Intelicare Holdings Limited

ABN 84 622 484 397

Annual Report - 30 June 2021

Intelicare Holdings Limited
Corporate Directory
30 June 2021

Directors	Greg Leach Jason Waller Scott Taylor Branden Dekenah Neil Hackett
Company secretary	Neil Hackett
Registered office and principal place of business	Level 1 299 Vincent Street LEEDERVILLE WA 6007 Phone: 1300 001 145
Share register	Automic Registry Services Level 2 267 St Georges Terrace Perth WA 6000 Phone: (08) 9342 2099
Auditor	RSM Australia Partners Level 32 Exchange Tower 2 The Esplanade Perth WA 6844
Solicitors	HWL Ebsworth Level 20 240 St Georges Terrace Perth WA 6000
Stock exchange listing	Intelicare Holdings Limited shares are listed on the Australian Securities Exchange (ASX code: ICR)
Website	http://www.intelicare.com.au

Intelicare Holdings Limited
Letter from the Chair
30 June 2021

Dear Fellow Shareholders,

2021 has been a year of progress for Intelicare despite the continued global challenges we are all facing. We have made strong progress to deliver on our vision of becoming a dominant market force in the aged care and healthcare sectors. I would like to extend a sincere thank-you to all long-term and new shareholders who support us, and I am confident we will deliver on and exceed your expectations moving forward.

The opportunity before us continues to grow. The recent aged care Royal Commission continues to drive momentum in the sector which is striving to deliver safer and higher quality care to our aging population. Delivering on these objectives in an environment in which Covid-19 has deeply impacted staffing levels and exposed inherent capacity constraints is a huge challenge and provides further opportunities for Intelicare to help alleviate these critical staffing and capacity stress points across the sector. These factors, combined with the Federal Government's $80+ BN in funding over the next four years into the Health and Aged Care sectors and the resultant increase in home care packages from 73,105 in 2018/19 to approximately 185,596 in June 2021 is driving the adoption of innovation and technology across the sector.

During the past year the InteliCare team has made excellent progress on our key objectives. We have;

1. Increased commercial sales revenue and sales by 179% and 36% respectively.
2. Won competitive deals in marquee clients, such as St John of God.
3. Further matured our backend support and operations processes to provide high quality experiences to our clients
4. Released significant new functionality, including personal health metrics and enhanced fall detection, that further extend InteliCare's' capabilities and strengthens our position as a market leader.
5. Conducted B2B and B2C market campaigns across multiple market channels which have driven a large increase in immediate sales opportunities which are now coming to fruition.
6. Increased our sales and business development capability which has increased our qualified opportunity pipeline, resulted in some excellent wins and positioned us strongly for ongoing success and rapid growth.

Moving forward we will continue to focus on winning market share and delivery high quality and highly valued services to our clients. To respond to the demands of a rapidly changing environment we must ensure that we remain agile and a leader in driving innovation and influencing the ongoing service capabilities of the sector. This will ensure improved care and safety for our aging population and maintain InteliCare's position as a leader in the sector.

On behalf of the Company's management team, I wish to express my deep appreciation and gratitude for your ongoing support and confidence in the Company.

Regards

Greg Leach
Chairman

Intelicare Holdings Limited
Letter from the CEO and MD
30 June 2021

Dear Fellow Shareholders

This report represents our first full reporting period. Given the close proximity of the FY2020 Annual report to our IPO in May 2020, it is also our first year of fully funded operations.

I have been pleased with the results thus far, especially given the volatile climate facing the aged care industry. We have seen significant growth in revenue and sales of 179% and 36% respectively. Importantly, this sales growth came from direct commercial sales rather than grant funding, which represented the dominant underpinning growth driver in previous years. This is an important foundation for a recurring revenue stream, a key value multiple in a Software-as-a-Service (SaaS) business such as InteliCare.

This occurred in a market where aged care industry providers have significantly reduced bandwidth due to both the impact of COVID-19 on their operations, coupled with the regulatory fall-out from the aged care Royal Commission. Additionally, the Commonwealth government's $17.7 billion aged care reform package, which includes an additional 80,000 home care packages, is exposing the deep structural issues and staffing shortages within the industry. In our interactions with customers, we hear of these challenges regularly.

However, this also comes with a tailwind as more service providers conclude that to transform their operations, technology will be a key element of that program. Consequently, InteliCare is poised at a point of inflection in aged and disability care where the need for technology as both a productivity accelerator as well as a compliance and care management tool will become the norm.

Unlocking this potential requires targeted marketing campaigns as both B2B and B2C markets are largely in their infancy in terms of understanding AI-driven assistive technology. Consequently, Intelicare launched significant cross-channel campaigns to increase brand and product awareness. This resulted in a major uplift to leads and B2C sales, but also demonstrated that to reduce lead times ongoing education campaigns using digital assets are required.

As a result of these insights, InteliCare increased its sales and customer support roles, including establishing a sales presence on the east coast. There will be a ramp up period, but results are expected to flow in early 2022 of the back of initial traction from WA-based outbound sales.

On the technology front, InteliCare kicked off a roadmap for improved machine learning with a combination of in-house resources and partnership with the University of Sydney and Macquarie University under a $100,000 grant. This is a long-run play, requiring close collaboration with customers, but will be a critical element in moving the aged care industry away from a reliance on personal duress systems and towards preventive technology. Additionally, the launch of health metrics product features marked the beginning of InteliCare's strategy to continue increasing its sensor portfolio, underpinned by a systems architecture that is not reliant on a single Original Equipment Manufacturer (OEM).

I sincerely believe there is enormous potential in our product and strategy. Despite a more than challenging global climate, the macro healthcare, disability and aged care tailwinds will produce significant value for shareholders over the longer run.

Yours sincerely

Jason Waller, CSC
Chief Executive Officer and Managing Director

The directors present their report, together with the financial statements, of Intelicare Holdings Limited (referred to hereafter as the 'Company') for the year ended 30 June 2021.

Directors

The following persons were directors of Intelicare Holdings Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Greg Leach
Jason Waller
Scott Taylor
Branden Dekenah
Neil Hackett

Principal activities

During the financial year the principal continuing activities of the Company consisted of:

- Production Monitoring Solution for seniors and at-risk individuals
- Sales and Marketing
- Research and development activities

Dividends

There were no dividends declared for the year ended 30 June 2021 (2020: nil).

Review of operations

This year marks the first full reporting period since the Initial Public Offer (IPO). It represents the first phase of the company's commercialisation strategy, which has been positive in terms of growth. This is particularly so considering the extremely difficult challenges posed by COVID-19, including significant lockdowns in major markets that have limited the ability of the sales team to fully engage, as well as significantly limiting the bandwidth of target customers. Nevertheless, within that climate the company was still able to achieve very promising results.

Users, sales and revenue growth

The company continued its trajectory from previous years of growth in sales and revenue. During the reporting period revenue grew by 179%. This has resulted in a year-on-year (YoY) growth rate in revenue of 123% since 2019 (**figure 1**). This was underpinned by commensurate significant sales growth of 36% and of 235% YoY over the same periods.

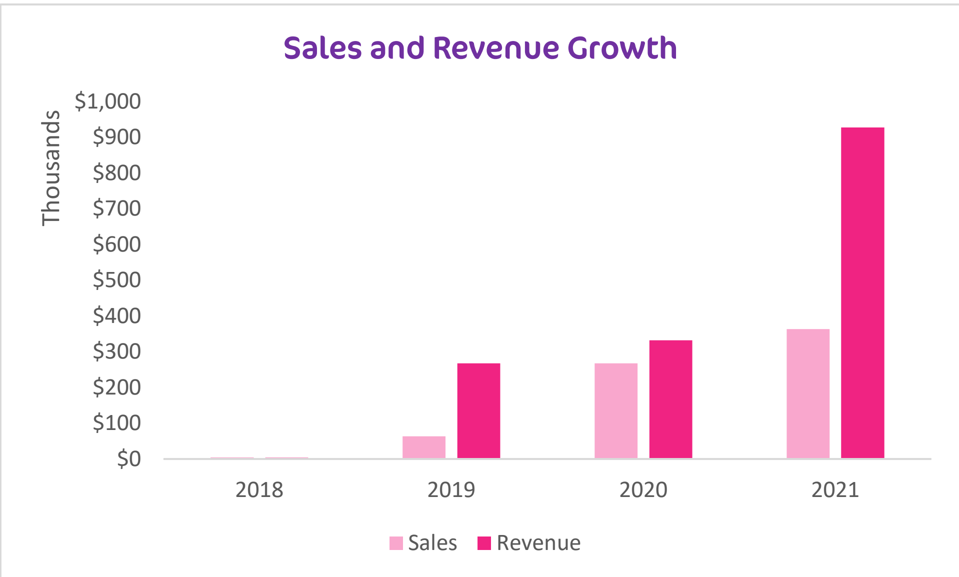

Figure 1

Importantly, alongside sales growth, Intelicare has experienced a rapid raise in end users of the InteliLiving® product (**figure 2**). This reflects significant uptake of the core Internet-of-Things (IoT) InteliLiving® product and excludes ancillary users of personal emergency response (PERS) systems, such as alarm pendants.

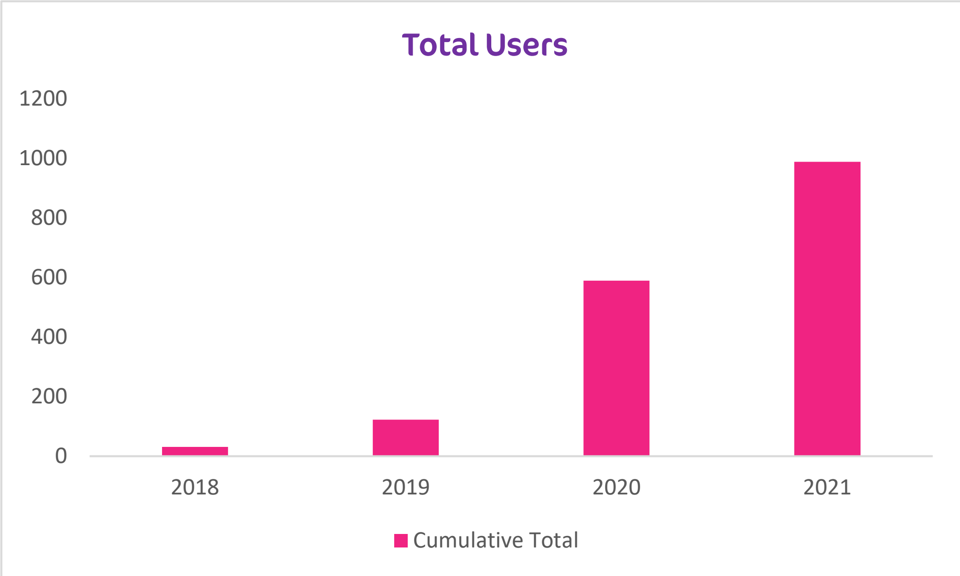

Figure 2

These figures were largely driven by B2B sales from direct outbound sales through the business development team. The target customers included major aged care and disability care providers through their home care businesses. Additional sales came via the growing number of channel partners, operating either as resellers or agents. This created opportunities for InteliCare to break into new markets, such as Supported Disability Accommodation (SDA) housing.

As reported in the last quarterly update, further growth contribution arose from B2C sales as a result of a direct marketing campaign. Although the contribution at this stage is small, it has provided an additional B2B channel through inside sales. These occur where initial B2C sales for an individual customer on a home care package paves the way for a broader B2B leads and deal opportunities within the supporting aged care provider.

Increased sales and customer support teams
On the back of these sales, the company recruited additional resources to focus on B2B sales, B2C sales and customer support. This included establishing a new Chief revenue Officer role, responsible for both the quality and size of the revenue stream, as well as operational support and product fulfillment. Subsequent to the period, a new business development executive has come on board in New South Wales, with recruiting still underway in other major states.

Successful brand awareness marketing campaign
One of the greatest challenges facing the company is not just brand awareness of InteliCare as a company, but market awareness of smart home, AI-driven assistive technology in the aged and disability care sectors. The company launched a marketing campaign in Western Australia to address this issue and test the impact of key messaging.

Detailed post-campaign research was conducted that revealed key insights to drive future campaigns:

- key takeaway is that category (as opposed to brand) awareness remains a barrier,
- the campaign cut through well and delivered its message effectively and was markedly more visible among the elderly,
- 75% of people have not heard of any of the given assistive technology brands,
- amongst known brands, InteliCare leads at 16%, and

- current awareness is still low for assistive technologies but 58% would consider buying.

Additionally, although the campaign was structured and targeted to achieve brand awareness, it had the ancillary benefit of driving increased sales for B2C, with a “halo effect” of attracting additional B2B leads:

- Marketing campaign delivers 7.5x B2C growth;
- 5.67 million exposures, 21% above planned; and
- 256% above the forecast Market Qualified Leads (MQL) per week target

Executing the technology roadmap

During the period the company continued to execute on the technology roadmap. This included launch of new health metrics features, with an updated dashboard and fully integrated devices, such as Fitbit®.

The company’s key strategy to take advantage of its growing data set and continually improve predictive analytics was underpinned by engagement of machine learning expertise. This is a key element of future competitive advantage as the ability to move from not just detecting events without human interference but preventing trigger issues that cause loss of independence by delivering smarter insights will be a critical feature of the sector. Supporting this line of operation, grant funding of $100,000 was awarded from the NSW Smart Sensing Network in partnership with the University of Sydney and Macquarie University to further develop InteliCare’s machine learning capability.

COVID-19

Prior to the initial onset of WA Government and national restrictions the Company exercised a Work From Home (WFH) business continuity plan. This was then enacted with minimal impact on operations. Subsequently, the Company has resumed normal office operations under a COVIDSAFE Plan. There remains a risk that due to further or additional government restrictions the company may experience business continuity impact or sales pipeline execution delays.

Financial

Intelicare’s total revenue for 2021 was $927,635 (2020: $322,256). Included in expenses for the year were staff expenses of $1,757,889 (2020: $1,117,540) and share based payments of $522,115 (2020: $550,631) that lead to a net loss before tax of $4,360,849 (2020: $2,554,154); and the net loss after tax was $4,360,849 (2020: $2,554,154).

Net cash outflows from operations were $3,786,813 (2020: $1,570,805) and net cash inflows from financing activities were $2,338,837 (2020: $5,829,427).

Sales of Intelicare hardware are typically bundled with associated subscription services. In line with the Company’s accounting policy regarding revenue, sales of hardware are recognised over time rather than upfront, resulting in the recognition of deferred revenue that is recognised to revenue over that period. Consequently, the deferred revenue of $314,580 as at 30 June 2021, which arose from contracts with sales reported in the Company’s Initial Public Offering prospectus, is primarily expected to be recognised as revenue in the financial year ending 30 June 2022. However, in the statement of cash flows, receipts from customers represent all cash received from sales regardless of whether it has been recognised as revenue or not as at 30 June, which may provide investors with additional insight into sales progress.

Significant changes in the state of affairs

There were no other significant changes in the state of affairs of the Company during the financial year.

Matters subsequent to the end of the financial year

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Apart from the above, no other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Likely developments and expected results of operations

The Company’s principal continuing activity is the commercialisation of the Intelicare product. The Company’s future developments, prospects and business strategies are to continue to execute its commercialisation strategy with regards to its predictive analytics hardware and software system which is expected to improve the Company’s sales revenue.

Environmental regulation

The Company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Greg Leach
Title:	Non Executive Director, Chairman
Qualifications, experience and expertise:	Greg is a founder of InteliCare and has been in the Information and Communications Technology industry for over 30 years and during that time has established and continues to oversee multiple successful companies and held multiple executive level roles spanning management, technology and innovation. Greg was a co-founder and previously chief technology officer of Empired Limited (ASX:EPD). He also co-founded Frontline Services (of which he is a director), BigRedSky Limited and founded Alkypro Fuel Systems. He founded and is currently a director and CEO of Blockhead Technologies Pty Ltd. Greg holds a Bachelor of Business (Information Processing).
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	96,154
Interests in options:	548,077
Contractual rights to shares:	None

Name:	Jason Waller
Title:	Managing Director, CEO
Qualifications, experience and expertise:	Jason possesses extensive experience in defence, aviation and technology including significant strategic, commercial, transformation and project delivery expertise. Between September 2017 and December 2018 Jason was CEO of ASX listed Spookfish (ASX:SFI) that was acquired in December 2018 by EagleView for $136 million. Jason holds a Bachelor of Science, Masters of Management and a Graduate Certificate of Corporate Management (Finance). He is also a Graduate Member of the Australian Institute of Company Directors.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	3,150,356
Interests in options:	9,615
Interests in performance rights	1,150,000
Contractual rights to shares:	None

Name:	Scott Taylor
Title:	Non-Executive Director
Qualifications, experience and expertise:	Scott holds a Bachelor of Laws and is the founding Partner of Taylor David Lawyers with over 15 years' experience in reconstruction and insolvency law. He acts for Federal Government departments, Fortune 500 companies, global leading insolvency practitioners and foreign multinationals. Scott's engagements include advising on acquisitions, securities, risk mitigation, asset management and debt equity swaps in addition to leading strategic negotiations. Scott has sat on the London based expert review panel for The Law Reviews and is the author of the Australian chapter of the annual International Insolvency Review. Scott was previously a non-executive director of the Children's Hospital Foundation Queensland.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chairman of the Audit and Risk Committee and member of the Remuneration and Nomination committee.
Interests in shares:	473,798
Interests in options:	647,836
Contractual rights to shares:	None

Name:	Branden Dekenah
Title:	Non-Executive Director
Qualifications, experience and expertise:	Branden has in excess of 30 years' experience in technology and innovation, as a business founder, consultant and senior executive. Branden was co-founder and managing director at Conducive, which was sold to Empired Limited (ASX: EPD) in 2012. Before co-founding Conducive, Branden consulted internationally on intelligent transport, smart card systems, management & business, technology strategy and system development. With over 27 years' experience, Branden has had the opportunity to work in a number of diverse industries including IT, industrial automation, financial services, telecommunications and automated fare collection, and consulted to many others. Branden has experience in developing and selling businesses, and has held leadership positions in multinational finance and technology companies, as well as consulting internationally in Africa, South East Asia, USA and South America. Branden holds an Honours Degree in Commerce, Diplomas in Engineering and Computer Science, and an MBA from Curtin University, Perth. Branden is a Graduate Member of the Australian Institute of Company Directors and a Fellow of the Australian Institute of Management.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chairman of the Remuneration and Nomination Committee and member of the Audit and Risk committee.
Interests in shares:	393,750
Interests in options:	525,000
Contractual rights to shares:	None

Name:	Neil Hackett
Title:	Non-Executive Director, Company Secretary
Qualifications, experience and expertise:	Neil works closely with ASX boards, directors, CEO's, government enterprises and private boards on strategic and corporate governance requirements. Neil has project-managed multiple corporate transactions including public equity capital raisings, debt financing, corporate takeovers and business acquisitions and has 25 years' ASX company expertise. Neil holds a Bachelor of Economics from the University of Western Australia, post-graduate qualifications in applied finance and investment, post-graduate qualifications in financial planning, is a graduate and facilitator with the Australian Institute of Company Directors and is a Fellow of the Financial Services Institute of Australia.
Other current directorships:	Hastings Technology Metals Ltd (ASX:HAS) and Ardiden Limited (ASX:ADV).
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit and Risk Committee and member of the Remuneration and Nomination committee.
Interests in shares:	100,961
Interests in options:	519,230
Contractual rights to shares:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Mr Neil Hackett

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each director were:

	Attended	Held
Greg Leach	11	11
Jason Waller	11	11
Scott Taylor	11	11
Branden Dekenah	11	11
Neil Hackett	11	11

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

Non-executive directors remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors do not receive share options or other incentives.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 16 October 2019, where the shareholders approved a maximum annual aggregate remuneration of $250,000 per annum.

Executive remuneration

The Company aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:
- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Nomination and Remuneration Committee based on individual and business unit performance, the overall performance of the Company and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Company and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

The long-term incentives ('LTI') include long service leave and share-based payments. Shares are awarded to executives over a period of three years based on long-term incentive measures. These include increase in shareholders value relative to the entire market and the increase compared to the Company's direct competitors. The Nomination and Remuneration Committee reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2021.

Company performance and link to remuneration
Remuneration for certain individuals is directly linked to the performance of the Company. A portion of cash bonus and incentive payments are dependent on defined earnings per share targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Nomination and Remuneration Committee. Refer to the section 'Additional information' below for details of the earnings and total shareholders return for the last five years.

The Nomination and Remuneration Committee is of the opinion that the continued improved results can be attributed in part to the adoption of performance based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

Voting and comments made at the company's 2020 Annual General Meeting ('AGM')
At the 2020 AGM, 91% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2020. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the Company are set out in the following tables.

The key management personnel of the Company consisted of the following directors and management of Intelicare Holdings Limited:

- Greg Leach
- Jason Waller
- Scott Taylor
- Branden Dekenah
- Neil Hackett
- Mike Tappenden
- Matt De Boer

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments		
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Equity-settled shares[1]	Equity-settled options and performance rights	Total
	$	$	$	$	$	$	$	$
Non-executive Directors								
Greg Leach								
2021	36,000	-	-	-	-	-	16,533	52,533
2020	23,000	-	-	-	-	5,000	18,751	46,751
Branden Dekenah								
2021	36,000	-	-	-	-	-	16,533	52,533
2020	23,000	-	-	-	-	3,750	18,751	45,501
Scott Taylor								
2021	36,000	-	-	-	-	-	16,533	52,533
2020	19,000	-	-	-	-	2,500	18,751	40,251
Neil Hackett [2]								
2021	72,000	-	-	-	-	-	16,533	88,533
2020	35,000	-	-	-	-	2,500	18,751	56,251
Mike Tappenden [3]								
2021	-	-	-	-	-	-	-	-
2020	4,000	-	-	-	-	-	-	4,000
Matt De Boer [4]								
2021	-	-	-	-	-	-	-	-
2020	4,000	-	-	-	-	2,500	-	6,500
Executive Directors:								
Jason Waller[5]								
2021	250,000	-	-	23,750	-	-	187,614	461,364
2020	175,000	-	-	16,625	-	308,500	44,555	544,680
Other Key Management Personnel								
Mike Tappenden								
2021	180,000	-	-	17,100	-	-	-	197,100
2020	119,167	-	-	8,550	-	8,542	-	136,259
Total								
2021	610,000	-	-	40,850	-	-	253,746	904,596
2020	402,167	-	-	25,175	-	333,292	119,559	880,193

[1] This value represents the increased incremental share-based payment value (under AASB 2: Share based payments) of the shares issued to KMP that exceeded the actual issue price of the shares.

[2] The fees include the role as company secretary.

[3] Resigned as director on 22 October 2019.

[4] Resigned as director on 16 October 2019.

[5] Appointed as director on 23 October 2019.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration 2021	Fixed remuneration 2020	At risk - STI 2021	At risk - STI 2020	At risk - LTI 2021	At risk - LTI 2020
Non-Executive Directors:						
Greg Leach	69%	49%	-	-	31%	51%
Branden Dekenah	69%	51%	-	-	31%	49%
Scott Taylor	69%	47%	-	-	31%	53%
Neil Hackett	81%	62%	-	-	19%	38%
Mike Tappenden	-	100%	-	-	-	-
Matt De Boer	-	62%	-	-	-	38%
Executive Directors:						
Jason Waller	59%	35%	-	-	41%	65%
Other Key Management Personnel:						
Mike Tappenden	100%	94%	-	-	-	6%

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Jason Waller
Title:	Managing Director, CEO
Agreement commenced:	30 August 2019
Term of agreement:	Indefinite, until terminated by the Company or Mr Waller by giving no less than 6 months written notice of termination.
Details:	Base salary for the year ending 30 June 2021 of $250,000 per annum plus superannuation. The Company shall every 12 months, subject to key performance indicators being met, pay Mr Waller a performance-based bonus on a pro-rata basis over and above remuneration to be paid either in cash of equity (STI). The STI will be a maximum of equal to at least 20% of Mr Waller’s remuneration.

Name:	Mike Tappenden
Title:	Chief Technology Officer
Agreement commenced:	20 December 2019
Term of agreement:	Indefinite, until terminated by the Company or Mr Tappenden by giving no less than 3 months written notice of termination.
Details:	Base salary for the year ending 30 June 2021 of $180,000 plus superannuation. The Company shall every 12 months, subject to key performance indicators being met, pay Mr Tappenden a performance-based bonus on a pro-rata basis over and above remuneration to be paid either in cash of equity (STI). The STI will be a maximum of equal to at least 20% of Mr Tappenden’s remuneration.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

No shares were issued to directors and other key management personnel as part of compensation during the year ended 30 June 2021.

Options
No options were issued to directors and other key management personnel as part of compensation during the year ended 30 June 2021.

Below are the terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in previous financial year are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Greg Leach	83,334	17/10/2019	17/10/2020	16/10/2024	$0.30	$0.0846
Branden Dekenah	83,333	17/10/2019	17/10/2020	16/10/2024	$0.30	$0.0846
Scott Taylor	83,333	17/10/2019	17/10/2020	16/10/2024	$0.30	$0.0846
Neil Hackett	83,333	17/10/2019	17/10/2020	16/10/2024	$0.30	$0.0846
Greg Leach	83,333	17/10/2019	17/10/2021	16/10/2024	$0.30	$0.0919
Branden Dekenah	83,334	17/10/2019	17/10/2021	16/10/2024	$0.30	$0.0919
Scott Taylor	83,333	17/10/2019	17/10/2021	16/10/2024	$0.30	$0.0919
Neil Hackett	83,333	17/10/2019	17/10/2021	16/10/2024	$0.30	$0.0919
Greg Leach	83,333	17/10/2019	17/10/2022	16/10/2024	$0.30	$0.0983
Branden Dekenah	83,333	17/10/2019	17/10/2022	16/10/2024	$0.30	$0.0983
Scott Taylor	83,334	17/10/2019	17/10/2022	16/10/2024	$0.30	$0.0983
Neil Hackett	83,334	17/10/2019	17/10/2022	16/10/2024	$0.30	$0.0983
Greg Leach	83,334	17/10/2019	17/10/2020	16/10/2024	$0.40	$0.0790
Branden Dekenah	83,333	17/10/2019	17/10/2020	16/10/2024	$0.40	$0.0790
Scott Taylor	83,333	17/10/2019	17/10/2020	16/10/2024	$0.40	$0.0790
Neil Hackett	83,333	17/10/2019	17/10/2020	16/10/2024	$0.40	$0.0790
Greg Leach	83,333	17/10/2019	17/10/2021	16/10/2024	$0.40	$0.0850
Branden Dekenah	83,334	17/10/2019	17/10/2021	16/10/2024	$0.40	$0.0850
Scott Taylor	83,333	17/10/2019	17/10/2021	16/10/2024	$0.40	$0.0850
Neil Hackett	83,333	17/10/2019	17/10/2021	16/10/2024	$0.40	$0.0850
Greg Leach	83,333	17/10/2019	17/10/2022	16/10/2024	$0.40	$0.0911
Branden Dekenah	83,333	17/10/2019	17/10/2022	16/10/2024	$0.40	$0.0911
Scott Taylor	83,334	17/10/2019	17/10/2022	16/10/2024	$0.40	$0.0911
Neil Hackett	83,334	17/10/2019	17/10/2022	16/10/2024	$0.40	$0.0911

Options granted carry no dividend or voting rights.

Values of options over ordinary shares expensed in current year for directors and other key management personnel as part of compensation during the year ended 30 June 2021 are set out below:

Name	Value of options granted during the year $	Value of options expensed during the year $	Value of options exercised during the year $	Value of options lapsed during the year $	Remuneration consisting of options for the year %
Greg Leach	-	16,533	-	-	31%
Branden Dekenah	-	16,533	-	-	31%
Scott Taylor	-	16,533	-	-	31%
Neil Hackett	-	16,533	-	-	19%
	-	66,132	-	-	

Performance rights
No performance rights were issued to directors and other key management personnel as part of compensation during the year ended 30 June 2021.

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of directors and other key management personnel in previous financial year are as follows:

Name	Number of performance rights granted	Grant date	Vesting conditions	Expiry date	Fair value per performance rights at grant date
Jason Waller	575,000	14/11/2019	20-day VWAP of $0.26 following the listing of Intelicare on the ASX, or if listing does not occur prior to 01 April 2020 the fair value of ordinary shares being greater than $0.65	16/10/2024	$0.1517
Jason Waller	575,000	14/11/2019	20-day VWAP of $0.30 following the listing of Intelicare on the ASX, or if listing does not occur prior to 01 April 2020 the fair value of ordinary shares being greater than $0.75	16/10/2025	$0.1522

On 19 July 2021, the above performance rights were converted into ordinary shares.

Jason Waller	575,000	14/11/2019	20-day VWAP of $0.40 following the listing of Intelicare on the ASX, or if listing does not occur prior to 01 April 2020 the fair value of ordinary shares being greater than $1.00	16/10/2026	$0.1510
Jason Waller	575,000	14/11/2019	20-day VWAP of $0.50 following the listing of Intelicare on the ASX, or if listing does not occur prior to 01 April 2020 the fair value of ordinary shares being greater than $1.25	16/10/2027	$0.1510

Performance rights granted carry no dividend or voting rights.

Values of performance rights over ordinary shares expensed in current year for directors and other key management personnel as part of compensation during the year ended 30 June 2021 are set out below:

Name	Value of performance rights granted during the year $	Value of performance rights expensed during the year $	Value of performance rights exercised during the year $	Value of performance rights Lapsed during the year $	Remuneration consisting of performance rights for the year %
Jason Waller	-	187,614	-	-	41%

Additional information
The earnings of the Company for the three years to 30 June 2021 are summarised below:

	2021 $	2020 $	2019 $	2018 $
Sales revenue	363,124	267,539	63,605	3,698
EBITDA	(4,243,730)	(2,473,072)	(498,268)	(210,174)
Loss after income tax	(4,360,849)	(2,554,154)	(499,544)	(210,190)

Note: The company was dormant prior to 2018.

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

	2021	2020	2019	2018
Share price at financial year end ($)	0.180	0.315	N/A	N/A
Total dividends declared (cents per share)	N/A	N/A	N/A	N/A
Basic loss per share (cents per share)	(5.84)	(5.99)	(1.78)	N/A

*The Company admission to ASX on 25 May 2020.

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the Company, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions**	Disposals/ other	Balance at the end of the year
Ordinary shares					
Greg Leach*	-	-	96,154	-	96,154
Jason Waller	1,953,125	-	19,231	-	1,972,356
Scott Taylor	396,875	-	76,923	-	473,798
Branden Dekenah	343,750	-	50,000	-	393,750
Neil Hackett	62,500	-	38,461	-	100,961
Mike Tappenden*	-	-	-	-	-
	2,756,250	-	280,769	-	3,037,019

* Frontline Service Pty Ltd, a company controlled by Greg Leach and Mike Tappenden holds 22,213,543 shares in the company. 125,000 and 213,543 shares were issued to Frontline Service Pty Ltd as remuneration for Greg Leach and Mike Tappenden respectively, in the year ended 30 June 2020.
**Additions were directors participating in capital raises undertaken by the Company.

Option holding

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the Company, including their personally related parties, is set out below:

	Balance at the start of the year	Granted**	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Greg Leach*	500,000	48,077	-	-	548,077
Jason Waller	-	9,615	-	-	9,615
Scott Taylor	609,375	38,461	-	-	647,836
Branden Dekenah	500,000	25,000	-	-	525,000
Neil Hackett	500,000	19,230	-	-	519,230
Mike Tappenden	-	-	-	-	-
	2,109,375	140,383	-	-	2,249,758

*Greg Leach nominated Frontline Service Pty Ltd, a company controlled by Greg Leach and Mike Tappenden, to receive 500,000 options in the company on behalf of Greg Leach in the year ended 30 June 2020.
** Options granted during the year were free-attaching options from director capital raising placements during the year.

Performance rights holding

The number of performance rights over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the Company, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Performance rights over ordinary shares					
Greg Leach	-	-	-	-	-
Jason Waller	2,300,000	-	-	-	2,300,000*
Scott Taylor	-	-	-	-	-
Branden Dekenah	-	-	-	-	-
Neil Hackett	-	-	-	-	-
Mike Tappenden	-	-	-	-	-
	2,300,000	-	-	-	2,300,000

*1,150,000 performance rights were vested during the year. The holder exercised his right to convert to shares on 19 July 2021.

Other transactions with key management personnel and their related parties

Frontline Services Pty Ltd and Frontline Technology Services Pty Ltd are entities whom Greg Leach and Mike Tappenden have relevant interests in.

Blockhead Technologies Pty Ltd is an entity that Greg Leach has a relevant interest in.

Courtney Waller Productions is an entity that Jason Waller has a relevant interest in.

All transactions were made on normal commercial terms and conditions and at market rates.

	2021 **$**
Consulting, project management, accounting and administration services provided by:	
Frontline Services Pty Ltd	70,456
Frontline Technology Services Pty Ltd	56,477
	126,933
Amount owing as at 30 June:	
Frontline Services Pty Ltd:	3,511
Sub-lease - revenue:	
Blockhead Technologies Pty Ltd	21,167
Marketing services:	
Courtney Waller Productions	4,000

This concludes the remuneration report, which has been audited.

Shares under option

Unissued ordinary shares of Intelicare Holdings Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
23/10/2019	16/10/2023	$0.20	937,500
23/10/2019	16/10/2023	$0.30	937,500
20/02/2020	20/02/2024	$0.20	168,750
20/02/2020	20/02/2024	$0.30	93,750
20/02/2020	20/02/2024	$0.40	187,500
17/10/2019	16/10/2024	$0.30	1,000,000
17/10/2019	16/10/2024	$0.40	1,000,000
21/05/2020	18/05/2023	$0.30	3,000,000
13/12/2019*	13/12/2022	$0.30	5,937,500
11/06/2021***	10/06/2024	$0.50	2,500,000
11/06/2021**	22/06/2024	$0.50	4,948,069
			20,710,569

*Free attached option for capital raising in Nov-Dec 2019.
No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

** One (1) free option for every Two (2) placement shares was approved by Shareholders on 11 June 2021.

*** Lead Manager options approved by Shareholders on 11 June 2021.

Shares under performance rights
Unissued ordinary shares of Intelicare Holdings Limited under performance rights at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under performance rights
14/11/2019	16/10/2026	$0.00	575,000
14/11/2019	16/10/2027	$0.00	575,000
			1,150,000

Shares issued on the exercise of options
No shares were issued during the year and up to the date of this report from the exercise of options.

Shares issued on the exercise of performance rights
The following ordinary shares of the Company were issued during the year ended 30 June 2021 and up to the date of this report on the exercise of performance rights granted:

Grant date	Expiry date	Exercise price	Number under performance rights
14/11/2019	16/10/2024	$0.00	575,000
14/11/2019	16/10/2025	$0.00	575,000
			1,150,000

Indemnity and insurance of officers
The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 18 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 18 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity 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 issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

RSM Australia Partners continue in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Jason Waller
Managing Director

15 September 2021
Perth

RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100
F +61 (0) 8 9261 9111

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

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

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS

Perth, WA
Dated: 15 September 2021

TUTU PHONG
Partner

Intelicare Holdings Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2021

	Notes	2021 $	2020 $
Revenue		363,124	267,539
Other income		564,511	64,717
Total Revenue	4	927,635	332,256
Expenses			
Hardware expense		(128,522)	(252,227)
Development expense		(358,336)	(105,253)
Marketing and advertising expense		(1,046,159)	(227,397)
Staff expense		(1,757,889)	(1,117,540)
Consultants expense		(776,172)	(283,377)
Administrative expense		(570,128)	(268,903)
Share based payment expense	26	(522,115)	(550,631)
Depreciation expense	5	(111,221)	(63,686)
Finance costs	5	(8,476)	(17,396)
Other expenses		(9,466)	-
Loss before income tax		**(4,360,849)**	**(2,554,154)**
Income tax expense	6	-	-
Loss from continuing operations		**(4,360,849)**	**(2,554,154)**
Other comprehensive income		-	-
Total comprehensive loss for the year		**(4,360,849)**	**(2,554,154)**
Basic loss per share	25	(5.84)	(5.99)
Diluted loss per share	25	(5.84)	(5.99)

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

Intelicare Holdings Limited
Statement of financial position
As at 30 June 2021

	Notes	2021 $	2020 $
CURRENT ASSETS			
Cash and cash equivalents	7	2,674,173	4,196,935
Trade and other receivables	8	244,277	299,318
Inventories	9	268,675	-
TOTAL CURRENT ASSETS		**3,187,125**	**4,496,253**
NON-CURRENT ASSETS			
Other receivables	8	48,480	48,480
Plant and equipment	10	114,565	90,351
Right of use asset	11	80,867	141,517
TOTAL NON-CURRENT ASSETS		**243,912**	**280,348**
TOTAL ASSETS		**3,431,037**	**4,776,601**
CURRENT LIABILITIES			
Trade and other payables	12	671,568	563,410
Provisions	13	85,918	45,640
Lease liability	14	70,428	65,003
TOTAL CURRENT LIABILITIES		**827,914**	**674,053**
NON-CURRENT LIABILITIES			
Lease liability	14	14,728	79,573
TOTAL NON-CURRENT LIABILITIES		**14,728**	**79,573**
TOTAL LIABILITIES		**842,642**	**753,626**
NET ASSETS		**2,588,395**	**4,022,975**
EQUITY			
Issued capital	15a	9,238,783	6,769,332
Reserve	15b	974,349	517,531
Accumulated losses	15c	(7,624,737)	(3,263,888)
TOTAL EQUITY		**2,588,395**	**4,022,975**

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

Intelicare Holdings Limited
Statement of changes in equity
For the year ended 30 June 2021

	Issued capital $	Reserves $	Accumulated losses $	Total Equity $
Balance at 1 July 2019	627,500	-	(709,734)	(82,234)
Loss after income tax expense for the year	-	-	(2,554,154)	(2,554,154)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(2,554,154)	(2,554,154)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	5,833,332	275,400	-	6,108,732
Share based payments	308,500	242,131	-	550,631
Balance at 30 June 2020	**6,769,332**	**517,531**	**(3,263,888)**	**4,022,975**

	Issued capital $	Reserves $	Accumulated losses $	Total Equity $
Balance at 1 July 2020	6,769,332	517,531	(3,263,888)	4,022,975
Loss after income tax expense for the year	-	-	(4,360,849)	(4,360,849)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(4,360,849)	(4,360,849)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	2,404,154	-	-	2,404,154
Share-based payments	65,297	456,818	-	522,115
Balance at 30 June 2021	**9,238,783**	**974,349**	**(7,624,737)**	**2,588,395**

Intelicare Holdings Limited
Statement of cash flows
For the year ended 30 June 2021

	Notes	2021 $	2020 $
Cash flows from operating activities			
Receipts from customers		369,702	489,813
Payments to suppliers and employees		(4,688,190)	(2,163,673)
Interest received		142	117
Interest paid		(2,578)	(17,396)
Government grants		534,111	120,334
Net cash (used in) operating activities	22	**(3,786,813)**	**(1,570,805)**
Cash flows from investing activities			
Payments for plant and equipment		(74,786)	(108,550)
Net cash (used in) investing activities		**(74,786)**	**(108,550)**
Cash flows from financing activities			
Proceeds from issue of shares		2,572,999	6,700,000
Transaction costs relating to the issue of shares		(168,845)	(715,226)
Proceeds from borrowings		-	207,423
Repayment of borrowings		-	(320,342)
Repayment of lease liability		(65,317)	(42,428)
Net cash from financing activities		**2,338,837**	**5,829,427**
Net (decrease)/ increase in cash and cash equivalents		(1,522,762)	4,150,072
Cash and cash equivalents at the beginning of the financial year		4,196,935	46,863
Cash and cash equivalents at the end of the financial year	**7**	**2,674,173**	**4,196,935**

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

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The Company 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.

The following Accounting Standards and Interpretations are most relevant to the Company:

Conceptual Framework for Financial Reporting (Conceptual Framework)
The Company has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the Company's financial statements.

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Company incurred a loss of $4,360,849 and had net cash outflows from operating activities of $3,786,813 for the year ended 30 June 2021. The forecast anticipates further expenditure is required to build market share during the ensuing 18 months.

These factors indicate a material uncertainty as to whether the Company will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the Company will be able to continue as a going concern, after consideration of the following factors:

- The ability to issue additional shares under the Corporations Act 2001 to raise further working capital;
- The Company has planned to lift the brand and product awareness via various marketing activities to increase revenue and eventually working towards the future profitability of the Company; and
- The Company has the ability to scale down its operations in order to curtail expenditure, in the event insufficient cash is available to meet projected expenditure.

Accordingly, the Directors believe that the Company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Company does not continue as a going concern.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Note 1. Significant accounting policies (continued)

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company'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.

Operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation
The financial statements are presented in Australian dollars, which is Intelicare Holdings Limited's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars 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 financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Revenue recognition
The Company recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery. Where the goods are not considered to be distinct, the Company combines the obligation to deliver goods with other services until it identifies a bundle goods and services that is distinct. This typically includes hardware products with associated subscription services.

Rendering of services
Revenue from a contract to provide its software as a subscription services is recognised over time as the services are rendered based on a fixed price.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Note 1. Significant accounting policies (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

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

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

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

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
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. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Right of return assets
Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

Note 1. Significant accounting policies (continued)

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	3-5 years
Plant and equipment	2-7 years

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Research and development
Research and development costs are expensed in the period in which they are incurred.

Impairment of non-financial assets
Goodwill and other 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 non-financial 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.

Note 1. Significant accounting policies (continued)

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Inventories
Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Refund liabilities
Refund liabilities are recognised where the Company receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Company does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances. Historical data is used across product lines to estimate such returns at the time of sale based on an expected value methodology.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions
Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of a past event, it is probable the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Note 1. Significant accounting policies (continued)

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. 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 reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, 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, together with non-vesting conditions that do not determine whether the Company receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Company or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Company or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Note 1. Significant accounting policies (continued)

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital
Ordinary shares are classified as equity.

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

Dividends
Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Intelicare Holdings Limited, 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 financial year.

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 shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the 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 tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 1. Significant accounting policies (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2020. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Share-based payment transactions
The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Revenue from contracts with customers involving sale of goods
When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the Company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Note 3. Operating segments

Identification of reportable operating segments
The Company has identified its operating segments based on 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.

The Company’s principal activities are the sale of its predictive analytics hardware and software package for use in the aged care and health industries. These activities are all located in the same geographical area being Australia. Given there is only one segment being in one geographical area the financial results from this segment are equivalent to the financial statements of the Company as a whole.

Major customers
During the year ended 30 June 2021 the Company's external revenue was derived from sales to Australian aged care providers.

Note 4. Revenue

	2021 $	2020 $
Revenue from contracts with customers		
Sale of goods	215,024	207,364
Rendering of services	148,100	60,175
	363,124	267,539
Other revenue		
R&D grant	410,611	-
Rent revenue	21,167	14,600
Other government grants	123,500	50,000
Interest revenue	142	117
Other revenue	9,091	
	564,511	64,717
Total Revenue	927,635	332,256

2021	Monitoring Solution $	Total $
Major product lines		
Hardware sales	215,024	215,024
Subscription as a service	148,100	148,100
	363,124	363,124
Timing of revenue recognition		
Revenue recognised at a point in time	60,010	60,010
Revenue recognised over time	303,114	303,114
	363,124	363,124

2020	Monitoring Solution $	Total $
Major product lines		
Hardware sales	207,364	207,364
Subscription as a service	60,175	60,175
	267,539	267,539
Timing of revenue recognition		
Revenue recognised at a point in time	94,459	94,459
Revenue recognised over time	173,080	173,080
	267,539	267,539

Note 5. Expenses

Loss before income tax includes the following specific expenses:

	2021 $	2020 $
Depreciation		
Leasehold improvements	50,571	18,199
Right-of-use assets	60,650	45,487
Total depreciation	111,221	63,686
Finance costs		
Interest and finance charges paid/payable on lease liabilities	5,646	16,277
Other finance costs	2,830	1,119
Finance costs expensed	8,476	17,396

Note 6. Income tax expense

		2021 $	2020 $
a.	**The components of tax expense comprise:**		
	Current tax	-	-
	Deferred tax	-	-
		-	-
b.	**The prima facie tax benefit on loss from ordinary activities before income tax is reconciled to the income tax as follows:**		
	Prima facie tax benefit on loss from continuing operations Before income tax at 26% (2020: 27.5%)	(1,133,821)	(702,393)
	Add/(less) tax effect of:		
	- Revenue losses not recognised	1,185,858	589,654
	- Non-allowable items	137,396	154,894
	- Other non-assessable amounts	(119,759)	(13,750)
	- Other deferred tax balances not recognised	(69,674)	(28,405)
	Income tax expense/(benefit) reported in the statement of profit or loss and other comprehensive income from ordinary operations	-	-
c.	**Unrecognised deferred tax assets 25% (2020: 25%)(note 1):**		
	Carry forward revenue losses	1,630,840	602,535
	Capital raising costs	248,708	286,585
	Provisions and accruals	37,357	22,367
	Property, Plant and Equipment	-	4,236
	Other	1,073	765
		1,917,978	916,488

The tax benefits of the above deferred tax assets will only be obtained if:

(a) the company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;

(b) the company continues to comply with the conditions for deductibility imposed by law; and

(c) no changes in income tax legislation adversely affect the company in utilising the benefits.

Note 1 - the corporate tax rate for eligible companies will reduce from 30% to 25% by 30 June 2022 providing certain turnover thresholds and other criteria are met. Deferred tax assets and liabilities are required to be measured at the tax rate that is expected to apply in the future income year when the asset is realised or the liability is settled. The Directors have determined that the deferred tax balances be measured at the tax rates stated.

Note 6. Income tax expense (continued)

Note 7. Cash and cash equivalents

	2021 $	2020 $
Cash at bank	647,647	4,190,718
Cash on deposit	1,000	1,000
Cash reserve	2,025,526	5,217
	2,674,173	4,196,935

Note 8. Trade and other receivables

	2021 $	2020 $
Current		
Trade receivables	66,683	181,997
Less: Allowance for expected credit losses	-	-
	66,683	181,997
GST Receivable	102,991	-
Other receivables	-	82,259
Prepaid expense	74,603	35,062
	244,277	299,318
Non-current		
Deposit	48,480	48,480

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2021 %	2020 %	2021 $	2020 $	2021 $	2020 $
Not overdue	0%	0%	60,424	178,636	-	-
0 to 3 months overdue	0%	0%	-	3,361	-	-
3 to 6 months overdue	0%	0%	6,259	-	-	-
Over 6 months overdue	0%	0%	-	-	-	-
			66,683	181,997	-	-

Note 9. Inventories

	2021 $	2020 $
Raw materials	98,679	-
Work in progress	6,019	-
Finished goods	163,977	-
	268,675	-

Note 10. Plant and equipment

	2021 $	2020 $
Leasehold improvements - at cost	183,336	108,550
Less: Accumulated depreciation	(68,771)	(18,199)
	114,565	90,351

Leasehold improvements		
Balance at beginning of year	90,351	-
Additions	74,785	108,550
Depreciation expense	(50,571)	(18,199)
Balance at end of year	114,565	90,351

Note 11. Right of use asset

	2021 $	2020 $
Land and buildings - right of use	187,004	187,004
Less: Accumulated depreciation	(106,137)	(45,487)
	80,867	141,517

The Company entered into a lease during the prior year for the right to use an office premises. The lease for its office is for three years.

Note 12. Trade and other payables

	2021 $	2020 $
Trade payables	280,896	94,339
Other payables	76,092	75,771
Deferred revenue	314,580	393,300
	671,568	563,410

Refer to note 16 for further information on financial instruments.

Note 13. Provision

	2021	2020
Current	$	$
Employee benefits	85,918	45,640

Amounts not expected to be settled within the next 12 months
The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Company does not have an unconditional right to defer settlement. However, based on past experience, the Company does expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Note 14. Lease liability

	2021	2020
Current	$	$
Lease liability	70,428	65,003
Non-current		
Lease liability	14,728	79,573

Refer to note 16 for further information on financial instruments.

Note 15a. Equity - issued capital

	2021 Shares	2020 Shares	2021 $	2020 $
Ordinary shares - fully paid	83,019,943	72,899,706	9,238,783	6,769,332

Movements in ordinary share capital

Details	**Date**	**Shares**	**Issue Price**	**$**
Opening at 1 July 2019	1/07/2019	12,795,239		627,500
Issue of shares	1/07/2019	1,928,125	$0.16	308,500
Issue of shares	17/09/2019	3,125,000	$0.08	250,000
Issue of shares- Share split 2.5:1	16/10/2019	19,192,859	-	-
Issue of shares	12/12/2019	5,937,500	$0.16	950,000
Issue of shares - Initial Public Offering	20/05/2020	27,500,000	$0.20	5,500,000
Issue of shares	20/05/2020	1,801,190	$0.20	360,338
Issue of shares	20/05/2020	619,793	$0.20	123,959
Capital raising costs		-		(1,350,965)
Closing at 30 June 2020		**72,899,706**		**6,769,332**
Opening at 1 July 2020				
Issue of shares	11/11/2020	224,083	$0.29	65,297
Issue of shares	6/5/2021	9,615,385	$0.26	2,500,000
Issue of shares	23/6/2021	280,769	$0.26	73,000
Capital raising costs		-	-	(168,846)
Closing at 30 June 2021		**83,019,943**		**9,238,783**

Movements in ordinary
Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back
There is no current on-market share buy-back.

Capital risk management
The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Note 15a. Equity - issued capital (continued)

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The Company is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

Note 15b. Equity - reserves

	2021 $	2020 $
Share based payment reserve	974,349	517,531
Total Reserves	974,349	517,531
Balance at 1 July 2020	517,531	-
Share based payments during the year	456,818	517,531
Closing balance at 30 June 2021	974,349	517,531

Share based payment reserve
The share based payment reserve is used to record the value of options and performance rights issued.

Refer note 26 for further details on share-based payments.

Note 15c. Equity – Accumulated losses

	2021 $	2020 $
Accumulated losses at the beginning of the financial year	(3,263,888)	(709,734)
Loss after income tax expense for the year	(4,360,849)	(2,554,154)
Accumulated losses at the end of the financial year	(7,624,737)	(3,263,888)

Note 16. Financial instruments

Financial risk management objectives
The Company's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The Company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by the Board of Directors ('the Board').

Market risk

Foreign currency risk
The Company is not exposed to significant foreign currency risk.

Note 16. Financial instruments (continued)

Price risk
The Company is not exposed to any significant price risk.

Interest rate risk
The Company has a policy of minimising its exposure to interest payable on debt. The Company has no debt that requires the payment of interest. The Company has exposure to interest rate risk through its cash balances, however, this exposure is not considered to be significant.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Company does not hold any collateral.

The Company has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. As at this stage, as a result of limited historical data and no credit losses to date, the expected credit losses as at the date of this report is nil%. As the Company continues to trade, the Company has a process to track credit losses with the intention to use this as a basis for recognising expected credit losses in the future.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk
Vigilant liquidity risk management requires the Company to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Company manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Note 16. Financial instruments (continued)

Remaining contractual maturities
The following tables detail the Company's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

2021	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-interest bearing						
Trade payables	-	280,896	-	-	-	280,896
Other payables	-	76,092	-	-	-	76,092
Lease liability	4.9	70,428	14,728			85,156
Total		427,416	14,728	-	-	442,144

2020	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-interest bearing						
Trade payables	-	94,339	-	-	-	94,339
Other payables	-	75,771	-	-	-	75,771
Lease liability	4.9	65,003	79,573			144,576
Total		235,113	79,573	-	-	314,686

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 17. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the Company is set out below:

	2021 **$**	**2020** **$**
Short-term employee benefits	610,000	402,167
Post-employment benefits	40,850	25,175
Long-term benefits	-	-
Share-based payments	253,746	452,851
	904,596	880,193

Note 18. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners:

	2021	2020
	$	$
Audit or review of the financial statements	50,500	40,500
Other services	3,000	17,000
	53,500	57,500

Note 19. Contingent liabilities

There are no contingent liabilities as at 30 June 2021 (2020: nil).

Note 20. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 17 and the remuneration report included in the directors' report.

Transactions with related parties
The following transactions occurred with related parties:

Frontline Services Pty Ltd and Frontline Technology Services Pty Ltd are entities whom Greg Leach and Mike Tappenden have relevant interests in.

Blockhead Technologies Pty Ltd is an entity that Greg Leach has a relevant interest in.

Courtney Waller Productions is an entity that Jason Waller has a relevant interest in.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

	2021 **$**	**2020** **$**
Consulting, project management, accounting and administration services provided by:		
Frontline Services Pty Ltd	70,456	136,477
Frontline Technology Services Pty Ltd	56,477	67,027
	126,933	203,504
Amount owing as at 30 June:		
Frontline Services Pty Ltd	3,511	9,555
Frontline Technology Services Pty Ltd	-	-
	3,511	9,555
Sub-lease - revenue:		
Blockhead Technologies Pty Ltd	21,167	14,599
Marketing services:		
Courtney Waller Productions	4,000	-

Note 21. Events after the reporting period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Other than the above. no matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Note 22. Reconciliation of (loss) after income tax to net cash from operating activities

	2021 $	2020 $
(Loss) after income tax expense for the year	(4,360,849)	(2,554,154)
Adjustments for:		
Depreciation and amortisation	111,221	63,686
Share-based payments	522,115	550,631
Finance costs	5,897	17,396
Change in operating assets and liabilities:		
Decrease/(increase) in trade receivables	55,041	(154,839)
Increase in other receivables	-	48,480
Increase in inventory	(268,675)	-
(Increase)/decrease in deferred revenue	(78,720)	-
Increase/(decrease) in trade and other payables	186,878	412,355
Increase in provisions	40,279	45,640
Net cash used in operating activities	(3,786,813)	(1,570,805)

Note 23. Non-cash investing and financing activities

	2021 $	2020 $
Additions to the right-of-use assets	-	187,004
Capital raising costs settled by issue of shares and options net of costs	-	635,738
	-	822,742

Note 24. Changes in liabilities arising from financing activities

	Borrowings $	Lease liability $
Opening at 1 July 2019	112,919	-
Proceeds from borrowings	207,423	-
Acquisition of leases	-	187,004
Repayment of borrowings	(320,342)	-
Repayment of lease liability	-	(42,428)
Closing at 30 June 2020	-	144,576
Opening at 1 July 2020	-	144,576
Repayment of lease liability	-	(59,420)
Closing at 30 June 2021	-	85,156

Note 25. Earnings per share

	2021 $	2020 $
Loss after income tax	(4,360,849)	(2,554,154)
Loss after income tax attributable to the owners of Intelicare Holdings Limited	(4,360,849)	(2,554,154)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	74,611,228	42,636,133
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	-	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	74,611,228	42,636,133
	Cents	**Cents**
Basic earnings per share	(5.84)	(5.99)
Diluted earnings per share	(5.84)	(5.99)

Note 26. Share-based payments

A summary of share-based payments recognised as expenses/share issued costs for the year are as follows:

	2021 $	2020 $
Share-based payment – KMP and employees		
Shares	65,297	308,500
Options	269,204	197,576
Performance rights	187,614	44,555
Share based payment expense	522,115	550,631

	2021 $	2020 $
Share-based payment- supplier/consultant		
Shares	-	360,338
Options	-	275,400
Share issue costs	-	635,738

Shares:

An Employee Securities Incentive Plan (ESIP) has been established by the company and approved by shareholders at a general meeting, whereby the company may, at the discretion of the Nomination and Remuneration Committee, grant securities in the company to certain employees of the company. The securities may be issued for nil consideration and are granted in accordance with performance guidelines established by the Nomination and Remuneration Committee and the ESIP.

30 June 2021:

On 11 November 2020, 224,083 shares were issued to employees for nil consideration under the Employee Share Incentive Scheme (ESIP). The total value of this share-based payment is $65,297.

30 June 2020:

During the year, Mr Jason Waller was issued 1,928,165 shares as per his executive services agreement.

As the completion of the IPO on 20 May 2020, a total of 619,793 shares were issued to the following directors and key management personnel to settle accrued fees as at 31 March 2020:

	Shares Number	Value $
Greg Leach	125,000	25,000
Branden Dekenah	93,750	18,750
Neil Hackett	62,500	12,500
Scott Taylor	62,500	12,500
Matt De Boer	62,500	12,500
Mike Tappenden	213,543	42,709
	619,793	123,959

Note 26. Share-based payments (continued)

Options:

Set out below are the summaries of options granted as share based payments in current year:

Grant Date	Expiry Date	Exercise Price	Balance 1/07/2019	Granted during the period	Exercised during the period	Expired	Balance 30/06/2020
23/10/2019*	16/10/2023	$0.20	937,500	-	-	-	937,500
23/10/2019*	16/10/2023	$0.30	937,500	-	-	-	937,500
14/02/2019**	20/02/2024	$0.20	168,750	-	-	-	168,750
14/02/2019**	20/02/2024	$0.30	93,750	-	-	-	93,750
14/02/2019**	20/02/2024	$0.40	187,500	-	-	-	187,500
17/10/2019***	16/10/2024	$0.30	333,333	-	-	-	333,333
17/10/2019****	16/10/2024	$0.30	333,333	-	-	-	333,333
17/10/2019*****	16/10/2024	$0.30	333,334	-	-	-	333,334
17/10/2019***	16/10/2024	$0.40	333,333	-	-	-	333,333
17/10/2019****	16/10/2024	$0.40	333,333	-	-	-	333,333
17/10/2019*****	16/10/2024	$0.40	333,334	-	-	-	333,334
21/05/2020	21/05/2023	$0.30	3,000,000	-			3,000,000
11/06/2021******	10/06/2024	$0.50	-	2,500,000	-	-	2,500,000
11/06/2021*******	10/06/2024	$0.50	-	4,948,077			4,948,077
			7,325,000	7,448,077	-	-	14,773,077

* 50% vest on 1 May 2020 and 50% vest on 1 May 2021.
** Vests upon the continued employment on a full time basis for a period of 2 years or more.
*** Vested for first year of continuous service with the Company.
**** Vested for second year of continuous service with the Company.
***** Vested for third year of continuous service with the Company.
****** Options issued to Lead Manager vests immediately.
*******Free attached options as part of capital raising in June 2021.

The weighted average exercise price of options outstanding as at 30 June 2021 is $0.37, and the weighted average remaining contractual life of options as at 30 June 2021 is 2.35 years.

Set out below are the summaries of options granted as share based payments in prior year:

Grant Date	Expiry Date	Exercise Price	Balance 1/07/2019	Granted during the period	Exercised during the period	Expired	Balance 30/06/2020
23/10/2019*	16/10/2023	$0.20	-	937,500	-	-	937,500
23/10/2019*	16/10/2023	$0.30	-	937,500	-	-	937,500
14/02/2019**	20/02/2024	$0.20	-	168,750	-	-	168,750
14/02/2019**	20/02/2024	$0.30	-	93,750	-	-	93,750
14/02/2019**	20/02/2024	$0.40	-	187,500	-	-	187,500
17/10/2019***	16/10/2024	$0.30	-	333,333	-	-	333,333
17/10/2019****	16/10/2024	$0.30	-	333,333	-	-	333,333
17/10/2019*****	16/10/2024	$0.30	-	333,334	-	-	333,334
17/10/2019***	16/10/2024	$0.40	-	333,333	-	-	333,333
17/10/2019****	16/10/2024	$0.40	-	333,333	-	-	333,333
17/10/2019*****	16/10/2024	$0.40	-	333,334	-	-	333,334
21/05/2020	21/05/2023	$0.30	-	3,000,000			3,000,000
			-	7,325,000	-	-	7,325,000

The weighted average exercise price of options outstanding as at 30 June 2020 is $0.30, and the weighted average remaining contractual life of options as at 30 June 2020 is 3.42 years.

* 50% vest on 1 May 2020 and 50% vest on 1 May 2021.
** Vests upon the continued employment on a full time basis for a period of 2 years or more.
*** Vested for first year of continuous service with the Company.
**** Vested for second year of continuous service with the Company.
***** Vested for third year of continuous service with the Company.

Note 26. Share-based payments (continued)

For the options granted during the financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

The assessed fair values of the options was determined using a Hoadley ES02 model, taking into account the exercise price, term of option, the share price at grant date and expected price volatility of the underling share, expected yield and the risk-free interest rate for the term of the option. The inputs to the model used were:

Grant date	**11 June 2021**
Number of options	2,500,000
Dividend yield (%)	-
Expected volatility (%)	70%
Risk-free interest rate (%)	0.08%
Expected life of options (years)	3
Underlying share price ($)	0.22
Option exercise price ($)	0.50
Value of option ($)	0.0523

For the options granted during the previous financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

The assessed fair values of the options was determined using a Hoadley ES02 model, taking into account the exercise price, term of option, the share price at grant date and expected price volatility of the underling share, expected yield and the risk-free interest rate for the term of the option. The inputs to the model used were:

Grant date	**23 Oct 2019**	**23 Oct 2019**	**23 Oct 2019**	**23 Oct 2019**	**14 Feb 2020**	**14 Feb 2020**	**14 Feb 2020**	**17 Oct 2019**	**17 Oct 2019**
Number of options	468,750	468,750	468,750	468,750	168,750	93,750	187,500	333,333	333,333
Dividend yield (%)	-	-	-	-	-	-	-	-	-
Expected volatility (%)	100%	100%	100%	100%	100%	100%	100%	100%	100%
Risk-free interest rate (%)	0.83%	0.83%	0.83%	0.83%	0.85%	0.85%	0.85%	0.82%	0.82%
Expected life of options (years)	4	4	4	4	4	4	4	5	5
Underlying share price ($)	0.16	0.16	0.16	0.16	0.20	0.20	0.20	0.16	0.16
Option exercise price ($)	0.20	0.20	0.30	0.30	0.20	0.30	0.40	0.30	0.40
Value of option ($)	0.0849	0.0934	0.0767	0.0827	0.1284	0.1148	0.1049	0.0846	0.0919

Note 26. Share-based payments (continued)

Grant date	17 Oct 2019	17 Oct 2019	17 Oct 2019	17 Oct 2019	21 May 2020
Number of options	333,334	333,333	333,333	333,334	3,000,000
Dividend yield (%)	-	-	-	-	-
Expected volatility (%)	100%	100%	100%	100%	100%
Risk-free interest rate (%)	0.82%	0.82%	0.82%	0.82%	0.83%
Expected life of options (years)	5	5	5	5	3
Underlying share price ($)	0.16	0.16	0.16	0.16	0.20
Option exercise price ($)	0.40	0.40	0.40	0.40	0.30
Value of option ($)	0.0983	0.0790	0.0850	0.0911	0.0918

Note 26. Share-based payments (continued)

Performance rights:

No new performance rights were issued during the year.

Set out below are the summaries of performance rights included as share based payments in current year:

Grant Date	Expiry Date	Exercise Price	Balance 1/07/2020	Granted during the Period	Exercised during the period	Expired	Balance 30/06/2021
14/11/2019*	16/10/2024	Nil	575,000	-	-	-	575,000 (a)
14/11/2019**	16/10/2025	Nil	575,000	-	-	-	575,000 (a)
14/11/2019***	16/10/2026	Nil	575,000	-	-	-	575,000
14/11/2019****	16/10/2027	Nil	575,000	-	-	-	575,000
			2,300,000	-	-	-	2,300,000

*20-day VWAP of $0.26 following the listing of InteliCare on the ASX, or if listing does not occur prior to 01 April 2020 the fair value of ordinary shares being greater than $0.65.
** 20-day VWAP of $0.30 following the listing of InteliCare on the ASX, or if listing does not occur prior to 01 April 2020 the fair value of ordinary shares being greater than $0.75.
*** 20-day VWAP of $0.40 following the listing of InteliCare on the ASX, or if listing does not occur prior to 01 April 2020 the fair value of ordinary shares being greater than $1.00.
**** 20-day VWAP of $0.50 following the listing of InteliCare on the ASX, or if listing does not occur prior to 01 April 2020 the fair value of ordinary shares being greater than $1.25.

Note(a): 1,150,000 performance rights were vested during the year but the holder has yet to exercise its right to convert into shares at 30 June 2021.

Set out below are the summaries of performance rights granted as share based payments in prior year:

Grant Date	Expiry Date	Exercise Price	Balance 1/07/2019	Granted during the period	Exercised during the period	Expired	Balance 30/06/2020
14/11/2019*	16/10/2024	Nil	-	575,000	-	-	575,000
14/11/2019**	16/10/2025	Nil	-	575,000	-	-	575,000
14/11/2019***	16/10/2026	Nil	-	575,000	-	-	575,000
14/11/2019****	16/10/2027	Nil	-	575,000	-	-	575,000
			-	2,300,000	-	-	2,300,000

*20-day VWAP of $0.26 following the listing of InteliCare on the ASX, or if listing does not occur prior to 01 April 2020 the fair value of ordinary shares being greater than $0.65.
** 20-day VWAP of $0.30 following the listing of InteliCare on the ASX, or if listing does not occur prior to 01 April 2020 the fair value of ordinary shares being greater than $0.75.
*** 20-day VWAP of $0.40 following the listing of InteliCare on the ASX, or if listing does not occur prior to 01 April 2020 the fair value of ordinary shares being greater than $1.00.
**** 20-day VWAP of $0.50 following the listing of InteliCare on the ASX, or if listing does not occur prior to 01 April 2020 the fair value of ordinary shares being greater than $1.25.

Note 26. Share-based payments (continued)

The assessed fair values of the performance rights was determined using Hoadley Barrier1 model, taking into account the vesting conditions, exercise price, term of performance rights, the share price at grant date and expected price volatility of the underling share, expected yield and the risk-free interest rate for the term of the option. The inputs to the model used were:

Grant date	14 Nov 2019	14 Nov 2019	14 Nov 2019	14 Nov 2019
Number of performance rights	575,000	575,000	575,000	575,000
Dividend yield (%)	-	-	-	-
Expected volatility (%)	100%	100%	100%	100%
Risk-free interest rate (%)	0.85%	0.85%	0.85%	1.18%
Expected life of options (years)	4	5	6	7
Underlying share price ($)	$0.16	$0.16	$0.16	$0.16
Option exercise price ($)	Nil	Nil	Nil	Nil
Value of option ($)	$0.1517	$0.1522	$0.1510	$0.1510

Intelicare Holdings Limited
Directors' declaration
30 June 2021

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2021 and of its performance for the financial year ended on that date;

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Jason Waller
Managing Director

15 September 2021
Perth

RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100
F +61 (0) 8 9261 9111

www.rsm.com.au

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
INTELICARE HOLDINGS LIMITED

Opinion

We have audited the financial report of Intelicare Holdings Limited (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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.

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

(i) 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

(ii) 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 confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

RSM

Material Uncertainty Related to Going Concern

We draw attention to Note 1, which indicates that the Company incurred a loss of $4,360,849 and had net cash outflows from operating activities of $3,786,813 for the year ended 30 June 2021. As stated in Note 1, these events or conditions, along with other matters as set forth in the going concern note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, 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. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed this matter
Recognition of Revenue Refer to Note 4 in the financial statements	
The Company earns revenue by providing products and services to its customers. Revenue was considered a key audit matter because the process of revenue recognition is complex and subject to management judgement.	Our audit procedures included: • Obtaining a detailed understanding of each of the revenue streams and the process for calculating and recording revenue; • Assessing whether the Company’s revenue recognition policies are in compliance with Australian Accounting Standards; • Performing substantive testing on each revenue stream on a sample basis. The substantive testing included agreeing transactions to approved pricing used by the Company, and agreeing the delivery of products and services to source documentation; • Reviewing the deferred revenue calculation as at 30 June 2021 to ensure revenue has been recorded in the correct financial period; • Reviewing revenue transactions before and after 30 June 2021 to ensure that revenue is recognised in the correct financial period; and • Reviewing the appropriateness of disclosures in the financial statements.

Key Audit Matter	How our audit addressed this matter
Share-Based Payment Refer to Note 26 in the financial statements	
During the year, the Company entered into a shared-based payments arrangement with its key management personnel and employees. Management have accounted for these instruments in accordance with AASB 2 *Share-Based Payments*. We have considered this to be a key audit matter because: • Management judgement is required to determine the inputs used in the valuation model to value these instruments; and • The recognition of the expense for this financial period is complex due to the variety of vesting conditions attached to these instruments.	Our audit procedures included: • Obtaining an understanding of the terms and conditions of the instruments issued; • Reviewing the completeness of the instruments issued at reporting date; • Reviewing management's valuation methodology; • Reviewing the key inputs used in the valuation model; • Recalculating the value of the share-based payment expense to be recognised in the statement of profit or loss and other comprehensive income; and • Reviewing the appropriateness of disclosures in the financial statements.

Other Information

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Intelicare Holdings 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.

RSM

RSM AUSTRALIA PARTNERS

TUTU PHONG
Partner

Perth, WA
Dated: 15 September 2021

Additional ASX Information

1. Number of Security Holders and Distribution

The number and distribution of quoted securities as at 22 October 2021 was as follows:

Fully Paid Ordinary Shares

Spread of holdings	Number of holdings	Number of Units	Total Issued Capital %
1–1,000	83	60,905	0.07%
1,001–5,000	945	2,514,200	2.99%
5,001–10,000	381	3,159,844	3.75%
10,001–100,000	596	19,573,227	23.25%
100,001 and over	110	58,861,767	69.93%
Total	**2,115**	**84,169,943**	**100.00%**

The number of shareholders holding less than a marketable parcel of ordinary shares (being 5,000 shares at 22 October 2021) is 935 amounting to 2.51% of Issued Capital.

The number and distribution of unquoted securities as at 22 October 2021 was as follows:

Performance Rights

Spread of holdings	Number of holdings	Number of Units	%
1–1,000	-	-	-
1,001–5,000	-	-	-
5,001–10,000	-	-	-
10,001–100,000	-	-	-
100,001 and over	1	1,150,000	100.00%
Total	**1**	**1,150,000**	**100.00%**

Unquoted Options

Spread of holdings	Number of holdings	Number of Units	%
1–1,000	-	-	-
1,001–5,000	5	17,333	0.08%
5,001–10,000	16	142,649	0.69%
10,001–100,000	153	6,467,463	31.23%
100,001 and over	41	14,083,124	68.00%
Total	**215**	**20,710,569**	**100.00%**

2. Substantial Shareholders

Substantial shareholders as disclosed in substantial shareholder notices given to the Company are as follows:

Name of Registered Holder	Shares	%
FRONTLINE SERVICES PTY LTD	22,213,543	26.39%

3. The 20 Largest Holders of Ordinary Shares as at 22 October 2021

Rank	Name	Units	% of Units
1	FRONTLINE SERVICES PTY LTD	22,213,543	26.39%
2	CARAGH CAIREEN WALLER <BLUE MANNA A/C>	3,078,125	3.66%
3	MR KIM SHAWN ALLEN <ALLEN FAMILY A/C>	2,500,000	2.97%
3	HORIZON INVESTMENT SERVICES PTY LTD <HORIZON INVESTMENT A/C>	2,500,000	2.97%
5	TRUSTED SOUND MANAGEMENT PTY LTD	1,875,000	2.23%
6	SCINTILLA STRATEGIC INVESTMENTS LIMITED	1,200,000	1.43%
7	PROF ALAN JONATHAN BERRICK	1,087,500	1.29%
8	OLI PRIVATE INVESTMENT PTY LTD	1,000,000	1.19%
9	AURIC CAPITAL (WA) PTY LTD <BROWNBILL FAMILY A/C>	925,000	1.10%
10	MR JASON PAUL SKINNER <JASON SKINNER FAMILY A/C>	862,500	1.02%
11	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	774,958	0.92%
12	JP EQUITY HOLDINGS PTY LTD	750,000	0.89%
13	J&A CONWAY SUPER PTY LTD <TORNADO SUPER FUND A/C>	550,030	0.65%
14	MRS CATHERINE FRANCES DRANE	500,000	0.59%
15	J&B EVE SUPERFUND PTY LTD <J&B EVE SUPER FUND A/C>	490,625	0.58%
16	MR BON TONG HONG	485,000	0.58%
17	TRONIQ PTY LTD	440,000	0.52%
18	MR NATHAN JAMES PARTLIN	411,556	0.49%
19	MS REBECCA PARRY	401,111	0.48%
20	NG COLO PTY LTD <COLO SUPER FUND A/C>	396,369	0.47%
	TOTAL	**42,441,317**	**50.42%**

4. Voting Rights

Ordinary Shares

In accordance with the Company's Constitution, on a show of hands every shareholder present in person or by proxy, attorney or representative of a shareholder has one vote, and on a poll every shareholder present in person or by proxy, attorney or representative of a shareholder has in respect of fully paid shares, one vote for every share held.

Performance Rights and Retention Rights

There are no voting rights attached to the Performance Rights.

Options

There are no voting rights attached to the Options.

6. Securities Exchange Quotation

The Company's ordinary shares are listed on the Australian Securities Exchange (Code: ICR). The Home Exchange is Perth.

7. Restricted Securities

The number and class of restricted securities that are on issue as at 22 October 2021, and the date that the escrow period ends.

Class of restricted securities	Number	Date that the escrow period ends
Fully paid ordinary shares	35,236,043	21/05/2022
Performance Rights	1,150,000	21/05/2022

8. Buy Back

There is no current on-market buy-back.

9. Corporate Governance

The Company's Corporate Governance Statement for the 2021 financial year and to the date of this Annual Report can be accessed at https://intelicare.com.au/investors/

10. Consistency with business objectives - ASX Listing Rule 4.10.19

In accordance with Listing Rule 4.10.19, the Company states that it has used the cash and assets in a form readily convertible to cash that it had at the time of admission in a way consistent with its business objectives. The business objective is primarily producing and selling a monitoring solution for seniors and at-risk individuals. The Company believes it has used its cash in a consistent manner to which was disclosed under the Prospectus dated 21 May 2020.

11. Company Secretary

The name of the Company Secretary is Neil Hackett.

12. Address & Telephone details of the entities registered office and principle place of business

Level 1, 299 Vincent Street

Leederville, WA, Australia, 6007

Telephone 1300 001 145

Website http://www.intelicare.com.au

13. Address & Telephone details of the office at which the register of Securities are kept

Automic Registry Services

Level 2, 267 St Georges Terrace

Perth, WA, Australia, 6000

Telephone (08) 9324 2099

Fax (02) 8583 3040

14. Securities exchange on which the Company's Securities are quoted

The Company's listed equity securities are quoted on the Australian Securities Exchange.

15. Review of Operations

A review of operations is contained in the Directors' Report.