InteliCare Holding Limited

ABN 84 622 484 397

Interim Report - 31 December 2019

InteliCare Holdings Limited
Directors' report
31 December 2019

The directors present their report, together with the financial statements, on the InteliCare Holdings Limited (referred to hereafter as the 'Company') for the half-year ended 31 December 2019.

Directors

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

Jason Waller (Appointed on 23 October 2019)
Scott Taylor (Appointed on 19 October 2019)
Neil Hackett (Appointed on 18 October 2019)
Greg Leach
Branden Dekenah
Mike Tappenden (Resigned on 22 October 2019)
Matt De Boer (Resigned on 16 October 2019)

Principal activities

During the financial half-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
- Capital raising

The Company made significant progress in the commercialisation of the product in first half 2019 with several significant sales.

Dividends

No dividends were paid during the financial half-year.

Review of operations

The loss for the Company after providing for income tax amounted to $1,448,388 (31 December 2018: $126,131).

The Company entered into reseller and distribution agreements with successful grant recipients, which were awarded grants from Commonwealth Health Department's Commonwealth Home Support Program Innovation joint funding.
In both instances, the Company was named in the successful applications as a key service provider. The reseller and distribution agreements were entered into with:

- the Company's existing partner Whatever Support Whenever Pty Ltd (WSW), a Victoria-based immediate medical response agency, which was awarded a grant with a value of approximately $450,000. Of this grant the Company expects to invoice approximately $270,000 (excluding GST) through subscription agreements between clients and WSW in relation to the Company's products, installation and oversight of 100 InteliCare base package units and a 12-month subscription to the InteliCare App; and
- Extended Community Help Organisation Inc (ECHO) - with a grant value of approximately $540,000 (excluding GST) for a program undertaken over the period of 1 July 2019 to 30 June 2020, of which the Company expects to invoice approximately $180,000 (excluding GST) through subscription agreements between clients and ECHO in relation to the Company's products, installation and oversight of 100 InteliCare base package units and a six month subscription to the InteliCare App.

Following on from the Bethanie Group partnership opportunity, the Board consensus was the best capital raising option for the Company was to pursue an ASX listing proposal put forward by JP Equity. The Company proceeded to execute this strategy and commenced the required activities to prepare for this option.

On 21 August 2019, JP Equity was engaged to pursue capital investment via Seed, pre-Initial Public Offering (IPO) and IPO raises. A key component of this strategy included the onboarding of an ASX experienced Managing Director. On 30 August 2019 Jason Waller was engaged as the new Company CEO, tasked with executing the ASX listing strategy. As a consequence, Mike Tappenden resigned as CEO and was appointed as Chief Technology Officer (CTO).

Through these arrangements, the Company:

- in September 2019, conducted a successful Seed raise of $250,000 and issue of 1,250,000 shares at $0.20 with an implied pre-money valuation of A$2.56 million.
- in October 2019, through a Shareholder Resolution amongst other matters the Company:
  - converted to a public company effective 12 December 2019 to enable further capital raises
  - conducted a 2.5:1 share split
  - approved Board changes as follows:
    - Mike Tappenden retired as a Director
    - Matthew De Boer retired as a Director, but remains engaged as a business development consultant with a restructured Options package to reflect the new role
    - Greg Leach retired as Company Secretary
    - Jason Waller was appointed as a Director
    - Neil Hackett was appointed as a Director
    - Scott Taylor was appointed as a Director, and
    - Neil Hackett was also appointed as Company Secretary; and
- in November-December 2019, conducted a private placement of 5,937,500 new fully paid ordinary shares in the Company $0.16 each with an attaching 1 for 1 option exercisable at $0.30 cents with a 3-year expiry from date of issue to raise up to A$950,000 (before costs).

Further, the Company appointed Bellanhouse Pty Ltd (subsequently merged to become HWL Ebsworth Lawyers) as legal counsel to support IPO and a successful IPO In-principle applications was submitted to and positive advice received from the ASX in November 2019.

Apart from the above, no other matter or circumstance has arisen since 31 December 2019 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.

R&D activities continued throughout 2019 focusing on scalability and analytics.

Significant changes in the state of affairs

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

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

____
Jason Waller
Managing Director

27 February 2020

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of InteliCare Holdings Limited for the half-year ended 31 December 2019, 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 review; and

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

RSM

RSM AUSTRALIA PARTNERS

Perth, WA
Dated: 27 February 2020

TUTU PHONG
Partner

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General information

The financial statements cover InteliCare Holdings Limited as a single entity. The financial statements are presented in Australian dollars, which is InteliCare Holdings Limited's functional and presentation currency.

InteliCare Holdings Limited is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	**Principal place of business**
299 Vincent Street Leederville WA 6007	299 Vincent Street Leederville WA 6007

A description of the nature of the Company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors.

InteliCare Holdings Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2019

	Note	31 Dec 2019 $	31 Dec 2018 $
Revenue			
Sales	2	9,497	11,663
Other Income		4,235	-
Interest revenue		119	45
Total Revenue		13,851	11,708
Expenses			
Development expenses		(164,680)	(99,678)
Hardware expenses		(153,001)	-
Marketing and advertising expenses		(98,052)	(227)
Administrative expenses		(671,435)	(37,975)
Share-based payment expenses	5	(355,447)	-
Depreciation expense		(15,162)	-
Finance costs		(4,462)	41
Loss before income tax expense		(1,448,388)	(126,131)
Income tax expense		-	-
Loss after income tax expense for the half-year		(1,448,388)	(126,131)
Other comprehensive income for the year			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the half-year		(1,448,388)	(126,131)

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 31 December 2019

	Note	31 Dec 2019 $	30 Jun 2019 $
Assets			
Current assets			
Cash and cash equivalents		457,323	46,862
Trade and other receivables		56,631	144,479
Total current assets		513,954	191,341
Non-current assets			
Other deposits		48,480	-
Right-of-use assets	3	171,841	-
Total non-current assets		220,321	-
Total assets		734,275	191,341
Liabilities			
Current liabilities			
Trade and other payables		323,602	146,405
Borrowings		-	65,113
Deferred revenue		287,300	14,252
Lease liabilities	4	62,411	-
Total current liabilities		673,313	225,770
Non-current liabilities			
Borrowings		47,805	47,805
Lease liabilities	4	112,732	-
Total non-current liabilities		160,537	47,805
Total liabilities		833,850	273,575
Net (Liabilities)		(99,575)	(82,234)
Equity			
Issued capital		2,011,600	627,500
Reserve		46,947	-
Accumulated losses		(2,158,122)	(709,734)
Total deficiency in equity		(99,575)	(82,234)

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 half-year ended 31 December 2019

	Issued Capital $	Reserves $	Accumulated Losses $	Total equity $
Balance at 1 July 2018	307,500	-	(210,190)	97,310
Loss after income tax expense for the half-year	-	-	(126,131)	(126,131)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(126,131)	(126,131)
Balance at 31 December 2018	307,500	-	(336,321)	(28,821)

	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 half-year	-	-	(1,448,388)	(1,448,388)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(1,448,388)	(1,448,388)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	1,384,100	-	-	1,384,100
Share-based payment reserve		46,947		46,947
Balance at 31 December 2019	2,011,600	46,947	(2,158,122)	(99,575)

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

InteliCare Holdings Limited
Statement of cash flows
For the half-year ended 31 December 2019

	Note	31 Dec 2019 $	31 Dec 2018 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		416,583	13,120
Payments to suppliers and employees (inclusive of GST)		(1,014,521)	(118,797)
Interest received		119	45
Interest and other finance costs paid		(2,207)	41
Net cash used in operating activities		(600,026)	(105,591)
Cash flows from financing activities			
(Repayment)/proceeds from borrowings		(65,114)	25,000
Proceeds from issue of shares		1,075,600	-
Net cash from financing activities		1,010,487	25,000
Net increase/(decrease) in cash and cash equivalents		410,461	(80,591)
Cash and cash equivalents at the beginning of the financial half-year		46,862	89,692
Cash and cash equivalents at the end of the financial half-year		457,323	9,101

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

Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2019 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2019.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

Going concern

These 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 $1,448,388 and had net cash outflows from operating activities of $600,026 for the half-year ended 31 December 2019. As at that date, the Company had net current liabilities of $159,359 and net liabilities of $99,575.

The Directors believe that it is reasonably foreseeable that the Company will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The ability to issue additional shares under the *Corporations Act 2001* to raise further working capital;
- Included in current liabilities, is an amount of $287,300 relating to income received in advance from customers which will be recognised as revenue during the next financial year along with the related costs of earning that revenue. The contract liability will unwind when the goods are delivered by the Company during the year ended 30 June 2020;
- The Company is in the process of completing an Initial Public Offering (IPO) to list on the ASX and a successful IPO in-principle approval has been received from the ASX; 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.

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:

AASB 16 Leases

The Company has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

Impact of adoption

AASB 16 was adopted using the modified retrospective approach and as such the comparatives have not been restated. No impact of adoption on opening accumulated losses as at 1 July 2019.

Note 1. Significant accounting policies (continued)

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.

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.

Share-Based Payment Transactions
The Company provides benefits to employees (including senior executives) of the Company in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

When provided, the cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the fair value of the shares of the Company (market condition) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group’s best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

Note 1. Significant accounting policies (continued)

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Note 2. Revenue

	31 Dec 2019 $	31 Dec 2018 $
Revenue from contracts with customers		
Sale of goods	4,200	11,240
Rendering of services	5,297	423
	9,497	11,663

Disaggregation of revenue
The disaggregation of revenue from contracts with customers is as follows:

	31 Dec 2019 $	31 Dec 2018 $
Timing of revenue recognition		
Goods transferred at a point in time	4,200	11,240
Services transferred over time	5,297	423
	9,497	11,663

Note 3. Non-current assets - right-of-use assets

	31 Dec 2019 $	30 Jun 2019 $
Land and buildings - right-of-use	187,004	-
Less: Accumulated depreciation	(15,162)	-
	171,841	-
	171,841	-

Additions to the right-of-use assets during the half-year were $187,004.

The Company leases land and buildings for its office for three years.

Note 4. Lease liabilities

	31 Dec 2019 $	30 Jun 2019 $
Current		
Lease liability	62,411	-
Non-current		
Lease liability	112,732	-

Note 5. Share Based Payments

	31 Dec 2019 $	30 Jun 2019 $
Value of share based payments in the financial statements		
Expensed:		
Incentive based payments to employees and consultants:		
- Unlisted options	46,947	-
- Performance rights	308,500	-
Total share-based payments	355,447	-

Options:

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

31 December 2019

Grant Date	Expiry Date	Exercise Price	Balance 01/07/19	Granted during the period	Exercised during the period	Expired	Balance 31/12/19
23/10/2019*	16/10/2023	0.20	-	937,500	-	-	937,500
23/10/2019*	16/10/2023	0.30	-	937,500	-	-	937,500
			-	1,875,000	-	-	1,875,000

*50% vest on 1 May 2020 and 50% vest on 1 May 2021.

Weighted average exercise price	0.25		0.25

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	**23/10/19**	**23/10/19**	**23/10/19**	**23/10/19**
Dividend yield (%)	-	-	-	-
Expected volatility (%)	100%	100%	100%	100%
Risk-free interest rate (%)	0.83%	0.83%	0.83%	0.83%
Expected life of options (years)	4	4	4	4
Underlying share price ($)	$0.16	$0.16	$0.16	$0.16
Option exercise price ($)	$0.20	$0.20	$0.30	$0.30
Value of option ($)	$0.0849	$0.0934	$0.0767	$0.0827

The weighted average remaining contractual life of options that were outstanding as at 31 December 2019 was 3.8 years (June 2019: Nil).

The weighted average fair value of options granted during the year was $0.0844 each (June 2019: Nil).

Note 5. Share Based Payments

Performance Rights:

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

31 December 2019

Grant Date	Expiry Date	Exercise Price	Balance 01/07/19	Granted during the year	Exercised during the year	Expired	Balance 31/12/19
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.

The assessed fair values of the options was determined using Hoadley Barrier1 model, taking into account the vesting conditions, 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	**14/11/19**	**14/11/19**	**14/11/19**	**14/11/19**
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

The weighted average remaining contractual life of performance rights that were outstanding as at 31 December 2019 was 3.85 years (June 2019: Nil).

The weighted average fair value of performance rights during the year was $0.1515 each (June 2019: Nil).

Note 6. Events after the reporting period

Subsequent to the financial half-year, the Company continued to execute and deliver on the WSW and ECHO contracts. This resulted on initial units being installed throughout January and February 2020. The Company continued to engage with its advisors and prepare for an IPO through preparation of a prospectus and financial statements.

Note 7. Dividends

The directors do not recommend the payment of a dividend in respect of the half-year ended 31 December 2019.

Note 8. Contingent liabilities and assets

There were no material changes to contingent liabilities or assets since 30 June 2019.

InteliCare Holdings Limited
Directors' declaration
31 December 2019

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2019 and of its performance for the financial half-year ended on that date; and

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

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

Jason Waller
Director

27 February 2020
Perth

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

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of InteliCare Holdings Limited which comprises the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of InteliCare Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of InteliCare Holdings Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of InteliCare Holdings Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the company's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

RSM

RSM AUSTRALIA PARTNERS

TUTU PHONG
Partner

Perth, WA
Dated: 27 February 2020