,615	(863,948)
As at 30 June 2020:						
Total assets	793,436	586,526	240	20,372,015	(20,795,458)	956,759
Total liabilities	(15,976,689)	(3,183,968)	(2,287,964)	(568,813)	20,795,458	(1,221,976)

5. Revenue and other income

	2021 \$	2020 \$
<i>Revenue from contracts with customers:</i>		
Revenue recognised at a point in time – sale of goods	172,641	413,365
Revenue recognised over time – projects and services	736,307	676,110
	<u>908,948</u>	<u>1,089,475</u>

All revenue from customers relates to the Healthcare Technology segment and is all derived within Australia.

Other income:

Interest income	432	2,293
R and D tax concession*	881,270	1,630,695
Grant revenue (JobKeeper and Cashflow Boost)	151,600	137,500
Gain on deemed disposal of subsidiaries	263,698	-
Gain on sale of non-current asset	3,136	455
	<u>1,300,136</u>	<u>1,770,943</u>
	<u>2,209,084</u>	<u>2,860,418</u>

* The R & D tax concession relates to the 2019 R & D tax concession claim received by the Group in the 2021 financial year.

As at the date of this report, the Group is considering its ability to submit an R & D Tax Concession claim for the year ended 30 June 2021. The Group is not in a position to reliably estimate the quantum of the claim made and hence, no amount has been recognised in respect to the potential claim for the 2021 financial year.

6. Expenses

	2021 \$	2020 \$
Loss before income tax includes the following specific expenses:		
Defined contribution superannuation expense	<u>45,639</u>	<u>96,504</u>

7. Income tax

	2021	2020
	\$	\$
(a) Income tax expense		
Current tax	-	-
Deferred tax	80,244	(36,166)
Adjustments for deferred tax assets of prior periods	-	1,834,827
De-recognition of deferred tax asset	(80,244)	(1,798,661)
	-	-

	2021	2020
	\$	\$
(b) Reconciliation of income tax expense to prima facie income tax		
Profit/(Loss) before income tax	603,219	(132,755)
Tax at the Australian tax rate of 26% (2020: 27.5%)	156,837	(36,508)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Research and development	(229,130)	-
Non-assessable income	(9,750)	-
Non-deductible expenses	1,799	342
DTA arising from prior year timing differences	-	1,834,827
	(80,244)	1,798,661
Deferred tax asset not recognised	80,244	(1,798,661)
Income tax expenses	-	-

	2021	2020
	\$	\$
(c) Unrecognised deferred tax assets		
Deferred tax assets have not been recognised in respect of the following items:		
Temporary differences at 25% (2020: 27.5%)	221,315	369,752
Tax losses at 25% (2020: 27.5%)	9,438,157	10,583,901
	9,659,472	10,953,653

Tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these losses because it is not probable that future taxable profit will be available against which the Group can utilise the benefits from the deferred tax assets.

8. Cash and cash equivalents

	2021	2020
	\$	\$
Cash on hand	241	242
Cash at bank	2,377,512	370,433
	2,377,753	370,675

9. Other financial asset

	2021	2020
	\$	\$
Term deposits	100,000	100,000

Term deposits as at 30 June 2021 are held as security in favour of South Australian Government (PIRSA) of \$100,000 for the Limestone Coast tenements. The term deposits are recognised and measured as amortised cost financial assets. Correspondingly, the Company has made provisions of \$100,280 for the estimated restoration and rehabilitation costs in Note 16.

10. Trade and other receivables

	2021	2020
	\$	\$
Current		
Trade receivables	180,540	72,426
Other receivables	16,276	47,387
	<u>196,816</u>	<u>119,813</u>
Non-current		
Other receivables – K.S. Orka	1,300,000	1,300,000
Impairment loss on other receivables	(1,300,000)	(1,300,000)
	<u>-</u>	<u>-</u>

11. Inventory

	2021	2020
	\$	\$
Inventory	661,196	703,068
Provision for obsolescence	(640,789)	(470,394)
	<u>20,407</u>	<u>232,674</u>

12. Plant and equipment

	Plant and equipment \$	Office equipment \$	Computer equipment \$	Software \$	Motor vehicle \$	Leasehold improvement \$	Total \$
Cost:							
At July 1, 2019	150,326	19,341	53,857	584,780	9,091	3,091	820,486
Additions	-	-	-	-	-	-	-
Disposal	(2,212)	-	-	-	-	-	(2,212)
At June 30, 2020	<u>148,114</u>	<u>19,341</u>	<u>53,857</u>	<u>584,780</u>	<u>9,091</u>	<u>3,091</u>	<u>818,274</u>
At July 1, 2020	148,114	19,341	53,857	584,780	9,091	3,091	818,274
Additions	399	-	-	-	-	-	399
Disposal	(60,578)	(19,341)	(53,857)	(582,185)	-	-	(715,961)
At June 30, 2021	<u>87,935</u>	<u>-</u>	<u>-</u>	<u>2,595</u>	<u>9,091</u>	<u>3,091</u>	<u>102,712</u>
Accumulated depreciation							
At July 1, 2019	114,041	9,959	41,944	583,833	5,038	376	755,191
Depreciation	8,511	1,894	10,064	473	1,013	77	22,032
Disposal	(2,212)	-	-	-	-	-	(2,212)
At June 30, 2020	<u>120,340</u>	<u>11,853</u>	<u>52,008</u>	<u>584,306</u>	<u>6,051</u>	<u>453</u>	<u>775,011</u>
At July 1, 2020	120,340	11,853	52,008	584,306	6,051	453	775,011
Depreciation	5,848	-	-	237	760	77	6,922
Disposal	(60,578)	(11,853)	(52,008)	(582,185)	-	-	(706,624)
At June 30, 2021	<u>65,610</u>	<u>-</u>	<u>-</u>	<u>2,358</u>	<u>6,811</u>	<u>530</u>	<u>75,309</u>
Carrying amount							
At June 30, 2021	<u>22,325</u>	<u>-</u>	<u>-</u>	<u>237</u>	<u>2,280</u>	<u>2,561</u>	<u>27,403</u>
At June 30, 2020	<u>27,774</u>	<u>7,488</u>	<u>1,849</u>	<u>474</u>	<u>3,040</u>	<u>2,638</u>	<u>43,263</u>

13. Intangible assets

	Trademarks	Total
	\$	\$
Cost:		
At July 1, 2019	57,826	58,527
Additions	-	-
Disposal	-	-
At June 30, 2020	<u>57,826</u>	<u>58,527</u>
At July 1, 2020	57,826	58,527
Additions	-	-
Disposal	-	-
At June 30, 2021	<u>57,826</u>	<u>58,527</u>
Accumulated amortization and impairment losses		
At July 1, 2019	57,826	58,527
Amortisation and impairment expense	-	-
Disposal	-	-
At June 30, 2020	<u>57,826</u>	<u>58,527</u>
At July 1, 2020	57,826	58,527
Amortisation and impairment expense	-	-
Disposal	-	-
At June 30, 2021	<u>57,826</u>	<u>58,527</u>
Carrying amount		
At June 30, 2021	<u>-</u>	<u>-</u>
At June 30, 2020	<u>-</u>	<u>-</u>

14. Trade and other payables

	2021	2020
	\$	\$
Current		
Trade payables	89,945	255,905
Accrued expenses	43,215	74,154
Other payables	58,285	49,893
	<u>191,445</u>	<u>379,952</u>

Trade payables are unsecured, non-interest bearing and are generally due 30 days from the date of recognition.

15. Borrowings

	2021	2020
	\$	\$
Current:		
Loan – Bio SA	20,000	-
Non-current		
Loan – Bio SA	243,825	261,102

On 1 December 2012, JCT Healthcare Pty Limited ("JCT"), a subsidiary of the Company, received a grant of \$230,000 under a Deed of Grant with Techin SA (formerly Bio Innovation SA) for the development of a nurse call system. The development was completed on 30 June 2013. Pursuant to the Deed of Grant, JCT is obligated to pay royalties calculated on 7% of the income derived from the commercialization of the messaging software. The current portion of the amount outstanding represents the royalties payable at 30 June 2021. This amount outstanding relates to the period 1 July 2019 to 30 June 2021. Furthermore, the amount of the outstanding loan shall accrue annual indexation fees calculated at the Consumer Price Index on the outstanding loan amount.

16. Provisions

	2021	2020
	\$	\$
Current		
Restoration and rehabilitation	100,280	30,906
Employee benefits	77,034	71,045
Provision for legal settlement	-	443,473
	177,314	545,424
Non-current		
Employee benefits	10,186	7,615

The provision for restoration and rehabilitation relates to tenement interests that the Group is required to rehabilitate land and the surrounding environment to its original condition. The remaining work is anticipated to be completed in the 2022 financial year.

The provision for legal settlement at 30 June 2020 comprised the following:

1. Provision for costs related to a rental dispute of \$79,201 to a former subsidiary.
2. Provision for settlement of dispute with Heuresy LLC and Heuresy Labs ('Heuresy') of \$364,272.

During the 2021 financial year, these amounts were resolved as follows:

1. Rental dispute liability was in the former subsidiary company which the Company had deemed disposed this subsidiary through the issuance of shares to a third-party investor. Currently the Company has a 2.2% interest in this subsidiary and the Company accounts for this former subsidiary as an investment in shares. At the balance sheet date, this investment in shares has been fully impaired in these financial statements.
2. The Group settled this dispute by entering into a Termination Agreement with Heuresy as announced on the ASX on 7 July 2020.

The movement in provisions comprises:

	Rehabilitation	Employee benefits	Provision for legal settlement	Total
	\$	\$	\$	\$
Opening balance at 1 July 2020	30,906	78,660	443,473	553,039
Increase/(Decrease) in provision	69,374	8,560	(443,473)	(365,539)
Balance at 30 June 2021	100,280	87,220	-	187,500

17. Right of use assets and lease liabilities

	Property \$
Right of use assets	
Carrying amount at 1 July 2019	81,013
Additions	-
Amortisation	(52,111)
Carrying amount at 1 July 2020	28,902
Additions	41,813
Amortisation	(49,809)
Carrying amount at 30 June 2021	20,906

	2021 \$	2020 \$
Lease liabilities		
Current lease liabilities	21,178	27,883
Non-current lease liabilities	-	-
Total lease liabilities	21,178	27,883

Total payments for leases during the year comprise the following:

Principal payments	50,016	53,130
Interest expense	1,381	2,773
Payments made in relation to lease liabilities	51,397	55,903

Future payments of lease liabilities, including interest, are set out below:

Due within one year	21,178	27,883
Due between one year and five years	-	-
Due after five years	-	-
	21,178	27,883

The Company lease office and warehouse under rental contract containing extension options for three years. All our significant premises leases allow assignment of the lease or sublease of the premises with the approval of the landlord. All leases are under normal commercial lease terms and conditions.

18. Contributed equity

	2021 No.	2020 No.
<u>Ordinary shares – fully paid</u>	3,439,293,024	1,792,862,024

(a) **Movements in equity**

	No.	\$
<u>Balance at 1 July 2020</u>	1,792,862,024	27,177,980
Issue of shares by private placement (i)	400,000,000	400,000
Issue of shares by rights issue (ii)	996,430,895	971,431
Conversion of options (iii)	250,000,000	250,000
Balance at 30 June 2021	3,439,292,919	28,799,411

- (i) 200,000,000 shares issued by private placement on 13 January 2021, raising \$200,000. No costs were incurred for the issuance of these shares.
200,000,000 shares issued by private placement on 29 January 2021, raising \$200,000. No costs were incurred for the issuance of these shares.
- (ii) 996,430,895 shares issued via non-renounceable right issue. \$25,000 expenses was incurred for the issuance of these shares.
- (iii) 250,000,000 shares issued to Teko International Limited, a substantial shareholder of the Company, by conversion of 250,000,000 options which were approved at the Annual General Meeting on 29th January 2021. No costs were incurred for the issuance of these shares.

18. Contributed equity (continued)

(b) Employee share option scheme

The Group did not issue any share options during the financial year and there were no share options outstanding at the end of the financial year.

(c) Capital management

With regard to managing capital (equity), the director's objectives are to ensure the Group continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. The board adjusts the capital structure as necessary to take advantage of favourable costs of capital or high returns on assets. As the market is constantly changing, the board may change the amount of dividends to be paid to shareholders, return capital to shareholders, issue new shares or reduce debt that may be incurred to acquire assets.

No dividends were paid during the year (2020: \$nil).

(d) Convertible Note

On 8 February 2021 the Company issued a \$200,000 convertible note deed. Under the terms of the deed, the convertible note is unsecured and accrues interest at 8% per annum, and convertible into shares in the Company at a conversion price of \$0.001 per share within 12 months from the date of receipt of the subscription amount, provided that the Company has the legal capacity to issue the shares under the conversion and the voting power does not exceed 19.99%.

19. Reserves and accumulated losses

	2021	2020
	\$	\$
Accumulated losses		
Accumulated losses	(26,839,978)	(27,443,197)
The movement in the accumulated losses comprises:		
Balance at beginning of year	(27,443,197)	(27,310,442)
Profit/(Loss) for the year	603,219	(132,755)
Balance at end of year	(26,839,978)	(27,443,197)

20. Discontinued operations

In financial year 2021, the Group disposed of interests in four of its subsidiaries during the year, being Xped USA LLC, Xped Holdings Pty Ltd, Xped USA Holdings and Xped Corporation Pty Ltd (the Group deemed disposed 97.8% of its interest in this company). The following table outlines the performance of the discontinued operations for the financial year.

	2021	2020
	\$	\$
Financial performance		
Revenue and other income from discontinued operations	-	-
Expenses	(9,479)	-
Loss before tax from discontinued operations	(9,479)	-
Income tax expense	-	-
Loss after tax from discontinued operations	(9,479)	-
Other comprehensive income, net of income tax	-	-
Total comprehensive income for the year	(9,479)	-
Cash flows		
Net cash outflow from operating activities	(9,479)	-
Net decrease in cash generated by the component	(9,479)	-

21. Remuneration of auditors

	2021	2020
	\$	\$
During the financial year, the following fees were paid or payable to the auditors for their services provided to the Group:		
<u>Audit and other assurance services</u>		
Audit and review of financial reports	48,375	61,600
<u>Non-audit services</u>		
Tax and other services	-	32,900
	<u>48,375</u>	<u>94,500</u>

22. Key management personnel

	2021	2020
	\$	\$
(a) Key management personnel compensation		
Short-term employee benefits	140,830	166,983
Post employment benefits	-	-
Long term benefits	-	-
Share based payments	-	-
	<u>140,830</u>	<u>166,983</u>

(b) Other transactions with key management personnel

There were no other transactions with key management personnel during the financial year.

In the prior year, the Group was a party to a number of transactions with Teko International Limited ("Teko"), a company of which Mr. Con Unerkov was a director and shareholder. Mr. Unerkov resigned as a director of Teko as at 31 December 2020 but is still a shareholder of Teko. The Board has confirmed Mr. Unerkov and his associates shareholding in Teko (4.04%).

23. Cash flow information

	2021	2020
	\$	\$
<i>Reconciliation of loss after income tax to net cash outflow from operating activities:</i>		
Profit / (Loss) for the year	603,219	(132,755)
<u>Non-cash items in profit or loss:</u>		
Depreciation expense	6,922	22,032
Amortisation expense	49,809	52,111
Impairment loss/(reversal of impairment loss) on inventory	170,395	87,220
Impairment loss on other receivables	21,234	11,250
Rehabilitation expense	69,374	
Indexation of the BioSA loan	2,725	5,191
Interest on convertible note	6,049	-
Gain on sale of assets	(3,136)	(455)
Settlement of creditor invoices via issue of shares	-	36,031
Gain on sale of subsidiaries	(263,698)	-
Settlement of legal provision via issue of convertible note	200,000	-
Write back of provision for legal settlement	(1,858)	-
<u>Change in operating assets and liabilities:</u>		
(Increase)/decrease in trade or other receivables	(77,003)	(15,227)
Decrease in inventory	212,267	24,888
Decrease in other current assets	(18,664)	63,057
(Decrease)/increase in trade and other payables	(188,507)	(1,637,533)
Increase/(decrease) in provisions	(365,539)	236,509
Net cash outflow from operating activities	<u>423,589</u>	<u>(1,247,681)</u>

24. Earnings per share

	2021 Cents	2020 Cents
(a) Basic and diluted earnings per share		
Profit/(Loss) from continuing operations attributable to the ordinary equity holders of the Group	0.03	(0.01)
Loss from discontinued operations attributable to the ordinary equity holders of the Group	-	-
Profit/(Loss) attributable to the ordinary equity holders of the Group	<u>0.03</u>	<u>(0.01)</u>

(b) Weighted average number of ordinary shares used as the denominator

		2021 No.	2020 No.
Number used in calculating basic and diluted earnings per share at 1 July		1,792,862,024	1,506,830,774
Effect of shares issued by private placement	18	175,342,466	124,316,940
Effect of shares issued	18	332,307,966	2,241,291
Number used in calculating basic and diluted earnings per share at 30 June		<u>2,300,512,456</u>	<u>1,633,389,005</u>

(c) Information concerning earnings per share

There were no options outstanding at the end of 2021 financial year.

25. Parent entity disclosures

(a) Summary financial information

The individual financial statements for the parent entity, Oakridge International Limited, show the following aggregations.

	2021	2020
	\$	\$
Results		
Loss for the year	(14,470,426)	891,393
Total comprehensive loss for the year	(14,470,426)	891,393
Financial position		
Current assets	2,255,569	365,344
Non-current assets	8,116,550	23,103,968
	10,372,119	23,469,312
Current liabilities	315,833	576,167
Non-current liabilities	-	-
	315,833	576,167
Net assets	10,056,286	22,893,145
Contributed equity	74,712,304	73,078,737
Accumulated losses	(64,656,018)	(50,185,592)
	10,056,286	22,893,145

(b) Guarantees entered into by the parent entity

Oakridge International Limited has not guaranteed the debts of any of its subsidiaries in the Group.

(c) Contingent liabilities of the parent entity

On 31 December 2019, Oakridge International Limited entered into a Share Placement Agreement ("SPA") issuing 250 million ordinary shares in the Group at \$0.001 per ordinary share for total proceeds of \$250,000. At the time of this transaction, Mr Con Unerkov was appointed to the Board of the parent company. Pursuant to the SPA, the parent company made certain representations in respect to liabilities in the Group to Teko International Limited, the purchaser. However, in the process of preparing the Group's prior year accounts (year ended 30 June 2020), the Group became aware that some of the representations made by the Group were not accurate.

The Group is currently seeking legal advice to determine the extent of its legal liabilities in respect of a potential breach of the SPA. At the date of this report, the Group has not been able to quantify the liability, if any, in respect to these breaches.

Teko International Limited is a related party by virtue of its shareholding and may exercise significant influence as a result of its 18.17%, being the largest shareholder, equity interest in the Company.

(d) Contractual commitments for capital expenditure

The parent entity did not have any contractual commitments for capital expenditure as at 30 June 2021.

26. Commitments

As at balance date, the Group has no material commitments.

27. Controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1(b).

Name of entity	Country of incorporation	Class of shares	Equity holding	
			2021	2020
			%	%
Xped Holdings Ltd*	Australia	Ordinary	0	100
Xped Corporation Pty Ltd*	Australia	Ordinary	2.2	100
Xped USA Holdings Pty Ltd*	Australia	Ordinary	0	100
Xped Asia Holdings Pty Ltd	Australia	Ordinary	100	100
Xped Healthcare Pty Ltd	Australia	Ordinary	100	100
Osiris Energy Ltd	Australia	Ordinary	100	100
JCT Healthcare Pty Ltd	Australia	Ordinary	100	100
JCT Asia Limited ⁽¹⁾	Hong Kong	Ordinary	100	0
Xped USA LLC*	USA	Ordinary	0	100

* These companies are no longer controlled entities during the financial year 2021.

⁽¹⁾ This company was established in Hong Kong during the period and is intended to be engaged as a administrative and liaison office.

Disposal of subsidiaries

The Group made the following changes to the group composition during the year:

- Xped USA LLC and Xped USA Holdings Pty Ltd were wound up for nil consideration.
- Xped Holdings Limited shares were sold as part of the settlement of an outstanding liability. The Group entered into a termination agreement ("Termination Agreement") with Heuresy LLC and Heuresy Labs LLC (together referred as "Heuresy") to terminate the Technology Development Agreement dated 23 May 2018. Pursuant to the Termination Agreement, the parties agreed to sell all the shares in Xped Holdings Limited to Heuresy.
- Interest in Xped Corporation Pty Ltd was reduced to 2.2% due to the issue of shares to a third-party investor. The investment in Xped Corporation Pty Ltd is consequently accounted for at fair value through profit or loss in accordance with AASB 9 *Financial Instruments*. The fair value was determined as \$Nil at 30 June 2021.

The details of the net gain on the disposal/wind up of subsidiaries during the half-year are set out below:

	30 June 2021 \$	30 June 2020 \$
Settlement of liability	110,000	-
Carrying amount of net liabilities derecognised:		
Other assets	2,446	-
Plant and equipment	9,337	-
Trade payables and accrual	(165,481)	-
	(153,698)	-
Gain on disposal of shares in subsidiaries	263,698	-

Interests in joint arrangements

The Group has the following significant interests in joint arrangements.

(a) Joint arrangements

The Group has a 45 per cent equity shareholding in P.T. Sokoria Geothermal Indonesia with 50% voting power, a joint venture established in Indonesia with P.T. Bakrie Power, the Group's joint venture partner, to pursue the development of the Sokoria geothermal Project on the island of Flores in Indonesia.

On 16 January 2017 KS Orka completed acquisition of Sokoria Geothermal Project. Under the terms of the SPA Oakridge International received the nominal amount of US\$1.00. An additional payment of up to US\$947,368 will

become payable within 30 days of KS Orka issuing notification of intent to develop project. After taking into consideration the timing and final amount to be paid, management has decided to fully impair the amount receivable.

(b) Joint operations

The Group has a 51 per cent interest in the Dairi prima Geothermal Project, a joint operation with P.T. Bakrie power to jointly develop spare capacity of the Sibayak geothermal reserves in Northern Sumatra, Indonesia, to be supplied to the Dairi Prima mine. These projects were fully impaired in the previous years. The Group will look to divest its impaired projects moving forward.

27. Subsequent events

There were no other significant events after the financial year end.

OAKRIDGE INTERNATIONAL LIMITED
DIRECTORS' DECLARATION

In the directors' opinion:

- (a) the attached financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
 - (ii) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date;
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1(a);
- (c) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
- (d) the directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of directors.



Con Unerkov
Chairman

Adelaide, South Australia
30 September 2021

**Independent Auditor's Report
To the Members of Oakridge International Limited**

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Oakridge International Limited ("the Company") and its controlled entities ("the Group") which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration for the Company and the Group.

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

- (a) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

Key Audit Matters

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

Key Audit Matter	How our audit addressed the key audit matter
Gain on deemed disposal of subsidiaries Refer note 5	
<p>The company had deemed disposed of subsidiaries through the issuance of shares to a third-party investor.</p> <p>This transaction was considered a key audit matter as it is important for the users' understanding of the financial statements and involved increased audit effort.</p> <p>This transaction included multiple forms of consideration, including the forgiveness of a legal provision recorded in a prior year.</p>	<p>Our procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> - Evaluation of the accuracy of management's reconciliation of the gain recognised. - Critically assessing the accounting treatment to ensure compliance with accounting standards. - Examining disclosures made in the financial report

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's Director's Report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, 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 Company'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 Company'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 financial report 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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 directors 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 directors, we determine those matters that were of most significance in the audit of the financial report 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.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 6 to 10 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Oakridge International Limited for the year ended 30 June 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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



HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Adelaide, South Australia
30 September 2021



Corey McGowan
Director

Additional information required by the Australian Securities Exchange Ltd Listing Rules and not disclosed elsewhere in this report is as follows. This information is current as at 9 September 2021.

Twenty largest shareholders

Rank	Name of holder	No. of ordinary shares held	Issued capital %
1	TEKO INTERNATIONAL LIMITED	625,000,000	18.17%
2	CIMC MARKETING PTY LTD	500,000,000	14.54%
3	MERCER STREET GLOBAL OPPORTUNITY FUND LLC	200,000,000	5.82%
3	HEURESYS LABS LLC	200,000,000	5.82%
4	JK GROUP AUSTRALIA PTY LTD <JK FAMILY A/C>	140,288,321	4.08%
5	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	64,096,299	1.86%
6	ALANTICX TECHNOLOGIES PTY LTD <ALANTICX A/C>	56,366,350	1.64%
6	ALANTICX TECHNOLOGIES PTY LTD <ALANTICX A/C>	56,366,350	1.64%
7	BNP PARIBAS NOMS PTY LTD <DRP>	41,020,617	1.19%
8	MRS DUANRONG ZHANG	40,000,000	1.16%
9	MR HEMANT KUMAR VANMALI <SUNI JAY A/C>	36,500,000	1.06%
10	MR BOBBY VINCENT LI	29,431,479	0.86%
11	GLM KOPPA PTY LTD <KOPPA FAMILY SUPER FUND A/C>	25,000,000	0.73%
12	MR CYRUS ALLEN	24,493,727	0.71%
13	CITICORP NOMINEES PTY LIMITED	23,633,276	0.69%
14	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	23,595,959	0.69%
15	MR CHRISTOPHER JOHN CARNIE	22,500,000	0.65%
16	SBI INVESTMENTS (PR) LLC	19,531,250	0.57%
17	FUTURIST PTY LTD	17,894,339	0.52%
18	MR QIN ZHANG	15,375,000	0.45%
19	YUCAJA PTY LTD <THE YOEGIAR FAMILY A/C>	14,876,670	0.43%
20	GREGORY DENISE PTY LTD <GREGORY DENISE SUPER A/C>	13,652,185	0.40%
	Total	2,189,621,822	63.66%
	Total issued capital	3,439,292,919	100.00%

Substantial shareholders

Substantial shareholders as advised to the Group are set out below:

Name of holder	No. of ordinary shares held	Issued capital %
TEKO INTERNATIONAL LIMITED	625,000,000	18.17%
CIMC MARKETING PTY LTD	500,000,000	14.54%
MERCER STREET GLOBAL OPPORTUNITY FUND LLC	200,000,000	5.82%
HEURESYS LABS LLC	200,000,000	5.82%

Distribution of member holdings

Holding ranges	Holders	Total units	%issued share capital
1 - 1,000	223	29,070	0.00%
1,001 - 5,000	82	274,936	0.01%
5,001 - 10,000	91	709,621	0.02%
10,001 - 100,000	1,410	59,959,692	1.74%
100,001 - 9,999,999,999	1,350	3,378,319,600	98.23%
Totals	3,156	3,439,292,919	100.00%

The number of security investors holding less than a marketable parcel of securities is 2,574 with a combined total of 240,590,644 securities.

Voting rights

All shares carry one vote per share without restriction.