2022

ANNUAL REPORT

Leading the way in life-changing diagnostics.

Our 10 year journey

IMEXHS was established in 2012 by a team of radiologists and software engineers with the goal of addressing the high cost of healthcare and the lack of access to advanced technology.

Today, the company boasts a team of over 300 employees, operating in two areas: Medical Imaging Software and Radiology Services. Our software is designed to be web-based and cloud-compatible, and includes artificial intelligence technologies, while maintaining a competitive pricing model. Our Radiology Services division is staffed by a team of more than 150 radiologists, who use our software exclusively.

Over the past decade, we have embarked on an extraordinary journey to expand healthcare access to even the most remote and underserved areas.

Our journey began in 2012, when we founded our company in Bogota, Colombia, with a mission to provide medical technology solutions to healthcare professionals operating in challenging environments.

In 2015, we expanded our services to countries throughout Latin America, including Mexico and Ecuador.

Three years later, in 2018, we achieved a significant milestone by listing on the Australian Stock Exchange (ASX: IME), broadening our global presence and reach.

By 2019, we had secured FDA clearance in the US and expanded our offerings to new medical verticals and innovative AI tools.

The following year, in 2020, we launched AQUILA in the Cloud, (now IMEXHS Cloud), a standardised radiology imaging solution that accelerated our global expansion even further.

In 2021, we acquired RIMAB SAS to strengthen our radiology services business and gain access to a vast repository of data from our in-house radiologists.

As we moved into 2022, we implemented a clear strategy focused on achieving profitability, which involved reducing costs, retaining recurring revenue sources, and acquiring new customers.

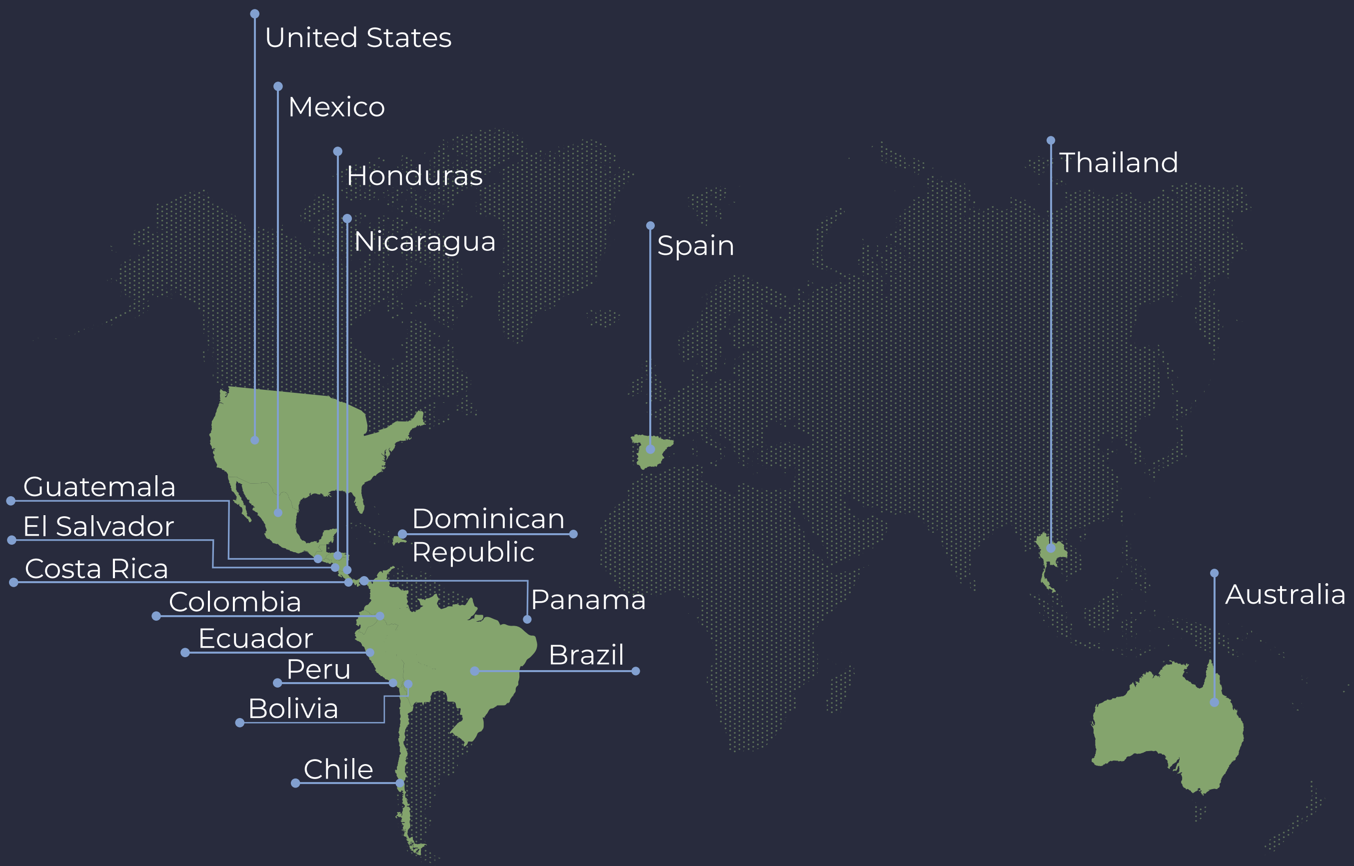
Our journey thus far has been both inspiring and rewarding, and we remain dedicated to driving progress and innovation in the healthcare industry.

Table of contents:

Global
footprint & certifications

Make it **different**

Global footprint



Certifications

ANVISA 80102519067

CMC ECREP20221027.5

COFEPRIS 143300CO320319

FDA 10086307

Invima 2018DM-0017546

icontec ISO9001 SC-2000265

Key **Stats 2022**

- # New studies per annum — **10.7m**
- Images (Stored-Anonymized) — **692m**
- Petabytes Stored — **8**
- Sites Running our solution — **449**
- Specialist Using our application — **+ 3,000**
- Users Patient Portal — **2.7m**
- Portal Entries — **3.5m**
- Current Distributors — **35**

FY22 Financial **Highlights**

Sales Revenue

$17.1m

Up 28% yoy
Up 34% on a constant currency basis

Underlying EBITDA

($0.1m)

vs ($1.4m) in FY21

Annualised Recurring Revenue (ARR)

$19.7m

Down 4%
Up 8% in constant currency basis

Closing Cash

$1.9m

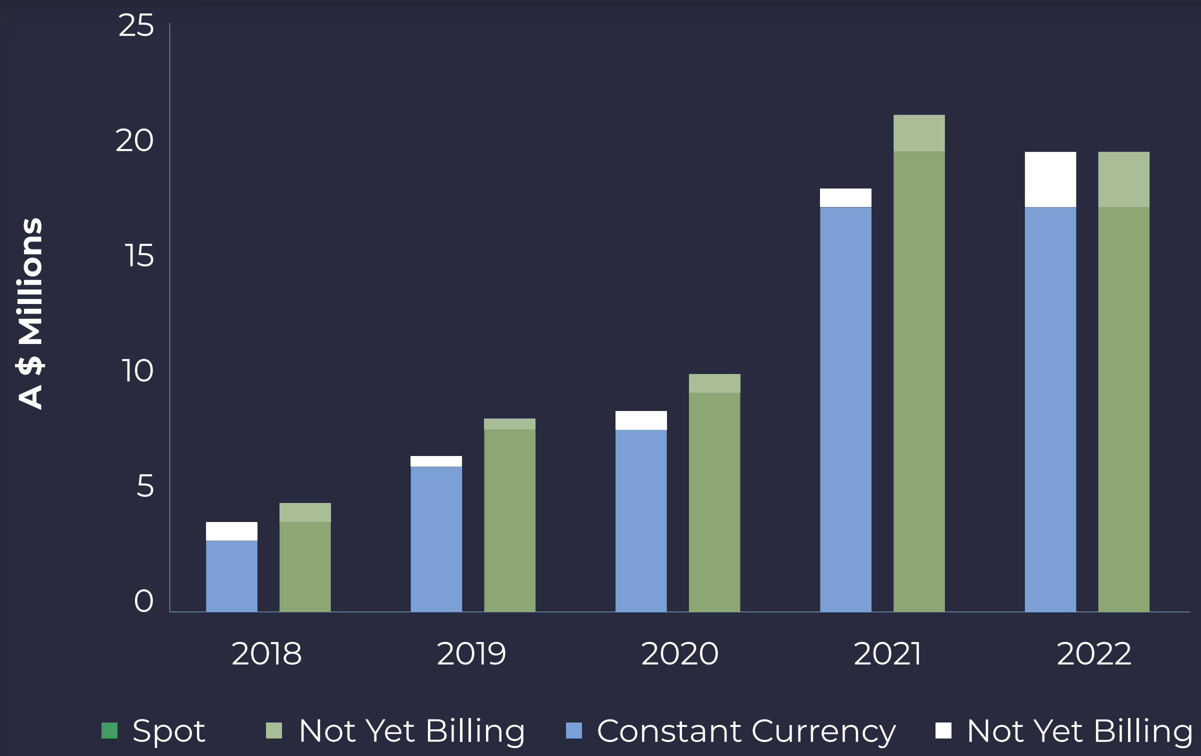
vs $4.2m at 31 December 2021

Debt

$1.1m

vs $2.4m as at 31 December 2021

Annualised Recurring Revenue



Segment Financials

$m	Software	Radiology Services	Corporate	Total
Revenue	$6.4m	$10.7m	----	$17.1m
Underlying EBITDA	$1.1m	$0.7m	($1.9m)	($0.1m)
ARR	$9.2m	$10.5m	----	$19.7m

Charmain's **letter**

Make it **different**

Chairman's **Letter to Shareholders**

Dear Shareholders:

As investors know, 2022 was a challenging year for markets. Midway through the year the world started to come out of its response to the Covid pandemic with countries moving at different speeds but with all central banks and government fiscal policy stimuluses still propping up economies and encouraging demand. Unsurprisingly, we saw accelerating inflation across the board touching every aspect of economies. Most countries went into and through 2022 with strong employment. Adding to the encouragement of interest rates at record lows and fiscal generosity we saw ongoing supply chain disruption as a hangover from Covid together with global tensions and Russia's attack on Ukraine, all which have contributed to inflation returning to levels not seen for many years. The response in the 3rd and 4th quarters, as we know, has been increased interest rates around the world though not much in the way of fiscal tightening.

The impact on asset values has been a re-rating across the board of public markets and of assets held in private equity and venture capital, Also, the number and value of transactions have sharply decreased. We saw pre-profit tech stocks fall and capital availability become limited.

Against the backdrop of dynamic market conditions and prudent decision-making, the Board and Management implemented a cost optimisation project to enhance profitability while preserving robust growth prospects. The project, executed during Q2 and Q3 of 2022, targeted operating and software development costs, with a total reduction in Opex and Capex expenses amounting to approximately $250k per month. As we monitor performance in the upcoming year, we will assess opportunities for additional investment in product or market expansion."

The company also raised capital of $4m in August and Board members strongly supported that raise as did shareholders. Raising modest amounts of capital is not particularly efficient but under the circumstances necessary. Board members ceased to be paid cash fees from 1 April 2022 and are paid in shares.

Directors participated strongly in the capital raise so it was prudent to advise the market at the time of the existence of two active contract negotiations. However, as events would have it these took much longer to close than expected with one Enterprise Software contract for radiology and cardiology at Mexico's IMMS hospitals not closing until December 2022 and another yet to be executed.

The cost out project has been accompanied by decisions to pursue those product and market development projects that had a near term path to profit. The changes allow us to continue to strongly support customer service and to grow markets where we were confident, we could do so profitably. That has involved some hard decisions. The cost of direct sales teams in new markets is substantial. We had made progress in the USA, but we could not continue to support the cost of a team there. Consequently, we have, for the time being, withdrawn from that market as a direct sales operation though we will of course continue to support our current customers in the USA.

So, what does our strategy look like going forward?

Our strength is in Latin America, and we continue to see good growth in the key markets. Our sales of IMEXHS Cloud have mostly been through our partner program and mostly outside of Colombia. We do have direct sales and support in Mexico alongside Partners and our growth there accelerated in 2022. We have entered the Brazilian market with Partners and are making good progress across Central and South America. We will sell into other markets both opportunistically and strategically as appropriate.

All our software sales in Latam outside of Colombia are priced in USD or in a relevant strong currency such as AUD or Euro. This policy has been in place for some time, however, the revenue now priced in these currencies is growing and becoming of substance. In 2022, software revenue of 31% was priced in hard currencies which is translated into COP or local currency at the spot rate.

Our customers love our software - it meets the highest functional needs, easy to use, lowers their operating cost, fast to install and integrates with clinic and hospital systems. You can see the acceptance and use of our software through the growth metrics of number of studies, volume of data storage and the number of radiologists and other clinicians using our tools. Similarly, the growth in studies reported through RIMAB shows the strength of our offering.

On the software development front, we have oriented our program to prioritize customer-centric features and projects that have a clear path to profitability in the near term. As a result, some of our potential 'game changers' such as the Universal Platform 'all ologies' imaging project, have experienced some delays but remain viable and promising. Like all cloud-based technology enterprises, our company incurs a significant and increasing expenses related to data storage. In Q1 of 2023, we are conducting trials for a new PACS architecture, aimed at achieving a minimum 50% reduction in storage costs.

In the fourth quarter we launched a software based DICOM router which increase the speed of installation and the ease of integration of Modality worklists.

Several new releases were carried out across the year that had the effect of improving the usability, functionality, and efficiency of our software.

There has been considerable progress in the automation of several functions in helpdesk and in software implementation this has achieved both a cost reduction and an improvement in customer satisfaction scores.

Since our acquisition of RIMAB in October 2021, we have successfully integrated their services into our operations and eliminated any potential conflicts of interest. Although this has simplified our business management, we still face challenges in separating our accounting processes into distinct business units for software and radiology services.

RIMAB operates as a full-service radiology services provider to major hospitals, clinics, and medical insurance companies in Colombia. In addition, it offers Tele-radiology reporting services to providers in Spain and Mexico. What sets RIMAB apart is the depth of academic specialisation within their team of outstanding radiologists, who use IMEXHS Enterprise exclusively and gain a unique productivity advantage.

The acquisition has provided an outstanding showcase for our software, and RIMAB will continue to expand in Colombia while exploring new opportunities in nearby markets. We are confident that our combined expertise and resources will enable us to deliver exceptional radiology services and technology solutions to even more customers in the years to come.

The fourth quarter of 2022 and the early weeks of 2023 saw sales in line with plan of software and new contracts for radiology services which will provide us with a strong start to 2023.

During the year, the management team continued to evolve with some good hires. Management has addressed many important matters during the year including key areas of price structure, client commitment, implementation process, pace and discipline, collections, development program and its pathway to profitability, better defined go-to-market and target markets and operating cost.

As we move through 2023 and can demonstrate profitable growth we will, where appropriate, invest in further growth opportunities.

I want to thank the directors and management for their effort and support during 2022 and we enter the new year with confidence in the direction the company is pursuing.

Doug Flynn
Chariman

CEO’S **report**

Make it **different**

We founded IMEXHS in 2012 to improve the quality of life of patients and doctors by developing cutting edge technology to address the real needs of physicians, hospitals, clinics and diagnostic centres. Developing an innovative cloud-based medical Imaging Software as a service, has allowed us to become a market leader in Latin America. Guided by our philosophy, 'Where innovation and technology meet medical experience,' we are achieving great things for our Company, our customers, and our future. In October 2021 IMEXHS acquired RIMAB SAS, a Colombia-based radiology services provider. The acquisition strengthened IMEXHS's customer offering with imaging and teleradiology services.

2022 was an important year for IMEXHS. During the year, the Company has taken a definitive pathway to achieve profitability based on a cost reduction plan, maintaining existing recurrent revenues, and winning new customers.

The improvements in the onboarding process plus the optimization of the post-sales support have been key objectives for the Company, including the automation of the most time-consuming activities. The standardized product IMEXHS Cloud, keeps contributing to the geographical expansion and footprint. The radiology services business confirms the attractiveness of the outsourcing model after the renewal of three of the largest contracts, one with Colsubsidio and two with Colombia's National Police Force and building the foundations for a profitable stage for the company.

The Company has demonstrated the scalability of the business across different geographies with an attractive product and disruptive business model and is focused on generating positive numbers in 2023.

In August 2022 the company announced that it had received binding commitments for $2m via a placement and was undertaking a non-renounceable pro-rata entitlement offer to raise a further $2m. The Capital raising was completed by the end of September and was strongly supported by shareholders and Directors.

The net proceeds from the placement have been used to pay down existing high yield debt, fund working capital and for general corporate purposes and are expected to fund the Company through to run rate cashflow positive.

We are pleased to report strong underlying growth in all our key metrics in FY22. Revenue for the twelve months ended 31 December 2022 was $17.1m, up 28% and up 34% on a constant currency basis versus FY21. Annual Recurring Revenue (ARR) of $19.7m was up 8% on a constant currency basis, with new customer contracts and increased volumes offsetting a customer the company chose to exit on 1 July 2022. ARR of $19.7m consisted of $10.5m from Radiology and $9.2m from Software.

We had forecast that the company would be underlying EBITDA positive for the year however we were slightly behind this with an underlying EBITDA loss of ($0.1m), though this was a $1.3m improvement on prior year.

The Company had also forecast to reach monthly run-rate underlying cash break-even within the last quarter and whilst that was achieved in the month of October there was $0.4m collection slippage through to early January which would have made the operating cashflows positive in the last quarter.

Despite these narrow misses, the company has shown steps towards positive cash flow and profitability in particular the reduction in operating costs and in capital expenditure through the cost-out program undertaken during the year.

The pipeline of volume increase from current customers remains strong. There is a high priority to implement 'contracts not yet billing' and have them contribute as soon as possible. Negotiations of material contracts is taking longer than expected, but have continued to progress in the first quarter of FY23.

Our high touch and customized enterprise solution, IMEXHS Enterprise, is the main source of our existing software revenues and continues to grow due to new contract wins and internal volume growth from existing customers. This product has helped build our reputation and allows us to upsell, but importantly the platform demonstrates its value in increasing productivity. The new IMSS ~$440k ARR high margin deal, is the first material contract with public hospitals outside Colombia and confirms the competitiveness of our enterprise platform for big-complex centres.

Also, the $1.1m ARR Colombia Police Department contract won through a public tender process in December 2021 and renewed in October 2022, reflects a reactivation of purchase activities among larger public sector customers and shows that the enhancement of our platform is already generating good traction.

Our disruptive standardized offering, IMEXHS Cloud, continues to generate strong interest, addressing the underserviced need for small to mid-size enterprises around the world. There were 169 active IMEXHS Cloud contracts across LATAM, US and Australia as of 31 December 2022.

We took the strategic decision in 2022 to focus on the near-term opportunities both in geographic markets and product development projects. Of necessity the high cost of operating directly in the USA could not be maintained. The opportunity remains to address future geographical expansion with innovation and product development. The company will consider such wider ambitions in the future. In 2022 the key priority was the optimization of the implementation process for IMEXHS Cloud, which resulted in substantial improvements in all deployment related KPI's and contract to revenue times.

RIMAB was fully incorporated into the IMEXHS processes and structure during 2022, eliminating any duplication and redundancy resulting in cost optimization across the Group. RIMAB continues to be a clear leader in the Colombian Radiology services market, now enhanced by the availability of IMEXHS technology and mature processes. The cessation of the services provided to a substantial client in June due to bad payment behaviour, led a decrease in our ARR, which has been partially backfilled.

The renewal of our biggest contract with Colsubsidio and of the two contracts with HOCEN is a clear demonstration of the quality of our services and of the level of satisfaction of our customers, with the addition of improved pricing for all of them, the year ahead looks much more promising for us.

The opportunities for RIMAB with the IMEXHS contribution are exciting and will contribute to the company's growth in the near term. Furthermore, IMEXHS is being fed by the information from the Radiologic practice available in the 35 sites where RIMAB is providing services, improving the user experience and usability, and growing our AI data library, now with more than 2 billion images stored.

Our partner's program has evolved into a more mature structure with optimized processes and higher satisfaction from the distributors network. We are confident there is a big window of opportunity in the Latin-American region mostly through the growing footprint, reference sites and reputation of our products. We created a knowledge database to include tutorials, videos, papers, and any type of information to support the proper understanding and training of the partners network, reducing significantly the IME intervention in the deployment process and post-sales tickets requirements.

The program supports the existing product line and expands our global reach, now with 35 distributors in 15 countries. Additionally, the new channel and distribution strategy has been well validated with the IMEXHS partner's network, able to deliver most of the IMEXHS Cloud deals (+80%) across 15 countries.

Recertification in ISO 13485 and FDA clearance were achieved, as well as some other country's regulatory registrations.

Our CFO Reena Minhas has transformed with more structure and a new team the financial department, with significant improvements in KPIs of billing, collections and reporting activities, contributing to improved operations and anticipating the future growth and scalation of the business.

The software development roadmap has been focused on product improvements to address concrete short to mid-term opportunities, while protecting the long term single medical imaging platform view. The focusing strategy is helping us to optimize resources for revenue generating priorities and has been supported by the implementation of more structured processes and methodologies. This has resulted in significant improvement in quality and agility of the software development activities. The strategy and the structured implementation have been enhanced by the knowledge and experience of the company's CTO, Orlando Joven, who is bringing new and disruptive methodologies while, taking a key leadership role in the operations of IME.

In closing, 2022 was a year of strategic refocus to achieve a path to profit whilst maintaining existing recurrent revenues and winning new customers. Looking to 2023, the profitability pathway has been taken and remains the priority for the year ahead. This will be supported by protecting the existing recuring revenues, the acceleration of onboarding process to generate new revenues from already signed deals, the sales strategy of bringing new high margin software deals across the LATAM region, plus the growth traction from the radiology services front and the tight control on the cost structure.

We will keep a dynamic permanent evaluation of the strategy, to reactivate the investment in sales and marketing in US and Australia, as soon as our financial position allow us to do so. We are also focused on going into a next level of quality of the radiology services, improving onboarding of new customers and post sales service satisfaction levels and keep developing under the previously mentioned strategic premises, with agility and high-quality standards products for the sort-mid-term and for the long-term view of a single medical imaging platform.

I would like to extend my sincere thanks to the directors for their guidance, as well as the management team in Colombia and Sydney, and the whole IMEXHS team for their efforts.

Dr German Arango

CEO and Co-Founder

About **us**

Make it **different**

IMEXHS: Our innovative cloud-based software solutions are intuitive, comprehensive, and accessible to facilities of all sizes around the world.

Value proposition

IMEXHS Cloud:
offers cutting-edge imaging solutions designed for healthcare centres that require secure, efficient, and cost-effective processing of more than 500 studies per month. Our ready-to-use platform ensures the secure storage, smooth visualisation, and streamlined optimisation of all imaging processes. With advanced functionality, our imaging solutions provide the highest level of data security and confidentiality, while enabling healthcare professionals to deliver better patient outcomes at the best possible value.

IMEXHS Enterprise:
provides advanced imaging solutions that are designed to be easily integrated into the infrastructure of hospitals and healthcare institutions. Our solutions are highly flexible, customisable, and modular, making them ideal for healthcare organisations of all sizes and types. Our technology can process over 10,000 images per month, streamlining complex processes and increasing efficiency. With our focus on flexibility and scalability, we can tailor our solution to meet the unique needs of any healthcare organisation, no matter the complexity of their workflow.

Communication / development pillars

Make it **faster**
Based on our principle of optimization, we constantly seek ways to improve the quality of life for patients and physicians worldwide by simplifying processes and increasing efficiency.

Make it **Easy**
We prioritize an intuitive approach to everything we do, with the goal of reducing complexity and promoting the well-being of patients, physicians, partners, clients, and employees.

Make it **for all**
Our purpose is to democratize access to high-tech image management platforms for centers of all sizes, while creating and sharing efficient business models that benefit society.

Make it **Different**
As agile innovators, we actively seek growth opportunities and new developments that allow us to fulfill our purpose in unique and impactful ways.

Our Offering

AQUILA – Radiology

is a comprehensive cloud, web-based system that centralises and streamlines the management of radiology services. It offers tools for scheduling appointments, monitoring productivity, and delivering results to patients and referring physicians. The platform is designed for multiple users with features such as work lists, advanced visualisation, and voice recognition. The goal of AQUILA is to improve patient care.

ALULA – Pathology

Is a cloud, web-based system that supports the entire pathology workflow, from sample intake to final report generation. ALULA offers a digital view of pathology images, with tools for zone selection, measurement, and in-depth exploration. ALULA has been built to work on multiple platforms and browsers.

IMEXHS Cloud (previously AQUILA in the Cloud)

IMEXHS Cloud is the Company's standardised radiology offering launched in May 2020. It provides small and medium-sized centres with an affordable and accessible RIS/PACS product.

The standardised solution is a cloud-based, multi-tenant, end-to-end radiology solution. It handles the workflow of an imaging centre from the scheduling to the billing with high-end tools for medical visualization and reporting. It is a subscription-based model with additional charges for more advanced tools such as Artificial Intelligence and Advanced Visualisation.

Charges are based on volumes of radiology studies.

IMEXHS now has 169 active IMEXHS Cloud **customers across 18 countries** which represents a **52% increase** compared to 2021.

IMEXHS Cloud historically targeted small and medium sized customers however during the second half of 2022, IMEXHS Cloud gained significant interest among larger medical institutions who have found enormous value in the Company's comprehensive, affordable and accessible standardized radiology offering. Four notable, multi-year IMEXHS contracts were signed in the final two quarters of the year.

IMEXHS Enterprise (previously AQUILA Enterprise)

IMEXHS Enterprise is a highly adaptable imaging platform designed to meet the specific needs of large and comprehensive clinics and hospitals. It has been engineered to support multi-site hospitals, providing advanced visualization and post-processing tools, business intelligence, and practice management features. Our solution offers unmatched flexibility and scalability, making it the ideal choice for healthcare institutions that require custom integrations and workflows to optimize their processes

Unlike IMEXHS Cloud, IMEXHS Enterprise tend to be customized, long-term agreements – with an average duration of 5-years – and pricing is determined by volume-based tiers.

By the end of 2022, IMEXHS had **117 active** IMEXHS Enterprise customers across eight countries. The number of IMEXHS Enterprise studies increased by 33% between 2021 and 2022.

In December, the Company entered into a contract with its local partner in Mexico and Mexico's Social Security Institute, the IMSS, for enterprise software. This is a three year contract and is valued years and is valued between US$690,000 and US$900,000. The contract is expected to bring in an Annual Recurring Revenue (ARR) of approximately US$230,000 to US$300,000.

IMEXHS Radiology Services (RIMAB)

OUR PATIENT CENTRIC OFFERING INCLUDES TWO MAIN BUSINESS MODELS:

01

Outsourcing of imaging facilities.

This accounts for approximately 95% of the total revenue generated by this business unit. The current revenue of the business is primarily derived from a business model that provides hospitals with a combination of medical services and technology solutions.

The shortage of radiologists is a global phenomenon that has put pressure on hospitals to fulfill the increasing demand for diagnostic imaging, including new clinical applications. This gap in medical practice presents an opportunity that RIMAB has seized with its attractive business model. The company has assembled a team of over 150 highly skilled radiologists, many with overseas fellowships, and cutting-edge technology that not only addresses the gap in hospitals but also exceeds their expectations and optimizes cost structures.

The radiologist team includes renowned figures such as Dr. Jorge Carrillo, who authored 16 chapters in the US-published "Diagnostic Imaging Chest" from Amirsys, a global reference book in this field, and Dr. Sandra Nino, who holds two fellowship degrees from McGill University in Abdominal radiology and MSK and manages the radiologists' team. With easy access to IME technology, RIMAB is in a privileged position to compete in the outsourcing market. The company is currently the outsourcing market leader in Colombia and plans to expand its model to other regions in the mid-term.

02

Teleradiology

RIMAB extended its Teleradiology business model to deliver remote medical imaging reporting services to third parties in countries with higher pricing and stronger currencies such as Spain. With our highly qualified radiologist team, we are able toprovide a superior level of accuracy and quality in our Teleradiology services, which has resulted in this growing business unitpresently contributing 5% of our total revenues. We remain committed to expanding our Teleradiology services to other regionswhile continuing to maintain an unwavering dedication to providing high acedemic quality imaging reporting to our clients.

OUR VALUE PROPOSITION IS DRIVEN MAINLY BY OUR HIGH QUALITY OFFERING:

Extensive experience in the production and reporting of large volumes of medical images.

High level of specialization of the radiologist team and reporting database based on medical imaging subspecialities:

NEURO	ABDOMEN	CHEST	MSK	BREAST	PEDIATRIC	INTERVENTIONAL

Highly skilled radiologist team with strong academic credentials, visibility and recognition.

OUR PRODUCT EXTENSIONS

Patient Portal

Our web-based platform, IMEXHS Portal, provides efficient and centralized access to diagnostic imaging results for radiologists, referring physicians, specialists, and patients. The multi-user system is available 24/7 and has seen great success with over 290,000 monthly portal entries, totalling 3.5m in 2022 (Increase of 1m vs last year), and providing access for over 2.7m individuals (Increase of 1.3m vs last year).

Web Voice Recognition

Our advanced voice recognition tool, powered by Nuance, provides a streamlined and efficient solution for radiologists to dictate patient diagnosis reports. The tool also offers the ability to preload templates for common diagnoses encountered in daily work, allowing radiologists to quickly and easily complete their reports using specific voice commands.

Advances Visualization and AI

Our advanced visualization tool add-ons, including options for neurological images, abdomen, and chest, vascular, and MSK protocols, allow users to render complex imaging protocols from MR and CT acquisitions into images, providing accurate information for complex diseases that is often only available at high-end imaging centres. These tools enable users to examine medical images in order to obtain additional qualitative or quantitative data, efficiently post-process large volumes of data, study the functionality of specific organs, evaluate different pathologies, and study structural changes associated with a pathology. Our solutions are designed to help centers and clinics maximize quality and accuracy, minimize costs, and provide scalability for future growth.

PARTNERS PROGRAM

Our business partner model has undergone updates this year in order to enhance its strength and to promote the sales of our products through our network of distributors. The new regulations that have been implemented include:

- Update of Implementation policy.
- A fully virtual onboarding process for distributors, including training in marketing, sales, implementation, installation, support, quality, self-management tools, and customer service.
- Adoption of a virtual tool to evaluate knowledge transfer and certify our partners' staff in the provision of IMEXHS services.

Updates on software **and product development**

Make it **different**

Major improvements for world-class products.

All products with improved localization (EN, PG, ES), security (major technology backend update, cookie handling, and Auth0 authentication), and analytics NPS - CSAT (Hotjar – capturing information from +60,000 sessions per month), Microsoft Clarity & Google Analytics. 45% of the installed base updated so far with these improvements.

Improved customer service with lower costs.

In 2022 a 50% reduction in helpdesk tickets from customers was achieved. A knowledge base with +800 articles was created, +34 training webinars (for partners and customers) recorded and +300 attendants registered.

Better quality control with no additional costs.

Quality assurance (QA) was enhanced both for test coverage and test automation for all products. 2022 ended with 100% of test coverage for +7,500 test use cases and 62.7% of total tests automated (from 32% coverage and 0% automated at the beginning of the year).

IMEXHS Products and Processes ISO and FDA certified.

ISO 13485, ISO 9001, and FDA certifications were obtained/renewed, where IMEXHS has demonstrated its ability to provide medical software that consistently meets customer and applicable regulatory requirements, opening the doors for faster regulatory approval and commercialization on new geographies.

New self-service management tools for IMEXHS partners.

Minimum viable prototype (MVP) of IMEXHS Cloud -the partner management dashboard- developed. It enables our partner network user management capabilities and online monitoring and reporting of usage (eg. studies per modality, date, etc), with real-time RIS and PACS data, through automatic registration of AQUILA clients.

New features that improve radiology workflow efficiency

on IMEXHS Enterprise & IMEXHS Cloud:

- Critical cases module to establish timely notification of radiological findings that imply situations of risk for the patient favouring urgent treatment.
- End user license agreement implementation and registration of payment methods for integration with Synapse (Australia), sharing radiologists' assigned studies in the reading worklist, and new clinical search module implemented.
- Implementation of functionality for the use of multiple screens with the viewer and option implemented to edit details of the procedure from the technologist's listing, and double confirmation is disabled when validating a study, to optimize the radiologist's time.
- Refactored text editor to improve the experience with Nuance RV and integration with Invox Medical RV (Brazilian market).

Exponential sales growth enabled through increased operative efficiency and capacity.

With a combination of automation, standardization, DevOps, and virtual training (webinars), the average installation time for IMEXHS Cloud projects has been reduced by 70% approx. These improvements will also have a positive impact on Enterprise projects.

Revolutionary concept all-in-one “ologies” workflow engine.

MVP of Enterprise Imaging ready with new worklists frontend design, newer technology, basic workflow creator, and Single-Sign-On, offering a completely modular, customizable, and modern experience for any ology with image-based workflows.

New features to improve radiologist's performance and accuracy on Viewer:

- Oblique MPR tool allows to easily visualize anatomic structures that are not possible using the traditional axial, sagittal, or coronal views. Allowing diagnostic accuracy to be positively impacted.
- Walkthrough section so users can explore guided tours to understand the product's functionalities, providing a quick start guide through different viewer tools, improving user experience.
- Custom toolbar, so the radiologist can customize their workspace, and tool to mark key images, so it's possible to associate pathologies to specific images.
- Visualization of multiplanar series, which consists of the presentation for series with multiplanar images.
- Visual integration between Viewer and Braviz (tractography case). Radiologists can process diffusion brain imaging to visualize a 3D representation of brain white matter. Useful for evaluating the progress of neurodegenerative pathologies, and brain surgeries, as well as any other condition that requires comparing 2 stages of white matter.

Enhanced experience on the Patient Portal:

- Better design of the patient portal to make it more user-friendly and better looking on mobile devices.
- Consult-studies integration adjustment, for third-party applications, now there is the possibility of sharing images and reports through a shared link with valid-time established in the administrator form.
- Self-service feature to change the client's logo from the administrator form.

New products to democratize access:

Two new products on IMEXHS portfolio, first DICOM Gateway and, second, Modality Worklist Gateway. Both enable our customers to integrate with IMEXHS solutions at lower cost, with no infrastructure required, and in 90% less time.

Renewed storage architecture to increase performance and offer cost flexibility:

New multi-cloud PACS architecture that will offer a double-digit reduction in cloud storage costs, improved performance (speed and flexibility), and age-based policies for storage of studies and images depending on modality and use case.

Our team **& culture**

Make it **different**

BOARD DIRECTORS

Doug Flynn
Non-Executive Chairman

Mr Flynn is an experienced international business leader with a track record of successfully running companies in Europe and Australia. He has experience in various industries, including manufacturing and mining services, business services, media, advertising and marketing services, and human services. Throughout his career, Mr Flynn has held executive and non-executive roles in several companies, including ICI, Rentokil Initial, NewsCorp, Aegis Group, West Australian Newspapers, Seven West Media, APN Outdoor, NextDC, and Konekt Limited. In the UK, Mr Flynn held leadership positions at News International, Aegis Group, and Rentokil Initial. Currently, he is the chair of NextDC Ltd.

Dr. Germán Arango
CEO & co-founder

Dr. Arango has over 17 years of experience as a practicing radiologist in Colombia. He completed a fellowship in Diagnostic Neuroradiology at McGill University in Montreal, Canada, and holds a degree in Medicine and Surgery from Universidad El Bosque. He also has a residency in Radiology and Diagnostic Imaging from Universidad de La Sabana, and a visiting fellowship in Neuroradiology from the Medical College of Georgia. Dr. Arango is a well-known figure in the academic community and has served as a professor of Neuroradiology for radiology, neurology, neurosurgery, and maxillofacial surgery residency programs at several universities in Colombia.

Carlos Palacio
Non-Executive Director

Mr Palacio is a seasoned entrepreneur with a proven track record in international IT, telecommunications, and strategic management. He earned a bachelor's degree in electrical engineering with a specialization in Telecommunications from the University of Technology Sydney and holds master's degrees in management and Business Administration from Macquarie University.
Mr. Palacio founded and served as the CEO of Crosspoint Telecommunications, a company that provided managed IT services globally, with operations in Australia and SE Asia. He led the successful sale of the company in 2022.

Doug Lingard
Non-Executive Director

Mr Lingard is a qualified radiologist and nuclear medicine doctor with a wealth of experience, having held leadership positions in Auckland, Washington DC and Sydney. He co-founded Pittwater Radiology Partners in Australia, which later merged and listed on the ASX as Medical Imaging Australasia Ltd. Mr Lingard holds a medical degree from the University of Otago and is a member of the Radiologists Association of Royal Australia & New Zealand, a Senior Associate of FinSIA, and a member of the Australian Institute and a member of the Australian Institute of Directors.

Damian Banks
Non-Executive Director

Mr. Banks is an experienced business leader with a proven track record in the development and expansion of successful businesses in the healthcare, employment, and banking industries. He has a focus on financial management, technology, and people, as well as a strong history of developing customer-focused cultures. Mr. Banks has also completed several M&A transactions. His most recent executive position was as the Managing Director and CEO of Konekt Ltd, a technology-focused healthcare and employment company. He led Konekt from its listing on the ASX in 2012 until its successful sale to private equity in December 2019. Prior to this, Mr. Banks held several leadership roles with Westpac Banking Corporation. Currently, Mr. Banks serves as a director for Boom Logistics Ltd and ICSGlobal Limited.

SENIOR MANAGEMENT TEAM

Dr. Germán Arango
CEO & co-founder

Dr Jorge Marin
Chief Medical Officer & Co-founder

With more than 21 years of experience as a practicing radiologist in Colombia and Spain, Dr Marin has a wealth of expertise in the field. He has served as chief radiologist at the CETIR teleradiology group, the Dos de Mayo Hospital, and the San Rafael Hospital. Dr Marin holds a degree in medicine and surgery from the Universidad Pontificia Bolivariana and has specialized in radiology and diagnostic imaging from the National University. He also holds a European Diploma in Neuroradiology from ESNR. In addition to his clinical work, Dr Marin is a member of the IMAGINE research and development group for advanced imaging diagnosis at the University of Los Andes and serves as an assistant professor of diagnostic neuroradiology for residency programs in neurology, radiology, and neurosurgery at the University FUCS.

Reena Minhas
Chief Financial Officer

With over 10 years of experience as a CFO and Company Secretary for ASX-listed companies, Ms Minhas is skilled in providing financial leadership and strategic direction to drive business growth. She has previously held these roles at Konekt Limited, ILH Group Limited, and Energy One Limited, and has played a key role in acquisitions, debt and equity capital formation, and building strong finance functions. Ms Minhas was also instrumental in the sale of Konekt Limited to Quadrant Private Equity's APM.

Orlando Joven
Chief Operations Officer

With an IMBA and over 18 years of management experience, Mr Joven is a seasoned professional in the technology, FMCG, and financial services industries. He has extensive experience leading regional teams of over 100 people in digital transformation, innovation, technology, digital product and software development, business management, sales, and finance. In his roles as CIO, CTO, and CDO Officer, Mr Joven has been responsible for defining digital strategies, developing new business models, and creating digital products and services. He has also had P&L responsibility in multinational companies.

Juan Sebastian Bonnet
Head of Sales

With a background in business strategy development and sales for technology and software solutions in the healthcare industry, Juan Sebastian Bonnet is a proficient professional with a MBA and over 10 years of experience at IMEXHS. A skilled problem solver and team builder, Bonnet was a key member of the team that built the sales department from scratch, developing the value proposition, product portfolio, sales process, and commercial deck/pitch. He has a proven track record of successfully closing ambitious negotiations with the healthcare industry.

Benjamin Brinquis
Head of Growth

With over 3 years of experience driving revenue growth and expanding the Company's market share, Benjamin has been instrumental in growing and strengthening the Company's partners network across the 15 countries with a strong emphasis on Mexico and the country's outside of the Latin American region. Thanks to his comprehensive understanding of the business, he plays an important role in connecting the daily operations in Latin America with the Company's activities in Australia by facilitating communication. With his experience in business development, sales, and international expansion, Benjamin is committed to driving growth and success for our company.

Case Studies: IMSS

IMEXHS Provides Enterprise Imaging Solutions to the Mexican Institute of Social Security

Introduction:

IMEXHS Limited, a health technology company, proudly announces winning a new three-year software contract with the Mexican Institute of Social Security (IMSS). This contract will contribute between US$230,000 and US$300,000 in annual recurring revenues (ARR).

Challenge:

IMSS was seeking to modernize and improve its imaging system in its two specialized cardiology hospitals and tertiary general hospitals. The IMSS caters for over 80m people and over 420,000 daily medical consultations, it was essential for IMSS to find a solution that offered operational efficiencies and better patient care.

Solution:

IMEXHS, through its local partner Ingeniería para el Cuidado de la Salud, S.A., was selected to implement its enterprise imaging solutions in both IMSS hospitals. The company will provide its AQUILA radiology platform and ALULA pathology platform. The implementation of these systems is scheduled for the first quarter of 2023.

Results:

IMEXHS's selection as a provider of enterprise imaging solutions for one of the world's largest social security programs is validation of its success in Mexico. With 36 instances of IMEXHS Cloud installed or ordered, the company has proven to be a reliable and efficient provider in the country. The implementation of AQUILA and ALULA will provide IMSS not only with intuitive and user-friendly technology but also significant operational efficiencies, cost savings, and better patient care.

Conclusion:

This success case demonstrates IMEXHS's ability to meet the needs and challenges of a constantly growing public health system. By providing quality enterprise imaging solutions, the company continues to strengthen its position as a market leader and provide exceptional medical care to the population.

Financial **report**

Make it **different**

Table of contents
Financial Report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of IMEXHS Limited (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 2022.

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

Mr Douglas Flynn	Chairman
Dr German Arango	Chief Executive Officer
Dr Douglas Lingard	Non-Executive Director
Mr Carlos Palacio	Non-Executive Director
Mr Damian Banks	Non-Executive Director

Principal activities
The Group operates two businesses - medical imaging software and radiology services.
- The medical imaging software business is focused on the development and sale of modular cloud based imaging systems that include information systems for Radiology, Pathology and other ‘ologies’. The main component of this is a modern and robust Picture Archiving and Communications System (PACS), with a very efficient web viewer. The information systems combine a workflow management system (RIS) with a patient data and image distribution system (Patient Portal), and the PACS allows a healthcare organisation to capture, store, view and share radiology images.
- The radiology services business provides radiological diagnostic services to hospitals and medical facilities in Colombia and Spain using IMEXHS medical imaging software.

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

Review of operations
A review of operations of the Group for the financial year ended 31 December 2022 is contained in Chairman's Letter and Chief Executive Officer's Report. The Chairman's Letter and Chief Executive Officer's Report precedes the Directors' report.

Significant changes in the state of affairs
On 3 August 2022, the Group announced a fully underwritten capital raising of $4 million, comprising of a Placement of $2 million and a 1 for 8 non-renounceable Entitlement Offer of $2 million.

The Capital raising was completed by the end of September and was strongly supported by shareholders and Directors. The net proceeds from the placement have been used to pay down existing high yield debt, fund working capital and for general corporate purposes and are expected to fund the Company through to run rate cashflow positive.

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
No matter or circumstance has arisen since 31 December 2022 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
Other than as referred to in this report, further information as the likely developments in the operations of the Group and likely results of those operations would, in the opinion of the Directors, be speculative.

Risk and governance
The Group identified its key risk areas as:

External technology risk
IMEXHS uses off the shelf software (in addition to its own proprietary software) to enable the functionality of its product offerings. This external software may be subject to issues outside of IMEXHS’s control such as third party interfaces, version conflict, obsolescence or other related issues. These external issues may affect the ability of IMEXHS to effectively upgrade and maintain its software. Any licensing or commercial conditions imposed by third party software providers may be unsustainable or impracticable for IMEXHS, which may result in a need for IMEXHS to obtain alternative solutions or develop these in house. There is no guarantee that IMEXHS would be able to do so or do so in a undisruptive manner, if required.

Ability to establish and maintain strategic relationships
To be successful, IMEXHS must continue to maintain existing strategic relationships and establish additional strategic relationships with leaders in a number of healthcare and health information industry segments. There is no guarantee that IMEXHS will be able to maintain or establish these relationships.

Reliance on third party providers
IMEXHS' products are built to work with various computer operating systems, internet platforms, computing networks and hardware devices. Any changes to external platforms, networks, systems, devices or hardware may give preference to competing products or adversely impact the functionality of IMEXHS's products, which may have a detrimental impact on IMEXHS's financial performance.

Sales cycles
Variations in timing of sales can cause significant fluctuations in IMEXHS's sales and financial performance. The duration of the sales cycle and implementation schedule for IMEXHS's products and services depend on a number of factors including nature and size of the potential clients and the extent of the commitment being made by the potential client, which are difficult to predict. Sales and marketing efforts with respect to hospitals, health organisations and other potential clients will generally a involve lengthy sales cycle due to these organisations' size and complex decision making processes.

Ability to manage growth effectively
IMEXHS will need to continue to expand its operations if it successfully achieves market acceptance of its products and services in new markets. IMEXHS's existing systems, procedures and resources may not be adequate to support such expansion. IMEXHS may experience difficulties in managing any future growth, or may not be able to expand and upgrade its systems and infrastructure to accommodate such growth.

Hosting provider, data loss, theft or corruption
IMEXHS stores data in its own systems and networks and with a variety of third party service providers and hosting facilities located in the cloud. These facilities may be vulnerable to damage or outages, which if prolonged, may have a material adverse impact on IMEXHS's products, business operations and reputation. Further, exploitation or hacking of any of these systems or networks could lead to corruption, theft or loss of data which could have a material adverse effect on the IMEXHS's business, financial condition, and results. Although IMEXHS maintains comprehensive measures to prevent, detect, address and mitigate cybersecurity threats, a cybersecurity incident could potentially result in the misappropriation, destruction, of critical data or proprietary information. The potential consequences of a material cybersecurity incident include reputational damage, compromised employee, customer, or third party information, litigation with third parties, regulatory actions, and increased cybersecurity protection and remediation costs.

Foreign exchange risks
IMEXHS's operations are based in Colombia and the majority of IMEXHS's current revenue is in Colombian Pesos and other Latin American currencies while its financial results are reported in Australian dollars. As a result, IMEXHS's financial results may be affected by any currency fluctuations and volatility. In addition, the proceeds of the Placement and Entitlement Offer will be received primarily in Australian dollars while the majority of the Company's expenditure is in Colombian Pesos, so the Company may be exposed to exchange rate fluctuations on the conversion.

Regulatory risks
As with any technology offering, IMEXHS's products and services may be exposed to the regulatory environment of different jurisdictions, which may be complex and ever changing. IMEXHS may also be subject to a number of domestic and international government regulations regarding the use of software in medical diagnostics and the use and storage of medical data. There is a risk that IMEXHS's products and services will not always comply with all applicable laws and regulations.

Doing business outside of Australia
IMEXHS currently has employees in Colombia and Mexico and distributors engaged in Mexico and other Latin American countries. IMEXHS may wish to engage further employees and distributors outside of Australia as it grows its existing business and expands to new markets. This exposes IMEXHS to a range of multi-jurisdictional risks including modern slavery labour practices, environmental matters, difficulty in enforcing contracts, changes to the legal and regulatory environment and other issues.

Economic conditions
General economic conditions, introduction of tax reform, movements in interest and inflation rates and currency exchange rates generally may have an adverse effect on IMEXHS's activities, as well as on its ability to fund those activities. Deterioration in general economic conditions, including factors that impact negatively on IMEXHS's customers ability to finance may adversely affect IMEXHS's profitability.

Market conditions and price volatility

Market conditions may affect the value of IMEXHS's shares regardless of its operating performance. Share market conditions are affected by many factors such as, general economic outlook, interest rates, inflation rates, exchange rates, changes in investor sentiment toward particular market sectors.

Environmental regulation

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

Information on directors

Name:	Mr Douglas Flynn
Title:	Non-Executive Chairman
Qualifications:	B.Eng., MBA
Experience and expertise:	Mr Flynn is a businessman with extensive executive and non-executive leadership experience in large and small listed companies in Australia, UK and Hong Kong. He also has sound experience in early stage technology businesses.
Other current directorships:	NextDC Limited
Former directorships (last 3 years):	Konekt Limited
Special responsibilities:	Member of the Remuneration and Nomination Committee and Audit and Risk Committee
Interests in shares:	1,497,714 ordinary shares
Interests in options:	600,087 options over ordinary shares

Name:	Dr German Arango
Title:	Chief Executive Officer
Qualifications:	Medical Doctor and Surgery (El Bosque), Diagnostic Radiology (La Sabana), Diagnostic Neuroradiology (McGill), Member of RSNA, Member of CAR, Member of ACR, Member of ASNR
Experience and expertise:	Dr Arango is the CEO and founder of Imaging Experts and Healthcare Services S.A.S. and has over 15 years' experience as a practising radiologist in Colombia.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	4,842,869 ordinary shares
Interests in options:	728,402 options over ordinary shares

Name:	Dr Douglas Lingard
Title:	Non-Executive Director
Qualifications:	MB.ChB. FRANZCR, MAICD
Experience and expertise:	Dr Lingard is an experienced Radiologist and Nuclear Physician who has worked in various leadership roles in Auckland, Washington DC and Sydney. He is a Senior Associate of FINSIA and a member of the Australian Institute of Company Directors. He is the founder and present Chairman of the Mito Foundation, the peak charity in Australia for people with mitochondrial disease.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Remuneration and Nomination Committee and Audit and Risk Committee
Interests in shares:	1,548,659 ordinary shares
Interests in options:	60,044 options over ordinary shares

Name:	Mr Carlos Palacio
Title:	Non-Executive Director
Qualifications:	B.Elec.Eng, MBA
Experience and expertise:	Mr Palacio has over 27 years' experience internationally in IT, telecommunications and strategic management.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chairman of the Remuneration and Nomination Committee and member of the Audit and Risk Committee
Interests in shares:	2,787,280 ordinary shares
Interests in options:	442,829 options over ordinary shares

Name:	Mr Damian Banks
Title:	Non-Executive Director
Qualifications:	B.Ec, MAICD
Experience and expertise:	Mr Banks is a proven business leader with experience in the profitable development and expansion of companies in health, employment, banking and private equity. Mr Banks has a proven business insight that leads to sustained performance of successful businesses. He also has global experience in achieving a culture with strong customer focus through vision development and rigorous leadership implementation.
Other current directorships:	Boom Logistics Limited
Former directorships (last 3 years):	Konekt Limited and RPM Automotive Group Limited
Special responsibilities:	Chairman of the Audit and Risk Committee and member of the Remuneration and Nomination Committee
Interests in shares:	1,210,607 ordinary shares
Interests in options:	20,044 options over ordinary shares

'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

The Company's Company Secretary is Ms Reena Minhas. Ms Minhas is also the Chief Financial Officer.

Reena Minhas has extensive experience as a Chief Financial Officer and Company Secretary of ASX-listed businesses, providing the financial leadership and strategic direction necessary to drive superior business performance. Ms Minhas was previously the CFO and Company Secretary of ASX-listed Konekt Limited where she played a key role in the sale of that business to Quadrant Private Equity's APM. Prior to joining Konekt Limited, Ms Minhas was CFO and Company Secretary of ILH Group Limited and Energy One Limited.

Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') and Board Committees held during the year ended 31 December 2022, and the number of meetings attended by each director were:

	Full Board		Remuneration and Nomination Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
Mr Douglas Flynn	12	12	2	2	6	6
Dr German Arango	12	12	2	2	6	6
Dr Douglas Lingard	11	12	2	2	6	6
Mr Carlos Palacio	12	12	2	2	6	6
Mr Damian Banks	12	12	2	2	6	6

Remuneration report (audited)

Message from the Chair of Remuneration and Nomination Committee

This Remuneration Report details our relatively simple executive remuneration. At IMEXHS we are focused on creating a corporate culture aligned with our core values. Retention and reward for performance and talent is a balancing act with affordability and fairness.

2022 was the second year of awards under the Long Term Incentive Plan ('LTIP') which had been approved in 2020.

The key objectives of the plan are retention of talented key staff and alignment with shareholders interest. Details of the 2022 award are reported in the Remuneration Report on the following pages. With the exception of sales staff, no contracted Short Term Incentive Plan is currently in place.

This is a young company and a talented team with an ambitious agenda. The remuneration structure and guidance we provide will be critical to our success. While we need to attract and retain talent we are determined to ensure rewards remain aligned to performance and shareholders' interests.

During the year the Company undertook a cost out program which saw a number of people leave the Company. In the Board's view the process was well communicated and handled and the redirection towards more immediately profitable projects was fundamental for the Company.

Further the board elected to take future directors fees in the form of newly issued shares to align directors' interests with shareholders and to contribute to cash preservation. This measure was approved by shareholders at the Annual General Meeting held on 19 May 2022, with the arrangement taking effect on and from 1 April 2022 up to 31 December 2022 and the ability to extend this arrangement for a further period to 31 December 2023. The Board has determined in January 2023 that this arrangement will continue for that further period.

To help preserve cash and align directors' interests with shareholders, non-executive directors receive nil priced options as part of their remuneration, which was also approved by shareholders. Both executive and non-executive plans were subject to expert advice.

The Board through the Remuneration and Nomination Committee has established a Board Skills Matrix and a Board evaluation process which is performed at least annually.

Carlos Palacio
Chair Remuneration and Nomination Committee

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

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

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional 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 Remuneration and Nomination 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.

The Remuneration and Nomination 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 Remuneration and Nomination Committee 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 to run and manage the business.

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.

Non-Executive Directors' remuneration
Fees and payments to non-executive directors reflect the Group’s current stage of development, remaining cognisant of market rates for comparable companies for time, commitment and responsibilities. Non-executive directors' fees and payments are reviewed annually by the Remuneration and Nomination Committee. The Remuneration and Nomination 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.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 19 May 2020, where the shareholders approved the maximum aggregate remuneration payable by the Company to all non-executive directors of the Company for their services as directors including their services on a Board committee or sub-committee and including superannuation is limited to $400,000 per annum.

The total remuneration packages exclusive of superannuation benefits for the Non-Executive Directors are as follows:

Board fees	$ per annum
Chairman	72,000
Non-Executive Directors	36,000

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 the following components:
- base pay and non-monetary benefits;
- performance pay 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 Remuneration and Nomination Committee based on individual and business unit performance, the overall performance of the Group and comparable market remunerations.

Executives may be offered specific performance pay incentives based on key performance areas affecting the Group's financial results where the Remuneration and Nomination Committee deems such incentives to be appropriate.

The long-term incentives ('LTI') include long service leave and share-based payments. At the discretion of the Remuneration and Nomination Committee, share options may be awarded to executives based on varied long-term incentive measures. The Remuneration and Nomination Committee reviews the long-term equity-linked performance incentives specifically for executives on an annual basis.

Consolidated entity performance and link to remuneration
Due to the change in the nature of operations of the business during the past two years there does not yet exist a clear link between the gross revenue, profits and dividends for the last five years for the Group as well as the share price at the end of the respective financial years. The normal operations of the Group during a full financial year for 2023 will help establish these relationships.

Use of remuneration consultants
During the financial year ended 31 December 2022, the Group did not engage remuneration consultants to review its existing remuneration policies.

Voting and comments made at the Company's 19 May 2022 Annual General Meeting ('AGM')
At the 2022 AGM, 99.47% of the votes received supported the adoption of the remuneration report for the year ended 31 December 2021. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

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

The key management personnel of the Group consisted of the following directors of IMEXHS Limited:
- Mr Douglas Flynn - Chairman
- Dr German Arango - Chief Executive Officer
- Dr Douglas Lingard - Non-Executive Director
- Mr Carlos Palacio - Non-Executive Director
- Mr Damian Banks - Non-Executive Director

And the following person:
- Ms Reena Minhas - Chief Financial Officer and Company Secretary

2022	Short-term benefits: Cash salary and fees $	Short-term benefits: Cash bonus $	Short-term benefits: Non-monetary $	Post-employment benefits: Super-annuation $	Post-employment benefits: Termination benefits $	Long-term benefits: Long service leave $	Share-based payments: Equity-settled $	Total $
Non-Executive Directors:								
Mr Douglas Flynn	18,000	-	-	1,800	-	-	87,841	107,641
Dr Douglas Lingard	9,000	-	-	900	-	-	43,921	53,821
Mr Carlos Palacio	9,000	-	-	900	-	-	43,921	53,821
Mr Damian Banks	9,000	-	-	900	-	-	43,921	53,821
Executive Directors:								
Dr German Arango	299,189	-	15,249	16,308	27,355	-	35,390	393,491
Other Key Management Personnel:								
Ms Reena Minhas	250,228	-	4,343	30,648	-	2,581	120,330	408,130
	594,417	-	19,592	51,456	27,355	2,581	375,324	1,070,725

2021	Short-term benefits: Cash salary and fees $	Short-term benefits: Cash bonus $	Short-term benefits: Non-monetary $	Post-employment benefits: Super-annuation $	Post-employment benefits: Termination benefits $	Long-term benefits: Long service leave $	Share-based payments: Equity-settled $	Total $
Non-Executive Directors:								
Mr Douglas Flynn*	72,000	-	-	7,020	-	-	248,305	327,325
Dr Douglas Lingard	36,000	-	-	3,510	-	-	42,230	81,740
Mr Carlos Palacio	36,000	-	-	3,510	-	-	35,790	75,300
Mr Damian Banks	36,000	-	-	3,510	-	-	35,790	75,300
Executive Directors:								
Dr German Arango	314,658	-	12,112	15,455	27,101	-	14,644	383,970
Other Key Management Personnel:								
Ms Reena Minhas**	250,228	50,000	16,794	24,397	-	484	101,881	443,784
	744,886	50,000	28,906	57,402	27,101	484	478,640	1,387,419

* Share based payment relates to the issue of 12,000,000 options (240,000 options post share consolidation) granted in accordance with Mr Flynn's appointment ($176,727) and options granted to non-executive directors in accordance with the FY21 LTIP ($71,578).

** Ms Reena Minhas received a discretionary cash bonus of $50,000 during the year ended 31 December 2021.

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

Name	Fixed remuneration 2022	Fixed remuneration 2021	At risk - STI 2022	At risk - STI 2021	At risk - LTI 2022	At risk - LTI 2021
Non-Executive Directors:						
Mr Douglas Flynn	100%	46%	-	-	-	54%
Dr Douglas Lingard	100%	100%	-	-	-	-
Mr Carlos Palacio	100%	100%	-	-	-	-
Mr Damian Banks	100%	100%	-	-	-	-
Executive Directors:						
Dr German Arango	91%	96%	-	-	9%	4%
Other Key Management Personnel:						
Ms Reena Minhas	71%	66%	-	11%	29%	23%

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:	Dr German Arango
Title:	Chief Executive Officer
Agreement commencement:	2 July 2018
Term of agreement:	No fixed term
Remuneration package:	Remuneration comprises a base salary of $290,000 per annum plus statutory superannuation.
Termination by Executive:	6 months' written notice; or immediately by giving notice, if the Company is in breach of a material term of its agreement with him; or with 6 months' written notice if Dr Arango's role becomes redundant.
Termination by Company for cause:	1 month's notice, or immediately with payment in lieu of notice if Dr Arango is unable to perform his duties under the agreement for three consecutive months or a period aggregating to three months in a 12 month period; or 6 months' written notice if Dr Arango's role becomes redundant. If the Company terminates the employment of Dr Arango within 6 months of a Change of Control it will be deemed to be a termination by reason of redundancy. If the Company terminates for reason of redundancy it shall be obliged to pay Dr Arango for any notice period worked. In addition, it will be required to pay any redundancy amount payable under applicable laws, an amount equal to 6 months' base salary (less tax) and any accumulated entitlements; or at any time with written notice and without payment (other than entitlements accrued to the date of termination) as a result of any occurrence which gives the Company a right of summary dismissal at common law.
Termination by Company:	Immediately with 6 months' payment in lieu of notice.
Other provisions:	The service agreement otherwise contains industry-standard provisions for a senior executive of a public listed company.

Name:	Ms Reena Minhas
Title:	Chief Financial Officer and Company Secretary
Agreement commencement:	1 October 2020
Term of agreement:	No fixed term
Remuneration package:	Remuneration comprises a base salary of $276,500 per annum including statutory superannuation.
Termination by Executive:	6 months' written notice.
Termination by Company for cause:	At any time with written notice and without payment (other than entitlements accrued to the date of termination) as a result of any occurrence which gives the Company a right of summary dismissal at common law.
Termination by Company:	Immediately with 6 months' payment in lieu of notice.
Other provisions:	The service agreement otherwise contains industry-standard provisions for a senior executive of a public listed company.

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

Share-based compensation

Issue of shares
Shares were issued to non-executive directors in lieu of directors' fees during the year ended 31 December 2022 as approved at the Annual General Meeting held on 19 May 2022 are set out below:

Name	Date	Shares	Issue price	$
Non-Executive Directors:				
Mr Douglas Flynn	Various dates*	69,370	$0.8589	59,580
Dr Douglas Lingard	Various dates*	34,685	$0.8589	29,790
Mr Carlos Palacio	Various dates*	34,685	$0.8589	29,790
Mr Damian Banks	Various dates*	34,685	$0.8589	29,790

* The shares issued to directors during the year were at various dates, being 25 July 2012, 4 October 2012 and 21 February 2023. The shares issued on 21 February 2023 relates to shares issued in lieu of directors' fees for Q4FY2022.

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	Grant date	Vesting and exercisable date	Expiry date	Number of options granted	Exercise price	Fair value per option at grant date	Vested %
Mr Douglas Flynn[(a)]	26/05/2020	26/05/2020	12/03/2027	160,000	$2.75	$1.300	100%
Mr Douglas Flynn[(a)]	26/05/2020	26/05/2020	12/03/2027	160,000	$3.50	$1.250	100%
Mr Douglas Flynn[(a)]	26/05/2020	31/12/2021	12/03/2027	240,000	$1.50	$1.350	-
Dr Douglas Lingard[(b)]	10/12/2018	10/12/2020	09/12/2023	10,000	$2.65	$0.660	100%
Dr Douglas Lingard[(b)]	10/12/2018	10/12/2021	09/12/2023	30,000	$2.65	$0.660	100%
Ms Reena Minhas[(c)]	04/03/2021	01/10/2023	01/03/2031	140,000	$0.00	$2.030	-
Ms Reena Minhas[(d)]	20/04/2021	01/03/2023	20/04/2031	11,307	$0.00	$1.706	-
Ms Reena Minhas[(d)]	20/04/2021	01/03/2024	20/04/2031	22,957	$0.00	$1.804	-
German Arango[(e)]	14/05/2021	01/03/2023	14/05/2031	14,361	$0.00	$1.259	-
German Arango[(e)]	14/05/2021	01/03/2024	14/05/2031	29,158	$0.00	$1.369	-
Carlos Palacio[(f)]	14/05/2021	14/05/2021	14/05/2025	19,719	$0.00	$1.815	100%
Mr Douglas Flynn[(g)]	19/05/2022	19/05/2022	19/05/2026	40,087	$0.00	$0.705	100%
Mr Damian Banks[(g)]	19/05/2022	19/05/2022	19/05/2026	20,044	$0.00	$0.705	100%
Dr Douglas Lingard[(g)]	19/05/2022	19/05/2022	19/05/2026	20,044	$0.00	$0.705	100%
Mr Carlos Palacio[(g)]	19/05/2022	19/05/2022	19/05/2026	20,044	$0.00	$0.705	100%
Dr German Arango[(h)]	19/05/2022	01/03/2024	19/05/2032	24,220	$0.00	$0.455	-
Dr German Arango[(h)]	19/05/2022	01/03/2025	19/05/2032	49,173	$0.00	$0.501	-
Ms Reena Minhas[(i)]	18/07/2022	01/03/2024	18/07/2032	28,512	$0.00	$0.423	-
Ms Reena Minhas[(i)]	18/07/2022	01/03/2025	18/07/2032	57,888	$0.00	$0.470	-

(a) On 26 May 2020, 560,000 share options (28,000,000 share options prior to the share consolidation) were granted to Mr Douglas Flynn as part of his appointment as Non-Executive Chairman. The grant consists of 3 tranches, tranche 1 and 2 each comprise of 160,000 options and tranche 3 comprises of 240,000 options. Tranche 1 and 2 vested on 26 May 2020 and tranche 3 vests when the Company's share price reaches or exceeds a 30 day VWAP of $6.00 (12 cents prior to the share consolidation). For the purposes of calculating the fair value of tranche 3, 31 December 2021 has been used as the estimated vesting date. Tranche 1, 2 and 3 have an exercise price of $2.75, $3.50 and $1.50 respectively ($0.055, $0.070 and $0.030 respectively prior to the share consolidation). All tranches expire on 12 March 2027.
(b) On 10 December 2018, 40,000 share options (2,000,000 shares options prior to the share consolidation) were issued as remuneration to Non-Executive Director, Dr Douglas Lingard subject to vesting conditions. 10,000 options vested on 10 December 2020 and the remaining 30,000 options vested on 10 December 2021. All 40,000 options have an exercise price of $2.65 ($0.053 prior to the share consolidation) and expire on 9 December 2023.
(c) On 1 March 2021, 140,000 share options were granted to Reena Minhas under the Company's Long Term incentive Plan. The options vest on 1 October 2023, have a nil exercise price and expire on 1 March 2031.
(d) On 20 April 2021, 34,264 share options were granted to Reena Minhas under the Company's Long Term Incentive Plan. The grant consists of 2 tranches, tranche 1 comprises 11,307 options and tranche 2 of 22,957. Both tranches have a nil exercise price and expire on 20 April 2031.
(e) On 14 May 2021, 43,519 share options were granted to the CEO German Arango under the Company's Long Term Incentive Plan. The grant consists of 2 tranches, tranche 1 comprises 14,361 options and tranche 2 of 29,158. Both tranches have a nil exercise price and expire on 14 May 2031.
(f) On 14 May 2021, 98,594 share options were granted to Non-Executive Directors under the Company's Long Term Incentive Plan. The options vested immediately on the grant date with a nil exercise price and expire on 14 May 2025. 78,875 of the options were exercised during 2021. 19,719 options remain on issue.
(g) On 19 May 2022, 100,219 share options were granted to Non-Executive Directors under the Company's Long Term Incentive Plan. The options vested immediately on the grant date with a nil exercise price and expire on 19 May 2026.
(h) On 19 May 2022, 73,393 share options were granted to the CEO German Arango under the Company's Long Term Incentive Plan. The grant consists of 2 tranches, tranche 1 comprises 24,220 options and tranche 2 of 49,173. Both tranches have a nil exercise price and expire on 19 May 2032.
(i) On 18 July 2022, 86,400 share options were granted to Reena Minhas under the Company's Long Term Incentive Plan. The grant consists of 2 tranches, tranche 1 comprises 28,512 options and tranche 2 of 57,888. Both tranches have a nil exercise price and expire on 18 July 2032.

Options granted carry no dividend or voting rights.

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 2022 are set out below:

Name	Value of options granted during the year $	Value of options exercised during the year $	Value of options lapsed during the year $	Remuneration consisting of options for the year %
Non-Executive Directors:				
Mr Douglas Flynn	14,131	-	-	26%
Dr Douglas Lingard	28,261	-	(1,080,000)	26%
Mr Carlos Palacio	14,131	-	-	26%
Mr Damian Banks	14,131	-	-	26%
Executive Director:				
Dr German Arango	35,656	-	-	9%

Additional information

The earnings of the Group for the five years to 31 December 2022 are summarised below:

	2022 $	2021 $	2020 $	2019 $	2018 $
Sales revenue	17,117,357	13,372,709	10,913,968	7,727,260	5,779,851
Loss before income tax	(2,946,233)	(4,556,356)	(3,528,088)	(6,042,631)	(4,795,347)

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

	2022	2021	2020	2019	2018
Share price at financial year end ($)	0.49	1.03	1.71	2.04	1.39
Basic loss per share (cents per share)	(8.54)	(15.22)	(14.62)	(30.85)	(0.007)

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	Purchases	Options exercised	Disposals/ other*	Balance at the end of the year
Ordinary shares						
Mr Douglas Flynn	730,000	46,212	34,000	-	687,502	1,497,714
Dr German Arango*	4,426,201	-	-	-	416,668	4,842,869
Dr Douglas Lingard	770,732	23,106	67,320	-	687,501	1,548,659
Mr Carlos Palacio	2,076,672	23,106	-	-	687,502	2,787,280
Mr Damian Banks	500,000	23,106	-	-	687,501	1,210,607
	8,503,605	115,530	101,320	-	3,166,674	11,887,129

* Other relates to participation in 2022 Capital Raising.

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	Purchased	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Mr Douglas Flynn	560,000	40,087	-	-	600,087
Dr German Arango	655,009	73,393	-	-	728,402
Dr Douglas Lingard	840,000	20,044	-	(800,000)	60,044
Mr Carlos Palacio	422,785	20,044	-	-	442,829
Mr Damian Banks	-	20,044	-	-	20,044
Ms Reena Minhas	174,264	86,400	-	-	260,664
	2,652,058	260,012	-	(800,000)	2,112,070

The number of options over ordinary shares vested by directors and other key management personnel are set out below:

	Vested and exercisable	Unvested and unexercisable	Balance at the end of the year
Options over ordinary shares			
Mr Douglas Flynn	360,087	240,000	600,087
Dr German Arango	-	728,402	728,402
Dr Doug Lingard	20,044	40,000	60,044
Mr Carlos Palacio	39,763	403,066	442,829
Mr Damian Banks	20,044	-	20,044
Ms Reena Minhas	-	260,664	260,664
	439,938	1,672,132	2,112,070

Other transactions with key management personnel and their related parties
The Group sold goods and services from entities that are controlled by members of the Group's key management personnel ('KMP'):

		Income amounts		Balance outstanding	
KMP and related entity	Nature of Transactions	2022	2021 $	2022 $	2021 $
Dr German Arango - RIMAB SAS[(a)]	Sales revenue	-	4,564,966	-	-
Mr Carlos Palacio - CrossPoint Telecommunications Pty Ltd	Sales revenue	1,338	9,502	239	806
		1,338	4,574,468	239	806

The Group acquired services from entities that are controlled by members of the Group's KMP:

		Expense amounts		Balance outstanding	
KMP and related entity	Nature of transaction	2022 $	2021 $	2022 $	2021 $
Dr German Arango - RIMAB SAS[(a)]	Interpretation services	-	1,178,084	-	-
Dr German Arango - RIMAB SAS[(a)]	Supplies and license	-	672	-	-
Dr German Arango - German Arango[(b)]	PaaS Equipment Financing	-	74,651	-	-
Mr Carlos Palacio - CrossPoint Telecommunications Pty Ltd[(c)]	Office space and IT Services	14,942	16,785	20	10
		14,942	1,270,192	20	10

(a) During the previous year, the Company had an agreement with RIMAB S.A.S., an entity owned 65% by the Chief Executive Officer, Dr German Arango. This entity was acquired on 5 October 2021 and the revenue and expenses information is provided to that date.
(b) Managing Director, Dr German Arango has provided equipment to Imaging Experts and Healthcare Services S.A.S. in return for payments from a contract providing PaaS services. The equipment is repaid at a 200% rate of return on their loan which is paid in monthly instalments over the initial term of the PaaS contract.
(c) CrossPoint Telecommunications is an associated entity of Non-Executive Director, Carlos Palacio, providing various services to IMEXHS and also a non-exclusive distributor in Australia of IMEXHS's products.

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

This concludes the remuneration report, which has been audited.

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

Grant date	Expiry date	Exercise price	Number under option
28 August 2018	28 August 2023	$1.8750	1,000,001
28 August 2018	28 August 2023	$1.8750	1,000,001
25 October 2018	25 October 2023	$3.5000	80,000
10 December 2018	9 December 2023	$2.6500	40,000
26 May 2020	12 March 2027	$2.7500	160,000
26 May 2020	12 March 2027	$3.5000	160,000
26 May 2020	12 March 2027	$1.5000	240,000
4 March 2021	1 March 2031	$0.0000	140,000
20 April 2021	20 April 2031	$0.0000	115,348
14 May 2021	14 May 2031	$0.0000	43,519
14 May 2021	14 May 2025	$0.0000	19,719
19 May 2022	19 May 2026	$0.0000	100,219
19 May 2022	19 May 2032	$0.0000	73,393
18 July 2022	18 July 2032	$0.0000	380,844
			3,553,044

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
There were no ordinary shares of IMEXHS Limited issued on the exercise of options during the year ended 31 December 2022 and up to the date of this report.

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

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

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

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

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

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

Officers of the Company who are former partners of Nexia Sydney Audit Pty Ltd
There are no officers of the Company who are former partners of Nexia Sydney Audit Pty Ltd.

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

Douglas Flynn
Chairman

28 February 2023

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To the Board of Directors of IMEXHS Limited

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

As lead audit partner for the audit of the financial statements of IMEXHS Limited for the financial year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

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

Yours sincerely

Nexia

Nexia Sydney Audit Pty Ltd

Andrew Hoffmann
Director

Date: 28 February 2023

	Note	Consolidated 2022 $	Consolidated 2021 $
Revenue	5	17,117,357	13,372,709
Other income		127,505	52,627
Interest revenue calculated using the effective interest method		46,659	18,848
Expenses			
Hardware and licence expenses		(570,591)	(1,042,024)
Research and development and support expenses	6	(1,527,386)	(1,114,813)
Platform as a service expense		(359,943)	(492,248)
Clinical services expenses		(9,199,938)	(6,645,493)
Administration and sales expenses	7	(5,886,136)	(6,236,956)
Share-based payments expenses	7,25	(285,880)	(569,585)
Depreciation and amortisation expense		(1,759,329)	(1,236,638)
Loss on disposal of assets		-	(19,776)
Write-down of inventories		(6,320)	(15,698)
Net reversal of expected credit losses		54,380	137,199
Net foreign exchange losses		(129,799)	(341,964)
Other expenses		(124,120)	(111,458)
Finance costs	7	(442,692)	(311,086)
Loss before income tax expense		(2,946,233)	(4,556,356)
Income tax expense	8	(92,420)	(143,416)
Loss after income tax expense for the year attributable to the owners of IMEXHS Limited		(3,038,653)	(4,699,772)
Other comprehensive loss			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(1,710,936)	(1,056,502)
Other comprehensive loss for the year, net of tax		(1,710,936)	(1,056,502)
Total comprehensive loss for the year attributable to the owners of IMEXHS Limited		(4,749,589)	(5,756,274)
		Cents	Cents
Basic earnings per share	38	(8.54)	(15.22)
Diluted earnings per share	38	(8.54)	(15.22)

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

	Note	Consolidated 2022 $	2021 $
Assets			
Current assets			
Cash and cash equivalents	9	1,911,910	4,186,428
Trade and other receivables	10	5,369,451	5,283,576
Contract assets	11	850,780	869,932
Inventories	12	96,825	84,432
Prepayments		282,445	258,117
Total current assets		8,511,411	10,682,485
Non-current assets			
Trade receivables	13	628,325	1,396,237
Property, plant and equipment	14	3,700,422	4,467,909
Right-of-use assets	15	29,162	30,158
Intangibles	16	8,118,327	8,431,889
Total non-current assets		12,476,236	14,326,193
Total assets		20,987,647	25,008,678
Liabilities			
Current liabilities			
Trade and other payables	17	2,475,980	3,018,485
Contract liabilities	18	14,276	32,812
Borrowings	19	545,161	1,082,241
Lease liabilities		29,161	30,157
Income tax		23,974	207,589
Employee benefits		1,366,855	1,685,408
Contingent consideration	20	23,924	292,454
Total current liabilities		4,479,331	6,349,146
Non-current liabilities			
Payables	21	-	580,214
Contract liabilities	22	-	68,911
Borrowings	23	542,785	1,285,200
Deferred tax	8	64,935	72,448
Total non-current liabilities		607,720	2,006,773
Total liabilities		5,087,051	8,355,919
Net assets		15,900,596	16,652,759
Equity			
Issued capital	24	38,476,999	34,765,453
Reserves	25	676,077	2,101,133
Accumulated losses		(23,252,480)	(20,213,827)
Total equity		15,900,596	16,652,759

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

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 January 2021	28,461,991	2,588,050	(15,514,055)	15,535,986
Loss after income tax expense for the year	-	-	(4,699,772)	(4,699,772)
Other comprehensive loss for the year, net of tax	-	(1,056,502)	-	(1,056,502)
Total comprehensive loss for the year	-	(1,056,502)	(4,699,772)	(5,756,274)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 24)	5,181,159	-	-	5,181,159
Shares to be issued as part consideration for subsidiary (note 24 and note 34)	1,122,303	-	-	1,122,303
Share-based payments (note 39)	-	569,585	-	569,585
Balance at 31 December 2021	34,765,453	2,101,133	(20,213,827)	16,652,759

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 January 2022	34,765,453	2,101,133	(20,213,827)	16,652,759
Loss after income tax expense for the year	-	-	(3,038,653)	(3,038,653)
Other comprehensive loss for the year, net of tax	-	(1,710,936)	-	(1,710,936)
Total comprehensive loss for the year	-	(1,710,936)	(3,038,653)	(4,749,589)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 24)	3,711,546	-	-	3,711,546
Share-based payments (note 39)	-	285,880	-	285,880
Balance at 31 December 2022	38,476,999	676,077	(23,252,480)	15,900,596

	Note	Consolidated 2022 $	2021 $
Cash flows from operating activities			
Loss before income tax expense for the year		(2,946,233)	(4,556,356)
Adjustments for:			
Depreciation and amortisation		1,759,328	1,244,574
Net loss on disposal of property, plant and equipment		-	19,776
Share-based payments		285,880	569,585
Foreign exchange differences		(273,001)	115,015
Expected credit losses		98,398	7,591
Write-down of inventories		6,320	15,698
Equity settled transactions (directors' fees)		99,226	-
Interest received		(46,659)	(18,848)
Interest and other finance costs		442,692	311,086
		(574,049)	(2,291,879)
Change in operating assets and liabilities:			
Decrease in trade and other receivables		599,077	1,330,823
Decrease/(increase) in inventories		(18,713)	289,538
Decrease in trade and other payables		(1,122,716)	(2,333,556)
Increase/(decrease) in contract liabilities		(84,203)	48,175
Increase/(decrease) in employee benefits		(318,553)	301,222
		(1,519,157)	(2,655,677)
Interest received		46,659	18,848
Interest paid		(442,692)	(311,086)
Income taxes paid		(283,548)	(20,126)
Net cash used in operating activities		(2,198,738)	(2,968,041)
Cash flows from investing activities			
Payment for purchase of subsidiary, net of cash acquired	34	(268,530)	(952,728)
Payments for property, plant and equipment	14	(647,956)	(1,009,816)
Payments for intangibles	16	(1,383,496)	(1,554,887)
Proceeds from disposal of property, plant and equipment		77,538	131,194
Net cash used in investing activities		(2,222,444)	(3,386,237)
Cash flows from financing activities			
Proceeds from issue of shares	24	3,975,109	968,750
Proceeds from borrowings		-	506,808
Repayment of borrowings		(1,279,495)	(1,526,275)
Share issue transaction costs		(362,789)	(25,584)
Repayment of lease liabilities		(81,097)	(85,477)
Net cash (used in)/from financing activities		2,251,728	(161,778)
Net decrease in cash and cash equivalents		(2,169,454)	(6,516,056)
Cash and cash equivalents at the beginning of the financial year		4,186,428	10,796,484
Effects of exchange rate changes on cash and cash equivalents		(105,064)	(94,000)
Cash and cash equivalents at the end of the financial year	9	1,911,910	4,186,428

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

Note 1. General information

The financial statements cover IMEXHS Limited as a Group consisting of IMEXHS Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is IMEXHS Limited's functional and presentation currency.

IMEXHS Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

122 O'Riordan Street
Mascot NSW 2020

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 27 February 2023. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

The 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.

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

Going concern

The Group has prepared the financial statements for the year ended 31 December 2022 on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

For the year ended 31 December 2022, the Group generated a consolidated loss of $3,038,653 (2021: loss of $4,699,772) and incurred operating cash outflows of $2,198,738 (2021: outflows of $2,968,041). As at 31 December 2022, the Group had cash and cash equivalents of $1,911,910 (2021: $4,186,428), a surplus of net current assets of $4,032,080 (2021: $4,333,339) and surplus of net assets of $15,900,596 (2021: $16,652,759).

The Group's ability to continue as a going concern is dependent upon the sufficiency of current cash reserves to meet existing obligations. The directors believe current cash reserves are sufficient for the group to be able to pay its debts as and when they fall due for a period of at least 12 months from the date of these financial statements.

On 3 August 2022, the Group announced a fully underwritten capital raising of $4.0 million, comprising of a Placement of $2 million and a 1 for 8 non-renounceable Entitlement Offer to raise approximately a further $2 million. The Capital raising was completed by the end of September and was strongly supported by shareholders and Directors. The net proceeds from the placement have been used to pay down existing high yield debt, fund working capital and for general corporate purposes and are expected to fund the Company through to run rate cashflow positive.

The Directors believe that the Group has sufficient funding to meet its minimum expenditure commitments and support its planned level of expenditures and therefore it is appropriate to prepare the financial statements on the going concern basis.

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').

Note 2. Significant accounting policies (continued)

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial liabilities 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 33.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of IMEXHS Limited ('Company' or 'parent entity') as at 31 December 2022 and the results of all subsidiaries for the year then ended. IMEXHS Limited 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') which has been identified by the Group as the Managing Director and other members of the Board of Directors.

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

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

Note 2. Significant accounting policies (continued)

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

Revenue recognition
The Group recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised from Software as a Service (SaaS) and Platform as a Service (PaaS) contracts. 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.

Sales revenue comprises revenue earned (net of returns, discounts and allowances) from the sale of goods or provision of services to entities outside the Group. The Group recognises revenue from contracts with customers in accordance with the recognition of the completion of performance obligations under the contract. Where a contract includes an element of a warranty obligation, the revenue attributable to this warranty obligation is recognised evenly over the period for which the obligation exists.

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.

An income tax benefit will arise for the financial year where an income tax loss is incurred and, where the permitted to do so, is carried-back against a qualifying prior period’s tax payable to generate a refundable tax offset.

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.

Note 2. Significant accounting policies (continued)

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 unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

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

Cash and cash equivalents

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

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.

Inventories

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

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

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.

Note 2. Significant accounting policies (continued)

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.

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	1-5 years
Furniture and fittings	5-10 years
Computer equipment	3-5 years
Medical equipment	5-10 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.

Note 2. Significant accounting policies (continued)

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.

Internally developed software
Research costs associated with internally developed software are expensed in the period in which they are incurred. Development costs associated with internally developed software are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being 5 years.

Customer contracts
Customer contracts acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 15 years.

Copyright
Significant costs associated with copyright are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5-10 years.

Licences
The acquisition of licences are capitalised as an asset and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 1-5 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.

Note 2. Significant accounting policies (continued)

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.

Employee benefits

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

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments
Equity-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.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the 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.

Note 2. Significant accounting policies (continued)

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.

Issued capital
Ordinary shares are classified as equity.

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

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.

Note 2. Significant accounting policies (continued)

Earnings per share

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

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

Comparative information
Certain comparatives have been reclassified to conform with current year presentation. This has not had any impact on the financial position of the Group at 31 December 2021 or the results for the year then ended.

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 2022. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

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.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates, the impact of the Coronavirus (COVID-19) pandemic and forward-looking information that is available. The allowance for credit losses, as disclosed in note 10, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

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.

Lease term
The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate
Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

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.

Share Based Payments
Share based payments are measured at the fair value of goods or services received or the fair value of the equity instrument issued (if the fair value of goods or services cannot be reliably determined) and are recorded at the date the goods or services are received. The fair value of options is determined using the Black-Scholes option pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

Note 4. Operating segments

Identification of reportable operating segments
Since the acquisition of RIMAB in October 2021, the Group is organised into two operating segments based on differences in products and services provided: Software and Radiology 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.

Other segments represent the Group's corporate headquarters.

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.

Note 4. Operating segments (continued)

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

Software	The software business is focussed on the development and sale of modular imaging systems that include information systems for Radiology (AQUILA), Cardiology (ANTEROS) and Pathology (ALULA), as well as a Picture Archiving and Communications System (PACS). The information systems combine a workflow management system with a patient data and image distribution system, and the PACS allows a healthcare organisation to capture, store, view and share radiology images.
Radiology	The radiology services business provides radiological diagnostic services to hospitals and medical facilities in Colombia and Spain using IMEXHS medical imaging software. The services business also provides the Group with medical images and radiologists interpretation and reports to develop artificial intelligence (AI) tools.

Intersegment transactions
There were no intersegment transactions made during the year ended 31 December 2022 (31 December 2021: $nil).

Intersegment receivables, payables and loans
Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

Major customers
During the year ended 31 December 2022, one customer individually contributed to approximately 38% of the total external revenue generated by the Group (2021: 41%).

Operating segment information

Consolidated - 2022	Software $	Radiology $	Corporate $	Total $
Revenue				
Sales to external customers	6,384,289	10,733,068	-	17,117,357
Total revenue	6,384,289	10,733,068	-	17,117,357
EBITDA	749,323	670,093	(2,210,287)	(790,871)
Depreciation and amortisation	(1,453,058)	(223,708)	(82,563)	(1,759,329)
Finance costs	(140,774)	(301,912)	(6)	(442,692)
Interest revenue	33,834	10,948	1,877	46,659
Profit/(loss) before income tax expense	(810,675)	155,421	(2,290,979)	(2,946,233)
Income tax expense				(92,420)
Loss after income tax expense				(3,038,653)

All assets and liabilities, including taxes are not allocated to the operating segments as the CODM reviews and manages on an overall group basis.

Following the acquisition of RIMAB SAS on 1 October 2021, the Group has changed its structure of its internal organisation in a manner that has caused its reportable segments to change. The information for the 2021 period cannot be restated as the information is not available and has not been reported to the Board during the 2022 period and has been reported as a single segment only.

Note 5. Revenue

	Consolidated 2022 $	Consolidated 2021 $
Medical equipment and licences	135,491	918,262
Leasing equipment and software and services	16,522,566	12,001,432
Sale of inputs	58,641	138,586
Service and maintenance of equipment and software	400,659	314,429
Revenue	17,117,357	13,372,709

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

	Consolidated 2022 $	Consolidated 2021 $
Timing of revenue recognition		
Goods transferred at a point in time	343,624	1,130,111
Services transferred over time	16,773,733	12,242,598
	17,117,357	13,372,709

The majority of the Group's revenue is derived from one geographic region, Latin America.

Note 6. Research and development and support expenses

	Consolidated 2022 $	Consolidated 2021 $
R&D and Support Expenses	1,527,386	1,114,813

Note 7. Expenses

	Consolidated 2022 $	Consolidated 2021 $
Loss before income tax includes the following specific expenses:		
Finance costs		
Interest and finance charges paid/payable on borrowings	438,047	307,667
Interest and finance charges paid/payable on lease liabilities	4,645	3,419
	442,692	311,086

Note 7. Expenses (continued)

Administration expenses		
Employee and Director benefits expense[a]	3,434,735	3,357,211
Professional and consultancy fees[a]	415,651	568,413
Taxes	289,430	247,759
Office expenses	456,899	323,456
Insurance	176,684	117,140
Advertising and marketing	145,427	135,536
Corporate expenses[a]	254,922	867,704
Maintenance	6,522	5,782
Travel expenses	120,498	92,719
Other	585,368	521,236
	5,886,136	6,236,956

[a] The above expenses included total acquisition costs of $701,698 for the financial year ended 31 December 2021.

Leases		
Short-term lease payments	211,106	58,656
Employee and Director benefits expense		
Included in administration expenses:		
Employee benefits expense excluding superannuation and share-based payments[b]	3,190,345	3,120,288
Defined contribution superannuation expense	244,390	236,923
	3,434,735	3,357,211
Included in research and development and support expenses and clinical services expenses:		
Employee benefits expense excluding superannuation and share-based payments	5,483,200	4,561,023
Defined contribution superannuation expense	443,303	383,333
	5,926,503	4,944,356
Share-based payments expense		
Share-based payments expense on issue of Director options	106,045	376,759
Share-based payments expense on issue of Employee options	179,835	192,826
	285,880	569,585
Total employee and Director benefits expense	9,647,118	8,871,152

[b] Administrative expenses for the year ended 31 December 2022 include $148,950 worth of shares issued to the directors in lieu of directors' fees.

Note 8. Income tax

	Consolidated 2022 $	Consolidated 2021 $
Income tax expense		
Current tax	92,420	143,416
Aggregate income tax expense	92,420	143,416
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(2,946,233)	(4,556,356)
Tax at the statutory tax rate of 25% (2021: 26%)	(736,558)	(1,184,653)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Expected credit losses	(7,091)	43,446
Provision for inventories	1,759	3,913
Non-deductible taxes	101,888	67,226
Non-deductible employee contributions	(265,172)	(338,289)
Non-deductible interest, fines and levies	32,945	26,077
Non-deductible financial transactions levy	9,638	6,835
Other non-deductible expenses	142,738	467,044
Effect of overseas tax rates	25,962	20,427
Deferred tax assets not recognised	784,758	1,014,623
	90,867	126,649
Adjustment of tax for prior period	1,553	16,767
Income tax expense	92,420	143,416

	Consolidated 2022 $	Consolidated 2021 $
Deferred tax liability		
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Property, plant and equipment	24,833	27,706
Intangible assets	205,968	229,797
Allowance for expected credit losses	(141,033)	(157,349)
Lease liabilities	(24,833)	(27,706)
Deferred tax liability	64,935	72,448
Movements:		
Opening balance	72,448	81,277
Foreign exchange differences	(7,513)	(8,829)
Closing balance	64,935	72,448

Note 9. Current assets - cash and cash equivalents

	Consolidated 2022 $	Consolidated 2021 $
Cash at bank	1,911,910	4,186,428

Note 10. Current assets - trade and other receivables

	Consolidated 2022 $	Consolidated 2021 $
Trade receivables	4,489,132	3,936,103
Less: Allowance for expected credit losses	(94,119)	(214,497)
	4,395,013	3,721,606
Other receivables	3,516	6,941
Indirect taxes receivable	970,922	1,555,029
	5,369,451	5,283,576

Allowance for expected credit losses
The Group has recognised a net gain of $54,380 (2021:$137,199) in profit or loss in respect of the expected credit losses for the year ended 31 December 2022.

The ageing of the receivables (current and non-current) and allowance for expected credit losses provided for above are as follows:

Consolidated	Expected credit loss rate 2022 %	Expected credit loss rate 2021 %	Carrying amount 2022 $	Carrying amount 2021 $	Allowance for expected credit losses 2022 $	Allowance for expected credit losses 2021 $
Not overdue	-	-	2,387,215	3,461,270	-	-
0 to 3 months overdue	1.69%	0.13%	1,781,348	1,621,728	30,107	2,141
3 to 6 months overdue	1.53%	14.60%	518,639	43,310	7,951	6,324
6 to 12 months overdue	7.65%	100.00%	405,202	33,856	31,008	33,856
Over 6 months overdue	100.00%	100.00%	25,053	172,176	25,053	172,176
			5,117,457	5,332,340	94,119	214,497

	Consolidated 2022 $	Consolidated 2021 $
Opening balance	214,497	866,708
Additional provisions recognised	205,111	198,576
Additions through business combinations	-	9,484
Amounts recovered during the year	(303,509)	(815,331)
Foreign exchange differences	(21,980)	(44,940)
Closing balance	94,119	214,497

Note 11. Current assets - contract assets

	Consolidated 2022 $	Consolidated 2021 $
Contract assets	850,780	869,932

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

	2022 $	2021 $
Opening balance	869,932	1,803,378
Additions	850,781	869,932
Additions through business combinations (note 34)	-	1,068,879
Transfer to trade receivables	(779,725)	(2,596,637)
Exchange differences	9,822	(275,620)
Disposals	(100,030)	-
Closing balance	850,780	869,932

Note 12. Current assets - inventories

	Consolidated 2022 $	Consolidated 2021 $
Merchandise not manufactured by the Group - at cost	103,054	87,148
Materials and spare parts - at cost	42,209	44,275
Less: Provision for impairment	(48,438)	(46,991)
	96,825	84,432

The cost of inventories recognised as an expense during the year ended 31 December 2022 was $570,591 (2021: $1,042,024).

The cost of inventories recognised as an expense includes $6,320 (2021: $15,698) in respect of write downs of inventory to net realisable value.

Note 13. Non-current assets - trade receivables

	Consolidated 2022 $	Consolidated 2021 $
Trade receivables	628,325	1,396,237

Refer to note 10 for an analysis of ageing of the receivables and allowance for expected credit losses.

Note 14. Non-current assets - property, plant and equipment

	Consolidated 2022 $	Consolidated 2021 $
Leasehold improvements - at cost	172,780	96,090
Less: Accumulated depreciation	(56,150)	(3,200)
	116,630	92,890
Furniture and fittings - at cost	29,276	18,540
Less: Accumulated depreciation	(13,241)	(5,161)
	16,035	13,379
Motor vehicles - at cost	1,658	1,850
Less: Accumulated depreciation	(277)	(126)
	1,381	1,724
Computer equipment - at cost	1,505,988	1,964,331
Less: Accumulated depreciation	(1,011,534)	(1,010,610)
	494,454	953,721
Medical equipment - at cost	4,431,710	4,185,890
Less: Accumulated depreciation	(1,359,788)	(779,695)
	3,071,922	3,406,195
	3,700,422	4,467,909

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

Consolidated	Leasehold improvements $	Furniture and fittings $	Motor vehicles $	Computer equipment $	Medical equipment $	Total $
Balance at 1 January 2021	31,981	9,195	-	661,912	2,643,205	3,346,293
Additions	-	491	1,850	202,708	804,767	1,009,816
Additions through business combinations (note 34)	70,172	10,223	-	28,368	1,352,222	1,460,985
Disposals	-	-	-	(1,102)	(149,868)	(150,970)
Exchange differences	(8,250)	(1,059)	-	(72,178)	(380,642)	(462,129)
Transfers in/(out)	-	(1,927)	-	503,133	(501,206)	-
Depreciation expense	(1,013)	(3,544)	(126)	(369,120)	(362,283)	(736,086)
Balance at 31 December 2021	92,890	13,379	1,724	953,721	3,406,195	4,467,909
Additions	88,032	13,087	-	66,887	479,950	647,956
Disposals	-	-	-	(75,532)	(2,006)	(77,538)
Exchange differences	(8,487)	(2,140)	(159)	(63,119)	(311,898)	(385,803)
Transfers in/(out)	-	1,027	-	-	(1,027)	-
Depreciation expense	(55,805)	(9,318)	(184)	(387,503)	(499,292)	(952,102)
Balance at 31 December 2022	116,630	16,035	1,381	494,454	3,071,922	3,700,422

Note 15. Non-current assets - right-of-use assets

	Consolidated 2022 $	Consolidated 2021 $
Land and buildings - right-of-use	80,516	140,266
Less: Accumulated depreciation	(51,354)	(110,108)
	29,162	30,158

The Group leases land and buildings for its offices under agreements of between 1 to 3 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

The Group leases office equipment under agreements of less than 1 year. These leases are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

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

Consolidated	Land and buildings $
Balance at 1 January 2021	102,046
Additions	14,165
Exchange differences	(7,742)
Depreciation expense	(78,311)
Balance at 31 December 2021	30,158
Additions	80,101
Exchange differences	(7,596)
Depreciation expense	(73,501)
Balance at 31 December 2022	29,162

For other lease related disclosures refer to:
- note 7 for details of interest on lease liabilities and other lease expenses;
- consolidated statement of financial position for lease liabilities at 31 December 2022;
- note 27 for maturity analysis of lease liabilities; and
- consolidated statement of cash flow for repayment of lease liabilities.

Note 16. Non-current assets - intangibles

	Consolidated 2022 $	Consolidated 2021 $
Goodwill - at cost	4,856,982	5,418,893
Internally developed software - at cost	2,969,140	2,082,518
Less: Accumulated amortisation	(602,704)	(269,984)
	2,366,436	1,812,534
Customer contracts - at cost	848,508	946,674
Less: Accumulated amortisation	(70,709)	-
	777,799	946,674
Copyright - at cost	19,394	23,745
Less: Accumulated amortisation	(19,388)	(21,033)
	6	2,712
Licenses - at cost	463,258	998,942
Less: Accumulated amortisation	(346,154)	(747,866)
	117,104	251,076
	8,118,327	8,431,889

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

Consolidated	Goodwill $	Internally developed software $	Customer contracts $	Copyright $	Licences $	Total $
Balance at 1 January 2021	-	805,629	-	6,077	301,550	1,113,256
Additions	-	1,417,704	-	-	137,183	1,554,887
Additions through business combinations (note 34)	5,814,604	-	1,015,804	-	-	6,830,408
Exchange differences	(395,711)	(140,815)	(69,130)	(530)	(30,299)	(636,485)
Amortisation expense	-	(269,984)	-	(2,835)	(157,358)	(430,177)
Balance at 31 December 2021	5,418,893	1,812,534	946,674	2,712	251,076	8,431,889
Additions	-	1,268,424	-	-	115,072	1,383,496
Exchange differences	(561,911)	(297,997)	(89,211)	12	(14,226)	(963,333)
Amortisation expense	-	(416,525)	(79,664)	(2,718)	(234,818)	(733,725)
Balance at 31 December 2022	4,856,982	2,366,436	777,799	6	117,104	8,118,327

Impairment testing
As described in note 4, the Group has two main CGUs being the radiology and software CGUs.

Note 16. Non-current assets - intangibles (continued)

Goodwill and customer contracts acquired through business combinations have been allocated to the radiology cash generating unit ('CGU'). The radiology services business provides radiological diagnostic services to hospitals and medical facilities in Colombia and Spain using IMEXHS medical imaging software. The services business also provides the Group with medical images and radiologists interpretation and reports to develop artificial intelligence ('AI') tools.

Internally developed software has been allocated to the software CGU. The software business is focussed on the development and sale of modular imaging systems that include information systems for Radiology (AQUILA), Cardiology (ANTEROS) and Pathology (ALULA), as well as a Picture Archiving and Communications System (PACS). The information systems combine a workflow management system with a patient data and image distribution system, and the PACS allows a healthcare organisation to capture, store, view and share radiology images.

Both CGUs are tested annually for impairment or at the end of each reporting date where an indicator of impairment exists. At 31 December 2022, the recoverable amount of the CGUs have been assessed. An impairment exists when the carrying value of the CGUS exceeds their recoverable amount.

Recoverable amounts
The recoverable amounts of the radiology and software CGUs have been determined by value in use ('VIU') calculations. The calculations use cash flow projections based on a five-year discounted cash flow model, with a terminal value applied to the discounted cash flows after year five.

Key assumptions and impairment testing results
Key assumptions are those to which the recoverable amount of an asset or the CGU is most sensitive. The following key assumptions were used in the VIU model to test each CGU at 31 December 2022:

Assumption	How determined	Rate used in the VIU calculation
Discount rate (pre-tax)	Based on weighted average cost of capital reflecting current market assessments of the time value of money and risks specific to the CGU.	22.57%
Sales volume growth rate	Based on a five year cash flow projection taking into account historical growth rates and product lifecycle.	20%
Terminal value growth rate	Based on long-term economic growth rates.	Nil

The recoverable amounts of the radiology and software CGUs including unallocated corporate assets were in excess of their carrying amounts and therefore no impairment charge was required. The excess of recoverable amount over carrying amount is such that a reasonably possible change in assumptions is unlikely to reduce the recoverable amount below the carrying amount.

Note 17. Current liabilities - trade and other payables

	Consolidated	
	2022	2021
	$	$
Trade payables	2,026,604	2,444,153
Withholding tax payable	395,478	458,286
Other payables	53,898	116,046
	2,475,980	3,018,485

Refer to note 27 for further information on financial instruments.

Note 18. Current liabilities - contract liabilities

	Consolidated 2022 $	Consolidated 2021 $
Contract liabilities	14,276	32,812

Reconciliation
Reconciliation of the written down values (current and non-current) at the beginning and end of the current and previous financial year are set out below:

	2022 $	2021 $
Opening balance	101,723	53,548
Payments received in advance	90,236	72,139
Additions through business combinations (note 34)	-	74,264
Transfer to revenue - included in the opening balance	(174,438)	(87,903)
Exchange differences	(3,245)	(10,325)
Closing balance	14,276	101,723
Representing:		
Contract liabilities - current	14,276	32,812
Contract liabilities - non-current (note 22)	-	68,911
	14,276	101,723

Unsatisfied performance obligations
The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was $14,276 as at 31 December 2022 ($101,723 as at 31 December 2021) and is expected to be recognised as revenue in future periods as follows:

	Consolidated 2022 $	Consolidated 2021 $
Within 6 months	3,271	21,394
6 to 12 months	902	11,419
12 to 18 months	-	13,170
18 to 24 months	10,103	25,990
Over 24 months	-	29,750
	14,276	101,723

Note 19. Current liabilities - borrowings

	Consolidated 2022 $	Consolidated 2021 $
Credit cards	10,970	11,012
Unsecured revolving credit loans	-	22,310
Unsecured fixed term loans	529,217	1,040,467
PaaS equipment financing loan*	4,974	8,452
	545,161	1,082,241

* Relates to various loans provided to the Company for PaaS contracts where the equipment is repaid at a 200% rate of return on their loan which is paid in monthly instalments over the initial term of the PaaS contract.

Refer to note 23 for further information on financing arrangements and note 27 for further information on financial instruments.

Note 20. Current liabilities - Contingent consideration

	Consolidated 2022 $	Consolidated 2021 $
Contingent consideration - cash	23,924	292,454

Refer to note 28 and note 34 for further information.

Note 21. Non-current liabilities - payables

	Consolidated 2022 $	Consolidated 2021 $
Trade payables	-	580,214

Refer to note 27 for further information on financial instruments.

Non-current trade payables as at December 2021 represented payments for equipment over 3 years in relation to a 7 year customer contract.

Note 22. Non-current liabilities - contract liabilities

	Consolidated 2022 $	Consolidated 2021 $
Contract liabilities	-	68,911

Refer to note 18 for further information.

Note 23. Non-current liabilities - borrowings

	Consolidated 2022 $	Consolidated 2021 $
Unsecured revolving credit loans	-	27,248
Unsecured fixed term loans	542,785	1,257,952
	542,785	1,285,200

Refer to note 27 for further information on financial instruments.

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

	Consolidated 2022 $	Consolidated 2021 $
Total facilities		
Unsecured revolving credit loans	-	49,559
Unsecured fixed term loans	1,072,002	2,344,958
	1,072,002	2,394,517
Used at the reporting date		
Unsecured revolving credit loans	-	49,559
Unsecured fixed term loans	1,072,002	2,344,958
	1,072,002	2,394,517
Unused at the reporting date		
Unsecured revolving credit loans	-	-
Unsecured fixed term loans	-	-
	-	-

Note 24. Equity - issued capital

	Consolidated 2022 Shares	Consolidated 2021 Shares	Consolidated 2022 $	Consolidated 2021 $
Ordinary shares - fully paid	41,257,901	32,860,889	38,476,999	34,765,453

Note 24. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 January 2021	29,699,842		28,461,991
Issue of shares on exercise of options	26 February 2021	301,680	$1.2500	377,100
Issue of shares on exercise of options	4 March 2021	193,320	$1.2500	241,650
Issue of shares on exercise of options	30 March 2021	205,000	$1.2500	256,250
Issue of shares on exercise of options	23 April 2021	50,000	$1.8800	93,750
Issue of shares on exercise of options	20 September 2021	19,719	$0.0000	-
Issue of shares on exercise of options	21 September 2021	39,437	$0.0000	-
Issue of shares on exercise of options	22 September 2021	19,719	$0.0000	-
Issue of shares - acquisition of subsidiary (note 34)	5 October 2021	2,332,172	$1.8200	4,237,993
Shares to be issued as part consideration for acquisition of subsidiary (note 34)				1,122,303
Share issue transaction costs, net of tax				(25,584)
Balance	31 December 2021	32,860,889		34,765,453
Issue of Shares - Director fees	25 July 2022	57,635	$0.8600	49,500
Issue of Shares - Placement	10 August 2022	1,946,208	$0.4800	934,180
Issue of Shares - Rights Issue	1 September 2022	4,114,816	$0.4800	1,975,110
Issue of Shares - Director Placement	29 September 2022	2,220,458	$0.4800	1,065,820
Issue of Shares - Director fees	4 October 2022	57,895	$0.8600	49,725
Share issue transaction costs (exercise of options), net of tax		-	$0.0000	(362,789)
Balance	31 December 2022	41,257,901		38,476,999

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.

Note 24. Equity - issued capital (continued)

The capital risk management policy remains unchanged from the 31 December 2021 Annual Report.

Note 25. Equity - reserves

	Consolidated 2022 $	Consolidated 2021 $
Foreign currency reserve	(3,286,765)	(1,575,829)
Share-based payments reserve	3,932,402	3,646,522
Options reserve	30,440	30,440
	676,077	2,101,133

Foreign currency reserve
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian 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.

Options reserve
The reserve is used to record amounts received from option holders from the issue of options.

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

Consolidated	Foreign currency $	Share-based payments $	Options $	Total $
Balance at 1 January 2021	(519,327)	3,076,937	30,440	2,588,050
Foreign currency translation	(1,056,502)	-	-	(1,056,502)
Share-based payments - options issued	-	569,585	-	569,585
Balance at 31 December 2021	(1,575,829)	3,646,522	30,440	2,101,133
Foreign currency translation	(1,710,936)	-	-	(1,710,936)
Share-based payments - options issued	-	285,880	-	285,880
Balance at 31 December 2022	(3,286,765)	3,932,402	30,440	676,077

Note 26. Equity - dividends

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

Note 27. 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.

Note 27. Financial instruments (continued)

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.

Market risk

Foreign currency risk
Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the Company's functional currency. Individual transactions are assessed, and forward exchange contracts are used to hedge the risk where deemed appropriate.

While the Group as a whole has assets and liabilities in different currencies, individual entities in the Group do not have a significant foreign exchange exposure to receivables or payables in currencies that are not their functional currency.

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
Consolidated	**2022 $**	**2021 $**	**2022 $**	**2021 $**
US dollars	180,083	138,698	563,232	926,392
Euros	32,410	2,810	1,703	-
Colombian peso	8,739,047	7,660,256	5,215,088	4,019,598
	8,951,540	7,801,764	5,780,023	4,945,990

Based on the financial instruments held at 31 December 2022, had the Australian dollar weakened by 5% against the Colombian Peso, US Dollar and Euro, with all other variables held constant, the Group's pre-tax profit for the year would have been $102,670 higher (2021: $77,108 higher). If the Australian dollar had strengthened the corresponding impact would have been a decrease in pre-tax profit by the same amount.

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

Interest rate risk
The Group's main interest rate risk arises from borrowings with variable rates, which expose the Group to cash flow interest rate risk. Group policy is to have mainly fixed rate loans directly. During the financial years ended 31 December 2022 and 31 December 2021, the Group's borrowings at variable rate were denominated in Colombian Pesos. The Group's borrowings and receivables are carried at amortised cost.

The Group is exposed to interest rate risk at the date of this report via its cash holdings.

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates of the borrowings at the end of the reporting period are as follows:

	2022 $	% of total loans %	2021 $	% of total loans %
Variable rate borrowings	10,970	1.1	11,012	0.5
Fixed rate borrowings (no repricing dates)	1,072,002	98.9	2,347,977	99.5
	1,082,972	100.0	2,358,989	100.0

Due to the carrying value of borrowings at variable interest rate, the Group is not exposed to any significant interest rate risk.

Note 27. Financial instruments (continued)

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.

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.

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.

Consolidated - 2022	Weighted average interest rate %	Within 6 months $	6-12 months $	Between 1 and 2 years $	Between 2 and 5 Year $	Over 5 Years $	Total contractual cash flows inclusive of interest payments $	Carrying amount
Trade payables	-	2,026,604	-	-	-	-	2,026,604	2,026,604
Other payables	-	53,898	-	-	-	-	53,899	53,898
Contingent consideration	-	23,924	-	-	-	-	23,924	23,924
Lease liabilities	3.7%	25,146	4,015	-	-	-	29,161	29,161
Borrowings - variable rate	32.0%	10,970	-	-	-	-	10,970	10,970
Borrowings - fixed rate	10.0%	332,752	255,272	432,205	189,491	-	1,209,720	1,072,002
		2,473,294	259,287	432,205	189,491	-	3,354,278	3,216,559

Note 27. Financial instruments (continued)

Consolidated - 2021

	Weighted average interest rate %	Within 6 months $	6-12 months $	Between 1 and 2 years $	Between 2 and 5 Years $	Over 5 Years $	Total contractual cash flows inclusive of interest payments $	Carrying amount
Trade payables	-	2,444,153	-	580,214	-	-	3,024,367	3,024,367
Other payables	-	116,046	-	-	-	-	116,046	116,046
Contingent consideration	-	-	292,454	-	-	-	292,454	292,454
Lease liabilities	5.0%	26,102	4,055	-	-	-	30,157	30,157
Borrowings - variable rate	27.0%	11,012	-	-	-	-	11,012	11,012
Borrowings - fixed rate	11.0%	703,013	615,706	798,806	566,120	-	2,683,645	2,347,977
		3,300,326	912,215	1,379,020	566,120	-	6,157,681	5,822,013

Fair value of financial instruments

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

Note 28. Fair value measurement

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed 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

Level 3: Unobservable inputs for the asset or liability

Consolidated - 2022	Level 1 $	Level 2 $	Level 3 $	Total $
Liabilities				
Contingent consideration	-	-	23,924	23,924
Total liabilities	-	-	23,924	23,924

Consolidated - 2021	Level 1 $	Level 2 $	Level 3 $	Total $
Liabilities				
Contingent consideration	-	-	292,454	292,454
Total liabilities	-	-	292,454	292,454

There were no transfers between levels during the financial year.

For all assets and liabilities net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments of which the entity has no holdings in. Financial assets where the carrying amount exceeds net fair values have not been written down as the Group intends to hold these assets to maturity. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

Valuation techniques for fair value measurements categorised within level 2 and level 3

Contingent consideration has been valued using a discounted cash flow model.

Note 28. Fair value measurement (continued)

Level 3 assets and liabilities
Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

Consolidated	Contingent consideration $
Balance at 1 January 2021	-
Additions	313,811
Foreign exchange differences	(21,357)
Balance at 31 December 2021	292,454
Paid	(284,139)
Foreign exchange differences	15,609
Balance at 31 December 2022	23,924

The level 3 assets and liabilities unobservable inputs and sensitivity are as follows:

Description	Unobservable inputs	Range of probabilities	Sensitivity
Contingent consideration	Probability of achieving revenue targets	to satisfy/not to satisfy	If the specified revenue targets are achieved 100% of the contingent consideration is payable / if revenue targets are not achieved no contingent consideration is payable

Note 29. 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:

	Consolidated 2022 $	Consolidated 2021 $
Short-term employee benefits	614,009	823,792
Post-employment benefits	81,391	84,987
Share-based payments	375,325	478,640
	1,070,725	1,387,419

Note 30. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Nexia Sydney Audit Pty Ltd, the auditor of the Company, and its network firms:

Note 30. Remuneration of auditors (continued)

	Consolidated 2022 $	Consolidated 2021 $
Audit services - Nexia Sydney Audit Pty Ltd		
Audit or review of the financial statements	120,006	102,196
Other services - Nexia Sydney Tax Advisory Pty Ltd		
Preparation of the tax return	9,500	11,915
Other services - Nexia Sydney Corporate Advisory Pty Ltd		
Corporate Advisory	-	82,819
	129,506	196,930
Audit services - network firms		
Audit or review of the financial statements	39,813	19,957
Other services - network firms		
Other	-	27,007
	39,813	46,964
	169,319	243,894

Note 31. Contingent liabilities

The Group had no contingent liabilities as at 31 December 2022 (2021: none).

Note 32. Related party transactions

Parent entity
IMEXHS Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 35.

Key management personnel
Disclosures relating to key management personnel are set out in note 29 and the remuneration report included in the directors' report.

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

	Consolidated 2022 $	Consolidated 2021 $
Sale of goods and services:		
Sale of goods to key management personnel [(i)]	1,338	4,574,467
Payment for goods and services:		
Payment for services from key management personnel	14,942	1,195,542
Payment for other expenses:		
Interest paid to key management personnel - on PaaS equipment financing loan	-	74,651

(i) During the year ended 31 December 2022, CrossPoint Telecommunications an associated entity of the Non-Executive Director, Carlos Palacio, provided various services to IMEXHS and was also a non-exclusive distributor in Australia of IMEXHS's products.

Note 32. Related party transactions (continued)

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

	Consolidated 2022 $	Consolidated 2021 $
Current receivables:		
Trade receivables from key management personnel	239	806
Current payables:		
Trade payables to key management personnel	20	10

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.

Note 33. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent 2022 $	Parent 2021 $
Loss after income tax	(5,506,873)	(7,805,521)
Total comprehensive loss	(5,506,873)	(7,805,521)

Statement of financial position

	Parent 2022 $	Parent 2021 $
Total current assets	1,534,386	3,029,675
Total assets	6,895,633	8,391,390
Total current liabilities	15,545	2,514
Total liabilities	15,545	2,514
Equity		
Issued capital	42,158,461	38,446,255
Share-based payments reserve	3,586,583	3,300,703
Options reserve	30,440	30,440
Accumulated losses	(38,895,395)	(33,388,522)
Total equity	6,880,089	8,388,876

Note 33. Parent entity information (continued)

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 2022 and 31 December 2021.

Contingent liabilities
The parent entity had no contingent liabilities as at 31 December 2022 and 31 December 2021.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 31 December 2022 and 31 December 2021.

Significant accounting policies
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.
- 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.

Note 34. Business combinations

Acquisition of RIMAB SAS during the financial year ended 31 December 2021
On 5 October 2021, IMEXHS acquired 100% of the ordinary shares of RIMAB SAS for the total consideration transferred of $6,762,468. RIMAB SAS is a radiology services business and was acquired to strengthen IMEXHS's customer offering with imaging and teleradiology services and provide a test bed for artificial intelligence ('AI') development.

Details of the acquisition are as follows:

	Fair value $
Cash and cash equivalents	135,633
Trade and other receivables	3,084,749
Income tax refund due	986,580
Prepayments	760,062
Other current assets	1,343
Property, plant and equipment	1,460,985
Customer contracts	1,015,804
Trade and other payables	(3,962,523)
Provision for income tax	(68,859)
Employee benefits	(338,189)
Financial liabilities	(1,790,180)
Indirect taxes	(263,277)
Other non-financial liabilities	(74,264)
Net assets acquired	947,864
Goodwill	5,814,604
Acquisition-date fair value of the total consideration transferred	6,762,468
Representing:	
Cash paid or payable to vendor	1,088,361
IMEXHS Limited shares issued to vendor	4,237,993
Contingent consideration - cash	313,811
Contingent consideration - IMEXHS Limited shares	1,122,303
	6,762,468
Acquisition costs expensed to profit or loss	701,698
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration transferred	6,762,468
Less: cash and cash equivalents	(135,633)
Less: shares issued by Company as part of consideration	(4,237,993)
Less: shares to be issued by the Company as part of consideration	(1,122,303)
Less: contingent consideration	(313,811)
Net cash used	952,728

The net assets recognised in the 31 December 2021 financial statements were based on a provisional assessment of their fair value. The fair value assessment of net assets had not been finalised by the date the 2021 financial statements were approved for issue by the Board of Directors.

In August 2022, the valuation of the net assets was finalised and the acquisition date fair value of the trade and other receivables was $3,084,749, a decrease of $109,955 under the provisional value. The 2021 comparative information was restated to reflect the adjustment to the provisional amounts. As a result, there was an increase in goodwill of $109,955, resulting in $5,814,604 of total goodwill arising on the acquisition.

Note 35. 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 2022 %	Ownership interest 2021 %
OMT Operations (AU) Pty Ltd*	Australia	100.00%	100.00%
Imaging Experts and Healthcare Services Pty Ltd	Australia	100.00%	100.00%
Imaging Experts and Healthcare Services S.A.S.	Colombia	100.00%	100.00%
IMEXHS Corp	US	100.00%	100.00%
IMEXVR SAS*	Colombia	100.00%	100.00%
IMEXMB SAS*	Colombia	100.00%	100.00%
Dictatech Inc*	US	-	100.00%
RIMAB SAS	Colombia	100.00%	100.00%

* Dormant.

Note 36. Non-cash investing and financing activities

	Consolidated 2022 $	Consolidated 2021 $
Shares issued in relation to business combinations	-	4,237,993
Contingent consideration - shares to be issued by the Company as part of consideration	-	1,122,303
	-	5,360,296

Note 37. Changes in liabilities arising from financing activities

Consolidated	Borrowings $	Lease liabilities $	Total $
Balance at 1 January 2021	1,596,728	101,469	1,698,197
Net cash used in financing activities	(1,019,467)	(85,477)	(1,104,944)
Acquisition of leases	-	14,165	14,165
Changes through business combinations (note 34)	1,790,180	-	1,790,180
Balance at 31 December 2021	2,367,441	30,157	2,397,598
Net cash used in financing activities	(1,279,495)	(81,097)	(1,360,592)
Acquisition of leases	-	80,101	80,101
Balance at 31 December 2022	1,087,946	29,161	1,117,107

Note 38. Earnings per share

	Consolidated 2022 $	Consolidated 2021 $
Loss after income tax attributable to the owners of IMEXHS Limited	(3,038,653)	(4,699,772)

Note 38. Earnings per share (continued)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	35,599,795	30,887,790
Weighted average number of ordinary shares used in calculating diluted earnings per share	35,599,795	30,887,790

	Cents	Cents
Basic earnings per share	(8.54)	(15.22)
Diluted earnings per share	(8.54)	(15.22)

Share options on issue have been excluded from the weighted average number of ordinary shares used in calculating diluted loss per share as they are considered anti-dilutive.

Note 39. Share-based payments

The following shares were issued to key management personnel during the year:

Issue date	Number of shares	Issue Price	Value $
25/07/2022	57,895	$0.8589	49,501
04/10/2022	57,895	$0.8589	49,724
21/02/2023	57,895	$0.8589	49,725
	173,685		148,950

The shares issued on 21 February 2023 relates to shares issued in lieu of directors' fees for Q4FY2022.

Note 39. Share-based payments (continued)

Options granted to key management personnel and external parties are as follows:

- On 28 August 2018, 1,000,001 Class B share options were issued as consideration for Imaging Experts and Healthcare Services Pty Ltd. The options are subject to the vesting condition of the Group exceeding $5,000,000 EBIT in any rolling four quarter period. The options have an exercise price of $1.875 and expire on 28 August 2023.
- On 28 August 2018, 1,000,001 Class C share options were issued as consideration for Imaging Experts and Healthcare Services Pty Ltd. The options are subject to the vesting condition of the Group exceeding $7,500,000 EBIT in any rolling four quarter period. The options have an exercise price of $1.875 and expire on 28 August 2023.
- On 25 October 2018, 80,000 share options were issued as remuneration to Non-Executive Director, Mr Tom Pascarella subject to vesting conditions. The options vested when Mr Tom Pascarella resigned on 30 November 2019. The options have an exercise price of $3.50 and expire on 25 October 2023.
- On 10 December 2018, 40,000 share options were issued as remuneration to Non-Executive Director, Dr Douglas Lingard subject to vesting conditions. 10,000 options vested on 10 December 2020 and the remaining 30,000 options vested on 10 December 2021. All 40,000 options have an exercise price of $2.65 and expire on 9 December 2023.
- On 26 May 2020, 560,000 share options were granted to Mr Douglas Flynn as part of his appointment as Non-Executive Chairman. The grant consists of 3 tranches, tranche 1 and 2 each comprise of 160,000 options and tranche 3 comprises of 240,000 options. Tranche 1 and 2 vested on 26 May 2020 and tranche 3 vests when the Company's share price reaches or exceeds a 30 day VWAP of $6.00. Tranche 1, 2 and 3 have an exercise price of $2.75, $3.50 and $1.50 respectively. All tranches expire on 12 March 2027.
- On 1 March 2021, 140,000 share options were granted to Reena Minhas under the Company's Long Term incentive Plan. The options vest on 1 October 2023, have a nil exercise price and expire on 1 March 2031.
- On 20 April 2021, 204,280 share options were granted to Employees under the Company's Long Term Incentive Plan. The grant consists of 2 tranches, tranche 1 comprises 67,411 options and tranche 2 of 136,869. Both tranches have a nil exercise price and expire on 20 April 2031. 88,932 options have lapsed during the 2022.
- On 14 May 2021, 43,519 share options were granted to the CEO German Arango under the Company's Long Term Incentive Plan. The grant consists of 2 tranches, tranche 1 comprises 14,361 options and tranche 2 of 29,158. Both tranches have a nil exercise price and expire on 14 May 2031.
- On 14 May 2021, 98,594 share options were granted to Non-Executive Directors under the Company's Long Term Incentive Plan. The options vested immediately on the grant date with a nil exercise price and expire on 14 May 2025. 78,875 of the Options were exercised during 2021. 19,719 options remain on issue.
- On 19 May 2022, 73,393 share options were granted to the CEO German Arango under the Company's Long Term Incentive Plan. The grant consists of 2 tranches, tranche 1 comprises 24,220 options and tranche 2 of 49,173. Both tranches have a nil exercise price and expire on 19 May 2032.
- On 19 May 2022, 100,219 share options were granted to Non-Executive Directors under the Company's Long Term Incentive Plan. The options vested immediately on the grant date with a nil exercise price and expire on 19 May 2026.
- On 18 July 2022, 416,018 share options were granted to Employees under the Company's Long Term Incentive Plan. The grant consists of 2 tranches, tranche 1 comprises 161,507 options and tranche 2 of 327,904. Both tranches have a nil exercise price and expire on 18 July 2032. 35,174 options have lapsed during the 2022.

Note 39. Share-based payments (continued)

Set out below are summaries of options granted:

2022

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
28/08/2018	28/08/2023	$1.8750	1,000,001	-	-	-	1,000,001
28/08/2018	28/08/2023	$1.8750	1,000,001	-	-	-	1,000,001
25/10/2018	25/10/2023	$3.5000	80,000	-	-	-	80,000
10/12/2018	09/12/2023	$2.6500	40,000	-	-	-	40,000
07/10/2019	31/03/2022	$2.7000	800,000	-	-	(800,000)	-
31/10/2019	30/09/2022	$2.7000	100,000	-	-	(100,000)	-
01/04/2020	01/04/2022	$3.2500	30,000	-	-	(30,000)	-
01/04/2020	01/04/2023	$5.0000	30,000	-	-	(30,000)	-
26/05/2020	12/03/2027	$2.7500	160,000	-	-	-	160,000
26/05/2020	12/03/2027	$3.5000	160,000	-	-	-	160,000
26/05/2020	12/03/2027	$1.5000	240,000	-	-	-	240,000
04/03/2021	01/03/2031	$0.0000	140,000	-	-	-	140,000
20/04/2021	20/04/2031	$0.0000	204,280	-	-	(88,932)	115,348
14/05/2021	14/05/2031	$0.0000	43,519	-	-	-	43,519
14/05/2021	14/05/2025	$0.0000	19,719	-	-	-	19,719
19/05/2022	19/05/2026	$0.0000	-	100,219	-	-	100,219
19/05/2022	19/05/2032	$0.0000	-	73,393	-	-	73,393
18/07/2022	18/07/2032	$0.0000	-	416,018	-	(35,174)	380,844
			4,047,520	589,630	-	(1,084,106)	3,553,044
Weighted average exercise price			$2.0190	$0.0000	$0.0000	$2.4700	$1.8330

Note 39. Share-based payments (continued)

2021

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
22/07/2017	31/03/2021	$1.2500	700,000	-	(700,000)	-	-
28/08/2018	30/06/2021	$2.5000	1,000,001	-	-	(1,000,001)	-
28/08/2018	28/08/2023	$1.8800	1,000,001	-	-	-	1,000,001
28/08/2018	28/08/2023	$1.8800	1,000,001	-	-	-	1,000,001
28/08/2018	30/06/2021	$1.8800	250,000	-	(50,000)	(200,000)	-
28/08/2018	30/06/2021	$2.5000	600,000	-	-	(600,000)	-
25/10/2018	25/10/2023	$3.5000	80,000	-	-	-	80,000
10/12/2018	09/12/2023	$2.6500	40,000	-	-	-	40,000
07/10/2019	31/03/2022	$2.7000	800,000	-	-	-	800,000
31/10/2019	30/09/2022	$2.7000	100,000	-	-	-	100,000
01/04/2020	01/04/2022	$3.2500	30,000	-	-	-	30,000
01/04/2020	01/04/2023	$5.0000	30,000	-	-	-	30,000
26/05/2020	12/03/2027	$2.7500	160,000	-	-	-	160,000
26/05/2020	12/03/2027	$3.5000	160,000	-	-	-	160,000
26/05/2020	12/03/2027	$1.5000	240,000	-	-	-	240,000
04/03/2021	01/03/2031	$0.0000	-	140,000	-	-	140,000
20/04/2021	20/04/2031	$0.0000	-	204,280	-	-	204,280
14/05/2021	14/05/2031	$0.0000	-	43,519	-	-	43,519
14/05/2021	14/05/2025	$0.0000	-	98,594	(78,875)	-	19,719
			6,190,003	486,393	(828,875)	(1,800,001)	4,047,520
Weighted average exercise price			$2.1800	$0.0000	$1.1690	$2.4310	$2.0190

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

Grant date	Expiry date	2022 Number	2021 Number
25/10/2018	25/10/2023	80,000	80,000
10/12/2018	09/12/2023	40,000	40,000
07/10/2019	31/03/2022	-	800,000
31/10/2019	30/09/2022	-	100,000
26/05/2020	12/03/2027	160,000	160,000
26/05/2020	12/03/2027	160,000	160,000
14/05/2021	14/05/2025	19,719	19,719
19/05/2022	19/05/2026	100,219	-
		559,938	1,359,719

The weighted average share price during the financial year was $0.70 (2021: $1.70).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 3.08 years (2021: 2.57 years).

Note 39. Share-based payments (continued)

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
19/05/2022	19/05/2026	$0.7100	$0.0000	80.00%	-	3.06%	$0.705
19/05/2022	19/05/2032	$0.7100	$0.0000	80.00%	-	2.57%	$0.455
19/05/2022	19/05/2032	$0.7100	$0.0000	80.00%	-	2.86%	$0.501
18/07/2022	18/07/2032	$0.6700	$0.0000	80.00%	-	2.76%	$0.423
18/07/2022	18/07/2032	$0.6700	$0.0000	80.00%	-	3.07%	$0.470

Note 40. Events after the reporting period

No matter or circumstance has arisen since 31 December 2022 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.

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 2022 and of its performance for the financial year ended on that date; and

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

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

Douglas Flynn
Chairman

28 February 2023

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Independent Auditor's Report to the Members of IMEXHS Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of IMEXHS Limited (the Company and its subsidiaries (the Group)), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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 2022 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 Corporations Act 2001 and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
Revenue recognition Refer to note 5 in the financial report. Revenue recognition is considered a key audit matter as it is the most significant balance in the Group's Statement of Profit or Loss and Other Comprehensive Income, and is the key driver to the Group's performance. Furthermore, there are complexities and significant management judgements associated with interpreting the key contractual terms of revenue contracts entered into by the Group against the requirements of the AASB 15 'Revenue from Contracts with Customers' (AASB 15).	Our audit procedures in respect of this area included but were not limited to the following: ▪ Assessing the adequacy of the disclosures in notes 2 and 5 of the financial report. ▪ Instructing and reviewing the audit work papers of the component auditor in Columbia, which included the following specific procedures: - Testing a sample of contracts, considering their terms and conditions and identification of the performance obligations in those arrangements, and assessing their accounting treatment under AASB 15; - Testing a sample of revenue transactions to sales contracts signed by customers; - Performing cut-off testing for a sample of contracts to determine whether revenue had been recorded in the correct accounting period based on their contractual terms; ▪ Testing material revenue contracts, including considering their terms and conditions, and identification of the performance obligations in those arrangements and assessing their accounting treatment under AASB 15.
Capitalisation of internally generated software intangibles Refer to note 16 in the financial report. The capitalisation of internally generated software intangibles is considered a key audit matter due to the significant judgement in the assessment of development project costs in accordance with the requirements of AASB 138 'Intangible Assets' (AASB 138). The Group has a number of active internal software development programs which are at various stages of development. Given the unique nature of the software in development there is significant management judgement in the application of the recognition criteria under AASB 138.	Our audit procedures in respect of this area included by were not limited to the following: ▪ We obtained an understanding of the Group's processes and controls, including the records and data relating to time incurred by core development staff, used to identify and recognise capitalised software development costs; ▪ Instructing and reviewing the audit work papers of the component auditor in Columbia, which included the following specific procedures: - Tested a sample of capitalised development costs to ensure the activities recorded were consistent with the recognition requirements of AASB 138. ▪ We obtained representations from management, including the Head of Development that the allocation of costs to individual projects are determined in accordance with AASB 138.

Other information

The directors are responsible for the other information. The other information comprises the information in IMEXHS Limited's annual report for the year ended 31 December 2022, 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 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 the other information we are required to report that fact. We have nothing to report in this regard.

Directors' responsibility for the financial report

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

In preparing the financial report, the directors are responsible for assessing the Group's ability 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 responsibility 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 Australian Auditing and Assurance Standards Board website at:
www.auasb.gov.au/admin/file/content102/c3/ar1_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 in pages 34 to 42 of the directors' Report for the year ended 31 December 2022.

In our opinion, the Remuneration Report of IMEXHS Limited for the year ended 31 December 2022, 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.

Nexia

Nexia Sydney Audit Pty Ltd

Andrew Hoffmann
Director
Dated: 28 February 2023

Sydney

The shareholder information set out below was applicable as at 31 January 2023.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Ordinary shares		Options over ordinary shares	
	Number of holders	% of total shares issued	Number of holders	% of total shares issued
1 to 1,000	269	0.27	1	0.02
1,001 to 5,000	326	2.15	26	1.89
5,001 to 10,000	126	2.23	8	1.67
10,001 to 100,000	256	19.23	25	23.51
100,001 and over	47	76.12	8	72.91
	1,024	100.00	68	100.00
Holding less than a marketable parcel	285	0.31	-	-

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
Sandhurst Trustees Ltd (Jmfg Consol A/C)	4,098,520	9.93
Digital Imaging Solutions Sas	3,407,708	8.26
Jaava Asesores Integrales Sas	2,048,758	4.97
Altor Capital Management Pty Ltd (Altor Alpha Fund A/C)	1,809,505	4.39
Hsbc Custody Nominees (Australia) Limited	1,553,532	3.77
Volegna Holdings Pty Ltd (The Csa A/C)	1,448,524	3.51
German Anibal Arango Bonnet	1,435,161	3.48
Rio Negro Pty Ltd (The Medallo A/C)	1,426,417	3.46
Dixson Trust Pty Limited	1,400,602	3.39
Dr & Lc Flynn Nominees Pty Limited (Flynn Super Fund A/C)	1,371,737	3.32
Irukandji Investments Pty Ltd (Longreach Family A/C)	1,336,316	3.24
Mr Christian James Haustead	1,020,524	2.47
Ilewise Pty Ltd (Lingard Super Fund A/C)	945,803	2.29
Jorge H Marin Munoz	663,503	1.61
National Nominees Limited	590,002	1.43
Goldstake Corporation Pty Ltd	444,938	1.08
Prof Alan Jonathan Berrick	382,079	0.93
Heff Super Pty Ltd (J & A Heff Super Fund A/C)	381,312	0.92
Ilewise Pty Ltd (Lingard Family A/C)	375,000	0.91
Optim8 Pty Ltd (The Gic Super Fund A/C)	350,000	0.85
	26,489,941	64.21

Unquoted equity securities

	Number on issue	Number of holders
Options over ordinary shares issued	3,553,064	68

Substantial holders

Substantial holders in the Company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
Sandhurst Trustees Ltd (Jmfg Consol A/C)	4,098,520	9.93
Digital Imaging Solutions Sas	3,407,708	8.26
Milla Paula Inari Palacio*	2,762,733	6.70

* Irukandji Investments Pty Ltd (Longreach Family A/C) 1,136,316 shares (3.24%), Rio Negro Pty Ltd (The Medallo A/C) 1,426,417 shares (3.46%).

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares
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.

There are no other classes of equity securities.

Corporate **directory**

DIRECTORS

Mr Douglas Flynn - Non-Executive Chairman
Dr German Arango - Chief Executive Officer
Dr Douglas Lingard - Non-Executive Director
Mr Carlos Palacio - Non-Executive Director
Mr Damian Banks - Non-Executive Director

COMPANY SECRETARY

Ms Reena Minhas

NOTICE OF ANNUAL GENERAL MEETING

The details of the annual general meeting of IMEXHS Limited are:
To be held at 10 AM on Thursday, 18 May 2023.
The location is yet to be determined
The details of the annual general meeting of

REGISTERED OFFICE

122 O'Riordan Street
Mascot NSW 2020
Tel: +61 2 9030 0040

PRINCIPAL PLACE OF BUSINESS

122 O'Riordan Street
Mascot NSW 2020
Tel: +61 2 9030 0040

SHARE REGISTER

Automic Pty Ltd
Level 5, 126 Phillip Street
Sydney NSW 2000
Tel: 1300 288 664
Tel: +61 2 9698 5414 (international)
Email: hello@automic.com.au

AUDITOR

Nexia Sydney Audit Pty Ltd
Level 16, 1 Market Street
Sydney NSW 2000

BANKERS

National Australia Bank
2 Carrington Street
Sydney NSW 2000

STOCK EXCHANGE LISTING

IMEXHS Limited shares are listed on the Australian Securities Exchange (ASX code: IME)

CORPORATE GOVERNANCE STATEMENT

The directors and management are committed to conducting the business of IMEXHS Limited in an ethical manner and in accordance with the highest standards of corporate governance. IMEXHS Limited has adopted and has complied with the ASX Corporate Governance Principles and Recommendations (Fourth Edition) ('Recommendations') to the extent appropriate to the size and nature of its operations.The Corporate Governance Statement, which sets out the corporate governance practices that were in operation during the financial year and identifies and explains any Recommendations that have not been followed was approved by the Board of Directors at the same time as the Annual Report and can be found at www.imexhs.com

imexHS

ANNUAL REPORT 2022

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