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**Appendix 4E Preliminary Final Report**

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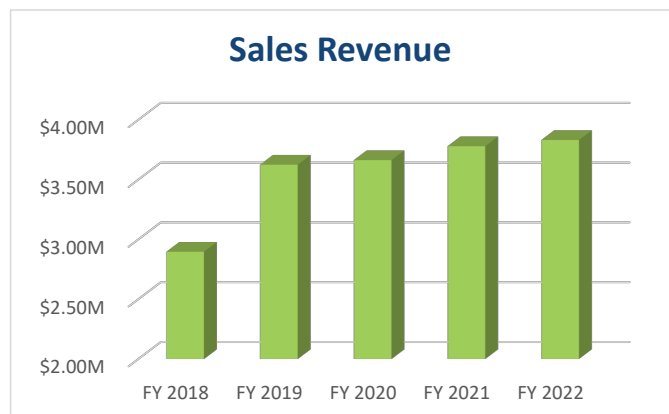
Resonance Health Limited (ASX: RHT) ("Resonance Health" or the "Company") announces its Appendix 4E - Preliminary Final Report for FY2022.

**Sales Revenue**

Sales revenue for the year was \$3.83 million, a 1% increase on FY2021 of \$3.78 million and a 4% increase on FY2020.

Resonance Health's consistent and stable revenue performance over recent years, notably against the backdrop of COVID 19, is testament to the technical pre-eminence and entrenched market position of the Company's core regulatory approved product suite amongst its patient diagnostic and clinical trial customer base.

Geographically, 66% of sales revenue for the year was derived from the United States and Canada with the UK contributing 21%, and the balance spread across Europe, Australia, and Asia.

**Patient Diagnostic Services**

Patient diagnostic services revenue accounted for 62% of total sales revenue for FY2022. During the year Resonance Health delivered approximately 6,700 MRI patient analysis reports to physicians at 143 hospitals and MRI centres around the world. Resonance Health's analysis reports are an essential diagnostic tool used by clinicians when treating patients with chronic iron-overload and fatty-liver disease disorders.

**Clinical Trials Services**

Clinical trial services to pharmaceutical and therapeutic companies engaged in clinical trials accounted for 38% of sales revenue in FY2022.

During the year Resonance Health provided services under multi-year service contracts to 15 clinical trials in the Company's core disease markets of iron-overload disorders and fatty-liver diseases, securing 6 new clinical trial contracts and extensions to existing contracts during FY2022.

The Company is actively engaging with new and existing pharmaceutical company clients and clinical research organisations, and is proactively pursuing service provision contracts with several identified new clinical trial contract opportunities.

**Net Profit After Tax**

The Company recorded a Net Loss after Tax for the year of \$1,141,777, compared with a Net Profit after Tax for FY2021 of \$585,858. The Company invested in enhancing the scalability of its business operations through upgrades in software systems across several departments including Sales, Quality Assurance, Finance, Human Resources, Regulatory Affairs, and Software Development. There were also one-off costs of approximately

\$300,000 associated with the relocation and fit out of the Company's new office premises. During the year the Company recruited a software and artificial intelligence (AI) development team which enabled these functions to be brought in-house late in the year. The economies of these changes are expected to be realised in future periods.

### **FY2022 Summary of Activities**

During FY2022 the Company has focused on developing its sales & marketing capability and building product and brand awareness in its current and new markets, securing new revenue opportunities from its existing regulatory-approved product suite and associated services, pursuing strategic alliances to accelerate product distribution and product innovation, and progressing its R&D portfolio toward clinical validation and regulatory approval.

The Company also underwent an intensive recertification audit by the Australian Therapeutic Goods Administration (TGA) in relation to its ISO accreditation for medical device design and manufacture, the close out of which is expected in September 2022. Several other independent third-party audits were completed during the year in connection with the Company's provision of services to pharmaceutical companies undertaking clinical trials, in a 'catch-up' period for audits following delays and rescheduling due to the COVID pandemic.

### ***Sales & Marketing and Brand Awareness***

During the year the Company instigated key sales and marketing appointments in its major markets of the US, UK, and Europe, and has implemented a focused approach to generating and pursuing near-term sales leads in Patient Diagnostics and Clinical Trials, as well as progressing the reimbursement status for its products and services in key jurisdictions.

The Company attended and presented abstracts at conferences including the Annual International Liver Congress (22-26 June 2022) and the European Hematology Congress (9-12 June 2022). New clinical trial and commercial sales opportunities were identified during these conferences and are being advanced.

### ***New Revenue Opportunities***

Six new clinical trials and clinical trial extensions were secured during the year in Resonance Health's two focus areas of iron-overload and fatty-liver disease. One of these is the first clinical trial service contract secured in the large new Chinese market.

Resonance Health also secured a contract with a new pharmaceuticals customer to assist with their clinical study Protocol for a new phase 2A pharmaceutical clinical trial. The Company is investigating potential new growth avenues in its service provision offering to pharmaceutical companies involved in clinical trials, in its core disease focus areas.

### ***Strategic Alliances***

During the year Resonance Health entered into a Patient Access Agreement with Thalassaemia International Federation (TIF), a non-profit, non-governmental organisation founded in 1986 and representing national thalassaemia associations in Cyprus, Greece, UK, USA and Italy. Pursuant to the Agreement TIF is to deploy FerriSmart® to thalassaemia patients in low-and-middle-income nations.

In the March quarter the Company entered into a new channel partner agreement with Carpl.ai in India. Resonance Health's HepaFat-Scan® service is to be featured by Carpl.ai in a study comparing HepaFat-Scan® with another fat assessment method, at the RSNA conference in the USA, in Nov-Dec 2022.

## R&D + Product Innovation

- **MRI Imaging Devices and Services:** The Company made continued progress on enhancing its Software-as-a-Medical-Device (SaMD) products and services, aimed at broadening market access and enhancing patient and MRI centre integration.

Resonance Health announced post-year end that its gold-standard FerriScan® liver iron concentration analysis service is now available on newer-generation 3 tesla (3T) magnetic field strength MRI machines. As a highly encouraging indication of the market opportunity that this service extension represents, post-year end the Company has now registered an additional fifteen new customer 3T MRI machines to use FerriScan®, following the launch of the service at the beginning of August 2022.

Work to upgrade FerriSmart®, the artificial intelligence (AI) evolution of FerriScan®, and the Company's CardiacT2\* device, to 3T MRI machines advanced during the year. Work also continued on the development of a new AI device, CardiacT2\*-AI, an AI version of the regulatory-cleared CardiacT2\* used for assessing patient heart-iron-levels, to complement the existing regulatory cleared FerriSmart®, HepaFat-AI® + LiverSmart® AI products.

The development and support of SaMD-AI devices and enhancements transitioned in-house from a 3rd-party external contractor, with the Company's relatively new software development team completing handover in June 2022. FerriSmart®, HepaFat-AI® and LiverSmart® are now fully supported by in-house software development + AI personnel.

- **LungSmart (formerly Alert-PE):** Work progressed on the Company's LungSmart medical device, which analyses CTPA images of the lung in the case of patients with suspected pulmonary embolism ("PE"). A pre-submission meeting was held with the US Food & Drug Administration ("FDA"), following which the FDA provided guidance on the next steps of development required for the LungSmart device. This includes using US board-certified radiologists to annotate data with region of interests (ROIs) identifying suspected filling defects, allowing for the device to have its statistical performance measured in a future clinical study.
- **Cystic Fibrosis:** The Company has also developed a cystic fibrosis AI solution, with the Company seeking clinical partners to use the device for investigational purposes in their workflows as they relate to the assessment or treatment of patients with suspected or confirmed cystic fibrosis, or other lung conditions. The next stage of developmental work includes exploring the addition of trapped air as a reportable metric.
- **Molecular Medicine:** The molecular medicine R&D team has now completed the primary objectives of the initial phase of the ASO (antisense oligonucleotide) project, that being, to develop and validate a suite of 'cyclophilin-type specific' targeting drug molecules. As previously reported, while the chosen lead AS3 molecule demonstrated strong antiviral activity in a cell-based model of Hepatitis B (conducted by the Doherty Institute) the results were not reflected in a follow-up limited proof-of-concept animal study. In reviewing the totality of data, the Company has decided to discontinue development of AS3 for Hepatitis B and will instead focus on other diseases of high unmet need, including key liver and non-liver related diseases addressable with the Company's suite of ASO drug molecules. To that end, the Company has developed associations with two well-funded groups undertaking advanced research in liver cancer and Alzheimer's disease. As these collaborations develop and mature, the Company will provide more detailed information.

The Company also progressed its development of novel blood markers with the potential to provide cost-effective assessments of iron-overload and general liver-health for use in countries without ready access to MRI machines, with preliminary analysis of our validation set of blood samples from Vietnam and Turkey encouragingly appearing consistent with the original findings.

As part of these R&D work streams, the Company received an R&D tax incentive of \$409,745 on 1 July 2022, for eligible R&D work expended by the Company for the financial year ended 30 June 2021.

## Cash at Bank

Cash at Bank as of 30 June 2022 totalled \$6.77 million, in comparison to the 30 June 2021 cash balance of \$8.86 million. The Company has no debt.

This announcement has been authorised for release in accordance with the delegated authority of the Board of Directors of Resonance Health Limited.

For further information please contact:

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## About Resonance Health

Resonance Health is an Australian healthcare technology and services company. The Company's services are used globally by clinicians in the management of human diseases and by pharmaceutical and therapeutic companies in their clinical trials. Resonance Health has gained endorsement by leading physicians worldwide for providing high quality quantitative assessments essential in the management of diseases.

Resonance Health's dedication to scientific rigour and quality management has enabled it to achieve regulatory clearances for a range of Software-as-Medical Devices (**SaMDs**) in the USA, Europe, UK, and Australia, and to proudly carry ISO 13485 certification for the design and manufacture of medical devices. The regulatory cleared SaMD products, some of which incorporate Artificial Intelligence (**AI**), include:

- **FerriScan®**, a core-lab product that provides an accurate assessment of liver iron concentration (**LIC**) through non-invasive MRI-based technology, for use in the assessment of individuals with iron overload conditions. Internationally recognised as the gold standard in LIC assessment.
- **FerriSmart®**, an AI-assisted, non-invasive MRI-based device for the automated real-time assessment of LIC in patients, calibrated against the global gold standard, FerriScan®.
- **HepaFat-Scan®**, an MRI-based solution which provides a reliable non-invasive assessment of liver-fat in liver tissue for use in the assessment of individuals with confirmed or suspected fatty-liver-disease.
- **HepaFat-AI®**, an AI-assisted, non-invasive device for the automated real-time multi-metric assessment of liver-fat in patients, for the assessment of individuals with confirmed or suspected fatty liver disease.
- **LiverSmart®**, an AI-assisted, non-invasive MRI-based multi-parametric device combining FerriSmart® and HepaFat-AI® into a consolidated report providing accurate assessment of LIC and liver fat.
- **CardiacT2\***, the most widely accepted MRI method for assessing heart iron loading. Resonance Health offers a dual analysis of FerriScan® and CardiacT2\*. CardiacT2\* is TGA and CE Marking regulatory cleared.
- **LiverSmart™**, combines FerriSmart® and HepaFat-AI® into a single multi-parametric MRI session, avoiding the need for multiple MRI appointments and delivering a more complete and comprehensive assessment of a person's liver.

The Company has a development pipeline of additional medical imaging analysis products and services, including **CardiacT2\*-AI** an AI tool for the automated analysis and quantification of cardiac-iron levels and **LungSmart (Alert-PE™)**, an AI tool for the automated review of chest CT scans of patients with suspected PE.

Stakeholders, including clinicians, patients, and shareholders, are encouraged to register their interest at [www.resonancehealth.com](http://www.resonancehealth.com) and to follow Resonance Health on Facebook, LinkedIn, and Twitter.

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**RESONANCE HEALTH LIMITED**  
(ABN 96 006 762 492)

**APPENDIX 4E**

**PRELIMINARY FINAL REPORT**

**30 JUNE 2022**

This report has been prepared in compliance  
with ASX Listing Rule 4.3A

**Resonance Health Limited**  
**Appendix 4E**  
**Preliminary final report**

**1. Company details**

Name of entity:	Resonance Health Limited
ABN:	96 006 762 492
Reporting period:	For the year ended 30 June 2022
Previous period:	For the year ended 30 June 2021

**2. Results for announcement to the market**

			\$
Revenues from ordinary activities	up	1.3% to	3,827,976
Loss from ordinary activities after tax attributable to the owners of Resonance Health Limited	down	294.9% to	(1,141,777)
Loss for the year attributable to the owners of Resonance Health Limited	down	294.9% to	(1,141,777)
		<b>2022</b>	<b>2021</b>
		<b>Cents</b>	<b>Cents</b>
Basic earnings/(loss) per share		(0.25)	0.13
Diluted earnings/(loss) per share		(0.25)	0.13

*Dividends*

There were no dividends paid, recommended, or declared during the current financial period.

*Comments*

The loss for the Group after providing for income tax amounted to \$1,141,777 (30 June 2021: profit of \$585,858).

**3. Net tangible assets**

	<b>Reporting period Cents</b>	<b>Previous period Cents</b>
Net tangible assets per ordinary security	<u>1.70</u>	<u>2.00</u>

**4. Control gained over entities**

Not applicable.

**5. Loss of control over entities**

Not applicable.

**6. Dividends**

*Current period*

There were no dividends paid, recommended, or declared during the current financial period.

*Previous period*

There were no dividends paid, recommended, or declared during the previous financial period.

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**7. Dividend reinvestment plans**

Not applicable.

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**8. Details of associates and joint venture entities**

Not applicable.

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**9. Foreign entities**

*Details of origin of accounting standards used in compiling the report:*

Not applicable.

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**10. Audit qualification or review**

*Details of audit/review dispute or qualification (if any):*

The financial statements are in the process of being audited.

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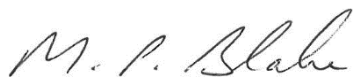
**11. Attachments**

*Details of attachments (if any):*

The Appendix 4E Preliminary final report of Resonance Health Limited for the year ended 30 June 2022 is attached.

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**12. Signed**

Signed 

Date: 30 August 2022

Dr Martin Blake  
Chairman  
Perth, Western Australia

**Resonance Health Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2022**

	<b>Note</b>	<b>Consolidated 2022 \$</b>	<b>2021 \$</b>
<b>Revenue</b>	2	3,827,976	3,778,914
Other income	3	28,323	243,577
<b>Expenses</b>			
Depreciation expense		(114,527)	(74,993)
Amortisation expense		(314,579)	(289,166)
Share-based payments		(5,617)	(34,227)
Marketing & travel		(1,016,199)	(241,051)
Consulting and professional services		(241,951)	(135,264)
Employee benefits expense		(2,494,576)	(1,970,270)
Research and development		(716,231)	(393,925)
Statutory and compliance		(222,748)	(211,628)
Foreign exchange gain/(loss)		192,602	(88,243)
Other expenses		(473,995)	(240,200)
<b>Profit/(loss) before income tax benefit</b>		(1,551,522)	343,524
Income tax benefit	4	409,745	242,334
<b>Profit/(loss) after income tax benefit for the year attributable to the owners of Resonance Health Limited</b>		(1,141,777)	585,858
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year attributable to the owners of Resonance Health Limited</b>		<u>(1,141,777)</u>	<u>585,858</u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings/(loss) per share	13	(0.25)	0.13
Diluted earnings/(loss) per share	13	(0.25)	0.13

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



**Resonance Health Limited**  
**Statement of financial position**  
**As at 30 June 2022**

	<b>Note</b>	<b>Consolidated 2022 \$</b>	<b>2021 \$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	6,783,166	8,856,820
Trade and other receivables	6	1,505,040	790,375
Other assets		59,554	43,008
Total current assets		<u>8,347,760</u>	<u>9,690,203</u>
<b>Non-current assets</b>			
Property, plant, and equipment		137,686	52,481
Right-of-use assets	7	253,480	55,925
Intangibles	8	2,865,005	2,594,630
Other assets		82,886	45,900
Total non-current assets		<u>3,339,057</u>	<u>2,748,936</u>
<b>Total assets</b>		<u>11,686,817</u>	<u>12,439,139</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	9	697,272	492,508
Lease liabilities	10	79,794	60,105
Provisions		7,673	26,924
Other liabilities		22,411	32,201
Total current liabilities		<u>807,150</u>	<u>611,738</u>
<b>Non-current liabilities</b>			
Lease liabilities	10	188,426	-
Total non-current liabilities		<u>188,426</u>	<u>-</u>
<b>Total liabilities</b>		<u>995,576</u>	<u>611,738</u>
<b>Net assets</b>		<u>10,691,241</u>	<u>11,827,401</u>
<b>Equity</b>			
Issued capital	11	73,882,788	73,882,788
Reserves		2,069,794	2,064,177
Accumulated losses		(65,261,341)	(64,119,564)
<b>Total equity</b>		<u>10,691,241</u>	<u>11,827,401</u>

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

**Resonance Health Limited**  
**Statement of changes in equity**  
**For the year ended 30 June 2022**

	Issued capital \$	Foreign currency translation reserve \$	Options reserve \$	Accumulated losses \$	Total equity \$
<b>Consolidated</b>					
Balance at 1 July 2020	72,565,449	(270,580)	2,316,530	(64,705,422)	9,905,977
Profit after income tax benefit for the year	-	-	-	585,858	585,858
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	585,858	585,858
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 11)	1,250,000	-	-	-	1,250,000
Share-based payments (note 14)	67,339	-	18,227	-	85,566
Balance at 30 June 2021	<u>73,882,788</u>	<u>(270,580)</u>	<u>2,334,757</u>	<u>(64,119,564)</u>	<u>11,827,401</u>
	Issued capital \$	Foreign currency translation reserve \$	Options reserve \$	Accumulated losses \$	Total equity \$
<b>Consolidated</b>					
Balance at 1 July 2021	73,882,788	(270,580)	2,334,757	(64,119,564)	11,827,401
Loss after income tax benefit for the year	-	-	-	(1,141,777)	(1,141,777)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(1,141,777)	(1,141,777)
<i>Transactions with owners in their capacity as owners:</i>					
Share-based payments (note 14)	-	-	5,617	-	5,617
Balance at 30 June 2022	<u>73,882,788</u>	<u>(270,580)</u>	<u>2,340,374</u>	<u>(65,261,341)</u>	<u>10,691,241</u>

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

**Resonance Health Limited**  
**Statement of cash flows**  
**For the year ended 30 June 2022**

		<b>Consolidated</b>	
	<b>Note</b>	<b>2022</b>	<b>2021</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers		3,527,664	3,679,488
Payments to suppliers and employee		(5,012,784)	(3,102,424)
		(1,485,120)	577,064
Interest received		4,976	45,624
Grants received		25,000	307,595
Income taxes refunded	4	-	242,334
Net cash from/(used in) operating activities	12	(1,455,144)	1,172,617
<b>Cash flows from investing activities</b>			
Payments for property, plant, and equipment		(119,043)	(44,119)
Payments for intangibles	8	(584,954)	(351,674)
Net cash used in investing activities		(703,997)	(395,793)
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	11	-	1,250,000
Repayment of lease liabilities	12	(70,129)	(55,998)
Payments for cash backed guarantees		(36,986)	-
Net cash from/(used in) financing activities		(107,115)	1,194,002
Net increase/(decrease) in cash and cash equivalents		(2,266,256)	1,970,826
Cash and cash equivalents at the beginning of the financial year		8,856,820	6,974,237
Effects of exchange rate changes on cash and cash equivalents		192,602	(88,243)
Cash and cash equivalents at the end of the financial year	5	<u>6,783,166</u>	<u>8,856,820</u>

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

## Note 1. Operating segments

### Identification of reportable operating segments

The chief operating decision maker is considered to be the Company's Board of Directors. The Group's operating segments are determined by differences in the type of activities performed. The financial results of the Group's operating segments are reviewed by the Board of Directors on a quarterly basis.

### Business Segments

The following table presents revenue and profit/(loss) information and certain asset and liability information regarding business segments for the year ended 30 June 2022.

	Services \$	Research and development \$	Corporate \$	Other segments \$	Total \$
<b>Consolidated - 2022</b>					
<b>Revenue</b>					
Sales to external customers	3,827,976	-	-	-	3,827,976
<b>Total revenue</b>	3,827,976	-	-	-	3,827,976
Total revenue	3,827,976	-	-	-	3,827,976
Other income	-	-	28,323	-	28,323
Other expenses	(704,525)	(1,030,810)	(3,672,486)	-	(5,407,821)
<b>Profit/(loss) before income tax benefit</b>	3,123,451	(1,030,810)	(3,644,163)	-	(1,551,522)
Income tax benefit					409,745
<b>Loss after income tax benefit</b>					(1,141,777)
<b>Assets</b>					
Segment assets	1,045,668	2,865,005	7,776,144	-	11,686,817
<b>Total assets</b>					11,686,817
<b>Liabilities</b>					
Segment liabilities	-	-	995,576	-	995,576
<b>Total liabilities</b>					995,576
<b>Consolidated - 2021</b>					
<b>Revenue</b>					
Sales to external customers	3,778,914	-	-	-	3,778,914
<b>Total revenue</b>	3,778,914	-	-	-	3,778,914
Total revenue	3,778,914	-	-	-	3,778,914
Other expenses	(1,598,636)	(1,104,485)	(975,846)	-	(3,678,967)
Other income	-	-	243,577	-	243,577
<b>Profit/(loss) before income tax benefit</b>	2,180,278	(1,104,485)	(732,269)	-	343,524
Income tax benefit					242,334
<b>Profit after income tax benefit</b>					585,858
<b>Assets</b>					
Segment assets	703,807	2,645,969	9,089,363	-	12,439,139
<b>Total assets</b>					12,439,139
<b>Liabilities</b>					
Segment liabilities	32,201	-	579,537	-	611,738
<b>Total liabilities</b>					611,738

## Note 1. Operating segments (continued)

The group derived 11% of its external customer sales revenue from one major customer.

### Geographical Segment

The company earns revenue in three significant geographical regions, countries are grouped in the regions of Asia/Pacific, North America, South America and Europe-Middle-East-Africa (EMEA).

All non-current assets are located in Australia being the Asia/Pacific region, applicable disclosure information is disclosed in Business Segment assets and no additional disclosure is made.

	Consolidated	
	2022	2021
	\$	\$
Asia/Pacific	327,909	156,615
North America	2,575,512	1,167,493
South America	3,812	-
EMEA	920,743	2,454,806
Total sales to external customers	<u>3,827,976</u>	<u>3,778,914</u>

## Note 2. Revenue

### Disaggregation of revenue

The group derives its revenue from the services at a point in time and over time in the following major categories. This is consistent with the revenue information that is disclosed for each reportable segment:

	Consolidated	
	2022	2021
	\$	\$
<i>Revenue from contracts with customers</i>		
Commercial revenue	2,306,183	2,189,364
Voucher program	-	33,358
Clinical trials	1,325,549	1,513,097
Other studies	196,244	43,095
Revenue	<u>3,827,976</u>	<u>3,778,914</u>

### Reconciliation of revenue from contracts with customers with the amounts disclosed in segment information

	Consolidated	
	2022	2021
	\$	\$
Segment revenue	3,827,976	3,778,914
Adjustments and eliminations	-	-
Total revenue from contracts with customers	<u>3,827,976</u>	<u>3,778,914</u>

**Note 3. Other income**

	<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Subsidies and grants	25,000	206,095
Interest revenue	3,323	37,482
Other income	28,323	243,577

**Note 4. Income tax**

	<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<i>Income tax benefit</i>		
Research and Development tax offset	(409,745)	(242,334)
Aggregate income tax benefit	(409,745)	(242,334)

**Note 5. Cash and cash equivalents**

	<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Cash at bank	5,760,533	2,767,451
Term deposits	1,022,633	6,089,369
	6,783,166	8,856,820

**Note 6. Trade and other receivables**

	<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Trade receivables	1,045,668	755,146
Other receivables	49,627	35,229
R&D refund due	409,745	-
	1,505,040	790,375

**Note 7. Right-of-use assets**

	<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Land and buildings - right-of-use	320,188	167,774
Less: Accumulated depreciation	(66,708)	(111,849)
	<u>253,480</u>	<u>55,925</u>

The Group has a single premises lease.

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

<b>Consolidated</b>	<b>Land and buildings</b>
	<b>\$</b>
Balance at 1 July 2020	111,849
Depreciation expense	(55,924)
	<u>55,925</u>
Balance at 30 June 2021	55,925
Additions	278,244
Depreciation expense	(80,689)
	<u>253,480</u>
Balance at 30 June 2022	<u>253,480</u>

**Note 8. Intangibles**

	<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Research & development - at cost	4,653,461	4,068,506
Less: Accumulated amortisation	(1,788,456)	(1,473,876)
	<u>2,865,005</u>	<u>2,594,630</u>

## Note 8. Intangibles (continued)

### Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	\$
Balance at 1 July 2020	2,532,122
Additions	351,674
Amortisation expense	(289,166)
Balance at 30 June 2021	2,594,630
Additions	584,954
Amortisation expense	(314,579)
Balance at 30 June 2022	<u>2,865,005</u>

## Note 9. Trade and other payables

	Consolidated	
	2022	2021
	\$	\$
<i>Current liabilities</i>		
Trade payables	240,665	118,495
Other payables	456,607	374,013
	<u>697,272</u>	<u>492,508</u>

## Note 10. Lease liabilities

The Group leases only premises. The remaining term of the lease as of 30 June 2022 is 38 months. The incremental borrowing rate applied to this lease is 3.60%.

	Consolidated	
	2022	2021
	\$	\$
<i>Current liabilities</i>		
Lease liability	79,794	60,105
<i>Non-current liabilities</i>		
Lease liability	188,426	-
	<u>268,220</u>	<u>60,105</u>



**Note 10. Lease liabilities (continued)**

Underlying assets serve as security for the related lease liabilities. A maturity analysis of future minimum lease payments is presented below:

	Lease payments due			
	< 1 year	1 - 2 years	> 3 years	Total
Lease payments	87,883	180,924	15,289	284,096
Interest	(8,089)	(7,143)	(644)	(15,876)
Net present values	<u>79,794</u>	<u>173,781</u>	<u>14,645</u>	<u>268,220</u>

**Note 11. Issued capital**

	2022	Consolidated		2021
	Shares	2021	2022	2021
		Shares	\$	\$
Ordinary shares - fully paid	<u>461,149,601</u>	<u>461,149,601</u>	<u>73,882,788</u>	<u>73,882,788</u>

*Movements in ordinary share capital*

Details	Date	Shares	\$
Balance	1 July 2020	443,773,933	72,565,449
Shares issued on conversion of options		17,000,000	1,250,000
Shares issued under ESP		78,048	16,000
Shares issued for research and development projects <sup>1</sup>		<u>297,620</u>	<u>51,339</u>
Balance	30 June 2021	<u>461,149,601</u>	<u>73,882,788</u>
Balance	30 June 2022	<u>461,149,601</u>	<u>73,882,788</u>

(1) 297,620 shares were issued to the Telethon Kids Institute on 11 June 2021 at an issue price of \$0.1725.

**Note 12. Cash flow information**

*Reconciliation of profit/(loss) after income tax to net cash from/(used in) operating activities*

	<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Profit/(loss) after income tax benefit for the year	(1,141,777)	585,858
Adjustments for:		
Depreciation and amortisation	429,106	364,159
Share-based payments	5,617	85,566
Foreign exchange differences	(192,602)	88,243
Change in operating assets and liabilities:		
Increase in trade and other receivables	(714,665)	(24,769)
Increase in prepayments	(16,546)	(3,137)
Increase in trade and other payables	204,764	107,236
Decrease in employee benefits	(19,251)	(48,897)
Increase/(decrease) in other operating liabilities	(9,790)	18,358
Net cash from/(used in) operating activities	<u>(1,455,144)</u>	<u>1,172,617</u>

*Changes in liabilities arising from financing activities*

<b>Consolidated</b>	<b>Lease liabilities</b>
	<b>\$</b>
Balance at 1 July 2020	116,103
Net cash used in financing activities	<u>(55,998)</u>
Balance at 30 June 2021	60,105
Net cash used in financing activities	(70,129)
Leases entered	320,188
Lease termination	<u>(41,943)</u>
Balance at 30 June 2022	<u>268,221</u>

**Note 13. Earnings per share**

	<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Profit/(loss) after income tax attributable to the owners of Resonance Health Limited	<u>(1,141,777)</u>	<u>585,858</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	461,149,601	450,260,200
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	<u>-</u>	<u>1,976,827</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>461,149,601</u>	<u>452,237,027</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings/(loss) per share	(0.25)	0.13
Diluted earnings/(loss) per share	(0.25)	0.13

The dilutionary impact of options did not change the earnings per share.

**Note 14. Share-based payments**

The Company has an Employee Incentive Option Plan for key staff members and consultants of the Company.

Set out below are summaries of options granted under the plan:

	<b>Number of options 2022</b>	<b>Weighted average exercise price 2022</b>	<b>Number of options 2021</b>	<b>Weighted average exercise price 2021</b>
Outstanding at the beginning of the financial year	13,200,000	\$0.170	32,200,000	\$0.122
Forfeited	-	\$0.000	(2,000,000)	\$0.115
Exercised	-	\$0.000	(17,000,000)	\$0.075
Expired	<u>(1,000,000)</u>	<u>\$0.100</u>	<u>-</u>	<u>\$0.000</u>
Outstanding at the end of the financial year	<u>12,200,000</u>	<u>\$0.175</u>	<u>13,200,000</u>	<u>\$0.170</u>
Exercisable at the end of the financial year	<u>12,200,000</u>	<u>\$0.175</u>	<u>13,200,000</u>	<u>\$0.170</u>

**Note 14. Share-based payments (continued)**

2022

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ cancelled/ other	Balance at the end of the year
13/06/2019	13/06/2022	\$0.010	1,000,000	-	-	(1,000,000)	-
28/11/2019	28/11/2022	\$0.150	4,000,000	-	-	-	4,000,000
28/11/2019	28/11/2022	\$0.180	4,000,000	-	-	-	4,000,000
28/11/2019	28/11/2022	\$0.200	4,000,000	-	-	-	4,000,000
02/12/2019	01/12/2022	\$0.100	200,000	-	-	-	200,000
			13,200,000	-	-	(1,000,000)	12,200,000

The weighted average share price during the financial year was \$0.127 (2021: \$0.199).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.4 years (2021: 1.3 years).

Reconciliation of share-based payments expense:

	Consolidated 2022 \$	2021 \$
Options to staff and consultants	5,617	18,227
Employee share plan	-	16,000
Shares issued for research & development	-	51,339
	<u>5,617</u>	<u>85,566</u>