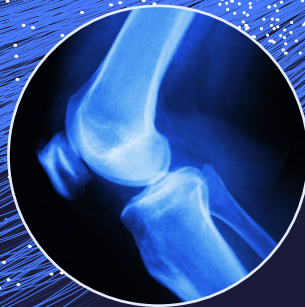
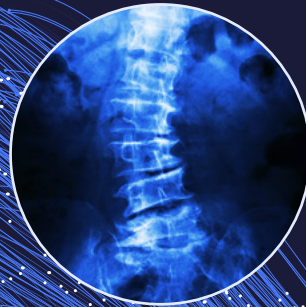


Empowering *the AI-Driven Healthcare Transformation*



Annual
Report
2024

Who are Enlitic?

At Enlitic, we believe that the power of artificial intelligence can transform healthcare by enabling effective data management and improving clinical workflows.

Our mission at Enlitic is to revolutionise healthcare by leveraging AI and data, empowering evidence-based decision-making, enhancing research, and transforming healthcare delivery.

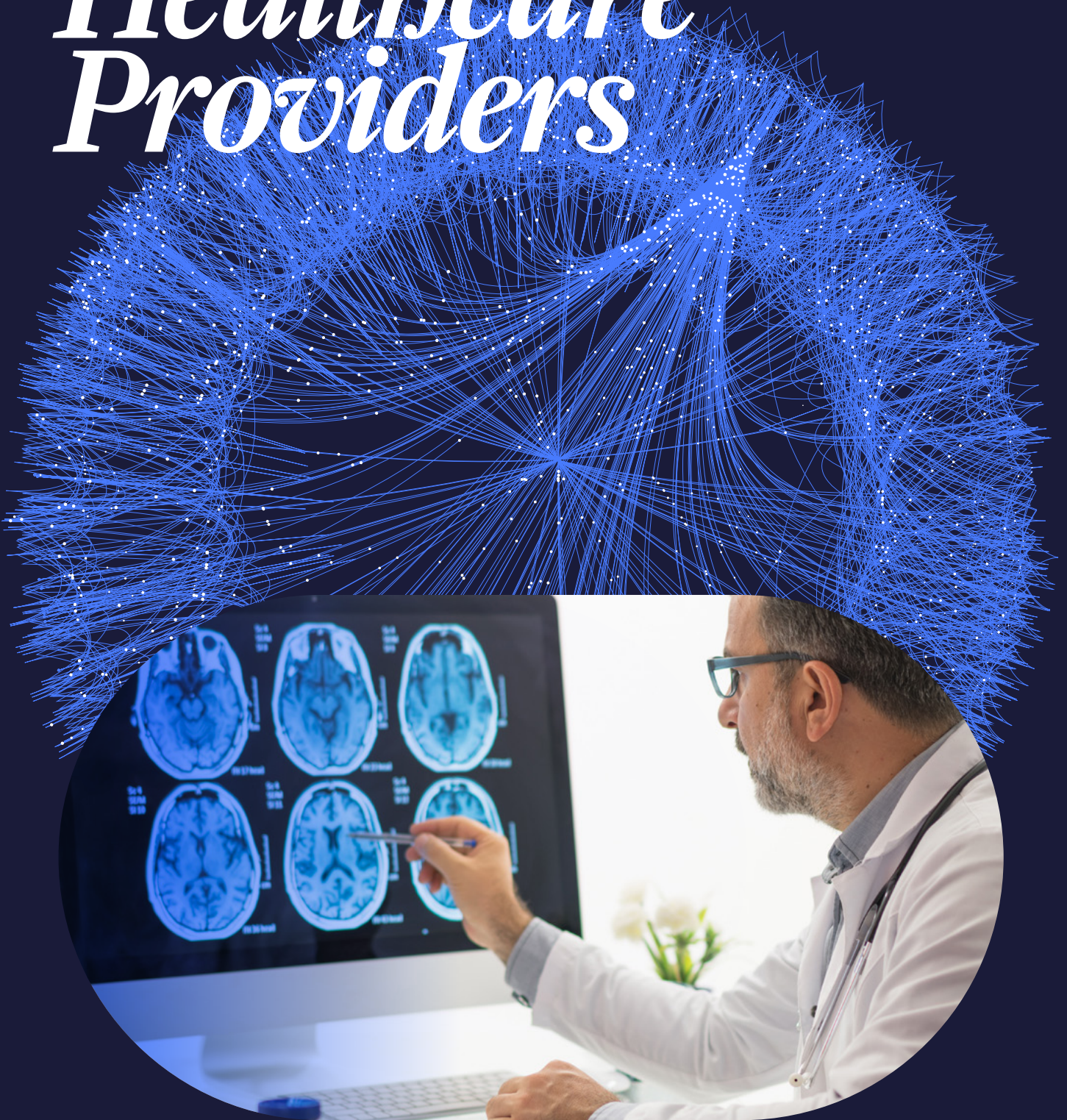
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Enlitic is at the forefront of the AI-enabled healthcare revolution. Our commitment to innovation and advancing intelligent data frameworks has led to significant progress in empowering healthcare professionals and improving patient outcomes. By automating routine tasks, accelerating diagnoses, and optimising operations, we have significantly enhanced efficiency and productivity across the sector.

As we look to the future, we remain dedicated to pushing the boundaries of AI-enabled healthcare. Through acquisition and continued investment in research and development, we are poised to deliver groundbreaking solutions that will shape the industry for years to come. Throughout this annual report, we invite you to explore the details of our achievements so far, our resolute focus on empowering healthcare providers and our future plans for growth and value creation.

Empowering *Healthcare Providers*



Transforming Healthcare Delivery

Empowering healthcare providers means equipping them with the autonomy, tools, and support needed to make informed decisions and implement actions that enhance patient care and outcomes. High-quality data plays a crucial role in enabling accurate assessments and insights essential for improving healthcare delivery. As the healthcare landscape evolves, providers will need to harness advanced data and medical imaging technologies to deliver more effective and personalised care.

Key Areas of Provider Empowerment

- 1. Data-Driven Decision-Making**
Leveraging reliable data to inform clinical decisions and improve patient outcomes.
- 2. Enhanced Medical Imaging Management**
Utilising cutting-edge tools to optimise the storage, interpretation, and sharing of medical images.
- 3. Interoperability and Data Sharing**
Ensuring seamless data exchange across platforms to foster collaboration and streamline care.
- 4. AI-Assisted Diagnostics and Imaging**
Deploying artificial intelligence to enhance diagnostic accuracy and efficiency.

By adopting these technologies and strategies, healthcare providers can transform care delivery, improve outcomes, and drive innovation in the industry.

Revolutionising Medical Imaging with Enlitic

Enlitic is at the forefront of empowering healthcare providers with its advanced data standardisation and AI-enabled solutions for medical imaging. Its flagship software, Enlitic 2.0, released ahead of schedule in 2024, delivers a suite of capabilities designed to revolutionise healthcare workflows and data utilisation:

- 1. Data Standardisation**
Enlitic utilises pixel data and metadata from medical images to generate standardised study and series descriptions, improving data quality and consistency.
- 2. PHI De-identification**
Enlitic ensures secure data sharing by anonymising Protected Health Information (PHI) within medical images.
- 3. Workflow Optimisation**
By integrating natural language processing and computer vision, Enlitic streamlines radiologist reporting workflows, boosting efficiency.

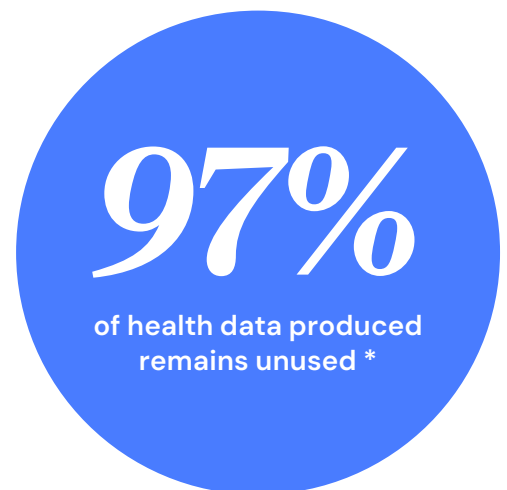
4. Revenue Generation

The framework identifies issues such as contrast billing discrepancies and enhances data value through accurate and consistent labeling, creating new revenue opportunities for providers.

5. Data Unlocking

Enlitic addresses the challenge of underutilised healthcare data, enabling providers to access and leverage the 97% of data that traditionally remains untapped.

Through its comprehensive capabilities, Enlitic's Enlitic 2.0 empowers healthcare providers to enhance data quality, improve workflow efficiency, and unlock valuable insights from medical imaging data. These advancements pave the way for innovative, effective, and patient-centred care delivery.



Enlitic is at the forefront of empowering healthcare providers with its advanced data standardisation and AI-driven solutions for medical imaging.

* Source: Health Data | Deloitte Belgium <https://www.deloitte.com/be/en/Industries/health-care/research/health-data.html>.

Empowering *Productivity Improvement*

The Booming Market for AI-Enabled Solutions

Healthcare providers are increasingly turning to advanced technologies to improve productivity in medical imaging and data management. At the forefront of these advancements are AI-enabled imaging, efficient workflow solutions, and robust data management strategies. These innovations not only enhance operational efficiency but also elevate the quality of patient care.

AI-Enabled Imaging and Analytics

Artificial intelligence (AI) is revolutionising image analysis by equipping radiologists with powerful tools to detect anomalies more rapidly and accurately. Key benefits include:

- Accelerating image analysis and report generation
- Reducing diagnostic errors and false positives; and
- Enabling predictive analytics.

Efficient Workflow Solutions

Addressing workforce challenges requires the adoption of innovative workflow solutions tailored to the unique needs of healthcare providers. These solutions streamline operations, reduce administrative burdens, and empower clinical teams to focus on patient care.

Data Management and Interoperability

Effective data management is essential for maximising the value of imaging assets, particularly as medical imaging is expected to constitute 75% of healthcare data by 2025. Healthcare providers will need to adopt strategies that:

- Implement robust enterprise imaging frameworks
- Enable advanced visualisation through image-enabled applications; and
- Provide quick and seamless access to medical images across formats and systems.

By integrating these technologies and practices, healthcare organisations can significantly enhance their productivity, leading to improved patient outcomes and operational efficiency.

Enlitic: Leading the Way in Productivity Enhancement

Enlitic is proud to empower healthcare providers with cutting-edge AI-enabled solutions that optimise medical imaging and data management. With the release of Enight 2.0 in 2024, Enlitic is setting a new standard in healthcare productivity. Key features include:

- Data Standardisation leveraging pixel data and metadata to generate standardised study and series descriptions, ensuring consistent data quality across healthcare systems which leads to improved Data Quality by ensuring data correctness, completeness, and consistency facilitates better data analysis and data orchestration

Healthcare organisations can significantly enhance their productivity, leading to improved patient outcomes and operational efficiency.

- Workflow Optimisation utilising natural language processing and computer vision to enhance radiologist reporting workflows, reducing reporting time and improving efficiency
- Improved Interoperability with standardised data which better supports collaboration among healthcare professionals, addressing interoperability challenges; and
- PHI De-identification that anonymises Protected Health Information (PHI) in medical images, enabling secure data sharing while safeguarding patient privacy.

By harnessing the capabilities of Enlight 2.0, healthcare providers can:

- Streamline workflows and improve operational efficiency; and
- Enhance collaboration and communication across departments and systems.

Enlitic remains committed to delivering transformative solutions that empower healthcare providers to achieve greater productivity and deliver exceptional patient care.



75%

of healthcare data is expected to be medical imaging by 2025

Empowering *Complex Data Migration*

Advanced Migration Tools and Services

Healthcare providers need cutting-edge solutions that ensure:

- High success rates in reconciling and migrating data
- Rapid migration capabilities; and
- Data standardisation to convert proprietary formats into DICOM.

AI-Enabled Data Management

AI-enabled tools can enhance migration by:

- Automating data cleansing and standardisation
- Identifying and correcting missing data between disparate PACS and VNAs; and
- Completing missing fields to ensure data accuracy.

Comprehensive Planning and Assessment

Robust planning tools enable healthcare providers to:

- Assess migration needs and define clear project scopes
- Evaluate data types, volumes, and timelines; and
- Identify risks and resource requirements.

Driving Growth in Data Migration

Technology evolves rapidly, necessitating frequent data migrations to help healthcare providers stay current with innovations. However, these migrations can introduce challenges related to cost, speed, and quality. To address these complexities, providers must be empowered with advanced tools and strategies in several key areas:



Hybrid Migration Approaches

Hybrid strategies help healthcare providers:

- Minimise disruptions to clinical operations
- Ensure immediate access to patient imaging data; and
- Expedite migrations and dependent "go-lives."

Data Integrity and Quality Assurance

Healthcare providers should implement tools to:

- Verify data accuracy by comparing it to source data
- Perform quality assurance checks throughout the migration; and
- Validate data completeness and accuracy with patients.

Interoperability and Standardisation

Healthcare providers need solutions that:

- Convert data into standardised formats for compatibility
- Integrate DICOM and non-DICOM data seamlessly; and
- Implement industry standards like DICOMweb, HL7, and FHIR.

Redefining Data Migration with AI-Enabled Solutions

As a result of Enlitic's acquisition of Laitek, their combined advanced technologies empower healthcare providers by offering comprehensive migration solutions. This combination accelerates migration speeds, improves data quality, and minimises disruptions. Laitek's service enables faster data transfer and ensures standardised outputs, unlocking historical data archives for enhanced clinical value.

With a remarkable 96–99% success rate, Laitek simplifies new PACS configuration, streamlines transitions, and ensures immediate data access.

By leveraging these capabilities, Enlitic enables healthcare providers to manage complex migrations efficiently, ensuring data integrity, accessibility, and full utilisation of medical imaging data.

Empowering *Innovation and Growth*

Enlitic: AI-Enabled Data Standardisation and Migration Solutions

Enlitic empowers healthcare providers to drive innovation and growth through advanced data standardisation and migration solutions.

AI-Enabled Data Standardisation

Enlitic's ENDEX platform uses artificial intelligence to standardize medical imaging data, enabling:

- Consistent hanging protocols, improving radiologist efficiency
- Accurate data routing, reducing bandwidth consumption
- Enhanced searchability for researchers; and
- Improved billing accuracy.

Comprehensive Data Management

Enlitic's intelligent data framework:

- Orchestrates critical workflows
- Enhances comprehension of archived information
- Unlocking new revenue opportunities
- Generates cost savings; and
- Improve healthcare delivery.

Efficient Data Migration

Enlitic's solutions offer:

- High success rates (96–99%) in reconciling and migrating data
- Rapid migration capabilities, transferring data 5–10 times faster than traditional methods; and
- Data standardisation features to convert proprietary formats into standard DICOM 3.0.

Interoperability and Innovation

By standardising medical imaging data, Enlitic enables:

- Seamless integration between systems
- Improved collaboration among healthcare professionals
- Enhanced research capabilities; and
- Foundation for AI algorithm development.

Data Quality and Integrity

Enlitic's ENDEX ensures:

- Consistent and accurate medical imaging data
- Improved data quality for AI orchestration; and
- Enhanced reliability for clinical decision-making.

Search and Cohort Development

ENABLE is an advanced module designed to transform how healthcare institutions interact with medical imaging data.

- Reduces cohort development time from weeks to minutes for clinical trials and quality initiatives
- Enables access to high-quality data for advanced data analytics
- Enhances data monetisation through the creation of de-identified, disease-specific datasets for research partnerships; and
- Supports radiation dose monitoring, rare disease tracking, and population health management via customisable dashboards.

Privacy and Security Ensured

ENCOG, an AI-enabled data anonymisation solution designed to protect Protected Health Information (PHI) while retaining clinically relevant data in medical imaging studies.

- Leverages Natural Language Processing (NLP) and Computer Vision (CV) to accurately differentiate PHI from essential clinical information
- ENCOG removes PHI from both DICOM metadata and pixel data (burn-ins), while maintaining the historical associations of patient studies; and
- Efficient anonymisation for single studies or batch processes.

By leveraging Enlitic's solutions, healthcare providers can transform their data management practices, leading to improved operational efficiency, better patient outcomes, and new opportunities for innovation and growth in the rapidly evolving healthcare landscape.



Empowering *Value Creation*

Make Your Data Work for You

Enlitic empowers healthcare providers to create significant value from their medical imaging and data migration through several innovative solutions:

AI-Enabled Data Standardisation

Enlitic's ENDEX platform uses artificial intelligence to standardise medical imaging data, enabling:

- Consistent hanging protocols, improving radiologist efficiency
- Accurate data routing, reducing bandwidth consumption
- Enhanced searchability for researchers and clinicians; and
- Improved billing accuracy with alerts for under-coding.



Advanced Data Migration

With the acquisition of Laitek, Enlitic now offers:

- High success rates (96–99%) in reconciling and migrating data
- Rapid migration capabilities, transferring data 5–10 times faster than traditional methods; and
- Data standardisation features to convert proprietary formats into standard DICOM 3.0.

Data Monetisation Opportunities

Enlitic enables healthcare providers to:

- Broker anonymised, standardised data to clinical research organisations or pharmaceutical companies; and
- Generate new revenue streams from existing medical imaging archives.

Enhanced Data Quality and Integrity

The combination of Enlitic's and Laitek's technologies ensures:

- Advanced data validation and cleansing during migration
- Improved accuracy and completeness of migrated data; and
- Standardised study and series descriptions for consistency and correctness.

Streamlined Workflows and Efficiency

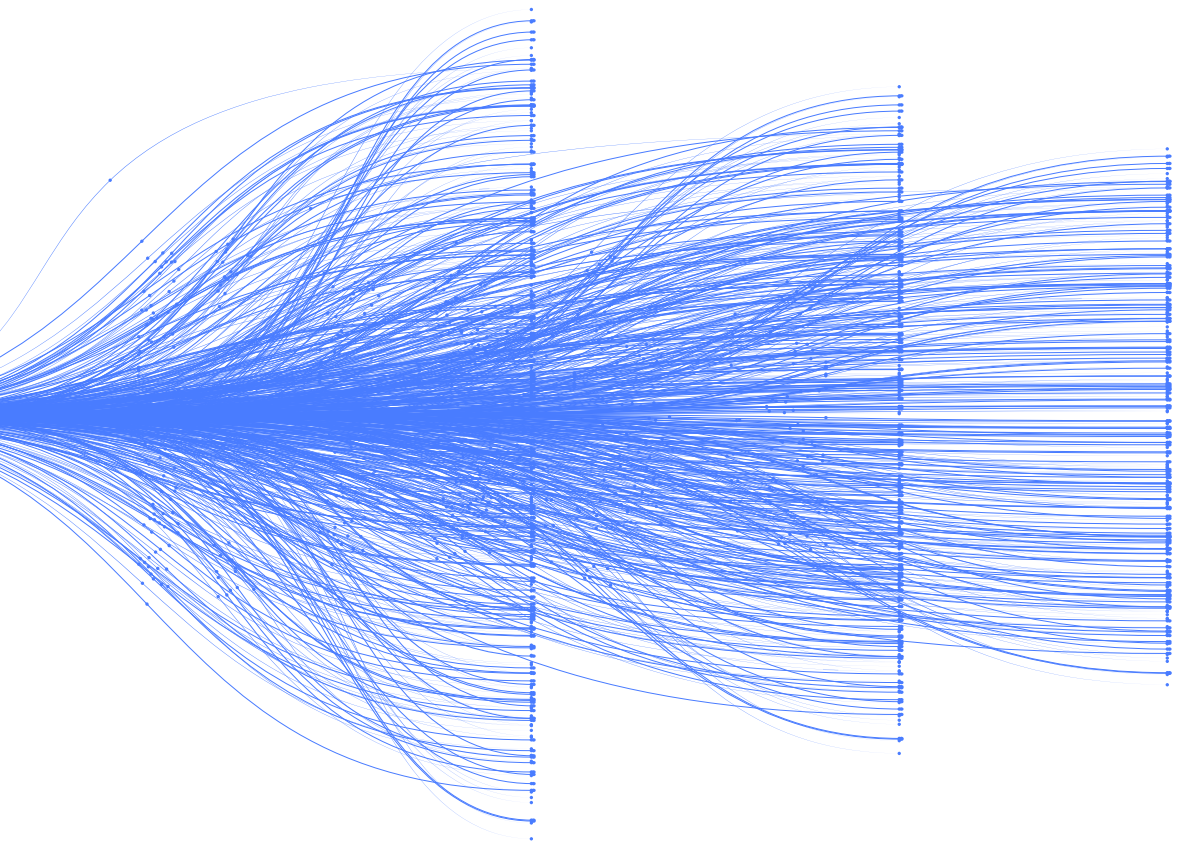
Healthcare providers benefit from:

- Reduced time spent on mundane data management tasks
- Improved radiology workflows through standardised data; and
- Enhanced comprehension of archived information.

By leveraging Enlitic's comprehensive solutions, healthcare providers can transform their medical imaging data into a valuable asset, driving innovation, improving patient care, and creating new opportunities for growth and revenue generation.

5–10X

Data transfer times
5–10 times faster than
traditional methods



Chair's Report



Lawrence Gozlan
Chairman

Dear Shareholders,

On behalf of the Board of Directors and Management of Enlitic, Inc. I am pleased to present the Annual Report for the financial year ended 31 December 2024.

Enlitic is a software development company using artificial intelligence to manage medical imaging data in radiology and licenses its products to healthcare providers and original equipment manufacturers. Its technology features a host of AI-enabled modules that enable data standardisation, de-identification, anonymisation and workflow simplification. Through our recent acquisition of Laitek which was completed during the year, Enlitic is also now a significant provider of tech-enabled healthcare medical imaging data migration and routing services.

2024 has been a transformative year for Enlitic following its listing on the Australian Stock Exchange in December 2023. The company has built significantly on its foundations and is now well positioned to accelerate its position as a leader in healthcare medical imaging data standardisation, data anonymisation and data migration. I would like to thank each and every one of our team for the enormous effort they put in to build our success.

Continuing our focus on product development, **in early June 2024 we released key components of Ensign 2.0, 18 months ahead of our development schedule.**

Ensign 2.0 deidentifies Protected Health Information in medical images and improves data quality, which enables healthcare providers to realise value from an increasing number of use cases and improves radiologist reporting workflows.

We saw continued momentum in our sales progress during the year, signing up healthcare providers and OEM healthcare vendors and distributors to software licenses and vendor agreements. We entered into 16 new agreements with the following organisations:

In early June 2024 Enlitic released key components of Ensign 2.0, 18 months ahead of our development schedule.



US\$1.08m

Enlitic's FY24 revenue

- **Healthcare providers:** Unilabs, Royal National Orthopaedic Hospital NHS Trust, National Cancer Center Japan, Northern Lights Medical Management LLC
- **OEM Healthcare Vendors:** Philips Healthcare, Bayer, Medica Group, Emory University
- **Distributors:** Biotronics 3D Limited, Testdynamics Holdings Inc, Esaote, DataFirst, DMC Healthcare, UltraRAD, Darwinist, New Vue Inc

Enlitic's FY24 revenue was US\$1.08 million compared to US\$0.47 million in FY23, a marked increase as the Company concentrated its efforts on driving growth in new client agreements and worked to onboard newly signed customers. As the onboarding process is dependent on factors including customer resources and systems, implementation timelines are varied and revenue conversation in the early stages of commercialisation is uneven. One of our primary focus points in 2025 is reducing time to deployment following the execution of client contracts.

In the fourth quarter of the year, Enlitic successfully completed A\$23.4 million in financing, having raised A\$22.5 million via a conditional placement in October 2024 and the completion of a \$906k non-underwritten security purchase plan in November 2024. Part of the funds raised were used to acquire Laitek, Inc, one of the major providers of tech-enabled healthcare medical imaging data migration and routing services in the US. The Company purchased 100% of the shares in Laitek for cash and scrip consideration, totalling US\$4.95 million (c. A\$7.3 million¹). The Laitek acquisition is pivotal for Enlitic, bringing us significant access to new clients as well as compelling potential revenue synergies and cost savings.

Due to investing heavily in the growth of the Company, LBIT was US\$15.4m in FY24, broadly inline with FY23 at US\$15.6m. Enlitic remains focused on driving operational efficiencies within the organisation. One off costs associated with the capital raise and SPP as well as the acquisition of Laitek were incurred during the year, while synergy savings of approximately US\$1.0m were implemented by the end of Q4 2024.

Early in 2024, we welcomed Lisa Pettigrew to the Board of Directors, bringing a unique entrepreneurial skillset in the healthcare and technology sectors to the Company. We also farewelled Riichi Yamada in late 2024 with great thanks for his service as an NED and wished him well for the future.

On behalf of the Board, I would like to thank you for your ongoing support and interest in Enlitic. We are committed to driving Enlitic forward to providing better data quality and migration solutions for our healthcare customers. With the passing of each year, we are forging deeper relationships with new and existing clients and partners and seeing greater recognition of our value potential. We will continue to execute on our strategy of improving the utility and value of medical imaging data for our clients and unlocking the true value of our business.

Yours sincerely,



Lawrence Gozlan
Chairman of the Board
Enlitic, Inc.

1. Exchange rate at the time of posting as per ASX announcement: <https://app.sharelinktechnologies.com/announcement/asx/1fc3dc6cbc7edf6208790be2e301ba13>

CEO's Report



Michael Sistenich
Chief Executive Officer

Dear Shareholders,

2024 has been a transformative year for Enlitic. We expanded and restructured our business to establish ourselves as leaders in AI-driven medical imaging data management and migration.

Since listing on the Australian Stock Exchange in December 2023, we have made significant strides. We grew our customer base, forged key partnerships, and completed the strategic acquisition of Laitek Inc., a major provider of tech-enabled healthcare medical imaging data migration and routing services in the U.S. Throughout, we remained focused on our mission: empowering evidence-based decision-making, enhancing research, and transforming healthcare data delivery.

We set three key operational priorities at the start of 2024: improving operational efficiencies, enhancing our product suite, and accelerating customer growth through direct and partnership channels. I am pleased to report that we achieved all three.

Additionally, we seized the opportunity to acquire Laitek Inc., a strategic move that broadens our product range and accelerates our commercial development.

Beyond its leadership in data migration, Laitek has strengthened our commercial pipeline by generating valuable sales leads and expanding our use cases.

We funded this acquisition with strong shareholder support, using part of the funds raised through a successful A\$22.5 million Placement and a A\$906k through a Share Purchase Plan in Q4 2024.

Since listing on the Australian Stock Exchange in December 2023, we have made significant strides.

By implementing cost control measures and synergy savings, we achieved approximately US\$1.0 million in savings during 2024. During Laitek's integration, we identified and executed an additional US\$1.0 million in savings in January 2025.

In June 2024, we proudly launched key components of our product suite, Ensign 2.0. Delivering it 18 months ahead of schedule significantly expanded Enlitic's use case offerings. Following its release, our sales process accelerated, drastically reducing the time from initial engagement to contract signing as customers embraced the new product.

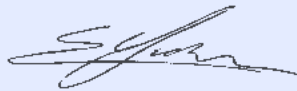
We sustained this commercial momentum in the latter half of the year, signing agreements with Philips Healthcare, Bayer Healthcare, and the National Cancer Centre Japan, among others, and attending RSNA 2024, the world's leading imaging conference in Chicago.

In 2025, we will focus on onboarding newly contracted clients to drive revenue growth through recurring licensing fees and project fees. At the same time, we will advance our go-to-market strategy by partnering with healthcare and health-tech leaders to develop better solutions for providers and patients.

On behalf of the Board and Management of Enlitic, I want to thank our dedicated team for their commitment to improving medical imaging data quality, access, versatility, and migration.

Finally, I extend my gratitude to our securityholders for your continued support. We look forward to keeping you updated on our progress throughout 2025.

Sincerely,



Michael Sistenich
Chief Executive Officer
Enlitic, Inc.



US\$1.0m

Approximate delivered
savings during 2024

Industry *Overview*

\$14.2b+

The global medical imaging market is projected to grow by USD 14.2 billion from 2024-2028³.



The medical imaging industry experienced significant growth and technological advancements. As we move into 2025, some key trends and developments will develop and include:

AI Integration and Advanced Technologies

Artificial intelligence is revolutionising medical imaging, enhancing diagnostic accuracy and efficiency. AI-enabled analysis tools are reducing diagnosis time by up to 30%². The AI segment in medical imaging is expected to grow from \$762 million in 2022 to approximately \$14.4 billion by 2032². AI is on the cusp of going mainstream. Radiology leads the way in for healthcare in FDA approved AI based medical devices³.

Market Growth and Innovation

The industry is seeing robust expansion due to increasing healthcare expenditure and growing demand for diagnostic services. The global medical imaging market is projected to grow by USD 14.2 billion from 2024-2028⁴. Hospitals and clinics prioritise solutions that reduce costs and improve patient outcomes. AI-enabled solutions that optimise workflows align perfectly with this trend.

Radiologist Shortage

As the practicing radiologist workforce ages, it will become more difficult to staff adequately – imaging volumes continue to increase at the same time creating a dilemma for providers. The average number of exams read per radiologist will increase, requiring some solution to ease the burden.

Mobile and Accessible Imaging

Mobile medical imaging technologies are enabling swift and cost-effective diagnostic services in remote areas. Web-based enterprise imaging systems are replacing traditional PACS, allowing clinicians to access images and reports from anywhere⁵. The push for data interoperability is driving healthcare IT investments, particularly in the US, as providers aim to comply with federal standards like the 21st Century Cures Act.

Large Language Model Development

The Large Language Model (LLM) market has seen tremendous growth in the past few years and shows no sign of stopping⁶. LLMs have specific use cases in healthcare and can contribute to improving the delivery of healthcare. Small Language Models (SLMs) are being increasingly optimised for specific healthcare applications, leveraging their efficiency and adaptability. In clinical settings, SLMs are being tailored to assist with tasks such as clinical documentation support, where they can summarize patient records and generate reports based on focused medical datasets. By focusing on specific healthcare domains, these optimised SLMs can deliver performance comparable to larger models while requiring fewer computational resources, making them ideal for deployment in

resource-constrained healthcare environments. Industry leaders such as Google, Microsoft and Apple have all released small model families. It is expected that we will see more emphasis on integration and usability versus performance⁷.

Market Segmentation

- Magnetic Resonance Imaging (MRI) holds the largest market share at 27.2% in 2023⁸
- Computed Tomography (CT) segment is expected to show the fastest growth from 2024 to 2030⁸; and
- Diagnostic imaging centres are projected to have the highest CAGR over the forecast period⁸.

The medical imaging industry in 2024 is characterised by rapid innovation, AI integration, and improved accessibility, promising enhanced diagnostic capabilities and patient care.



Citations:

2. <https://about.cmradiology.com/articles/medical-imaging-research-2024-breakthroughs-in-ai-and-advanced-technologies>.
3. https://www.linkedin.com/posts/bertalanmesko_radiology-is-the-clear-winner-of-the-ai-race-activity-7272207853828902912-uPTO/.
4. <https://www.prnewswire.com/news-releases/the-medical-imaging-market-is-projected-to-grow-by-usd-14-2-billion-2024-2028-driven-by-the-rise-in-chronic-conditions-with-ai-driving-market-transformation--technavio-302271097.html>.
5. <https://insights.omnia-health.com/technology/ai-3d-imaging-key-trends-radiology-2024>.
6. What Signify Research Expects in 2025: Imaging IT & AI | Signify Research.
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8. <https://www.grandviewresearch.com/industry-analysis/medical-imaging-systems-market>.

Summary

Empowering Healthcare Providers: Transforming Care with Data and Technology

Empowering healthcare providers means equipping them with the autonomy, tools, and support needed to make informed decisions and implement actions that enhance patient care and outcomes. High-quality data plays a crucial role in enabling accurate assessments and insights essential for improving healthcare delivery.

As the healthcare landscape evolves in 2025, providers must harness advanced data and medical imaging technologies to deliver more effective and personalised care.

Key Areas of Provider Empowerment

- 1. Data-Driven Decision Making:** Leveraging reliable data to inform clinical decisions and improve patient outcomes.
- 2. Enhanced Medical Imaging Management:** Utilising cutting-edge tools to optimise the storage, interpretation, and sharing of medical images.
- 3. Interoperability and Data Sharing:** Ensuring seamless data exchange across platforms to foster collaboration and streamline care.
- 4. AI-Assisted Diagnostics and Imaging:** Deploying artificial intelligence to enhance diagnostic accuracy and efficiency.

By adopting these technologies and strategies, healthcare providers can transform care delivery, improve outcomes, and drive innovation in the industry.

Enlitic: Advancing Provider Empowerment

Enlitic is at the forefront of empowering healthcare providers with its advanced data standardisation and AI-enabled solutions for medical imaging. Its flagship software, **Enight 2.0**, released ahead of schedule in 2024, delivers a suite of capabilities designed to revolutionise healthcare workflows and data utilisation:

- **Data Standardisation:** Utilising pixel data and metadata from medical images to generate standardised study and series descriptions, improving data quality and consistency
- **PHI De-identification:** Ensuring secure data sharing by anonymising Protected Health Information (PHI) within medical images

- **Workflow Optimisation:** Integrating natural language processing and computer vision to streamline radiologist reporting workflows, boosting efficiency
- **Revenue Generation:** Identifying issues such as contrast billing discrepancies and enhancing data value through accurate and consistent labeling; and
- **Data Unlocking:** Addressing the challenge of underutilised healthcare data by enabling access to the 97% of data traditionally left untapped.

Empowering Productivity Improvement

Healthcare providers are increasingly turning to advanced technologies to improve productivity in medical imaging and data management. Innovations such as AI-enabled imaging, efficient workflow solutions, and robust data management strategies not only enhance operational efficiency but also elevate the quality of patient care:

- **AI-Enabled Imaging and Analytics:** Revolutionising image analysis with tools to detect anomalies more rapidly and accurately, reducing diagnostic errors, and enabling predictive analytics
- **Efficient Workflow Solutions:** Streamlining operations and reducing administrative burdens to allow clinical teams to focus on patient care; and
- **Data Management and Interoperability:** Implementing robust enterprise imaging frameworks to enable advanced visualisation and seamless access to medical images across formats and systems.

Enlitic: Leading the Way in Productivity Enhancement

With the release of **Enlight 2.0**, Enlitic is setting a new standard in healthcare productivity:

- Standardising data to ensure consistent quality across healthcare systems
- Enhancing radiologist reporting workflows through advanced natural language processing and computer vision tools; and
- Safeguarding patient privacy with robust PHI de-identification mechanisms.

Empowering Complex Data Migration

Frequent data migrations are essential for staying current with technological advancements but often introduce challenges. Enlitic, through its acquisition of Laitek, offers comprehensive migration solutions:

- **Advanced Migration Tools:** Ensuring rapid migration capabilities and high success rates in reconciling and standardising data
- **AI-Enabled Data Management:** Automating data cleansing, standardisation, and validation processes
- **Hybrid Migration Approaches:** Minimising disruptions while ensuring immediate access to patient imaging data; and
- **Data Integrity and Quality Assurance:** Implementing tools to verify accuracy, completeness, and consistency throughout the migration process.

Empowering Innovation and Growth

Through advanced data standardisation and AI-enabled solutions, Enlitic enables healthcare providers to drive innovation and growth:

- Standardising medical imaging data to improve radiologist efficiency and billing accuracy
- Facilitating seamless integration and collaboration through interoperability; and
- Transforming healthcare data into a valuable asset for research and operational improvement.

Empowering Value Creation

Enlitic empowers healthcare providers to create significant value from their medical imaging and data migration through:

- **AI-Enabled Data Standardisation:** Enhancing searchability, accuracy, and operational efficiency
- **Advanced Data Migration:** Achieving rapid and accurate data transitions with minimal disruptions
- **Data Monetisation Opportunities:** Unlocking new revenue streams by brokering anonymised, standardised data; and
- **Streamlined Workflows:** Reducing administrative tasks, improving radiology workflows, and enhancing comprehension of archived information.

By leveraging Enlitic's comprehensive solutions, healthcare providers can transform their data management practices, leading to improved operational efficiency, better patient outcomes, and new opportunities for innovation and growth in the rapidly evolving healthcare landscape.

Leadership & Governance



Lawrence B. Gozlan
Non-executive Chairman

Lawrence, a leading biotechnology investor and advisor, is the Life Sciences Investment Manager at Jagen Pty Ltd, an international private investment organisation. Lawrence is also the Chief Investment Officer and Founder of Scientia Capital, a specialised global investment fund focused exclusively on life sciences. He currently serves as a director on several private and public company boards in Australia and the United States and holds a B.S. with Honors from the University of Melbourne.



Michael Sistenich
Chief Executive Officer and Executive Director

Michael Sistenich is a Partner and Founder of Aureka Partners and has over 24 years of experience in the investment banking, corporate finance, and asset management industry. Michael was the founder and lead portfolio manager of the €6.5bn DWS Investments healthcare franchise and was also the founder of the first European healthcare hedge fund at Meditor Capital Management running more than €500mn. He has served as a board member of nonprofits, as well as private and public companies in the United States and Australia and holds a Master of Science with Honors in Biochemistry from the University of Oxford.



Sergio Duchini
Non-executive Director

Sergio has over 30 years of professional services experience including 23 years as a Deloitte Australia Tax Partner and 8 years as a Deloitte Australia Board member. At Deloitte he held multiple senior positions, including Australian Tax Practice Chief Strategy Officer, Australian Tax Practice Chief Operating Officer, and Global Innovation and Investment Business Leader. Sergio's non-executive experience includes Risk & Audit Committee Chair, Chair of Remuneration Committee, Board Chair with a decade of board level experience with expertise in the Life Science and Biotech, Professional Services and Not for Profit sector. He has Bachelor of Commerce from the University of Melbourne, is a Chartered Accountant, a Fellow of the Tax Institute of Australia and a AICD graduate.



Lisa Pettigrew
Non-executive Director

Lisa Pettigrew is a highly experienced non-executive director with more than 15 years of board and executive experience spanning Australian and US companies. Lisa is Founder and Managing Partner at CRO Syndicate. Her previous Board roles included NeuRA and MS Australia Ltd and executive roles included Global Chief Sales Officer for Avanade and Cognizant, and General Manager roles leading Healthcare at DXC Technology and Accenture. Ms. Pettigrew is also a founder of senior executive nonprofit female networking forums – MS Angels in Australia and Australian Women in DC (AWDC) in US. Lisa resides in Washington DC.

Key Management



Michael Sistenich

Chief Executive Officer and Executive Director

See Leadership and Governance Section for details.



Darren Scotti

Chief Financial Officer and Company Secretary

Darren is a seasoned CFO and board member with over two decades of experience managing capital, financial modelling and mergers and acquisitions. Darren is responsible for leading the financial and strategic activities of the business across Performance Reporting, Taxation, Financial Control, Treasury, M&A and Regulatory Reporting. He is an experienced financial and corporate executive with a strong understanding of all aspects of accounting, finance, and corporate governance. He has experience across a broad range of industries but in recent times has focused on technology startup companies.



Dan Kozimor

Chief Technology Officer

Dan has spent his entire career focusing on the human aspects of software engineering, using his extensive experience developing radiology information technology to evolve the process of reading medical images. As CTO at Enlitic, Dan leads the engineering and data science teams to develop the next generation of medical imaging software and find new ways to transform the future of healthcare. In fact, Dan specialises in scaling tech companies and enabling exceptional engineers to reimagine what healthcare can become.



Steve Rankin

Chief Strategy Officer

Steve possesses a wealth of experience, dedicating more than half of his professional journey to steering strategic growth within the healthcare sector. Fueled by his entrepreneurial drive, Steve pioneered the establishment and leadership of Client Outlook and eUnity, successfully elevating its value to the extent of its acquisition by Mach7. At Enlitic, he applies this proven approach, channeling his efforts towards the development and execution of Enlitic's product and market strategy. Steve is committed to propelling sustained growth for Enlitic in the years ahead.

Enlitic, Inc. Consolidated Financial Statements

As at 31 December 2024

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Directors' Report

31 December 2024

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Enlitic, Inc. (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 December 2024.

Directors

The following persons were Directors of Enlitic, Inc. during the whole of the financial year and up to the date of this report, unless otherwise stated:

Lawrence Gozlan – Chair

Michael Sistenich

Sergio Duchini

Lisa Pettigrew (appointed 4 March 2024)

Riichi Yamada (resigned 31 December 2024)

Principal activities

The Group's principal activity is to intelligently manage healthcare data using the power of artificial intelligence to expand capacity and improve clinical workflows and create a foundation for a real-world evidence medical image database for healthcare providers.

Dividends

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

Review of operations

Enlitic is developing and commercialising AI software products that manage medical imaging data in radiology (such as MRI, CT scans, X-ray and ultrasound images) and licences such products to healthcare providers.

Enlitic's mission is to revolutionise healthcare by empowering evidence-based decision-making, enhancing research, and transforming healthcare delivery. Enlitic operates in the global healthcare IT market, specifically within the radiology sub sector.

During the financial year, the Group acquired Laitek Inc, one of the major US providers of tech-enabled healthcare medical imaging data migration and routing services. Accompanying this acquisition, the Group undertook and completed a successful capital raise and Security Purchase Plan. Refer to 'Significant changes in the state of affairs' below for further details.

The Group primarily generates revenue from a subscription-based revenue model and project-based migrations. Subscription contracts typically have a 3-year term with a renewal mechanism, whilst projects are milestone driven. The Group commenced 2024 with 11 signed customer agreements and signed a further 16 customer license agreements during the year, showing continued positive momentum in commercialising its products. In addition, the Group finished the year with twenty migration projects at various stages of activation.

For the year ended 31 December 2024, the Group reported an increase in customer license agreement revenue of 14.6% to US\$267k from US\$233k. There was an increase in consultancy revenue of 246.8% to US\$763k from US\$220k due to the completion of the Group's acquisition of Laitek, coupled with consulting services provided related to the sale of the Group's Chest x-ray technology to Clairvo. The one-off sale of the Group Chest x-ray technology resulted in a one-off proceeds of US\$500k.

Directors' Report (continued)

The Group has grown its open pipeline of opportunities to US\$93.3 million at 31 December 2024, up 40.5% from US\$66.4 million at 31 December 2023⁹. This estimate now represents the opportunity set of the combined Enlitic and Laitek businesses at the end of the quarter.

Operating expenses, which consist of employee expenses, marketing expenses, administration expenses, professional fees, subscriptions, travel and other expenses increased by approximately 7.6% to US\$17.0 million in 2024 from \$15.8 million in the prior year. In addition, the operating expenses for 2024 included one-off costs of US\$1.0 million related to the acquisition of Laitek and the capital raise versus US\$1.1 million related to the IPO in 2023.

The loss before income tax expense decreased to US\$15.4 million in 2024 from a loss before income tax of US\$15.6 million in the prior year.

Going concern

Refer to note 2 in relation to the Directors' assessment of going concern.

Significant changes in the state of affairs

Director appointment

On 4 March 2024, Lisa Pettigrew was appointed as a Non-Executive Director.

CXR Focal Opacity

On 7 August 2024, the Company reached an agreement to sell CXR Focal Opacity, Enlitic's chest x-ray technology, to Clairvo Technologies Inc ('Clairvo') for a cash consideration of US\$500,000.

Under the terms of the agreement, Enlitic assigns its right, title and interest in CXR Focal Opacity to Clairvo and also grants Clairvo perpetual non-exclusive licenses of certain patents relevant to CXR Focal Opacity and to certain Enlitic background intellectual property as needed by Clairvo to use and practice CXR Focal Opacity.

Clairvo is a wholly owned subsidiary of Marubeni Corporation, which holds approximately 12.3% of the shares in Enlitic at the date of the agreement being signed. Mr Riichi Yamada, a Non-Executive Director of Enlitic nominated by Marubeni Corporation, has not participated in any consideration or approval of the transaction or its terms in his capacity as a director of the Company. Mr Riichi Yamada resigned as a Director effective 31 December 2024.

Acquisition of Laitek

On 29 August 2024, the Company announced that it has entered into conditional binding documentation ('SPA') to acquire 100% of the shares in Laitek, Inc. ('Laitek') for total consideration of US\$4.95 million.

Laitek, founded in the 1980s, is one of the major providers of tech-enabled healthcare medical imaging data migration and routing services in the United States. It offers contract-based medical imaging data migration services to customers on a re-occurring basis as well as ongoing software licensing.

The total consideration payable for the Acquisition was US\$4.95 million, which comprised, cash consideration of US\$4 million which was funded by the funds raised from the Company's Conditional Placement.

In addition, the Acquisition comprised Scrip Consideration of US\$950,000 worth of Common Stock (with the number of common stock being determined by reference to the issue price under the Conditional Placement).

The Common Stock issued under the Scrip Consideration, will be escrowed for 9 months from issue.

9. The dollar values represent the Company's estimate (based on initial discussions and assessments with each potential customer) of TCV (the total contracted minimum licence revenue to be charged over the term (generally 3 years of contracts entered into with customers)) of the contract plus ancillary revenue (as applicable) of each customer pipeline opportunity if every such opportunity was to result in a signed Licence Agreement (and the Company has assumed each such Licence Agreement has a term of 3 years). There is no guarantee that any of the customer pipeline opportunities will result in any contracted clients or contracted revenue, and the dollar values indicated do not in any way represent an estimate of likely future revenue arising from those. It merely provides an indication of the potential size of the revenue opportunity presented by the customer pipeline opportunities.

Directors' Report (continued)

Capital Raising

On 29 August 2024, the Company requested a trading halt for the purposes of undertaking a proposed equity raising, part of which is in connection with the acquisition of the shares in Laitek described above. The Company completed a Conditional Placement of A\$22.5 million and a Security Purchase Plan ('SPP') for A\$0.9 million.

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

Matters subsequent to the end of the financial year

At an Extraordinary General Meeting held on 14 January 2025, the shareholders approved the issuance of options to the Board of Directors as follows:

	Number issued
Michael Sistenich	23,000,000
Lawrence Gozlan	6,800,000
Lisa Pettigrew	2,800,000
Sergio Duchini	2,800,000
	35,400,000

On 16 January 2025, the Company awarded 35,968,000 options to employees. The total options issued on 16 January 2025 is 71,368,000.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

The Group's growth strategy continues to be multi-faceted and has expanded with the acquisition of Laitek. The strategy seeks to:

- Elevate the product offerings of the combined Enlitic and Laitek businesses through completion of the integration of the businesses in the first half of 2025, with a view to growing both the number of underlying customers and accelerating the value of opportunities for these customers;
- Continue to leverage our product offering through both direct and OEM sales force to grow our existing sales pipeline and reach customers across key global markets;
- Maximise efficiencies during onboarding of clients, focusing on reducing time to deployment following execution of client contract;
- Accelerate utilisation within the existing customer base. The Group will look to identify opportunities for its products to fulfill a further demand under an existing contract through discussion and education of clients as to the breadth of utility of the product;
- Create cross-selling and up-selling opportunities as the Group expands its product offering; and
- Develop data monetisation strategies in collaboration with our customers and health care providers. The Group is focused on creating an additional revenue stream via brokering the sale of data on behalf of our customers.

Enlitic is at the forefront of managing and standardising medical imaging data in radiology through AI, a path which was previously untrodden in the healthcare industry. In these early stages of commercialising our product offering, we are creating and growing this new market with each additional client or partnership.

Directors' Report (continued)

As the Group continues to convert its opportunity pipeline into signed customers, the number of images/studies being standardised within the market is growing which, in turn, further cements Enlitic's position as the benchmark for imaging data standardisation. Enlitic continues its discussions with industry stakeholders, including OEMs, with a view to bringing them into the Enlitic ecosystem and helping ensure their products meet the needs of their customers.

The Group's primary focus is on driving revenue growth through the commercialisation of its expanded product offering following the acquisition of Laitek. The Group will also maintain its focus on Research and Development, specifically on enhancing our migration tools and further development of its product suite and service offerings.

Consistent with its business objectives, Enlitic will also use the cash and cash equivalents to invest in system and process improvements to support ongoing growth and provide growth related cost efficiencies.

Business risk

The ability to achieve the Company's business strategies will depend on the effective management and mitigation of business risks including those detailed below.

The Group has historically incurred losses and negative cash flows. If the Group is unable to generate cash inflows, raise sufficient funds on acceptable terms or access available funding alternatives to meet its longer-term future working capital requirements, there is a risk that, the Group's ability to continue as a going concern will be adversely affected.

Commercial Risk

The commercial success of Enlitic's new technology products is reliant on the acceptance and take up of those products by customers. The level of market acceptance will depend upon several factors including:

- Pricing of Enlitic's products when compared to the benefits the products deliver;
- Pricing of Enlitic's products when compared to competition;
- The ability of Enlitic to scale up delivery and implementation levels to meet customer demand; and
- The ability of Enlitic's products to perform to expected standards.

In addition, the acceptance of Enlitic's new products may be slower than expected or may not gain enough acceptance to reach sufficient critical mass for ongoing commercial production. Enlitic cannot guarantee that any products under development will result in the launch of a commercially viable or successful product.

Regulatory Risk

Given the nature of the Company's business, it is subject to a wide range of legal and regulatory requirements which are constantly evolving, including privacy laws and intellectual property laws in numerous jurisdictions. There is potential that the Company may become subject to additional legal or regulatory requirements if its business, operations, or geographic outreach expands in the future, or if laws and regulations change in respect of the jurisdictions in which it operates.

There is a risk that new legislation or changes to the legal and regulatory landscape may make it uneconomic for the Company to continue to operate, or expand into, those jurisdictions in accordance with its strategy. This may materially impact the Company's financial position.

Integration Risk

To the extent that Enlitic's offering needs to be integrated within a customer's information technology environment, there is a risk that the incorrect or improper integration or use of Enlitic software could result in customer dissatisfaction, customer data loss or corruption, and negatively affect Enlitic's business, operations, financial results and growth prospects. There is also a risk that the incorrect or improper integration or use of Enlitic software or Enlitic's failure to provide adequate integration, maintenance or support services to its customers, may adversely affect Enlitic's reputation and result in a reduction in new sales, recurring sales by existing customers and loss of customers, or negative publicity or legal claims against the Company.

Directors' Report (continued)

Security and data risk

Given the nature of Enlitic's business, it collects and stores sensitive customer information, including procedure-based information, personal and medical information, insurance information and other potentially personally identifiable information. Although Enlitic takes measures to protect sensitive information from unauthorised access or disclosure, there is a risk that any system failure of software or services provided could compromise Enlitic's data security and integrity. Similarly, deliberate, malicious, or otherwise unauthorised access or hacking of these systems or networks would similarly compromise Enlitic's security and integrity.

There can be no assurance that the Company's efforts to detect and prevent these events will be successful, and any of these events could materially and adversely affect the Company's business, financial condition, and results of operations. These events may also expose the Company to reputational damage, legal claims, termination of customer contracts and/or regulatory scrutiny and fines.

Additionally, any security or data issues experienced by other biotech or software companies globally could adversely impact customers' trust in providing access to sensitive data generally, which could adversely impact the Company's ability to provide its offering and generate revenue.

Environmental regulation

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

Information on Directors

Name:	Lawrence B. Gozlan
Title:	Non-Executive Chair
Qualifications:	B.S. with Honors from the University of Melbourne
Experience and expertise:	Lawrence, a leading biotechnology investor and advisor, is the Life Sciences Investment Manager at Jagen Pty Ltd, an international private investment organisation. Lawrence is also the Chief Investment Officer and Founder of Scientia Capital, a specialised global investment fund focused exclusively in life sciences. He currently serves as a Director on several private and public company boards in Australia and the US.
Other current directorships:	Alterity Therapeutics Ltd (ASX: ATH); Opthea Ltd (ASX: OPT)
Former directorships (last 3 years):	None
Special responsibilities:	Chairman
Interests in shares:	60,241 ordinary shares
Interests in options:	9,655,988
Name:	Michael Sistenich
Title:	Chief Executive Officer and Executive Director
Qualifications:	Masters of Science with Honors in Biochemistry from the University of Oxford
Experience and expertise:	Michael is a Partner and Founder of Aureka Partners and has over 24 years of experience in the investment banking, corporate finance and asset management industry. Michael was the founder and lead portfolio manager of the €6.5 billion DWS Investments healthcare franchise and was also the founder of the first European healthcare hedge fund at Meditor Capital Management running in excess of €500 million.
Other current directorships:	None
Former directorships (last 3 years):	Opthea Ltd
Special responsibilities:	Chief Executive Officer
Interests in shares:	212,293 ordinary shares
Interests in options:	28,280,136

Directors' Report (continued)

Name:	Sergio Duchini
Title:	Non-Executive Director
Qualifications:	BComm, CTA, FCA, GAICD
Experience and expertise:	Sergio has over 30 years of professional services experience including 23 years as a Deloitte Australia Tax Partner and 8 years as a Deloitte Australia Board member. At Deloitte he held multiple senior positions, including Australian Tax Practice Chief Strategy Officer, Australian Tax Practice Chief Operating Officer, and Global Innovation and Investment Business Leader. Sergio's non-executive experience includes Risk and Audit Committee Chair, Chair of Remuneration Committee, Board Chair with a decade of board level experience with expertise in the Life Science and Biotech, Professional Services and Not for Profit sector.
Other current directorships:	Neurizon Therapeutics Limited (ASX: NUZ) – from May 2024
Former directorships (last 3 years):	None
Special responsibilities:	Chair of Audit and Risk Committee
Interests in shares:	1,000,000 ordinary shares
Interests in options:	2,900,000
Name:	Lisa J. Pettigrew
Title:	Non-Executive Director (appointed 4 March 2024)
Qualifications:	B.A. Hons Economics (University of Sydney), GAICD
Experience and expertise:	Lisa is a highly experienced non-executive director with more than 15 years of board and executive experience spanning Australian and US companies. Lisa was Non-Executive Director on the Boards of Neuroscience Research Australia and Multiple Sclerosis Ltd. Lisa is Founder and Managing Partner, CRO Syndicate and her previous executive roles have included Global Chief Sales Officer at Avanade and Cognizant and Vice President and General Manager roles leading healthcare and life sciences strategy and business operations at DXC Technology and Accenture. Lisa is based in Washington D.C.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	1,000,000 ordinary shares
Interests in options:	2,900,000

Directors' Report (continued)

Name:	Riichi Yamada
Title:	Non-Executive Director (ceased 31 December 2024)
Qualifications:	Bachelor degree of Economics from Hitotsubashi University
Experience and expertise:	Riichi has about 25 years' experience of sales and marketing and new business development and investment in several industries such as chemicals, plastics and life science field at Marubeni Corporation. He is dedicated to developing new business to transform the industry by digital technology such as AI and Web3.0 base. He is CEO and President of Clairvo technology, Inc. established to implement image diagnostics AI in a society as 100% subsidiary company of Marubeni Corporation.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair of Nomination and Remuneration Committee
Interests in shares:	None
Interests in options:	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

Darren Scotti (Bachelor of Business) is the Company Secretary and Chief Financial Officer. Darren is a veteran CFO and board member with over two decades of experience managing capital. He uses his expertise in tax, financial, and management accounting to help Enlitic align the tactics between our US and Australia teams.

Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 December 2024, and the number of meetings attended by each Director were:

	Full Board		Nomination and Remuneration Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
Lawrence Gozlan	5	5	4	4	4	4
Michael Sistenich	5	5	4	4	4	4
Sergio Duchini	5	5	4	4	4	4
Lisa Pettigrew	4	4	4	4	1	1
Riichi Yamada	5	5	4	4	3	3

Held: represents the number of meetings held during the time the Director held office.

Directors' Report (continued)

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the "Corporations Act 2001 (Cth) ('Corporations Act') 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; and
- Additional disclosures relating to key management personnel.

Principles used to determine the nature and amount of remuneration

The objective of the Group'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; and
- transparency.

The Nomination and Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its Directors and executives. The performance of the Group depends on the quality of its Directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

In consultation with external remuneration consultants (refer to the section 'Use of remuneration consultants' below), the Nomination and Remuneration Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group.

The reward framework is designed to align executive reward to shareholders' interests. The Board has considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

In accordance with best practice corporate governance, the structure of Non-Executive Director and Executive Director remuneration is separate.

Directors' Report (continued)

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 may receive share options or other incentives, subject to shareholder approval.

Under ASX listing rules, the total amount of directors' fees paid to the Directors (subject to certain exceptions) must not exceed in aggregate in any financial year the amount fixed by the Company's members in general meeting.

Initially, and until a different amount is approved by shareholders, the maximum aggregate Non-Executive Directors' remuneration for the purposes of the ASX Listing Rules is US\$650,000 per annum. This amount excludes, among other things, amounts payable to any Executive Director under any executive services agreement with the Group or any special remuneration which the Board may grant to the Directors for special exertions or additional services performed by a Director for or at the request of the Group.

Other than in respect of Mr Riichi Yamada (who will receive no fees), and with effect from listing, the following annual base fees will be payable to Non-Executive Directors of the Company:

Directors' Fees	US\$
Chair	\$100,000
Non-Executive Director	\$60,000

Directors will not receive additional fees for being a member of a Board committee.

Executive remuneration

The Group 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; and
- 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 Group 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 Group 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') are share-based payments. Share options are awarded to executives based on long-term incentive measures. These include increase in shareholders' value relative to the entire market and the increase compared to the Group's direct competitors. The Nomination and Remuneration Committee reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 31 December 2024.

Directors' Report (continued)

Share option plans

2014 Equity Incentive Plan

The Company adopted the 2014 Equity Incentive Plan on 12 June 2014 ('2014 Plan') to secure and retain the services of employees, Directors, consultants and affiliates of the Company, to provide incentives for such persons to exert maximum efforts for the success of the Company and any affiliate, and to provide a means by which such eligible recipients may be given an opportunity to benefit from increases in value of the shares through the grant of stock awards primarily in the form of options.

Under the 2014 Plan, the Company reserved 13,698,637 shares for issuance under the 2014 Plan and, as at 31 December 2024, the Board has granted the following securities that are issued and outstanding under the 2014 Plan: 12,123,792 options (of which, 347,578 options have been exercised and converted to shares).

The 2014 Plan was superseded upon the adoption of the 2023 Equity Incentive Plan ('2023 Plan') by the Company, although the terms of the 2014 Plan continue to apply to awards already granted under the 2014 Plan, as noted above.

2023 Equity Incentive Plan

The 2023 Plan was adopted on 9 November 2023 and provides for the grant of incentive stock options to employees of the Company and certain affiliates, and for the grant of non-statutory stock options, restricted stock awards, restricted stock unit awards, stock appreciation rights, and other awards (together, the 'Awards') to the employees and consultants of the Company and certain affiliates and Directors. The 2023 Plan is the successor to, and continuation of, the 2014 Plan, and became effective upon the Company's admission to the Official List of ASX.

The maximum aggregate number of shares of common stock that have been reserved for issuance under the 2023 Plan and proposed to be issued under the 2023 Plan is 11,300,000¹⁰ plus up to an additional 13,100,000 shares of common stock currently subject to outstanding awards under the 2014 Plan that may become available for issuance under the 2023 Plan if such awards terminate or expire (in whole or in part) without shares of common stock being issued or are settled in cash; if the shares of common stock, or shares of common stock underlying such awards, are forfeited to or repurchased by the Company because of a failure to vest; or are withheld or reacquired to satisfy the exercise, strike or purchase price of such award or to satisfy a tax withholding obligation.

In addition, the Board or its Remuneration and Nomination Committee may act, prior to 1 January of a given year, starting from (and including) 1 January 2024 and ending on (and including) 1 January 2033, to provide that the number of shares of common stock reserved for issuance under the 2023 Plan share reserve will increase on 1 January of that year, in an amount equal to the lesser of (i) 10% of the total number of shares of capital stock outstanding on 31 December of the preceding calendar year, and (ii) such number of shares of capital stock as may be determined by the Board or the Remuneration and Nomination Committee; provided, that the total share reserve (in (i) and (ii)) shall not exceed the number of shares of common stock equal to 15% of the total number of shares of capital stock (including all outstanding convertible or exchangeable securities on a fully-diluted, as-converted-to-common-stock basis and including the remaining shares of common stock available for issuance under the share reserve) on 31 December of the preceding calendar year¹⁰.

The 2023 Plan is administered by the Board or its Remuneration and Nomination Committee, which has the power to determine:

- who will receive Awards under the 2023 Plan;
- the type of Awards granted under the 2023 Plan;
- the terms and conditions of Awards, not inconsistent with the terms of the 2023 Plan, including, without limitation, the exercise or purchase price (if any) applicable to the Award, the time or times when Awards may vest and/or be exercised, and any restriction or limitation regarding any Award or the Shares of common stock underlying any award;
- specifically in the case of options:
 - the exercise price of any options granted, which will generally not be less than the fair market value of the Company's shares of common stock on the date the option is granted;

10. In accordance with the terms of the 2023 Plan, as summarised in this section "2023 Equity Incentive Plan" and disclosed in the Company's prospectus dated 22 November 2023, the Board has resolved to increase the Awards reserve to a maximum 85,173,046 effective from 1 January 2025.

Directors' Report (continued)

- the terms on which the options will be exercisable;
- the termination or cancellation provisions applicable to the options which are granted, provided that the expiry date shall, in most cases, not be more than 10 years from the date the option was granted;
- whether such option is intended to be tax qualified under the laws of any jurisdiction jurisdictions; and
- to construe and interpret the terms of the 2023 Plan and any Award agreement.

In the event of:

- a sale of all or substantially all of the Company's assets;
- a sale or other disposition of more than 50% of the outstanding securities of the Company;
- a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or
- a merger, consolidation or similar transaction following which the Company is the surviving corporation but the Shares of common stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise,

then the Board or the Remuneration and Nomination Committee may take one or more of the following actions with respect to outstanding Awards (which such action(s) need not be the same with respect to each Award), contingent upon the closing or completion of such transaction, and subject to any provision to the contrary in the instrument evidencing the Award or any other written agreement with the holder of such Award:

- providing for the assumption or substitution of the outstanding Award;
- accelerating the vesting, in whole or in part, of any Award (including arranging for the lapse, in whole or in part, of any reacquisition or repurchase rights held by the Company);
- assigning any reacquisition or repurchase rights held by the Company with respect to an Award to the surviving or acquiring entity or its parent; or
- cancelling the outstanding Award on such terms and conditions as it deems appropriate, including providing for the cancellation of such outstanding Award for any or no consideration as the Board or Remuneration Committee determines, which such payments may be delayed to the same extent that payment of consideration to the holders of the Shares of common stock in connection with the transaction is delayed as a result of escrows, earn outs, holdbacks or any other contingencies.

Subject to compliance with applicable law, the Board has the authority to amend or terminate the 2023 Plan provided no amendment or termination (other than an adjustment pursuant to a reorganisation, which will be conducted in accordance with the Listing Rules) shall be made that would materially and adversely affect the rights of any participant under any outstanding Award, without such participant's consent. Certain amendments will require the approval of the Shareholders.

As at 31 December 2024, 242,500 Options have been issued but none have been exercised.

The 2023 Plan will automatically terminate in 2033, unless terminated prior.

Consolidated entity performance and link to remuneration

Remuneration for certain executives is directly linked to the performance of the Group. A portion of the STI award is dependent on profit targets being met. The remaining portion is at the discretion of the Board.

The LTI award is designed to align the interests of executives and shareholders by linking reward with key performance drivers that underpin long-term sustainable growth. The annual LTI value for each executive is granted depending on the extent to which specific targets set at the beginning of the financial year are met. These targets include financial measures such as increase of the company's earnings per share and non-financial measures such as customer satisfaction score and market share, all of which are considered important factors in increasing shareholder value.

Refer to the section 'Additional information' below for details of the earnings and total shareholders return.

Directors' Report (continued)

Use of remuneration consultants

During the financial year ended 31 December 2024, the Group did not engage remuneration consultants to review its existing remuneration policies and provide recommendations on how to improve both the STI and LTI programs.

Voting and comments made at the Company's 16 May 2024 Annual General Meeting ('AGM')

At the 16 May 2024 AGM, there was no vote to adopt the remuneration report for the year ended 31 December 2023.

Details of remuneration

The key management personnel of the Group consisted of the following Directors of Enlitic, Inc.:

- Lawrence Gozlan – Non-Executive Chair
- Michael Sistenich – Chief Executive Officer and Executive Director
- Sergio Duchini – Non-Executive Director
- Lisa Pettigrew – Non-Executive Director (appointed 4 March 2024)
- Riichi Yamada – Non-Executive Director (ceased 31 December 2024)

And the following persons:

- John Marshall – Former Chief Operating Officer (ceased 29 April 2024)
- Darren Scotti – Chief Financial Officer and Company Secretary
- Dan Kozimor – Chief Technology Officer

Amounts of remuneration

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

2024	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total US\$
	Cash salary and fees US\$	Cash bonus US\$	Non-monetary US\$	Retirement benefits US\$	Long service leave US\$	Equity-settled US\$	
Non-Executive Directors:							
L Gozlan	100,000	–	–	–	–	30,059	130,059
S Duchini	60,000	–	–	–	–	1,912	61,912
L Pettigrew**	53,333	–	–	–	–	2,618	55,951
R Yamada	–	–	–	–	–	–	–
Executive Directors:							
M Sistenich	297,083	–	–	33,422	–	38,342	368,847
Other Key Management Personnel:							
D Scotti	222,812	–	–	26,490	–	16,467	265,769
D Kozimor	281,182	–	3,161	2,109	–	1,803	288,255
J Marshall*	132,151	–	2,310	5,559	–	–	140,020
	1,146,561	–	5,471	67,580	–	91,201	1,310,813

* Remuneration is for period from 1 January 2024 to date of cessation as a Director or Key Management Personnel.

** Remuneration is for period from appointment as a Director or Key Management Personnel to 31 December 2024.

Directors' Report (continued)

2023	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total US\$
	Cash salary and fees US\$	Cash bonus US\$	Non-monetary US\$	Retirement benefits US\$	Long service leave US\$	Equity-settled US\$	
Non-Executive Directors:							
L Gozlan	83,333	–	–	–	–	115,167	198,500
S Duchini*	10,000	–	–	–	–	303	10,303
R Yamada	–	–	–	–	–	–	–
J Walter**	–	–	–	–	–	–	–
Executive Directors:							
M Sistenich	282,825	–	–	16,444	–	150,248	449,517
J Conyers**	57,454	–	3,864	3,447	–	469,494	534,259
Other Key Management Personnel:							
D Scotti	199,662	–	–	10,963	–	7,023	217,648
D Kozimor	221,436	–	1,278	–	–	22,621	245,335
J Marshall	272,500	–	5,338	16,387	–	5,495	299,720
	1,127,210	–	10,480	47,241	–	770,351	1,955,282

* Payments made to Sergio were as an advisor, not a Director.

** Remuneration is for period from 1 January 2023 to date of cessation as a Director or Key Management Personnel.

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

Name	Fixed remuneration		At risk – STI		At risk – LTI	
	2024	2023	2024	2023	2024	2023
Non-Executive Directors:						
L Gozlan	77%	42%	–	–	23%	58%
S Duchini	97%	97%	–	–	3%	3%
L Pettigrew	95%	–	–	–	5%	–
R Yamada	–	–	–	–	–	–
J Walter	–	–	–	–	–	–
Executive Directors:						
M Sistenich	90%	67%	–	–	10%	33%
J Conyers	–	12%	–	–	–	88%
Other Key Management Personnel:						
D Scotti	94%	97%	–	–	6%	3%
D Kozimor	99%	91%	–	–	1%	9%
J Marshall	100%	98%	–	–	–	2%

Directors' Report (continued)

The proportion of the cash bonus paid/payable or forfeited is as follows:

Name	Cash bonus paid/payable		Cash bonus forfeited	
	2024	2023	2024	2023
Executive Directors:				
M Sistenich	–	–	–	–
J Conyers	–	–	–	–
Other Key Management Personnel:				
D Scotti	–	–	–	–
D Kozimor	–	–	–	–
J Marshall	–	–	–	–

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:	Michael Sistenich
Title:	Chief Executive Officer and Executive Director
Fixed annual remuneration:	A\$450,000 plus superannuation
Incentives:	Mr Sistenich is entitled to receive incentives under the Company's plan(s), as determined by the Board from time to time. Mr Sistenich has the right to receive a discretionary bonus of up to 30% of his fixed annual remuneration.
Other benefits:	Mr Sistenich is paid superannuation by Enlitic Australia in accordance with Australian superannuation laws. Mr Sistenich may also be eligible to participate in any benefit plans relating to health, wellness and dental benefits as may be determined by the Board at its discretion as well as reimbursement of all reasonable and documented expenses actually incurred or paid by Mr Sistenich in the performance of his duties.
Notice period, termination and termination payments:	Either party may terminate by giving six (6) months' prior notice in writing, or immediately in the case of serious misconduct. The Company may elect to provide continued base salary in lieu of notice. Upon termination of employment, except in the case of serious misconduct, any unvested equity rights shall automatically vest. The Company may also terminate by reason of a disability by giving six (6) months' prior notice in writing in which case Mr Sistenich will receive any accrued but unpaid remuneration, leave entitlements and/or other entitlements. Subject to the ASX Listing Rules, if Mr Sistenich is terminated in connection with a change in control, all outstanding equity shall vest.
Non-solicitation/restrictions of future activities:	Unless Enlitic consents in writing (which may be withheld at the Company's absolute discretion), during the term of employment and upon termination for a period of 12 months from the termination date, Mr Sistenich is bound by a non-solicitation and non-compete restraint. The enforceability of the restraint clause is subject to all usual legal requirements.

Directors' Report (continued)

Name:	Darren Scotti
Title:	Chief Financial Officer and Company Secretary
Fixed annual remuneration:	A\$375,000 plus superannuation
Incentives:	Mr Scotti is entitled to receive incentives under the Company's plan(s), as determined by the Board from time to time. Mr Scotti has the right to receive a discretionary bonus of up to 30% of his fixed annual remuneration.
Other benefits:	Mr Scotti is paid superannuation by Enlitic Australia in accordance with Australian superannuation laws. Mr Scotti may also be eligible to participate in any benefit plans relating to health, wellness and dental benefits as may be determined by the Board at its discretion as well as reimbursement of all reasonable and documented expenses actually incurred or paid by Mr Scotti in the performance of his duties.
Notice period, termination and termination payments:	Either party may terminate by giving six (6) months' prior notice in writing, or immediately in the case of serious misconduct. The Company may elect to provide continued base salary in lieu of notice. Upon termination of employment, except in the case of serious misconduct, any unvested equity rights shall automatically vest. The Company may also terminate by reason of a disability by giving six (6) months' prior notice in writing in which case Mr Scotti will receive any accrued but unpaid remuneration, leave entitlements and/or other entitlements. Subject to the ASX Listing Rules, if Mr Scotti is terminated in connection with a change in control, all outstanding equity shall vest.
Non-solicitation/restrictions of future activities:	Unless Enlitic consents in writing (which may be withheld at the Company's absolute discretion), during the term of employment and upon termination for a period of 12 months from the termination date, Mr Scotti is bound by a non-solicitation and non-compete restraint. The enforceability of the restraint clause is subject to all usual legal requirements.
Name:	Dan Kozimor
Title:	Chief Technology Officer
Fixed annual remuneration:	CAD\$385,000
Incentives:	Mr Kozimor is entitled to receive incentives under the Company's plan, as determined by the Board from time to time. Mr Kozimor is also entitled to receive a discretionary bonus of up to 30% of his fixed annual remuneration.
Other benefits:	Mr Kozimor is also entitled to receive health care and up to 6% match for Enlitic Canada's registered retirement savings plan.
Notice period, termination and termination payments:	Enlitic AI Canada, Inc. may terminate Mr Kozimor's employment at any time. Mr Kozimor must provide 60 days' notice to terminate. Upon termination of employment without just cause, Mr Kozimor is entitled to the greater of (i) minimum pay in lieu of notice of termination in accordance with the provision of the <i>Employment Standards Act, 2000</i> , S.O. 2000, c. 41 and, if applicable, the minimum statutory severance pay as required by applicable Canadian law or (ii) six months base salary, less applicable deductions and subject to any additional payments mandated by applicable Canadian law.
Non-solicitation/restrictions of future activities:	For a period of 8 months after termination, Mr Kozimor may not solicit employees from Enlitic, induce customers or suppliers from Enlitic, or be employed by or associated with any business that is directly competitive with Enlitic.

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

Directors' Report (continued)

Share-based compensation

Issue of shares

There were no shares issued to Directors and other key management personnel as part of compensation during the year ended 31 December 2024.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years 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
L Gozlan	2,500,000	30 May 2023	Various	30 May 2033	US\$0.11	US\$0.03598
L Gozlan	177,994	31 August 2023	Various	31 August 2033	US\$0.35	US\$0.11449
M Sistenich	4,000,000	30 May 2023	Various	30 May 2033	US\$0.11	US\$0.03598
M Sistenich	640,068	31 August 2023	Various	31 August 2033	US\$0.35	US\$0.11449
S Duchini	100,000	3 November 2023	Various	3 November 2033	US\$0.35	US\$0.11449
L Pettigrew	100,000	15 June 2024	Various	15 June 2034	US\$0.14	US\$0.08923
D Scotti	750,000	30 May 2023	Various	30 May 2033	US\$0.11	US\$0.03598
D Scotti	86,924	31 August 2023	Various	31 August 2033	US\$0.35	US\$0.11449
D Kozimor	400,000	27 June 2023	Various	27 June 2033	US\$0.11	US\$0.03598
J Marshall	750,000	30 May 2023	Various	30 May 2033	US\$0.11	US\$0.03598

Options granted carry no dividend or voting rights.

The number of options over ordinary shares granted to and vested by Directors and other key management personnel as part of compensation during the year ended 31 December 2024 are set out below:

Name	Number of options granted during the year 2024	Number of options granted during the year 2023	Number of options vested during the year 2024	Number of options vested during the year 2023
L Gozlan	–	2,677,994	384,734	1,762,255
M Sistenich	–	4,640,068	614,580	3,168,885
S Duchini	–	100,000	33,334	2,777
L Pettigrew	100,000	–	16,667	–
D Scotti	–	836,924	119,174	569,703
D Kozimor	–	400,000	100,000	50,000
J Marshall	–	750,000	–	156,875

Directors' Report (continued)

Values of options over ordinary shares granted, exercised and lapsed for Directors and other key management personnel as part of compensation during the year ended 31 December 2024 are set out below:

Name	Fair value of options granted during the year US\$	Fair value of options exercised during the year US\$	Fair value of options lapsed during the year US\$	Remuneration consisting of options for the year %
L Pettigrew	14,550	–	–	5%

Details of options over ordinary shares granted, vested and lapsed for Directors and other key management personnel as part of compensation during the year ended 31 December 2024 are set out below:

Name	Number of options granted	Fair value of options granted US\$	Fair value of options vested US\$	Number of options lapsed	Fair value of options lapsed US\$
L Gozlan	–	–	14,976	–	–
M Sistenich	–	–	23,246	–	–
S Duchini	–	–	3,816	–	–
L Pettigrew	100,000	14,550	1,487	–	–
D Scotti	–	–	7,480	–	–
D Kozimor	–	–	3,598	–	–

Additional information

The earnings of the Group for the two years to 31 December 2024 are summarised below:

	2024 US\$	2023 US\$
Sales revenue	1,078,860	470,288
EBITDA	(15,208,266)	(15,214,383)
EBIT	(15,367,561)	(15,610,327)
Loss after income tax	(15,237,895)	(15,551,440)

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

	2024	2023
Share price at financial year end (US\$)	0.06	0.86
Total dividends declared (cents per share)	–	–
Basic earnings per share (cents per share)	(7.99)	(324.81)
Diluted earnings per share (cents per share)	(7.99)	(324.81)

The Company listed on 18 December 2023 and therefore there is no prior year information to disclose for years prior to this.

Directors' Report (continued)

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 Group, 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					
Lawrence Gozlan	60,241	–	–	–	60,241
Michael Sistenich	212,293	–	–	–	212,293
Sergio Duchini	–	–	1,000,000	–	1,000,000
Lisa Pettigrew	–	–	1,000,000	–	1,000,000
Riichi Yamada	–	–	–	–	–
	272,534	–	2,000,000	–	2,272,534

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 Group, 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					
Lawrence Gozlan	2,855,988	–	–	–	2,855,988
Michael Sistenich	5,280,136	–	–	–	5,280,136
Sergio Duchini	100,000	–	–	–	100,000
Lisa Pettigrew	–	100,000	–	–	100,000
Riichi Yamada	–	–	–	–	–
	8,236,124	100,000	–	–	8,336,124

Transactions with key management personnel and their related parties

During the year the Group sold services to Marubeni Corporation, a related party entity through Director Riichi Yamada, totalling \$713,045.

This concludes the remuneration report, which has been audited.

Directors' Report (continued)

Shares under option

Unissued ordinary shares of Enlitic, Inc. under option at the date of this report are as follows:

Expiry date	Exercise price	Number under option
Various expiry dates in 2026	US\$1.15	31,636
11 October 2027	US\$0.84	300,664
7 June 2029	US\$1.16	979,397
12 December 2029	US\$2.84	30,000
Various expiry dates in 2030 and 2031	US\$2.32	136,146
Various expiry dates in 2031 and 2032	US\$2.75	211,973
Various expiry dates 2033	US\$0.35	9,038,021
Various expiry dates in 2033	US\$0.11	1,390,330
15 April 2034	US\$0.39	37,500
15 June 2034	US\$0.15	205,000
16 January 2035	US\$0.04	71,368,000
		83,728,667

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.

Shares issued on the exercise of options

The following ordinary shares of Enlitic, Inc. were issued during the year ended 31 December 2024 and up to the date of this report on the exercise of options granted:

Date options granted	Exercise price	Number of shares issued
Various 2023	US\$0.11	2,000
Various 2023	US\$0.11	1,000
Various 2023	US\$0.11	15,625
Various 2023	US\$0.35	1,354
Various 2023	US\$0.11	520
Various 2033	US\$0.11	5,625
		26,124

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.

Directors' Report (continued)

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 28 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 28 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* (including Independence Standards) 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.

Officers of the Company who are former partners of RSM Australia Partners

There are no officers of the Company who are former partners of RSM Australia Partners.

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.

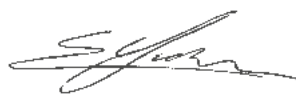
This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Lawrence Gozlan
Director

28 February 2025



Michael Sistenich
Director

Auditor's Independence Declaration



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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Enlitic, Inc. and its controlled entities for the year ended 31 December 2024, 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.

A handwritten signature in blue ink that reads 'RSM'.

RSM AUSTRALIA PARTNERS

A handwritten signature in blue ink that reads 'M Parameswaran'.

M PARAMESWARAN
Partner

Dated: 28 February 2025
Melbourne, Victoria

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RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2024

		Group	
	Note	2024 US\$	2023 US\$
Revenue	5	1,078,860	470,288
Other income	6	525,102	31,050
Interest revenue calculated using the effective interest method		123,149	61,759
Expenses			
Employee benefits expense	7	(9,795,146)	(8,913,541)
Marketing		(390,015)	(261,229)
Depreciation and amortisation expense	7	(159,295)	(395,944)
Professional fees		(3,777,019)	(3,916,814)
Administration expenses		(23,328)	(15,167)
Subscriptions		(872,856)	(806,447)
Exchange loss		(4,359)	(4,836)
Travel		(643,540)	(472,909)
Fair value loss on derivatives		–	(53,109)
Other expenses		(1,305,965)	(1,271,669)
Finance costs	7	(5,838)	(2,872)
Loss before income tax benefit		(15,250,250)	(15,551,440)
Income tax benefit	8	12,355	–
Loss after income tax benefit for the year attributable to the owners of Enlitic, Inc.	23	(15,237,895)	(15,551,440)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(94,593)	33,371
Other comprehensive income for the year, net of tax		(94,593)	33,371
Total comprehensive income for the year attributable to the owners of Enlitic, Inc.		(15,332,488)	(15,518,069)

		Cents	Cents
Basic earnings per ordinary share	36	(7.99)	(324.81)
Diluted earnings per ordinary share	36	(7.99)	(324.81)

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

Consolidated Statement of Financial Position

As at 31 December 2024

	Note	Group	
		2024 US\$	2023 US\$
Assets			
Current assets			
Cash and cash equivalents	9	7,156,705	11,091,059
Trade and other receivables	10	675,619	66,074
Contract assets	11	150,000	10,473
Other assets	12	702,788	272,269
Total current assets		8,685,112	11,439,875
Non-current assets			
Property, plant and equipment	13	88,646	126,739
Right-of-use assets	14	109,167	–
Intangibles	15	4,352,188	7,175
Deferred tax	8	961,178	–
Other assets	12	2,765	–
Total non-current assets		5,513,944	133,914
Total assets		14,199,056	11,573,789
Liabilities			
Current liabilities			
Trade and other payables	16	1,705,925	633,426
Contract liabilities	17	1,085,613	–
Lease liabilities	19	43,019	–
Income tax	8	23,503	–
Employee benefits	20	43,437	–
Total current liabilities		2,901,497	633,426
Non-current liabilities			
Borrowings	18	200,000	–
Lease liabilities	19	69,359	–
Total non-current liabilities		269,359	–
Total liabilities		3,170,856	633,426
Net assets		11,028,200	10,940,363
Equity			
Issued capital	21	128,170,457	112,750,132
Reserves	22	3,226,228	3,320,821
Accumulated losses	23	(120,368,485)	(105,130,590)
Total equity		11,028,200	10,940,363

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

Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

Group	Issued capital US\$	Reserves US\$	Accumulated losses US\$	Total equity US\$
Balance at 1 January 2023	58,759,786	3,155,003	(89,579,150)	(27,664,361)
Loss after income tax expense for the year	–	–	(15,551,440)	(15,551,440)
Other comprehensive income for the year, net of tax	–	33,371	–	33,371
Total comprehensive income for the year	–	33,371	(15,551,440)	(15,518,069)
<i>Transactions with owners in their capacity as owners:</i>				
Issue of shares (note 21)	25,384,941	–	–	25,384,941
Share-based payments (note 37)	–	132,447	–	132,447
Share issue transaction costs (note 21)	(1,355,053)	–	–	(1,355,053)
Conversion of Convertible Notes (note 21)	29,960,458	–	–	29,960,458
Balance at 31 December 2023	112,750,132	3,320,821	(105,130,590)	10,940,363

Group	Issued capital US\$	Reserves US\$	Accumulated losses US\$	Total equity US\$
Balance at 1 January 2024	112,750,132	3,320,821	(105,130,590)	10,940,363
Loss after income tax benefit for the year	–	–	(15,237,895)	(15,237,895)
Other comprehensive income for the year, net of tax	–	(94,593)	–	(94,593)
Total comprehensive income for the year	–	(94,593)	(15,237,895)	(15,332,488)
<i>Transactions with owners in their capacity as owners:</i>				
Issue of shares (note 21)	16,557,404	–	–	16,557,404
Share issuance costs (note 21)	(1,137,079)	–	–	(1,137,079)
Balance at 31 December 2024	128,170,457	3,226,228	(120,368,485)	11,028,200

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

Consolidated Statement of Cash Flows

For the year ended 31 December 2024

	Note	Group	
		2024 US\$	2023 US\$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,079,713	458,162
Payments to suppliers and employees (inclusive of GST)		(16,413,297)	(15,397,236)
		(15,333,584)	(14,939,074)
Interest received		123,149	61,759
Interest and other finance costs paid		(233)	(2,872)
Income taxes refunded		44,454	–
Net cash used in operating activities	35	(15,166,214)	(14,880,187)
Cash flows from investing activities			
Payment for purchase of subsidiary, net of cash acquired	33	(3,095,262)	–
Payments for property, plant and equipment	13	(20,918)	(4,575)
Payments for security deposits		(5,000)	–
Proceeds from disposal of property, plant and equipment		1,254	5,120
Net cash (used in)/from investing activities		(3,119,926)	545
Cash flows from financing activities			
Proceeds from issue of shares	21	15,607,404	13,806,302
Proceeds from issue of preference shares	21	–	11,578,639
Share issue transaction costs	21	(1,137,079)	(1,355,053)
Repayment of lease liabilities		(23,139)	(308,338)
Net cash from financing activities		14,447,186	23,721,550
Net (decrease)/increase in cash and cash equivalents		(3,838,954)	8,841,908
Cash and cash equivalents at the beginning of the financial year		11,091,059	2,215,777
Effects of exchange rate changes on cash and cash equivalents		(95,400)	33,374
Cash and cash equivalents at the end of the financial year	9	7,156,705	11,091,059

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

Notes to the Consolidated Financial Statements

31 December 2024

Note 1. General information

The financial statements cover Enlitic, Inc. as a Group consisting of Enlitic, Inc. and the entities it controlled at the end of, or during, the year. The financial statements are presented in US Dollars, which is Enlitic, Inc.'s functional and presentation currency.

Enlitic, Inc. is a listed public company limited by shares, incorporated and domiciled in United States of America. Its registered office and principal place of business are:

Registered office	Principal place of business
1209 Orange Street City of Wilmington County of New Castle Delaware, USA 19801	2510 East Harmony Road Suite 202 Fort Collins Colorado, USA 80528

A description of the nature of the Group'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, on 28 February 2025. The Directors have the power to amend and reissue the financial statements.

Note 2. Material accounting policy information

The accounting policies that are material to the Group are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the year ended 31 December 2024.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

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 Group incurred a net loss after tax of \$15,237,895 (31 December 2023: \$15,551,440) and had net cash outflows from operating activities of \$15,166,214 (31 December 2023: \$14,880,187) for the year ended 31 December 2024.

These factors indicate a material uncertainty which may cast significant doubt over the ability of the Group to 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 Group will be able to continue as a going concern after consideration of the following:

- Management has reviewed the cash flow forecasts and assessed that there are sufficient cash reserves and incoming cash to continue operations for at least 12 months from the date of this report. This assessment is based on management's confidence in winning more contracts with customers.
- The Group has the ability to raise funds from existing shareholders and new investors to support working capital and execute its strategic growth initiatives.

Accordingly, the Directors believe that the Group 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 Group does not continue as a going concern.

Notes to the Consolidated Financial Statements (continued)

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, derivative financial instruments measured at fair value through profit or loss.

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 Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 32.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Enlitic, Inc. ('Company' or 'parent entity') as at 31 December 2024 and the results of all subsidiaries for the year then ended. Enlitic, Inc. and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

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

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

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.

Notes to the Consolidated Financial Statements (continued)

Foreign currency translation

The financial statements are presented in US Dollars, which is Enlitic, Inc.'s functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into the entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into US Dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into US Dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

The Group provides software and various services to its customers. The services are categorised as consulting and migration services. The Group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: 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.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Rendering of services

Revenue from a contract to provide services is recognised over time based on the completion of specific performance milestones. The services are rendered based on either a fixed price, volume or an hourly rate.

Subscription agreements

Revenue from these agreements is amortised over the life of the agreement. The amortisation is based on the term of the agreement coupled with either the fixed price or volume contained within the agreement.

Notes to the Consolidated Financial Statements (continued)

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.

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 Group'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 Group'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 right at the end of the reporting period 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.

Notes to the Consolidated Financial Statements (continued)

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.

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 Group 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.

Contract assets

Contract assets are recognised when the Group has transferred goods or services to the customer but where the Group is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Notes to the Consolidated Financial Statements (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.

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 years
Furniture and fixtures	2-5 years
Computer equipment	3 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

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 Group 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 Group 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.

Patents and trademarks

Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Notes to the Consolidated Financial Statements (continued)

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3 years.

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.

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.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities

Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

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 Group'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.

Notes to the Consolidated Financial Statements (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.

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 the 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 Group 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.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period; and
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

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 Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group 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.

Notes to the Consolidated Financial Statements (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.

Issued capital

Ordinary shares

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.

Preference shares

Preference shares are classified as equity if it is non-redeemable and any dividends are discretionary, or is redeemable but only at the Company's option. Dividends on preference shares classified as equity are recognised as distributions within equity.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the Group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Notes to the Consolidated Financial Statements (continued)

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Enlitic, Inc., 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 additional shares that would have been outstanding assuming conversion of all 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.

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 Group for the annual reporting period ended 31 December 2024. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

AASB 18 *Presentation and Disclosure in Financial Statements*

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The Group will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

Notes to the Consolidated Financial Statements (continued)

Note 3. 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.

Share-based payment transactions

The Group 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.

Fair value measurement hierarchy

The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Goodwill and other indefinite life intangible assets

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Business combinations

As discussed in note 2, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Group taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Notes to the Consolidated Financial Statements (continued)

Note 4. Operating segments

Identification of reportable operating segments

The Group is organised into two operating segments: Software and Migration services. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Types of products and services

The principal products and services of each of these operating segments are as follows:

Software	Being to intelligently manage healthcare data using the power of artificial intelligence to expand capacity and improve clinical workflows and create a foundation for a real-world evidence medical image database for healthcare providers.
Migration services	Transfer of large volumes of imaging data to allow for the smooth transition of software solutions for healthcare vendors and providers.

Major customers

During the year ended 31 December 2024 approximately 45.2% (31 December 2023: 53.2%) of the Group's external revenue was derived from sales to one customer (31 December 2023: one customer).

Operating segment information

Group – 2024	Software US\$	Migration services US\$	Total US\$
Revenue			
Sales to external customers	465,462	613,398	1,078,860
Other revenue	504,454	20,648	525,102
Interest revenue	117,618	5,531	123,149
Total revenue	1,087,534	639,577	1,727,111
EBITDA	(14,432,069)	(776,197)	(15,208,266)
Depreciation and amortisation	(133,616)	(25,679)	(159,295)
Interest revenue	117,618	5,531	123,149
Finance costs	(5,609)	(229)	(5,838)
Loss before income tax benefit	(14,453,676)	(796,574)	(15,250,250)
Income tax benefit			12,355
Loss after income tax benefit			(15,237,895)
Assets			
Segment assets	13,229,024	970,032	14,199,056
Total assets			14,199,056
Liabilities			
Segment liabilities	1,675,765	1,495,091	3,170,856
Total liabilities			3,170,856

Notes to the Consolidated Financial Statements (continued)

Group – 2023	Software US\$	Migration services US\$	Total US\$
Revenue			
Sales to external customers	470,288	–	470,288
Other revenue	31,050	–	31,050
Interest revenue	61,759	–	61,759
Total revenue	563,097	–	563,097
EBITDA	(15,214,383)	–	(15,214,383)
Depreciation and amortisation	(395,944)	–	(395,944)
Interest revenue	61,759	–	61,759
Finance costs	(2,872)	–	(2,872)
Loss before income tax expense	(15,551,440)	–	(15,551,440)
Income tax expense			–
Loss after income tax expense			(15,551,440)
Assets			
Segment assets	11,573,789	–	11,573,789
Total assets			11,573,789
Liabilities			
Segment liabilities	633,426	–	633,426
Total liabilities			633,426

Geographical information

	Sales to external customers		Geographical non-current assets	
	2024 US\$	2023 US\$	2024 US\$	2023 US\$
United States of America	759,815	62,549	5,496,980	133,914
Europe	106,000	157,546	16,964	–
Japan	213,045	250,193	–	–
	1,078,860	470,288	5,513,944	133,914

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets, post-employment benefits assets and rights under insurance contracts.

Notes to the Consolidated Financial Statements (continued)

Note 5. Revenue

	Group	
	2024 US\$	2023 US\$
Subscription	315,461	250,137
Consultancy fees	763,399	220,151
Revenue	1,078,860	470,288

Disaggregation of revenue

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

	Group	
	2024 US\$	2023 US\$
Geographical regions		
United States of America	759,815	62,549
Europe	106,000	157,546
Japan	213,045	250,193
	1,078,860	470,288
Timing of revenue recognition		
Services transferred over time	1,078,860	470,288

Note 6. Other income

	Group	
	2024 US\$	2023 US\$
Exchange gain	20,648	–
Net gain on disposal of assets	504,454	5,120
Rental income	–	300
Other income	–	25,630
Other income	525,102	31,050

Notes to the Consolidated Financial Statements (continued)

Note 7. Expenses

	Group	
	2024 US\$	2023 US\$
Loss before income tax includes the following specific expenses:		
Depreciation		
Fixtures and fittings	14,590	10,037
Office equipment	109,815	108,818
Buildings – right-of-use assets	26,350	272,023
Total depreciation	150,755	390,878
Amortisation		
Patents and trademarks	3,083	–
Software	5,457	5,066
Total amortisation	8,540	5,066
Total depreciation and amortisation	159,295	395,944
Employee benefits		
Wages and salaries	8,349,922	7,392,853
Employee benefits	972,181	878,477
Share-based payment expense	–	132,447
Payroll taxes	473,043	509,764
Employee benefits expensed	9,795,146	8,913,541
Finance costs		
Interest and finance charges paid/payable on borrowings	230	–
Interest and finance charges paid/payable on lease liabilities	5,608	2,872
Finance costs expensed	5,838	2,872

Note 8. Income tax

	Group	
	2024 US\$	2023 US\$
Income tax benefit		
Current tax	(12,355)	–
Deferred tax – origination and reversal of temporary differences	–	–
Aggregate income tax benefit	(12,355)	–
Numerical reconciliation of income tax benefit and tax at the statutory rate		
Loss before income tax benefit	(15,250,250)	(15,551,440)
Tax at the statutory tax rate of 21%	(3,202,553)	(3,265,802)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Sundry items	363,105	35,691
	(2,839,448)	(3,230,111)
Current year tax losses not recognised	3,047,369	3,349,380
Difference in overseas tax rates	(220,276)	(119,269)
Income tax benefit	(12,355)	–

Notes to the Consolidated Financial Statements (continued)

	Group	
	2024 US\$	2023 US\$
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	93,420,643	78,760,157
Potential tax benefit @ 21%	19,618,335	16,539,633

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

	Group	
	2024 US\$	2023 US\$
Deferred tax asset		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Tax losses	118,471	–
Property, plant and equipment	123,812	–
Leases	5,658	–
Accrued expenses	27,073	–
Share based payments	77,685	–
Research and development	612,944	–
Right-of-use	(5,496)	–
Sundry	1,031	–
Deferred tax asset	961,178	–
Movements:		
Opening balance	–	–
Additions through business combinations (note 33)	961,178	–
Closing balance	961,178	–

	Group	
	2024 US\$	2023 US\$
Provision for income tax		
Provision for income tax	23,503	–

Notes to the Consolidated Financial Statements (continued)

Note 9. Cash and cash equivalents

	Group	
	2024 US\$	2023 US\$
Current assets		
Cash at bank	7,015,970	10,971,059
Cash on deposit	140,735	120,000
	7,156,705	11,091,059
Reconciliation to cash and cash equivalents at the end of the financial year		
The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:		
Balances as above	7,156,705	11,091,059
Balance as per statement of cash flows	7,156,705	11,091,059

Note 10. Trade and other receivables

	Group	
	2024 US\$	2023 US\$
Current assets		
Trade receivables	667,052	66,074
Other receivables	444	–
Goods and services tax and related taxes recoverable	8,123	–
	675,619	66,074

Allowance for expected credit losses

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

Group	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2024 %	2023 %	2024 US\$	2023 US\$	2024 US\$	2023 US\$
Not overdue	–	–	264,205	66,074	–	–
0 to 3 months overdue	–	–	301,075	–	–	–
3 to 6 months overdue	–	–	–	–	–	–
Over 6 months overdue	–	–	101,772	–	–	–
			667,052	66,074	–	–

Note 11. Contract assets

	Group	
	2024 US\$	2023 US\$
Current assets		
Contract assets	150,000	10,473

Notes to the Consolidated Financial Statements (continued)

Note 12. Other assets

	Group	
	2024 US\$	2023 US\$
Current assets		
Prepayments	697,788	272,269
Security deposits	5,000	–
	702,788	272,269
Non-current assets		
Security deposits	2,765	–

Note 13. Property, plant and equipment

	Group	
	2024 US\$	2023 US\$
Non-current assets		
Leasehold improvements – at cost	65,010	65,010
Less: Accumulated depreciation	(65,010)	(65,010)
	–	–
Furniture and fixtures – at cost	94,676	101,849
Less: Accumulated depreciation	(79,859)	(83,055)
	14,817	18,794
Computer equipment – at cost	2,473,821	2,407,230
Less: Accumulated depreciation	(2,399,992)	(2,299,285)
	73,829	107,945
	88,646	126,739

Reconciliations

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

Group	Leasehold improvements US\$	Furniture and fixtures US\$	Computer equipment US\$	Total US\$
Balance at 1 January 2023	–	28,831	212,191	241,022
Additions	–	–	4,575	4,575
Exchange differences	–	–	(3)	(3)
Depreciation expense	–	(10,037)	(108,818)	(118,855)
Balance at 31 December 2023	–	18,794	107,945	126,739
Additions	–	–	20,918	20,918
Additions through business combinations (note 33)	–	9,447	54,781	64,228
Disposals	–	(1,254)	–	(1,254)
Exchange differences	–	2,420	–	2,420
Depreciation expense	–	(14,590)	(109,815)	(124,405)
Balance at 31 December 2024	–	14,817	73,829	88,646

Notes to the Consolidated Financial Statements (continued)

Note 14. Right-of-use assets

	Group	
	2024 US\$	2023 US\$
Non-current assets		
Land and buildings – right-of-use	135,517	–
Less: Accumulated depreciation	(26,350)	–
	109,167	–

The Group leases buildings for its offices and outlets under an agreement of 3 years. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

Reconciliations

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

Group	Land and buildings – right-of-use US\$
Balance at 1 January 2023	272,023
Depreciation expense	(272,023)
Balance at 31 December 2023	–
Additions	135,517
Depreciation expense	(26,350)
Balance at 31 December 2024	109,167

For other lease related disclosures refer to the following:

- note 7 for details of depreciation on right-of-use assets, interest on lease liabilities and other lease payments;
- note 19 for lease liabilities at 31 December 2024;
- note 25 for maturity analysis of lease liabilities; and
- the consolidated statement of cash flows for repayment of lease liabilities.

Note 15. Intangibles

	Group	
	2024 US\$	2023 US\$
Non-current assets		
Goodwill – at cost	4,329,378	–
Patents and trademarks – at cost	20,329	–
Less: Accumulated amortisation	(846)	–
	19,483	–
Software – at cost	116,099	114,490
Less: Accumulated amortisation	(112,772)	(107,315)
	3,327	7,175
	4,352,188	7,175

Notes to the Consolidated Financial Statements (continued)

Reconciliations

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

Group	Goodwill US\$	Patents and trademarks US\$	Software US\$	Total US\$
Balance at 1 January 2023	–	–	12,241	12,241
Amortisation expense	–	–	(5,066)	(5,066)
Balance at 31 December 2023	–	–	7,175	7,175
Additions	–	–	–	–
Additions through business combinations (note 33)	4,329,378	24,179	1,609	4,355,166
Exchange differences	–	(1,613)	–	(1,613)
Amortisation expense	–	(3,083)	(5,457)	(8,540)
Balance at 31 December 2024	4,329,378	19,483	3,327	4,352,188

Impairment testing

Goodwill acquired through business combinations has been allocated to the following cash-generating units:

	Group	
	2024 US\$	2023 US\$
Migration services	4,329,378	–

The recoverable amount of the consolidated entity's goodwill has been determined by a value-in-use calculation using a discounted cash flow model, based on a 1 year projection period approved by management and extrapolated for a further 4 years using a steady rate, together with a terminal value.

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive.

The following key assumptions were used in the discounted cash flow model for Migration services:

- 22.8% (2023: n/a) pre-tax discount rate;
- 5% (2023: n/a) per annum projected revenue growth rate; and
- 2.5% (2023: n/a) per annum increase in operating costs and overheads.

The discount rate of 22.8% pre-tax reflects management's estimate of the time value of money and the consolidated entity's weighted average cost of capital adjusted for Migration services, the risk free rate and the volatility of the share price relative to market movements.

Management believes the projected 5% revenue growth rate is prudent and justified, based on a likely increase in activity due to health care providers migrating software infrastructure to cloud based solutions.

Management have estimated an increase in operating costs and overheads, based on inflation and also an effort by the consolidated entity to contain costs, coupled with the synergies achieved through the acquisition.

Based on the above, management believes that there is no impairment charge for the period as the carrying amount of goodwill exceeded its recoverable amount for Migration services.

Notes to the Consolidated Financial Statements (continued)

As disclosed in note 3, the directors have made judgements and estimates in respect of impairment testing of goodwill. Should these judgements and estimates not occur the resulting goodwill carrying amount may decrease. The sensitivities are as follows:

- Revenue would need to decrease by more than 6.6% for Migration services before goodwill would need to be impaired, with all other assumptions remaining constant; and
- The discount rate would be required to increase from 22.8% to 75.0% for the Migration services before goodwill would need to be impaired, with all other assumptions remaining constant.

Management believes that other reasonable changes in the key assumptions on which the recoverable amount of Migration services' goodwill is based would not cause the cash-generating unit's carrying amount to exceed its recoverable amount.

If there are any negative changes in the key assumptions on which the recoverable amount of goodwill is based, this would result in a charge for Migration services.

Note 16. Trade and other payables

	Group	
	2024 US\$	2023 US\$
Current liabilities		
Trade payables	1,175,857	257,845
Accrued expenses	307,553	248,980
Interest payable	5,605	–
Other payables	216,910	126,601
	1,705,925	633,426

Refer to note 25 for further information on financial instruments.

Note 17. Contract liabilities

	Group	
	2024 US\$	2023 US\$
Current liabilities		
Contract liabilities	1,085,613	–
Reconciliation		
Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:		
Opening balance	–	–
Payments received in advance	921,815	–
Additions through business combinations (note 33)	923,640	–
Transfer to revenue	(759,842)	–
Closing balance	1,085,613	–

Notes to the Consolidated Financial Statements (continued)

Note 18. Borrowings

	Group	
	2024 US\$	2023 US\$
Non-current liabilities		
Bank loans	200,000	–

Refer to note 25 for further information on financial instruments.

Assets pledged as security

The bank loans are secured by first mortgages over the Group's assets.

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	Group	
	2024 US\$	2023 US\$
Total facilities		
Bank loans	200,000	–
Used at the reporting date		
Bank loans	200,000	–
Unused at the reporting date		
Bank loans	–	–

Loan covenants

The bank loans are subject to certain financial covenants and these are assessed at the end of each quarter. The loans will be repayable immediately if the covenants are breached. The Group is not aware of any facts or circumstances that indicate that it may have difficulty complying with the covenants within 12 months after the reporting period.

Note 19. Lease liabilities

	Group	
	2024 US\$	2023 US\$
Current liabilities		
Lease liability	43,019	–
Non-current liabilities		
Lease liability	69,359	–

Refer to note 25 for maturity analysis of lease liabilities.

Note 20. Employee benefits

	Group	
	2024 US\$	2023 US\$
Current liabilities		
Annual leave	43,437	–

Notes to the Consolidated Financial Statements (continued)

Note 21. Issued capital

Class of shares	Group			
	2024 Shares	2023 Shares	2024 US\$	2023 US\$
Ordinary shares ('common stock') – fully paid	583,167,692	86,279,385	128,170,457	112,750,132

Movements in ordinary share capital

Details	Date	Shares**	Issue price	US\$
Balance	1 January 2023	304,615		270,798
Issued on exercise of options	18 January 2023	3,750	US\$2.66	9,975
Issued on exercise of options	18 January 2023	458	US\$2.75	1,260
Issued on exercise of options	7 August 2023	8,621	US\$2.32	20,000
Issued on exercise of options	24 August 2023	782	US\$1.15	899
Issued on exercise of options	24 August 2023	2,500	US\$0.84	2,100
Issued on exercise of options	22 November 2023	1,041	US\$0.11	115
Issued on completion of Initial Public Offer	13 December 2023	25,366,165	US\$0.54	13,771,369
Issued on exercise of options	19 December 2023	2,604	US\$0.11	286
Issued on exercise of options	21 December 2023	2,708	US\$0.11	298
Conversion of Series A preference stock*	13 December 2023	1,774,922	US\$8.05	14,288,080
Conversion of Series A1 preference stock*	13 December 2023	982,930	US\$2.18	7,914,278
Conversion of Series B preference stock*	13 December 2023	3,886,970	US\$3.90	15,141,551
Conversion of Series B1 preference stock	13 December 2023	3,125,000	US\$8.00	25,000,000
Conversion of Series C preference stock*	13 December 2023	50,816,319	US\$1.05	41,539,097
Transfer of share issue and related costs from preference stock on conversion of all preference stock	13 December 2023			(3,854,921)
Less: Share issue and related costs				(1,355,053)
Balance	31 December 2023	86,279,385		112,750,132
Issued on exercise of options	1 January 2024	2,000	US\$0.11	220
Issued on exercise of options	14 January 2024	1,000	US\$0.11	110
Issued on exercise of options	5 February 2024	15,625	US\$0.11	1,719
Issued on exercise of options	5 August 2024	1,354	US\$0.35	474
Issued on exercise of options	5 August 2024	520	US\$0.11	57
Issued as part consideration of Laitek acquisition	15 October 2024	28,744,320	US\$0.03	950,000
Issued on capital raising	15 October 2024	450,000,000	US\$0.03	15,017,124
Issued on share purchase plan	13 November 2024	18,123,488	US\$0.03	587,700
Less: Share issue and related costs				(1,137,079)
Balance	31 December 2024	583,167,692		128,170,457

* The dollar amounts include fair value adjustments in accordance with AASB 9 'Financial Instruments'.

** All common stock has the right to be converted to a Chess Depositary Interest ('CDI') on a 1:1 basis.

Notes to the Consolidated Financial Statements (continued)

Ordinary shares

Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Company be wound up, in proportions that consider both the number of shares held and the extent to which those shares are paid up. 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 Group'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.

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 Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group 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 Group 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.

The Group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 31 December 2023 Annual Report.

Note 22. Reserves

	Group	
	2024 US\$	2023 US\$
Foreign currency reserve	153,334	247,927
Share-based payments reserve	3,072,894	3,072,894
	3,226,228	3,320,821

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to US Dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Notes to the Consolidated Financial Statements (continued)

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Group	Foreign currency reserve US\$	Share-based payments reserve US\$	Total US\$
Balance at 1 January 2023	214,556	2,940,447	3,155,003
Foreign currency translation	33,371	–	33,371
Share-based payments	–	132,447	132,447
Balance at 31 December 2023	247,927	3,072,894	3,320,821
Foreign currency translation	(94,593)	–	(94,593)
Balance at 31 December 2024	153,334	3,072,894	3,226,228

Note 23. Accumulated losses

	Group	
	2024 US\$	2023 US\$
Accumulated losses at the beginning of the financial year	(105,130,590)	(89,579,150)
Loss after income tax benefit for the year	(15,237,895)	(15,551,440)
Accumulated losses at the end of the financial year	(120,368,485)	(105,130,590)

Note 24. Dividends

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

Note 25. Financial instruments

Financial risk management objectives

The Group'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 Group'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 Group. The Group 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 and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The Group is not exposed to any significant foreign currency risk.

Notes to the Consolidated Financial Statements (continued)

Price risk

The Group is not exposed to any significant price risk.

Interest rate risk

The Group's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the Group to interest rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk.

The Group is not exposed to any significant interest rate risk.

As at the reporting date, the Group had the following variable rate borrowings outstanding:

Group	2024		2023	
	Weighted average interest rate %	Balance US\$	Weighted average interest rate %	Balance US\$
Bank loans	3.75%	200,000	–	–
Net exposure to cash flow interest rate risk		200,000		–

An analysis by remaining contractual maturities is shown in 'liquidity and interest rate risk management' below.

Group – 2024	Basis points increase			Basis points decrease		
	Basis points change	Effect on profit before tax	Effect on equity	Basis points change	Effect on profit before tax	Effect on equity
Bank loans	100	20,000	20,000	(100)	(20,000)	(20,000)

The percentage change is based on the expected volatility of interest rates using market data and analysts forecasts. In addition, minimum principal repayments of US\$737 (31 December 2023: US\$nil) are due during the year ending 31 December 2025 (31 December 2023: 31 December 2024).

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. 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 Group does not hold any collateral.

The Group 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. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

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.

The Group is not exposed to any significant credit risk.

Liquidity risk

Vigilant liquidity risk management requires the Group 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.

Notes to the Consolidated Financial Statements (continued)

The Group 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.

Remaining contractual maturities

The following tables detail the Group'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.

Group – 2024	Weighted average interest rate %	1 year or less US\$	Between 1 and 2 years US\$	Between 2 and 5 years US\$	Over 5 years US\$	Remaining contractual maturities US\$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	–	1,175,857	–	–	–	1,175,857
Other payables	–	216,910	–	–	–	216,910
<i>Interest-bearing – variable</i>						
Bank loans	3.75%	–	–	–	200,000	200,000
Lease liability	7.65%	50,142	51,647	21,784	–	123,573
Total non-derivatives		1,442,909	51,647	21,784	200,000	1,716,340

Group – 2023	Weighted average interest rate %	1 year or less US\$	Between 1 and 2 years US\$	Between 2 and 5 years US\$	Over 5 years US\$	Remaining contractual maturities US\$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	–	257,845	–	–	–	257,845
Other payables	–	126,601	–	–	–	126,601
Total non-derivatives		384,446	–	–	–	384,446

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

Note 26. Fair value measurement

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Notes to the Consolidated Financial Statements (continued)

Note 27. Key management personnel disclosures

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	Group	
	2024 US\$	2023 US\$
Short-term employee benefits	1,152,032	1,137,690
Post-employment benefits	67,580	47,241
Share-based payments	91,201	770,351
	1,310,813	1,955,282

Note 28. Remuneration of auditors

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

	Group	
	2024 US\$	2023 US\$
Audit services – RSM Australia Partners		
Audit or review of the financial statements	67,517	30,502
Audit or review of the historical financial statements	–	64,889
	67,517	95,391
Other services – RSM Australia Partners		
Due diligence	46,800	92,407
Taxation services	–	19,821
	46,800	112,228
	114,317	207,619

Note 29. Contingent liabilities

During the prior periods, the Company filed amended payroll tax returns to rectify tax offsets relating to prior years. As at 31 December 2024, the Company may be liable for a payroll tax payment of approximately \$101,000 (excluding interest and penalties) relating to prior years, if the outcome of the assessment of the amended payroll tax returns are not in the Company's favour (31 December 2023: \$101,000).

Notes to the Consolidated Financial Statements (continued)

Note 30. Commitments

	Group	
	2024 US\$	2023 US\$
Service agreement		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	77,100	–
One to five years	122,075	–
	199,175	–

Note 31. Related party transactions

Parent entity

Enlitic, Inc. is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 34.

Key management personnel

Disclosures relating to key management personnel are set out in note 27 and the remuneration report included in the Directors' report.

Transactions with related parties

The following transactions occurred with related parties:

	Group	
	2024 US\$	2023 US\$
Sale of goods and services:		
Services to other related party, Marubeni Corporation	713,045	240,000

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Group	
	2024 US\$	2023 US\$
Current receivables:		
Trade receivables with other related party, Marubeni Corporation	–	13,612

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

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

Notes to the Consolidated Financial Statements (continued)

Note 32. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2024 US\$	2023 US\$
Loss after income tax	(15,760,301)	(26,407,407)
Total comprehensive income	(15,760,301)	(26,407,407)

Statement of financial position

	Parent	
	2024 US\$	2023 US\$
Total current assets	6,710,804	10,931,303
Total assets	12,397,771	11,065,218
Total current liabilities	2,089,513	486,343
Total liabilities	2,158,872	486,343
Equity		
Issued capital	128,170,457	112,750,132
Share-based payments reserve	3,072,894	3,072,894
Accumulated losses	(121,004,452)	(105,244,151)
Total equity	10,238,899	10,578,875

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 31 December 2024 and 31 December 2023.

Contingent liabilities

During the prior periods, the Company filed amended payroll tax returns to rectify tax offsets relating to prior years. As at 31 December 2024, the Company may be liable for a payroll tax payment of approximately \$101,000 (excluding interest and penalties) relating to prior years, if the outcome of the assessment of the amended payroll tax returns are not in the Company's favour (31 December 2023: \$101,000).

Capital commitments – Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 31 December 2024 and 31 December 2023.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity;
- Investments in associates are accounted for at cost, less any impairment, in the parent entity; and
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Notes to the Consolidated Financial Statements (continued)

Note 33. Business combinations

Laitek group of companies

On 15 October 2024, Enlitic, Inc. acquired 100% of the ordinary shares of Laitek, Inc. for the total consideration transferred of US\$4,950,000. Laitek, founded in the 1980s, is one of the major providers of tech-enabled healthcare medical imaging data migration and routing services in the United States. It offers contract-based medical imaging data migration services to customers on a reoccurring basis as well as ongoing software licensing. The goodwill of US\$4,329,378 represents the value of the business to the Company. The acquired business contributed revenues of US\$634,046 and loss after tax of US\$832,600 to the Group for the period from 15 October 2024 to 31 December 2024. If the acquisition occurred on 1 January 2024, the full year contributions would have been revenues of US\$7,540,516 and profit after tax of US\$1,209,378. The values identified in relation to the acquisition of Laitek, Inc. are provisional as at 31 December 2024.

Details of the acquisition are as follows:

	Fair value US\$
Cash and cash equivalents	904,738
Trade and other receivables	62,850
Income tax refund due	15,968
Other current assets	171,763
Property, plant and equipment	64,228
Intangibles	25,788
Deferred tax asset	961,178
Other non-current assets	2,765
Trade and other payables	(385,125)
Contract liabilities	(923,640)
Provision for income tax	(7,372)
Employee benefits	(43,546)
Bank loans	(200,000)
Promissory notes	(28,973)
Net assets acquired	620,622
Goodwill	4,329,378
Acquisition-date fair value of the total consideration transferred	4,950,000
Representing:	
Cash paid or payable to vendor	4,000,000
Enlitic, Inc. shares issued to vendor	950,000
	4,950,000
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration transferred	4,950,000
Less: cash and cash equivalents	(904,738)
Less: shares issued by Company as part of consideration	(950,000)
Net cash used	3,095,262

Notes to the Consolidated Financial Statements (continued)

Note 34. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business/ country of incorporation	Ownership interest	
		2024 %	2023 %
Enlitic Australia Pty Ltd	Australia	100.00%	100.00%
Enlitic Canada Inc.	Canada	100.00%	100.00%
Enlitic Limited	United Kingdom	100.00%	–
Laitek, Inc.	United States of America	100.00%	–
Laitek Ltd	United Kingdom	100.00%	–
Laitek Medical Software SRL	Romania	100.00%	–

Note 35. Cash flow information

Reconciliation of loss after income tax to net cash used in operating activities

	Group	
	2024 US\$	2023 US\$
Loss after income tax benefit for the year	(15,237,895)	(15,551,440)
Adjustments for:		
Depreciation and amortisation	159,295	395,944
Net gain on disposal of property, plant and equipment	–	(5,120)
Net fair value loss on derivatives	–	53,109
Share-based payments	–	132,447
Change in operating assets and liabilities:		
Increase in trade and other receivables	(546,695)	(27,583)
Increase in contract assets	(139,527)	(10,473)
Decrease in income tax refund due	15,968	–
(Increase)/decrease in prepayments	(253,756)	47,846
Increase in trade and other payables	687,374	85,083
Increase in contract liabilities	161,973	–
Increase in provision for income tax	16,131	–
Decrease in employee benefits	(109)	–
Decrease in other operating liabilities	(28,973)	–
Net cash used in operating activities	(15,166,214)	(14,880,187)

Notes to the Consolidated Financial Statements (continued)

Non-cash investing and financing activities

	Group	
	2024 US\$	2023 US\$
Additions to the right-of-use assets	135,517	–
Shares issued in relation to business combinations	950,000	–
	1,085,517	–

Changes in liabilities arising from financing activities

Group	Lease liabilities US\$	Convertible notes US\$	Derivative financial instruments US\$	Total US\$
Balance at 1 January 2023	308,338	23,925,879	5,981,470	30,215,687
Net cash used in financing activities	(308,338)	–	–	(308,338)
Fair value change in derivative	–	–	53,109	53,109
Conversions	–	(23,925,879)	(6,034,579)	(29,960,458)
Balance at 31 December 2023	–	–	–	–
Net cash used in financing activities	(23,139)	–	–	(23,139)
Acquisition of plant and equipment by means of leases	135,517	–	–	135,517
Balance at 31 December 2024	112,378	–	–	112,378

Note 36. Earnings per ordinary share

	Group	
	2024 US\$	2023 US\$
Loss after income tax attributable to the owners of Enlitic, Inc.	(15,237,895)	(15,551,440)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	190,751,089	4,787,787
Weighted average number of ordinary shares used in calculating diluted earnings per share	190,751,089	4,787,787

	Cents	Cents
Basic earnings per ordinary share	(7.99)	(324.81)
Diluted earnings per ordinary share	(7.99)	(324.81)

12,366,292 (31 December 2023: 13,181,625) options have been excluded from the above calculations as their inclusion would be anti-dilutive.

Notes to the Consolidated Financial Statements (continued)

Note 37. Share-based payments

2014 Equity Incentive Plan

The Company adopted the 2014 Equity Incentive Plan on 12 June 2014 ('2014 Plan') to secure and retain the services of employees, Directors, consultants and affiliates of the Company, to provide incentives for such persons to exert maximum efforts for the success of the Company and any affiliate, and to provide a means by which such eligible recipients may be given an opportunity to benefit from increases in value of the shares through the grant of stock awards primarily in the form of options.

Under the 2014 Plan, the Company reserved 13,698,637 shares for issuance under the 2014 Plan and, as at 31 December 2023, the Board has granted the following securities that are issued and outstanding under the 2014 Plan: 12,123,792 options (of which, 347,578 options have been exercised and converted to shares).

The 2014 Plan was superseded upon the adoption of the 2023 Equity Incentive Plan ('2023 Plan') by the Company, although the terms of the 2014 Plan continue to apply to awards already granted under the 2014 Plan, as noted above.

2023 Equity Incentive Plan

The 2023 Plan was adopted on 9 November 2023 and provides for the grant of incentive stock options to employees of the Company and certain affiliates, and for the grant of non-statutory stock options, restricted stock awards, restricted stock unit awards, stock appreciation rights, and other awards (together, the 'Awards') to the employees and consultants of the Company and certain affiliates and Directors. The 2023 Plan is the successor to, and continuation of, the 2014 Plan, and became effective upon the Company's admission to the Official List of ASX.

The maximum aggregate number of shares of common stock that have been reserved for issuance under the 2023 Plan and issued under the 2023 Plan is 11,300,000¹¹ plus up to an additional 13,100,000 of common stock shares currently subject to outstanding awards under the 2014 Plan that may become available for issuance under the 2023 Plan if such awards terminate or expire (in whole or in part) without shares of common stock being issued or are settled in cash; if the shares of common stock, or shares of common stock underlying such awards, are forfeited to or repurchased by the Company because of a failure to vest; or are withheld or reacquired to satisfy the exercise, strike or purchase price of such award or to satisfy a tax withholding obligation.

In addition, the Board or its Remuneration and Nomination Committee may act, prior to 1 January of a given year, starting from (and including) 1 January 2024 and ending on (and including) 1 January 2033, to provide that the number of shares of common stock reserved for issuance under the 2023 Plan share reserve will increase on 1 January of that year, in an amount equal to the lesser of (i) 10% of the total number of shares of capital stock outstanding on 31 December of the preceding calendar year, and (ii) such number of shares of capital stock as may be determined by the Board or the Remuneration and Nomination Committee; provided, that the total share reserve (in (i) and (ii)) shall not exceed the number of shares of common stock equal to 15% of the total number of shares of capital stock (including all outstanding convertible or exchangeable securities on a fully-diluted, as-converted-to-common-stock basis and including the remaining shares of common stock available for issuance under the share reserve) on 31 December of the preceding calendar year¹¹.

The 2023 Plan is administered by the Board or its Remuneration and Nomination Committee, which has the power to determine:

- who will receive Awards under the 2023 Plan;
- the type of Awards granted under the 2023 Plan;
- the terms and conditions of Awards, not inconsistent with the terms of the 2023 Plan, including, without limitation, the exercise or purchase price (if any) applicable to the Award, the time or times when Awards may vest and/or be exercised, and any restriction or limitation regarding any Award or the Shares of common stock underlying any award;

11. In accordance with the terms of the 2023 Plan, as summarised in this section "2023 Equity Incentive Plan" and disclosed in the Company's prospectus dated 22 November 2023, the Board has resolved to increase the Awards reserve to a maximum 85,173,046 effective from 1 January 2025.

Notes to the Consolidated Financial Statements (continued)

- specifically in the case of options:
 - the exercise price of any options granted, which will generally not be less than the fair market value of the Company's shares on the date the Option is granted;
 - the terms on which the options will be exercisable;
 - the termination or cancellation provisions applicable to the options which are granted, provided that the expiry date shall, in most cases, not be more than 10 years from the date the option was granted;
 - whether such option is intended to be tax qualified under the laws of any jurisdiction jurisdictions; and
- to construe and interpret the terms of the 2023 Plan and any Award agreement.

In the event of:

- a sale of all or substantially all of the Company's assets;
- a sale or other disposition of more than 50% of the outstanding securities of the Company;
- a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or
- a merger, consolidation or similar transaction following which the Company is the surviving corporation but the Shares of common stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise,

then the Board or the Remuneration and Nomination Committee may take one or more of the following actions with respect to outstanding Awards (which such action(s) need not be the same with respect to each Award), contingent upon the closing or completion of such transaction, and subject to any provision to the contrary in the instrument evidencing the Award or any other written agreement with the holder of such Award:

- providing for the assumption or substitution of the outstanding Award;
- accelerating the vesting, in whole or in part, of any Award (including arranging for the lapse, in whole or in part, of any reacquisition or repurchase rights held by the Company);
- assigning any reacquisition or repurchase rights held by the Company with respect to an Award to the surviving or acquiring entity or its parent; or
- cancelling the outstanding Award on such terms and conditions as it deems appropriate, including providing for the cancellation of such outstanding Award for any or no consideration as the Board or Remuneration Committee determines, which such payments may be delayed to the same extent that payment of consideration to the holders of the Shares of common stock in connection with the transaction is delayed as a result of escrows, earn outs, holdbacks or any other contingencies.

Subject to compliance with applicable law, the Board has the authority to amend or terminate the 2023 Plan provided no amendment or termination (other than an adjustment pursuant to a reorganisation, which will be conducted in accordance with the Listing Rules) shall be made that would materially and adversely affect the rights of any participant under any outstanding Award, without such participant's consent. Certain amendments will require the approval of the Shareholders.

As at 31 December 2024, 242,500 Options have been issued but none have been exercised.

The 2023 Plan will automatically terminate in 2033, unless terminated prior.

Notes to the Consolidated Financial Statements (continued)

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

	Number of options 2024	Weighted average exercise price 2024	Number of options 2023	Weighted average exercise price 2023
Outstanding at the beginning of the financial year	13,181,625	US\$0.31	4,363,355	US\$1.74
Granted	242,500	US\$0.19	11,673,663	US\$0.14
Exercised	(20,499)	US\$0.13	(22,464)	US\$1.56
Forfeited	(1,037,334)	US\$0.15	(2,832,929)	US\$1.83
Outstanding at the end of the financial year	12,366,292	US\$0.32	13,181,625	US\$0.31

2024

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the year
Various 2016	Various 2026	US\$1.15	31,636	–	–	–	31,636
11 Oct 2017	11 Oct 2027	US\$0.84	300,664	–	–	–	300,664
7 Jun 2019	7 Jun 2029	US\$1.16	979,397	–	–	–	979,397
12 Dec 2019	12 Dec 2029	US\$2.84	30,000	–	–	–	30,000
Various 2020/21	Various 2030/31	US\$2.32	136,146	–	–	–	136,146
Various 2021/22	Various 2031/32	US\$2.75	211,973	–	–	–	211,973
Various 2023	Various 2033	US\$0.11	9,906,146	–	(19,145)	(848,980)	9,038,021
Various 2023	Various 2033	US\$0.35	1,585,663	–	(1,354)	(188,354)	1,395,955
15 Apr 2024	15 Apr 2034	US\$0.39	–	37,500	–	–	37,500
15 Jun 2024	15 Jun 2034	US\$0.15	–	205,000	–	–	205,000
			13,181,625	242,500	(20,499)	(1,037,334)	12,366,292
Weighted average exercise price			US\$0.31	US\$0.19	US\$0.13	US\$0.15	US\$0.32

2023

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the year
Various 2016	Various 2026	US\$1.15	131,593	–	(782)	(99,175)	31,636
11 Oct 2017	11 Oct 2027	US\$0.84	510,529	–	(2,500)	(207,365)	300,664
7 Jun 2019	7 Jun 2029	US\$1.16	1,921,309	–	–	(941,912)	979,397
12 Dec 2019	12 Dec 2029	US\$2.84	60,747	–	–	(30,747)	30,000
Various 2020/21	Various 2030/31	US\$2.32	311,146	–	(8,621)	(166,379)	136,146
Various 2021	Various 2031	US\$2.66	326,875	–	(3,750)	(323,125)	–
Various 2021/22	Various 2031/32	US\$2.75	1,101,156	–	(458)	(888,725)	211,973
Various 2023	Various 2033	US\$0.11	–	10,075,500	(6,353)	(163,001)	9,906,146
Various 2023	Various 2033	US\$0.35	–	1,598,163	–	(12,500)	1,585,663
			4,363,355	11,673,663	(22,464)	(2,832,929)	13,181,625
Weighted average exercise price			US\$1.74	US\$0.14	US\$1.56	US\$1.83	US\$0.31

Notes to the Consolidated Financial Statements (continued)

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2024 Number	2023 Number
Various 2016	Various 2026	31,636	31,636
11 Oct 2017	11 Oct 2027	300,664	284,664
7 June 2019	7 June 2029	979,397	979,397
Various 2020/21	Various 2030/31	136,146	133,853
Various 2021/22	Various 2031/32	236,618	180,597
Various 2023	Various 2033	4,352,490	4,972,221
Various 2023	Various 2033	1,207,257	1,132,102
Various 2024	Various 2034	5,729	–
Various 2024	Various 2034	116,666	–
		7,366,603	7,714,470

The weighted average remaining contractual life of options outstanding at the end of the financial year was 7.64 years (31 December 2023: 8.9 years).

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

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
15 Apr 2024	15 Apr 2034	US\$0.36000	US\$0.39	14.17%	–	4.63%	US\$0.23
15 Jun 2024	15 Jun 2034	US\$0.15000	US\$0.15	14.17%	–	4.20%	US\$0.09

Note 38. Events after the reporting period

At an Extraordinary General Meeting held on 14 January 2025, the shareholders approved the issuance of options to the Board of Directors as follows:

	Number issued
Michael Sistenich	23,000,000
Lawrence Gozlan	6,800,000
Lisa Pettigrew	2,800,000
Sergio Duchini	2,800,000
	35,400,000

On 16 January 2025, the Company awarded 35,968,000 options to employees. The total options issued on 16 January 2025 is 71,368,000.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Consolidated Entity Disclosure Statement

As at 31 December 2024

Entity name	Entity type ⁽¹⁾	Place formed/ Country of incorporation	Ownership interest %	Tax residency
Enlitic, Inc. ⁽²⁾	Body corporate	United States of America	100.00%	United States of America
Enlitic Australia Pty Ltd	Body corporate	Australia	100.00%	Australia
Enlitic Canada Inc.	Body corporate	Canada	100.00%	Canada
Enlitic Limited	Body corporate	United Kingdom	100.00%	United Kingdom
Laitek, Inc.	Body corporate	United States of America	100.00%	United States of America
Laitek Ltd	Body corporate	United Kingdom	100.00%	United Kingdom
Laitek Medical Software SRL	Body corporate	Romania	100.00%	Romania

1. None of the entities noted above were trustees of trusts within the Group, partners in a partnership within the Group or participants in a joint venture within the Group.
2. Enlitic, Inc. is the head entity of the Group.

Basis of preparation

This consolidated entity disclosure statement ('CEDS') has been prepared in accordance with subsection 295(3A)(a) of the *Corporations Act 2001*. The entities listed in the statement are Enlitic, Inc. and all the entities it controls as at 31 December 2024 in accordance with AASB 10 '*Consolidated Financial Statements*'.

Corporate Governance Statement

Enlitic's Corporate Governance Statement outlines the main corporate governance practices in place for Enlitic and is available on our website <https://ir.enlitic.com/governance/> together with the relevant Charters, Policies and guidelines. It addresses the 4th Edition of the Australian Securities Exchange's 'ASX' Corporate Governance Principles and Recommendations ('the Recommendations'). The Corporate Governance Statement was approved by the Board on 26 February 2025 and is current at that date.

Enlitic is committed to implementing the highest standards of corporate governance, taking into account Enlitic's size, structure and nature of its operations. We recognize that strong corporate governance is essential for building trust, promoting transparency, and safeguarding the interests of our securityholders, employees, customers, and other stakeholders. The Board has established corporate governance documents, which form the basis of the Company's Corporate Governance Framework and include:

- Board Charter;
- Audit and Risk Committee Charter;
- Remuneration Committee Charter;
- Code of Conduct;
- Anti-Bribery, Fraud and Corruption Policy;
- Disclosure Policy;
- Diversity Policy;
- Securities Trading Policy;
- Stockholder Communications Policy; and
- Whistleblower Policy.

These documents are available at Governance – Enlitic Investor Relations.

Key elements of our corporate governance are summarised below:

Our Board of Directors is responsible for providing strategic guidance, oversight, and decision-making. The Board comprises a diverse group of individuals with relevant experience, expertise, and independence. We have implemented a process for director appointment to enable a balance of skills, knowledge, and diversity. The Board operates with effective committees to enhance oversight and accountability.

We have a strong commitment to ethical behaviour and responsible decision-making. Our Code of Conduct sets out clear expectations for directors, employees, and contractors, outlining the principles and values that guide our business activities. We have implemented mechanisms to identify and manage conflicts of interest, and we promote a culture of integrity throughout the organisation. Our Whistleblower Policy allows employees to report any concerns confidentially and without fear of retaliation.

We have established a robust strategic risk management framework to identify, assess, and manage key strategic risks. We are implementing a robust risk management framework throughout the organisation. Our Board regularly reviews and monitors risk management processes to ensure they remain effective. We have also implemented policies and procedures to ensure compliance with applicable laws, regulations, and industry standards. Reviews and external audits are conducted to assess our compliance and identify areas for improvement.

We are committed to maintaining open and constructive communication with our securityholders. We provide timely and accurate information to securityholders, ensuring transparency and fairness. We encourage securityholder participation and engagement through annual general meetings, regular updates, and investor relations activities.

We value the input and feedback from our securityholders.

Corporate Governance Statement (continued)

Our remuneration framework is designed to attract and retain high-performing executives while aligning their interests with the long-term success of the Company. The Remuneration and Nomination Committee ensures that executive remuneration is fair, reasonable, and linked to performance. We promote a culture of performance-based incentives and regular performance evaluations for all employees to drive accountability and achieve our strategic objectives.

We recognize the importance of maintaining positive relationships with our stakeholders. We engage with our employees, customers, suppliers, and the communities in which we operate to understand their needs and expectations. We strive to conduct our business in a responsible and sustainable manner, taking into consideration environmental, social, and governance factors. We actively seek feedback from stakeholders and continuously improve our practices based on their input.

Directors' Declaration

31 December 2024

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 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2024 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 information disclosed in the attached consolidated entity disclosure statement is true and correct.

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

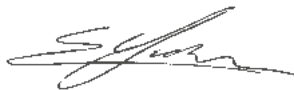
Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Lawrence Gozlan
Director

28 February 2025



Michael Sistenich
Director

Independent Auditor's Report

To the members of Enlitic, Inc.



RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT

To the Members of Enlitic, Inc.

Opinion

We have audited the financial report of Enlitic, Inc. (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- (i) giving a true and fair view of the Group's financial position as at 31 December 2024 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 Group 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.

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Material Uncertainty Related to Going Concern

We draw attention to Note 2 to the financial report, which indicates that the Group incurred a net loss after tax of \$15,237,895 and had net cash outflows from operating activities of \$15,166,214 for the year ended 31 December 2024. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group’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 below key audit matters to communicate in our report.

Key Audit Matter	How our audit addressed this matter
<p>Business combination Refer to Note 33 in the financial statements</p>	
<p>On 15 October 2024, the Group completed the acquired 100% acquisition of Laitek Inc. Management determined the acquisition to be a business combination under AASB 3 <i>Business Combinations</i>.</p> <p>The terms of the stock purchase agreement involved the transfer of cash consideration and issue of common stock. The purchase price must be allocated between the acquired assets and liabilities, at their respective fair values, with any difference recognised as goodwill on consolidation.</p> <p>This acquisition was considered a Key Audit Matter as the accounting for the transaction is complex and involves significant judgements in applying the accounting standards. This includes the recognition and valuation of consideration paid, and the determination of the fair value of the assets and liabilities acquired. As at 31 December 2024, the business combination was accounted for on a provisional basis.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> • Obtaining the stock purchase agreement and other associated documents to understand the key terms and conditions, and ensuring that the transaction has been accounted for in compliance with AASB 3; • Substantively testing the consideration transferred against underlying supporting documents; • Assessing the accuracy and completeness of the fair values of the identified assets and liabilities acquired; and • Assessing the adequacy of the disclosures in respect of the business combination to ensure in line with AASB 3.



Impairment of Goodwill	
Refer to Note 15 in the financial statements	
<p>The Group has \$4,329,378 goodwill as at 31 December 2024.</p> <p>We identified this area as a Key Audit Matter due to the size of the goodwill balance, and because the directors' assessment of the 'value in use' of the cash generating unit ("CGU") involves judgements about the future underlying cash flows of the business and the discount rate applied to them.</p> <p>For the year ended 31 December 2024, management have performed an impairment assessment over the goodwill balance by:</p> <ul style="list-style-type: none"> • Identifying the CGU's to which the goodwill balance belongs; • Calculating the value in use of CGU using a discounted cash flow model. These models used cash flows (revenues, expenses and capital expenditure) for the CGU for 5 years, with a terminal growth rate applied to the 5th year. These cash flows were then discounted to net present value using the CGU specific weighted average cost of capital ("WACC"); and • Comparing the resulting value in use of the CGU to their respective book values. <p>Management also performed a sensitivity analysis over the value in use calculations by varying the assumptions used to assess the impact on the valuations.</p>	<p>Our audit procedures in relation to management's impairment assessment included:</p> <ul style="list-style-type: none"> • Assessing management's determination of the CGUs to which goodwill is allocated; • Assessing the valuation methodology used; • Challenging the reasonableness of key assumptions, including the cash flow projections, revenue growth rates, discount rates, and sensitivities used; • Checking the mathematical accuracy of the cash flow model, and reconciling input data to supporting evidence such as approved budgets, and considering the reasonableness of these budgets; and • Reviewing the accuracy of disclosures of critical estimates and assumptions in the financial statements in relation to the valuation methodologies.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2024 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:

- a. the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b. the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i. the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group 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 Group 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/admin/file/content102/c3/ar2_2020.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 31 December 2024.

In our opinion, the Remuneration Report of Enlitic, Inc., for the year ended 31 December 2024, 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.

A handwritten signature in blue ink that reads 'RSM'.

RSM AUSTRALIA PARTNERS

A handwritten signature in blue ink that reads 'M Parameswaran'.

M PARAMESWARAN

Partner

Dated: 28 February 2025
Melbourne, Victoria

Securityholder Information

31 December 2024

The securityholder information set out below was applicable as at 24 February 2025.

Issued Securities

Security	Quoted	Number	No of Holders
Common stock	No	44,901,804	61*
CHES Depository Interests ('CDIs')	Yes	538,271,514	494
CDIs assuming all common stock held as CDIs	–	583,173,318	555
Unlisted options	No	83,728,667	118
Unlisted warrants	No	162,767	4

* Some common stockholders are also holders of CDIs.

Distribution of equitable securities

CDIs

Analysis of number of equitable securityholders by size of holding. This table assumes that all common stock is held as CDIs:

	Securities	%	No of Holders	%
100,001 and Over	575,215,032	98.64%	169	30.51%
10,001 to 100,000	7,238,259	1.24%	195	35.20%
5,001 to 10,000	428,851	0.07%	58	10.47%
1,001 to 5,000	269,980	0.05%	97	17.51%
1 to 1,000	21,196	0.00%	35	6.32%
	583,173,318	100.00%	554	100.00%

Warrants

	Securities	%	No of Holders	%
100,001 and Over	–	0.0%	–	0.0%
10,001 to 100,000	162,767	100.0%	4	100.0%
5,001 to 10,000	–	0.0%	–	0.0%
1,001 to 5,000	–	0.0%	–	0.0%
1 to 1,000	–	0.0%	–	0.0%
	162,767	100.0%	4	100.0%

Options

	Securities	%	No of Holders	%
100,001 and Over	80,864,098	96.6%	18	15.3%
10,001 to 100,000	2,710,569	3.2%	80	67.8%
5,001 to 10,000	134,000	0.2%	16	13.6%
1,001 to 5,000	20,000	0.0%	4	3.4%
1 to 1,000	–	0.0%	0	0.0%
	83,728,667	100.0%	118	100.0%

Securityholder Information (continued)

CDI holders

Twenty largest quoted securityholders of quoted securities in the Company

The names of the twenty largest securityholders of quoted equity securities (assuming all common stock is held as CDIs) in the Company are listed below.

Name of Registered Holder	CDIs	
	Number held	% of total CDIs issued
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	182,000,000	31.21
BNP PARIBAS NOMS PTY LTD	40,474,040	6.94
STUL FAMILY FOUNDATION PTY LTD (STUL FAMILY FOUNDATION A/C)	38,358,827	6.58
CITICORP NOMINEES PTY LIMITED	29,808,210	5.11
JAGEN NOMINEES PTY LTD (THE B LIBERMAN FAMILY A/C)	20,000,000	3.43
TALENTO HOLDINGS PTY LTD	17,908,992	3.07
VULCANCREST PTY LTD (THE VULCANCREST A/C)	16,446,587	2.82
BIPHARM INVESTMENTS PTY LTD	16,422,111	2.82
BHL PENSION PTY LTD (THE BHL PENSION FUND)	16,000,000	2.74
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	15,973,802	2.74
FREDERICK M BEHLEN	15,919,651	2.73
HB BIOTECHNOLOGY LTD	12,202,225	2.09
MARUBENI CORPORATION	9,564,344	1.64
UBS NOMINEES PTY LTD	7,596,037	1.30
RAZVAN COSTEA-BARLUTIU	7,564,295	1.30
MST FINANCIAL SERVICES PTY LTD	6,454,919	1.11
BUTTONWOOD NOMINEES PTY LTD	5,900,000	1.01
DINWOODIE INVESTMENTS PTY LTD	5,643,490	0.97
VIVAN NOMINEES PTY LTD	5,301,205	0.91
HARPER BERNAYS LIMITED (HB BIOTECHNOLOGY NO 1 A/C)	4,253,269	0.73
	473,792,004	81.25

Substantial holders

To the best of the Company's knowledge, substantial holders of common stock in the Company (being those persons having a voting power of 5% or more in the Company) are set out below. This table assumes that all CDIs are held as common stock.

Name of holder	Number held	% of total shares issued
J P Morgan Nominees Australia Pty Limited	182,000,000	31.21
Pengana Capital Group Ltd and its relevant entities (Notice dated 11 October 2024)*	40,474,040	6.94
BNP Paribas Noms Pty Ltd	40,474,040	6.94
Stul Family Foundation Pty Ltd (Stul Family FoundatioN A/C)	38,358,827	6.58
Jagen Pty Ltd and its relevant entities (Notice dated 11 October 2024)	37,287,550	6.39
Citicorp Nominees Pty Limited	29,808,210	5.11

* Based on public disclosures, as at 11 October 2024: (i) Washington H. Soul Pattinson and Company Limited has voting power of more than 20% in Pengana Capital Group Ltd; and (ii) Brickworks Limited has voting power of more than 20% in Washington H. Soul Pattinson and Company Limited.

Securityholder Information (continued)

Voting rights

The voting rights attached to common stock are set out below.

Common Stock

At a meeting of Enlitic, every holder of common stock present in person or by proxy is entitled to one vote for each common stock held on the record date for the meeting on all matters submitted to a vote of shareholders.

Under Enlitic's bylaws, the presence at the meeting (in person, by remote communication or represented by proxy) of the holders of a majority of the outstanding common stock entitled to vote will constitute a quorum for the transaction of business. Except as otherwise provided by statute or by applicable stock exchange rules, the affirmative vote of the majority of common stock present in person, by remote communication or represented by proxy at the meeting and entitled to vote generally on the subject matter will be the act of the shareholders.

Under the ASX Listing Rules, in order for CDI holders to vote at shareholder meetings, CDI holders may:

- instruct CHES Depository Nominees Pty Ltd ("CDN"), a wholly owned subsidiary of the ASX, as the legal owner of the common stock, to vote the common stock underlying their CDIs in a particular manner. A voting instruction form will be sent to CDI holders with the notice of meeting or proxy statement for the meeting and this must be completed and returned to the CDI Registry prior to the meeting; or
- transmute their CDIs into a holding of common stock and vote these at the meeting (although if the former CDI holder later wishes to sell their investment on ASX, it would be necessary to transmute the common stock back to CDIs). In order to vote in person, the transmutation must be completed prior to the record date for the meeting.

Since CDI holders will not appear on the Company's principal register of members as the legal holders of the common stock, they will not be entitled to vote at shareholder meetings other than in the manner set out above.

CDI voting instruction forms will be included in each notice of meeting sent to CDI holders by the Company.

These voting rights of CDI holders exist only under the ASX Settlement Operating Rules, rather than under the Delaware General Corporate Law and CDI holders do not have any directly enforceable rights under the Company's bylaws.

Enlitic also has on issue certain unlisted options and warrants (set out above) which do not have any voting rights.

Restricted securities

Class	Expiry date	Number
Ordinary shares	17 December 2025	7,558,404
Options over ordinary shares	Various dates	36,924,973
Options over ordinary shares	Various dates	10,615,838
Warrant	4 October 2028	86,216
Warrant – Restricted	4 October 2028	21,551
Warrant – Restricted	13 July 2030	55,000
		55,261,982

Corporate Directory

31 December 2024

Directors

Lawrence Gozlan – Chair
Michael Sistenich
Sergio Duchini
Lisa Pettigrew
Riichi Yamada – ceased 31 December 2024

Company secretary

Darren Scotti

Registered office

1209 Orange Street
City of Wilmington
County of New Castle
Delaware, USA 19801

Registered office (Australia)

Level 1
6-10 O'Connell Street
Sydney NSW 2000
Australia
Telephone: (+61) 430 589 444

Principal place of business

2510 East Harmony Road
Suite 202
Fort Collins
Colorado, USA 80528
Telephone: (+1)970 657 9218 and (+1)877 365 4842

CDI register

Link Market Services

Level 12
680 George Street
Sydney NSW 2000
Telephone: (+61) 1300 554 474

Register of securities

Equiniti

6201 15th Avenue
Brooklyn
New York USA 11219
Telephone: (+1) 929 388 6178

Auditor

RSM Australia Partners

Level 27
120 Collins Street
Melbourne VIC 3000

Stock exchange listing

Enlitic, Inc. CDIs are listed on the Australian Securities Exchange (ASX code: ENL). The Company's securities are not traded on any other exchange other than the ASX.

Website

www.enlitic.com
www.ir.enlitic.com

Corporate Directory (continued)

The Company is incorporated in the state of Delaware in the United States of America. The Company is not subject to Chapters 6, 6A, 6B and 6C of the *Corporations Act 2001* (Cth) dealing with the acquisition of shares (i.e., substantial holdings and takeovers).

Under the Delaware General Corporation Law, shares are generally freely transferable subject to restrictions imposed by US federal or state securities laws, by the Company's certificate of incorporation or bylaws, or by an agreement signed with the holders of the shares at issue. The Company's amended and restated certificate of incorporation and bylaws do not impose any specific restrictions on transfer, other than as described below with respect to compliance with the US Securities Act of 1933 ('US Securities Act'). The Company's CDIs were issued in reliance on the exemption from registration contained in Regulation S of the US Securities Act for offers or sales which are made outside the US. Accordingly, the CDIs have not been, and will not be, registered under the Securities Act or the laws of any state or other jurisdiction in the US. The holders of the Company's CDIs are unable to sell the CDIs into the US or to a US person (as defined in Regulation S of the US Securities Act) unless the re-sale of the CDIs is registered under the US Securities Act or an exemption from the registration requirement of the US Securities Act is available. To enforce the above transfer restrictions, the Company's bylaws provide that the Company may refuse to acknowledge or register any transfer of its capital stock (including CDIs) which does not comply with the US Securities Act and all CDIs issued bear a 'FOR US' designation on the ASX. This designation restricts any CDIs from being sold on the ASX to US persons. However, you still may freely transfer your CDIs on the ASX to any person other than a US person. In addition, hedging transactions with regard to the CDIs may only be conducted in accordance with the US Securities Act.

A detailed review of operations and activities is reported in Directors' Report.

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

No securities were purchased on-market during the financial year ending 31 December 2024 under or for the purposes of an employee incentive scheme or to satisfy the entitlements of the holders of options or other rights to acquire securities granted under an employee incentive scheme.

Business objectives

Enlitic, Inc. will focus on intelligently manage healthcare data using the power of artificial intelligence to expand capacity and improve clinical workflows and create a foundation for a real-world evidence medical image database for healthcare providers.

In accordance with the Listing requirements ASX 4.10.19, the Directors confirm that the Group has used cash and cash equivalents that are held at the time of listing in a way consistent with its stated business objectives. This includes investing in system and process improvements to support the ongoing growth of the business and provide growth related cost efficiencies.

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