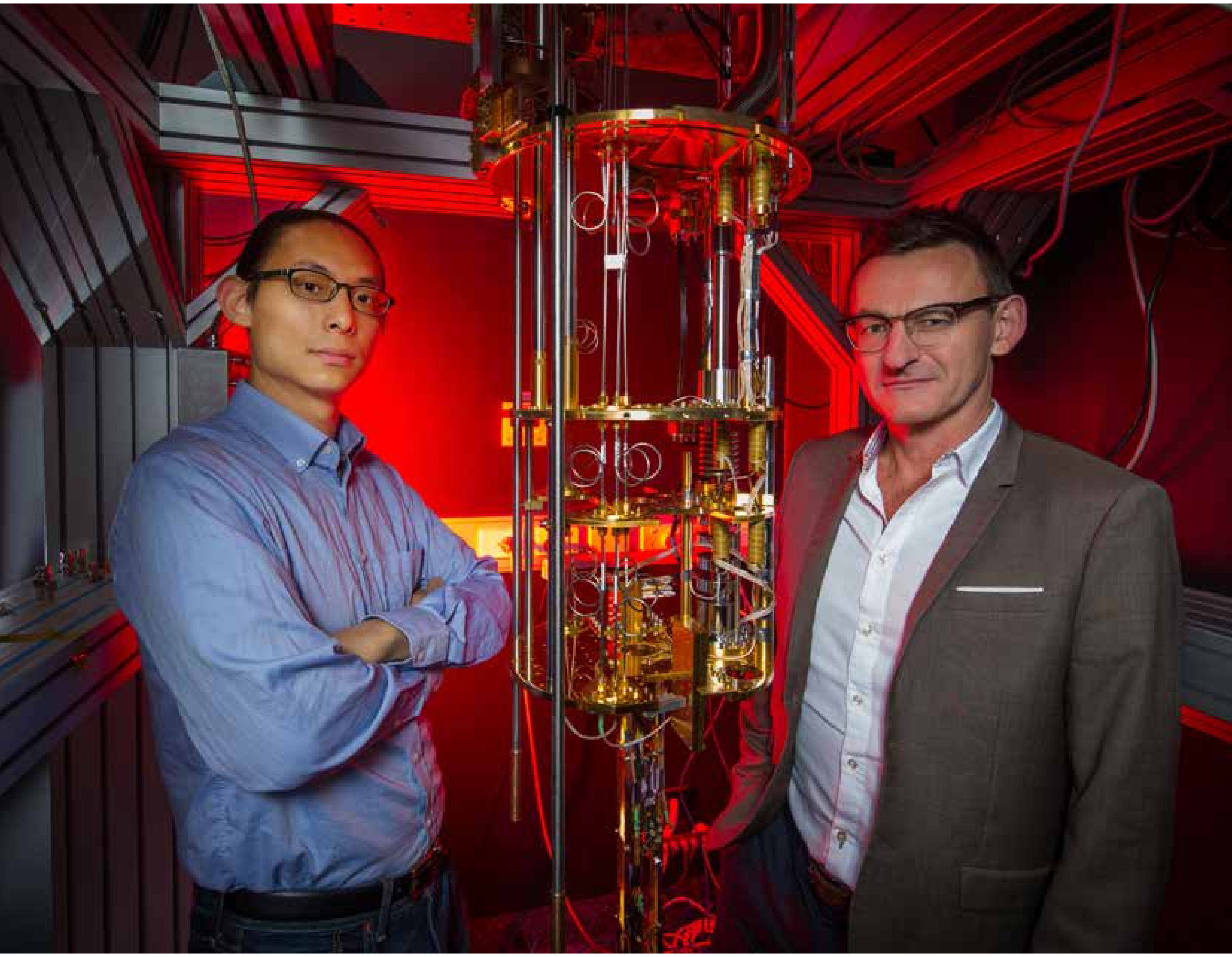
ALLECTUS CAPITAL



2022 Annual Report

MANAGED BY ICM

Performance Highlights

Allectus oversees and supports

c.US$200 million

in technology investments

Companies overseen

40+

Allectus looks for investments that are capable of disrupting their industries and markets on a global scale.

Our thematic approach builds on significant experience investing in technology, financial services, infrastructure, utilities and resources.

Why Allectus Capital Limited?

Allectus Capital Limited ("Allectus") aims to identify value focused investments in the technology sector which drives total shareholder return.

Allectus' Objective is:

To maximise shareholder return by identifying and investing in compelling long-term investments worldwide, where the underlying value is not reflected in the market price.

Technology Sector:

- Allectus oversees and supports c.US$200m in technology investments, principally in the Asia Pacific and United Kingdom.
- We invest with the future in mind and look for deep value in our investments

Allectus Offers Shareholders:

- A high conviction portfolio focused on the technology sector.
- Extensive knowledge and expertise.
- Key areas of focus for Allectus are both listed and unlisted technology companies, and embracing disruptive opportunities.

Allectus' Investment Manager:

- ICM Limited has been Allectus' investment manager since inception, and prides itself in identifying compelling investment opportunities, and working pro-actively with investee companies to improve the economic value of identified investments.

Contents

Who We Are

Allectus Capital Limited is a Bermuda domiciled investment company.

Allectus is an unlisted investment company with a value focused technology portfolio of listed and unlisted companies. Allectus was formed to invest in, and partner with, potentially disruptive businesses in the technology sector. Allectus oversees and supports c.US$200M in technology investments, principally in the Asia Pacific and United Kingdom, for clients of ICM Limited ("ICM"). Allectus is owned by Vix Limited and UIL Limited (LSE:UTL), is managed by ICM.

We partner with and support our investment companies through regular management contact and active communication across the ICM portfolio.

We invest with the future in mind and look for deep value in our investments.

Our Sectors

We look for investments that are capable of disrupting their industries and markets on a global scale.

Our thematic approach builds on significant experience investing in technology, financial services, infrastructure, utilities and resources.

We target mission driven founders and companies that have the potential for:

- a world class product with a compelling solution, backed by proprietary ideas and intellectual property;
- a market leading team executing a focused business plan; and
- scaling rapidly by utilising synergies with our global network of investment professionals and portfolio companies.

We mostly invest in our key verticals of Fintech, Deep Tech, Digital Health, AI and Automation. We will also make a small number of high conviction investments outside of these verticals.

Our Mandate

We invest across the capital spectrum with a majority Series A and Series B focus for revenue generating companies of US$1M+ ARR.

We also invest in high conviction early stage and later stage on a selective basis, primarily where those investments would have synergistic benefit to an existing vertical (e.g fintech, health, deep tech) in partnership with the ICM Group of funds.

Our initial cheque is normally between US$1.5-$7.5M and we will look to support portfolio companies with further investment where they have gained relevant traction and additional guidance is beneficial.

Corporate Investments

Allectus' Top 7 Holdings (% of Total Investments)

16.6%

Nautilus Data Technologies

Other

Private US based company developing water cooled data centres and associated patented technologies.

16.1%

Switch Automation USA Inc.

Proptech

Global real estate software company that helps property owners and facility managers reduce operating costs, improve energy efficiency and analyse, automate and control assets in real-time.

9.5%

The Clinician Holdings Ltd

Digital Health

Digital health innovator, streamlining digital care pathways to manage patient-generated health data.

6.7%

Own Solutions AC Ltd

Fintech

IT company supplying e-services for retailers via a cash-to-digital exchange platform.

13.5%

Cohort Pty Ltd

Fintech

Student services platform which combines the management of student and agency profiles, global payments and essential student services such as health insurance, transfers and accommodation.

12.7%

Shopback Pte Ltd

Fintech

ShopBack is a cashback reward program available across the Asia-Pacific. It allows online shoppers to receive a small percentage of their purchases on the platform, paid for through affiliate programs by the merchant.

5.4%

Envision Sciences Pty Ltd

Digital Health

Australian based cell biology company with a primary focus on diagnostics, prognostics, live cell imaging and identification of targets for therapeutic treatments.

MANAGED BY ICM

Allectus Year in Review

2022 has been an extremely challenging year for the tech market, with the median SaaS multiple across multiple sectors down in excess of 50% across the last twelve months. Series A+ rounds have faced significant difficulty being closed, or at down rounds, or long extensions of time on previous funding timetables. Investees have been further hit with related issues that these sorts of concerns extended to the wider enterprise sales timetable, which pushed our cash receipts and impacted working capital.

With inflation at decade high levels, and the threat of war and global instability looming, Allectus does not see this volatility subsiding in the short to medium term. As a result, our team has focused on assisting investees in strenuous review of core business fundamentals, costing models and the sustainability of unit economics and business plans. This is a core mindset shift to weathering the storm in an environment where many investors are not following on to previous rounds and bridge rounds are similarly tight.

Investor fixation on value, and medium term profitability, is a stark counterpoint to the bull run of 2020-2021. In many ways, this has now realigned with the principles that Allectus has carried since inception, but was not conducive to deal doing in a capital rich and cheap interest rate environment. The benefit of our value driven approach is that we have not seen material markdowns across the portfolio, as no investment had been consummated at decade high median SaaS multiples in the last 2 years.

Allectus made several new investments during FY22, which included Bobidi Inc S.A.F.E ("Bobidi") a US company helping build and refine AI models, AsiaVerify a Singapore company focused on business verification, and Envision Sciences Pty Ltd ("Envision") an Australian oncology diagnostics company developing novel biomarkers and tests for cancer. In January 2022, Allectus purchased additional shares in Invigor Group Ltd ("Invigor") an Australian B2B data intelligence and analytics company for the retail industry. In April 2022 we also increased our stake in Patch'd Inc ("Patch'd") a US company predicting the onset of sepsis in high-risk patients, and in June 2022 became an investor in Nautilus Data Technologies ("Nautilus"), a US company developing high performance, water-cooled data centres.

The second half of FY22 saw the significant pullback of valuations and fundraising activity globally. This flight to quality spurred significant mindset shift in preserving or enhancing operational health.

COMPANY HIGHLIGHTS: Allectus Capital Limited is an investment company with a value focused technology portfolio of listed and unlisted companies. Allectus was formed to invest in, and partner with, potentially disruptive businesses in the technology sector.

Allectus oversees and supports

c.US$200 million

in technology investments

Our team consists of

7

individuals

Our investees have operations across

6

continents

Key investments are in Fintech, Deep Tech, Digital Health, AI & Automation

We back founders with a vision on a long-term basis

ICM's technology investments comprise

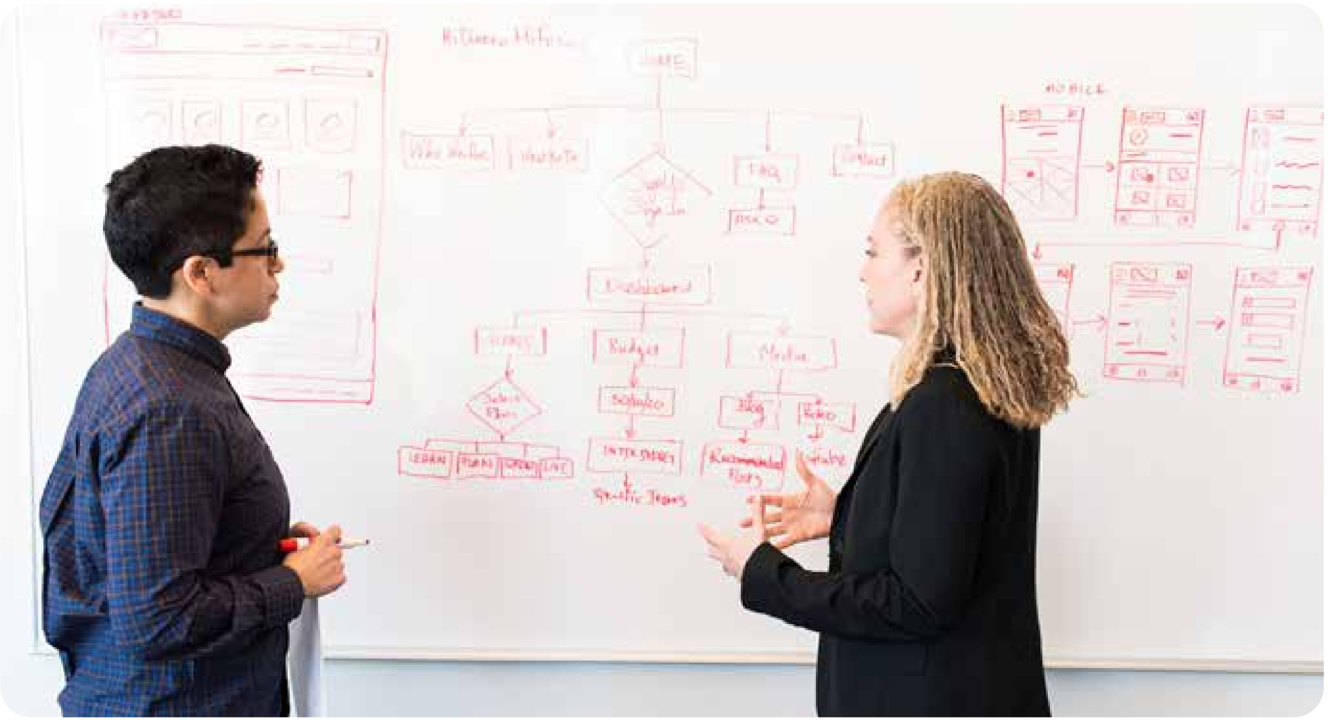
40+

companies

We invest with the future in mind and look for deep value in our investments.

Allectus was also able to exit a number of positions before further downward market correction. This included the November 2021 acquisition of Hoolah Holdings Pte. Ltd ("Hoolah") by Shopback Pte Ltd ("Shopback") a Singapore company offering a cashback and reward program across Asia and Australia. This transaction resulted in Allectus' equity position being converted to the equivalent of Shopback equity, as well as the repayment of the Allectus debt position in Hoolah. GERP (a holding company for certain identity verification investments) was also sold in March 2022. In June 2022, Allectus sold to its shareholder UIL Limited ("UIL") almost the entirety of its listed shares in Invigor, Cluey Ltd ("Cluey") and Plexure Group Ltd ("Plexure"), as well as the majority of its shares in Touch Ventures Ltd ("Touch Ventures"). This transaction took place at market value, and the consideration was the corresponding reduction of the loan from UIL to Allectus. During June 2022, Allectus also received a partial repayment of its convertible note from Limepay Pty Ltd ("Limepay"), with the remainder to be repaid in July 2022.

Looking ahead, Allectus continues to focus on deep tech, fintech and digital health mandates; sectors which have pathways to medium and long term growth. However global macroeconomic conditions, significant disruption in the tech market, and material volatility in listed stock remain a key issue for all investors. As a result, we are concentrating on identifying undervalued private companies who already have demonstrated product market fit, have repeatable and scalable revenue, and a clear path to profitability with positive unit economics.



We see this as an opportune time to look at distressed assets, and significant down rounds in quality SaaS companies as a purchase opportunity. This is especially where companies have inherent synergies with the ICM network and Allectus can bring proprietary relationships to bear. As the funding environment looks to worsen over the back half of 2022 and into 2023, investors with dry powder can be on the lookout for potential special situations which would not have existed in previous years.

Finally, we will remain vigilant in safeguarding our capital and working with investees to maximise runway, and a clear path to attaining financial self-sufficiency. Tech companies globally are being held to a higher standard as regards forecasting and business planning (and adequate runway and remediation plans upon any forecast miss). This establishes a strong requirement for operational assistance to create and preserve value.

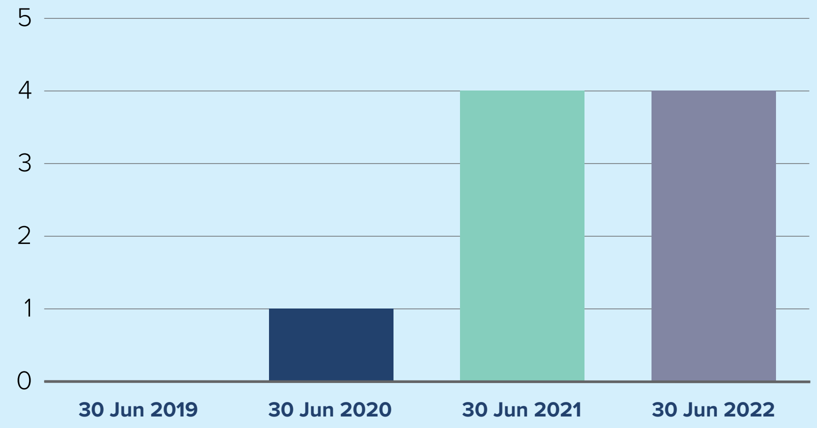
Duncan Saville

Duncan Saville
Chairman

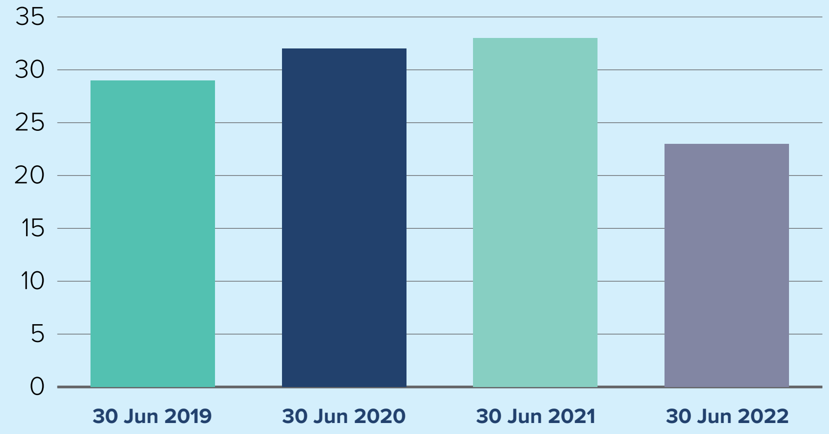
Allectus is looking to the future with a focus on long term value and sustainable unit economics, as the wider tech market continues to be turbulent.

Financial Highlights

Number of Exits



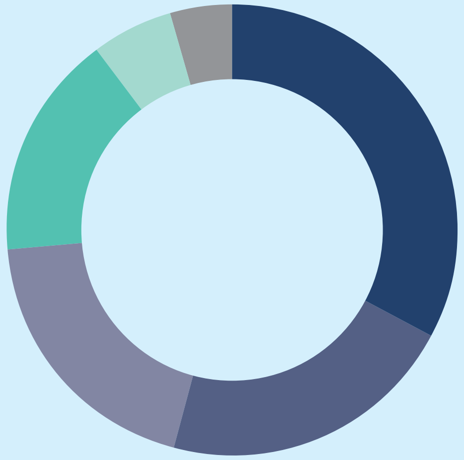
Total Companies in Portfolio



The growth we have achieved through this past year is a testament to our team, who have remained committed and executed our strategy despite the varying challenges presented.

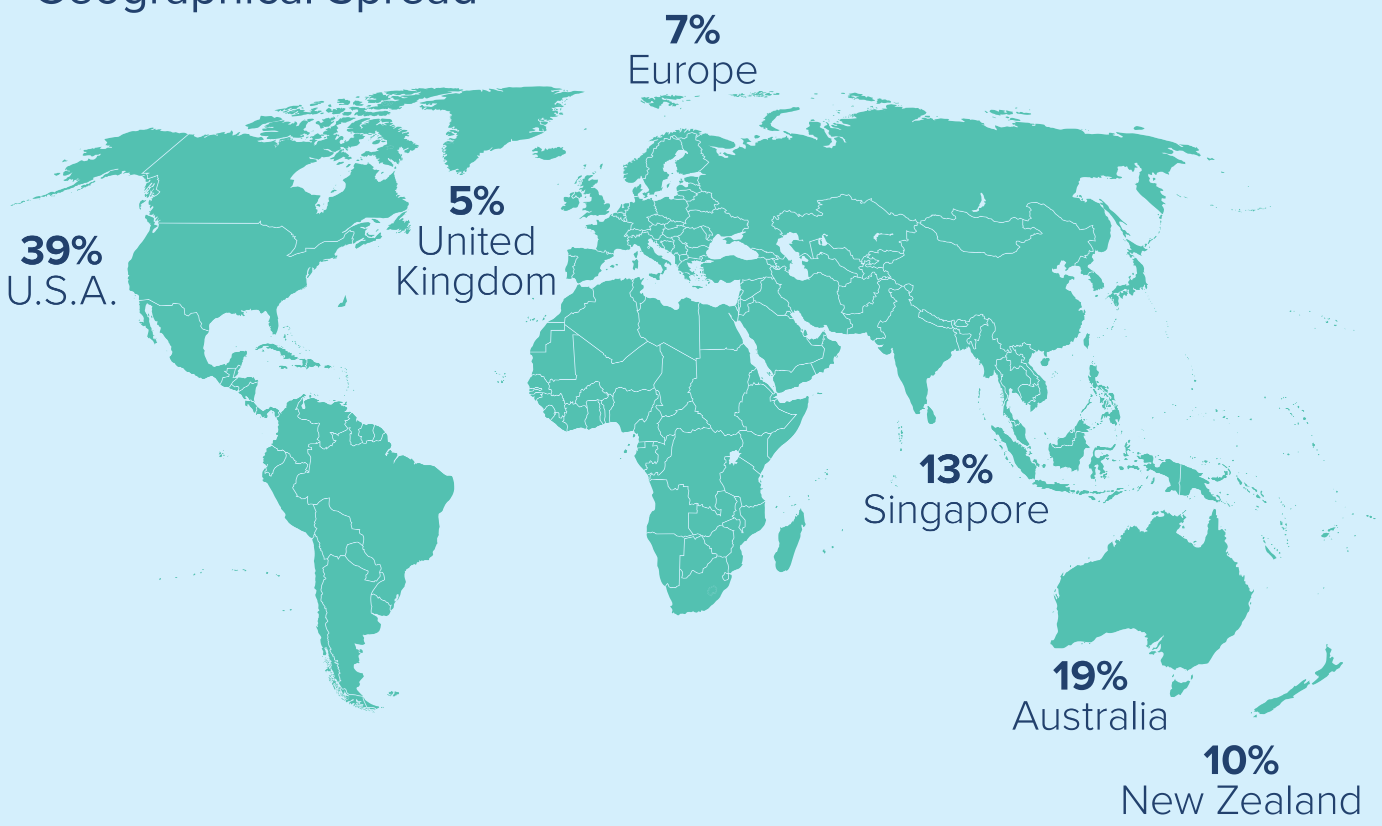
Investment Exposure

Sector Investment Exposure



32.9%	Fintech
21.3%	Digital Health
19.6%	Other
16.1%	Proptech
5.7%	Insurance Tech
4.4%	Data Analytics

Geographical Spread



Selected Portfolio Investments

About the Company

2022 has been an extremely challenging year for our investee companies as they navigated macro-economic factors such as inflation, war and technology market uncertainty. Despite the volatility in markets across the year, our investees have managed to weather the storm relatively well, by a combination of strategic reviews, cost rationalisations, and more cautious approach to growth plans.

In this Section:

Summary of Core Investments

Allectus' investments are predominantly based in the USA, Australia, Singapore and Europe with these four jurisdictions together accounting for 94.9% of total investments. In total, Allectus' core holdings account for 89.1% of total investments at June 30, 2022.

	Company	Country	Fair Value (US$)	% of Total Investments
01	Nautilus Data Technologies LN	USA	10,687,203	16.6%
02	Switch Automation USA Inc.	USA	10,387,545	16.1%
03	Cohort Pty Ltd	Australia	8,717,730	13.5%
04	ShopBack Pte. Ltd	Singapore	8,207,025	12.7%
05	The Clinician Holdings Ltd	New Zealand	6,155,713	9.5%
06	Own Solutions AC Ltd	Croatia	4,326,664	6.7%
07	Envision Sciences Pty Ltd LN	Australia	3,456,000	5.4%
08	GeoX GIS Innovation Ltd	USA	1,999,326	3.1%
09	LifeQ Global Limited	USA	1,884,686	2.9%
10	Adarga Ltd	United Kingdom	1,704,780	2.6%
	Top 10 Investments		57,526,673	89.1%
	Other Investments		7,039,731	10.9%
	Total Investments		**64,566,403**	**100.0%**

Details of our Allectus' core investments are provided in note 5 to the accounts.
Details of Allectus' subsidiary companies are provided in note 4 to the accounts.

Nautilus Data Technologies

nautilusdt.com

Fair Value

$10.69 million

Nautilus is a private US based company developing water cooled data centres and associated patented technologies. Water-cooled data centres have the potential to operate more efficiently, both in terms of energy usage and physical space usage, than air-conditioned equivalents. Nautilus will need to close a major deal in the coming months to prove the commercial viability of its technology and attract further funding. Nautilus is in discussions with a number of leading technology companies and data centre operators to take capacity in its first data centre in California and to build new water-cooled data centres globally. Allectus acquired a convertible note in Nautilus in June 2022.

Country

USA

Sector

Other

Switch Automation

switchautomation.com

Fair Value

$10.34 million

Switch Automation is a US based provider of smart building technology, centred on an insight platform that, sold to building owners as a SaaS solution, drives power savings, healthy building KPI's and strong ESG results for commercial property. Their clients include such large multi-national property conglomerates as Cushman Wakefield and GAW Capital. In 2022 Cushman Wakefield became an investor in Switch Automation and are rolling the platform out to a series of their major property portfolios in the USA. Switch Automation has enjoyed strong growth in relation to its core SaaS metrics across the last 12 months.

Country

USA

Sector

Proptech

Cohort Solutions

cohortgo.com

Fair Value

$8.72 million

Cohort Go is a disruptive payments provider which specialises in the online processing of student tuition fees. Outside of its core business, it provides a host of other services, including a health insurance comparison product, accommodation & airport transfer booking, and a business management and workflow solution. It operates globally across all major international student markets, including but not limited to the USA, Europe, China, India, Latin America, and Australia. The effect of Covid-19 on international student travel disrupted the business throughout the year; however, as optimism and international borders opened later in the financial year, strong enrolment figures returned, driving a better-than-expected year for the Cohort Go business. Much of FY22 has been focussed on the sale of the business and in July 2022 FlyWire, a global payments enablement and software company, acquired CohortGo.

Country

Australia

Sector

Fintech

ShopBack

Shopback.com.au

Fair Value

$8.21 million

Founded in 2014, ShopBack allows users to get cashback from their online and offline transactions. It has more than 35M users across 10 countries and powers US$3.5B in annual sales. The platform also facilitates 1M shopping journeys for over 10,000 merchant partners every day. In December 2021, Hoolah was sold to Shopback to provide buy now, pay later services, and Allectus shares in Hoolah became part of an SPV (HH enablers) that owns Shopback shares. Shopback has integrated Hoolah as part of its ecosystem and recently launched a feature called ShopBack Pay to allow over 2M users in Singapore and Australia to pay at more than 3,000 merchant outlets.

Country

Singapore

Sector

Fintech

The Clinician

theclinician.com

Fair Value

$6.16 million

The Clinician is a digital health services platform which enables the management of patient-generated outcomes data outside traditional clinical settings. Its core business is to help replace manual, inefficient processes with digitally enabled care pathways. Headquartered in New Zealand, the company has major clients in Australia, Singapore and Israel. Through FY21 they have considerably scaled their business, been awarded large scale commercial contracts and released new platform modules. The Clinician was one of the five winners of the Medtronic APAC Innovation Challenge, which awards the best innovative ideas from across APAC. The Clinician team is a standout in terms of KPIs and performance metrics within the portfolio.

Country

New Zealand

Sector

Digital Health

Own Solutions

own.solutions

Fair Value

$4.33 million

Own Solutions is at heart a digital marketplace that bridges the gap between consumers in the physical world and major players in a digital economy by utilising a 5000+ convenience retailer network in Europe. Headquartered in Croatia (with offices in Amsterdam, Switzerland, France, Germany), Own Solutions progressed an eMoney banking license in 2021 and launched their new conscious spending consumer service called Aplauz. Post Covid-19 they are set for rapid scale in the next two years.

Country

Croatia

Sector

Fintech

Envision Sciences

envisionsciences.com

Fair Value

$3.46 million

Australian-based oncology diagnostics company developing novel biomarkers and tests for various cancers. In FY22 they have progressed core relationships with their US testing partner and released two peer-reviewed publications required for resting regimes to go into full distribution across the US. In 2023 we will see the first per test revenue.

Country

Australia

Sector

Digital Health

GeoX

geoxanalytics.com

Fair Value

$2.00 million

GeoX is a B2B SaaS company providing AI technology to extract rich, accurate 3D property data from ariel imagery. Currently, its customers are property insurers in the US, Japan, and Australia. Through FY22 GeoX completed their pivot towards recurring revenue and considerably scaled the business, more than doubling revenue in the second half of the fiscal year. The team secured large commercial contracts with operators in several countries, including Japan, Australia, and the USA, and is progressing additional database expansions and larger commercial agreements. GeoX has exciting growth prospects and remains one of the portfolio's high-upside opportunities.

Country

Israel

Sector

Proptech

Allectus has strongly encouraged and worked with our investees to formulate what their optimal business model is moving forward.

Financial Review

Allectus is a Bermuda unlisted investment company. Allectus has one wholly owned subsidiary, being Own Solutions AC Limited ("Own Solutions").

The majority of the net profit is comprised of the fair value increase in Allectus as at 30 June 2022, recognised at fair value in the financial statements.

Key investment highlights relate to the successful sales of Plexure, Cluey, Invigor and Touch Ventures which were sold to UIL Limited.

Allectus' recorded annual net income of $3.3M (2021: 6.5M). NAV per share ended the year at $289,240 (2021: $272,898).

INCOME

Gains on Investments

Allectus recorded a $5.3M net gains on its investment portfolio for 2022 (2021: $7.2M). This net gain comprised both realised losses of $0.8M (2021: gains $7.5M and unrealised gains $6.6M (2021: losses $1.8M). Investment gains and losses result from changes in the valuations of Allectus' investments. The 2022 gain was driven principally by valuation increases such as Cohort Pty Ltd where the valuation has risen from $4.3M to $8.7M and Switch Automation where the valuation has risen from $3.6M in June 2021, to $10.3M in June 2022.

Net Interest Income

Allectus received interest of $389,989 during the year (2021: $353,975). Of the interest received $143,628 (2021: $159,142) was received from a loan provided to Own Solutions and $246,360 (2021: $194,819) from convertible instruments entered into with investees, namely Adarga Ltd ("Adarga"), Hoolah, Limepay and Pandia.

We look for investments that are capable of disrupting their industries and markets on a global scale.

Foreign Exchange Movements

Net foreign exchange losses were $2.6M (2021: gains $1.9M for the year, $14.4M of Allectus' investment assets are denominated in Australian Dollars, $4.3M in Euro's, $3.1M in Sterling, $0.2M in New Zealand Dollars, $8.6M in Singapore Dollars. These losses were primarily unrealised.

Currency risk is an integral consideration when making investments into non-US Dollar denominated assets and ICM monitors currency movements on an ongoing basis. Foreign currency policy is discussed with the Board on a regular basis and asset allocation, or currency risk strategies may be altered as a result. There is no regular hedging of foreign currency as Allectus is a long-term investor and currency fluctuations are expected to equal out over time. Allectus may however engage in currency hedging to limit its exposure to currency fluctuations, although it did not engage in currency hedging throughout 2022. There were no open currency hedges at year end. The net assets of Allectus by currency and the sensitivity for further currency movements are shown in note 21 of the audited financial statements.

EXPENSES

Allectus' cost base is actively managed and monitored on an ongoing basis. Normal operating expenses, which exclude investment management fees, totalled $386,485 for the year (2021: $366,242), with the year on year increase mainly attributable to an expanding asset base.

Investment management fees consist of a fixed annual percentage fee charge and a performance fee which is paid where agreed performance targets are achieved.

The annual investment management fees increased this year to $722,549 (2021: $699,134). This increase resulted from an increase in the size & value of the portfolio. The investment management fees are based on a fixed percentage of portfolio assets of 0.25% of the portfolio asset value.

Under the terms of its investment manager agreement a performance fee is also payable to ICM if the growth in Allectus' equity exceeds its opening NAV.

The fee is payable at 15% on the amount of growth by which Allectus' equity exceeds the opening NAV. Allectus has not, in accordance with the investment manager agreement, accrued a performance fee for the year ended June 30, 2022 (2021: $2.2M).

ASSETS

Allectus' investment portfolio total assets ended the year at $69.0M from $56.9M a year earlier.

Financial Investments

The investment portfolio was $69.0M at year end (2021: $57.0M) with equity investments of $64.6M accounting for 93.6% of this total. The remaining 6.4% ($4.4M) consisted of other financial investments.

Total investment purchases in 2022 were $27.9M (2021: $15.8M) and total 2022 disposals were $19.6M (2021: $6.9M). Allectus is a long term investor with a strategy of supporting its core investments. The Company is building a portfolio of financial services companies, and the trading of investments within this portfolio is generally kept to a minimum. The investment activity in 2022 was funded primarily from shareholder loan funding and disposal proceeds. Investments during the year included the following:

Investment of

$8.3

MILLION

Shopback Pte. Ltd, a fintech business providing cashback reward options to customers.

Investment of

$10.7

MILLION

in Nautilus Data Technologies, a company driven on providing environmentally innovative infrastructures to data centres.

Investment of

$3.7

MILLION

in Envision Sciences Pty Ltd, a health IT company driven on value-based and patient-centred care.

Investment of

$0.78

MILLION

in Switch Automation, a prop-tech company providing insights into site & portfolio performance for 'smart' buildings.

Loans and Receivables

As part of its investment strategy, Allectus will occasionally provide lending facilities to investee companies within its investment portfolio, and these facilities are typically used by the companies for growth or investment purposes. The balance of this loan portfolio at year end amounted to $8.01M (2021: $1.8M), the increase relating to further funding provided to subsidiaries (Own Solutions and Permanent Mutual Limited) owing to loan repayments and debt to equity conversions.

BORROWINGS

At 30 June 2022 Allectus had no external borrowings (2021: nil). The non-bank loans funding were provided during the year by Allectus' significant shareholders, UIL Limited and Mobility Holdings Limited, to support its investment activity.

Mobility Holdings Limited is now known as QICM Technology Investments Limited since 8 September 2022, and this should be noted for all references in this report.

SHAREHOLDERS' EQUITY

Shareholder's equity increased to $57.8M (2021: $54.5M). During the year ended 30 June 2022 the Company made no capital distributions to its shareholder companies (2021: $25.7M, made equally to its shareholder companies).

At year end the shareholder loans were not capitalised into equity as the loan funding provided was not in equal proportions (2021: $6.6 was converted into equity in the form of Contributed Surplus).

Allectus' investment portfolio total assets ended the year at

$69.0M

(2021: $56.9M)

Macro Trends Affecting Global Technology

Fintech

- Companies continue to be disrupted by fintechs, digitalisation, automation and artificial intelligence, both internally (replacement of staff, digitisation of business processes and workflows) and externally (move to robo-advice or underwriting, automated data driven decision making, smart contracts, etc).
- Fintechs are expanding rapidly as consumers demand cheaper, efficient service with more choice. Multiple value chains are continually being aggregated across banking, wealth management and insurance.
- Millennial engagement and the drive to maintain relevance against other daily-user platforms have driven growth in new platforms focused on social, mobile, hyperlocal, and predictive personalisation.
- Evolution of payments and the recent advent of blockchain / distributed ledger and cryptocurrency will change the financial services landscape in the long term.

Healthcare

- Covid-19 has accelerated technology adoption in the healthcare industry. Health tech companies will be created over the coming years addressing challenges all along the healthcare value chain – from drug discovery, healthcare access, improvement in treatment outcomes to operational and administrative efficiencies, reduction in medical errors and better diagnostics.
- Artificial intelligence systems are reshaping healthcare with AI being increasingly used to analyse and interpret patient data more precisely for early diagnosis and treatment, to ease administrative and clinical workflow and to identify patients for clinical trials.
- In drug discovery, the fields of RNA based therapies, regenerative therapies, longevity, and aging research and neurogenerative disorders are witnessing promising developments. In oncology, protein degrader technologies, precision immunotherapies, checkpoint inhibitors, radiopharmaceuticals and bi-specific antibodies are expanding the pool of innovative medicines available to patients.

Cybersecurity

- Sophistication and frequency of cyber-attacks are in the spotlight, with companies spending larger parts of total budget on protection from wide scale privacy and data breaches. Digital enablement has necessitated a move to the cloud.
- Reputational risk becoming as important as financial risk in an era of increased transparency and decreased trust.
- Increase in enforcement of material financial and civil penalties related to cyber-crime and inadequate protection of consumer data, additional concerns over voice, facial and other biometric protocols.

Web 3.0

- The next wave of the internet, Web 3.0, will be decentralised and permissionless. It is expected to bring major shifts in industry structure by returning control of information to the user. Web 3.0 represents a multi trillion dollar market opportunity, which will be a multi decade computing paradigm shift that has the potential to create as well as disrupt existing industries and businesses.
- One element of Web 3.0 that has captured investor attention is the Metaverse, which offers common themes around virtual and immersive experiences enabled by AR/VR technology and where users can create and consume content, connect with each other and make purchases in the virtual world.
- Web 3.0 companies will be created over the coming years led by recent and upcoming technology developments in the crypto ecosystem. Web 3.0 is a foundational technology for the development of Decentralised Autonomous Organisations (DAOs), Decentralised Finance (DeFi), Central Bank Digital Currencies (CBDCs) and creator economy enablers such as NFTs and block chain based games.

Covid-19 Disruptions

- Lockdowns in China are having an impact on companies with significant operations in the region adding to manufacturing delays and supply chain bottle necks.
- Labour shortages in the aftermath of the pandemic are an increasing risk for companies in terms of hiring talent and expertise.
- Inflation will have an impact on operating costs and wages.

Geo-Political Tensions

- Russia's invasion of Ukraine and subsequent sanctions against Russia from NATO.
- Increased political tensions driven by an increasing level of nationalism and a move away from the recent era of globalisation.
- US-China tensions continue to rise. Continuing trade war between the US and China is having a long-term impact on the global economy.
- Investment decisions must now consider global uncertainty, cybersecurity, and in particular the impact that geo-political issues have on investments in certain markets and sectors.

ICM's Investment Philosophy

ICM is an investment group built on a philosophy of value creation, vision, innovation and compelling value. ICM is a value investor and generally operates focused portfolios with narrow investment remits. ICM has a number of dedicated research teams who have deep knowledge in their specific sectors, which improves the ability to source and make investments. ICM has approximately $1.9B of assets directly under management and $21.5B indirectly under management.

ICM looks to exploit market and pricing opportunities and concentrates on absolute performance.

As the technology investment arm of ICM, Allectus seeks to leverage ICM's investment abilities to both identify and make investments across the technology sector. New investments usually offer a mix of compelling value, scalability and optionality at the time of investment. There is no desire to establish a "portfolio of must have investments", rather the investment portfolio comprises a series of bottom up decisions.

ICM incorporates environmental, social and governance ("ESG") factors into our investment process in four key ways:

01 Visit

We engage with our investee companies and meet with businesses to further develop a comprehensive and long-term perspective.

02 Investigate

Insights gained during these meetings are combined with in depth internal research. This enables us to gauge how ESG issues may impact an investment.

03 Recognise

Given our long-term focus, we integrate the investee company's ESG profile into our investment decisions.

04 Participate

We continually connect with investee companies' management teams through ongoing meetings as well as influencing best outcomes on key issues.

ICM has extensive sector knowledge and understanding of investments in the technology sector and will remain focused on the undoubted opportunities in this sector.

ICM works to create value, by garnering our experience and expertise to generate and grow strong relationships with our investees.

We are focused on creating sustainable long-term value for our shareholders, team, and the broader community through our:

VALUES

ICM's origins date back to 1988 and our organisation has evolved with offices spanning the globe. We are focused on our values of

- Independence and Integrity
- Excellence
- Creativity and Innovation
- Accountability

TEAM

We are proud of our diverse and inclusive environment for our teams to work in, which reflects the diversity of our communities.

INVESTMENT PRACTICES

Our deep and extensive research and understanding of the companies, sectors and markets we invest in moderates our risk, and creates value for our investors. Our status as a signatory of the United Nations-supported Principles of Responsible Investment emphasises our commitment to integrating ESG factors into our investment decision making process.

FINANCIAL

Strong balance sheet and disciplined capital allocation to drive sustainable growth and shareholder value.

PLATFORMS

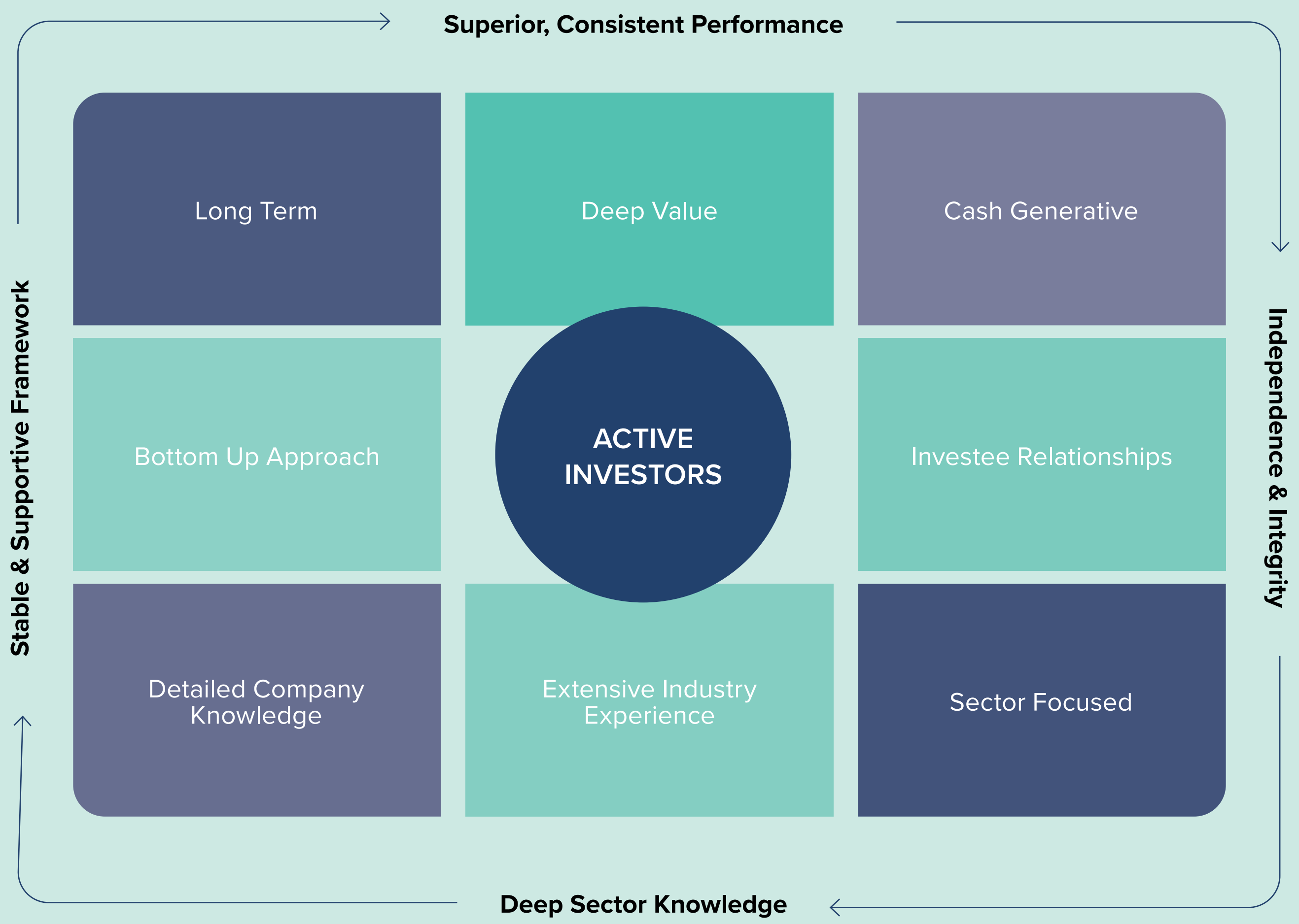
Technology, digital and analytics enable our investment platforms to deliver growth for our shareholders.

COMMUNITIES

ICM supports the ICM Foundation, which has identified sustainable, effective and focused education where the biggest impact can be made on individuals and in communities. Over the past decade ICM and their stakeholders have contributed over $15M to not-for-profit and community organisations.

We seek out and make compelling investments

ALLECTUSCAPITAL



Allectus Capital is the technology investment arm of ICM Limited.

Allectus has contracted with an external investment manager, ICM Limited (the "Investment Manager" or "ICM") to manage its investments. Allectus has a board of directors who oversee and monitor the activities of ICM and the other service providers and ensures that the investment policy is adhered to.

ICM is an entrepreneurial asset management group. ICM's expertise enables us to offer an innovative, insightful approach beyond traditional investment strategies. ICM oversees four listed and four unlisted funds.

Allectus encourages investee companies to:

- Remain independent – the business must stand on its own two feet
- Have their own strategic plan and ambition statements – without a road map the business will under achieve
- Be agile and exploit business opportunities created by disruptive technology
- Address and mitigate their business risks
- Have their own DNA and character
- Seek internal and group synergies, but remain independent

Allectus encourages its investee companies to create synergies, to collaborate on both commercial and revenue opportunities, and to identify and action gradual cost savings within the wider ICM Group. Allectus looks to optimise each investee company by seeking a sharing of knowledge and experience, with a view to achieving more than they could independently. Areas of collaboration include all aspects of IT, treasury, regulation, risk and compliance. By establishing a like-minded, open and constructive dialogue with investee companies, the opportunities to thrive and grow are maximised. Both ICM and Allectus are acutely aware of the benefits of technology that are available to agile companies, including in the areas of fintech, automation and outsourcing opportunities. Investee companies are encouraged to embrace these opportunities.

Allectus will seek to provide a stable, consistent, and supportive framework in which businesses can thrive. Allectus will use its knowledge, acumen, financial support, contacts and relationships to help build the investee businesses and optimise strategy. Allectus will generally use its balance sheet to support investee companies and work with them to seize opportunities available to each business.

Allectus is a long term, active investor and asset manager who seeks out investments that may disrupt existing businesses and technologies.

Allectus' Strategy

Allectus' guiding principle is that investee companies will maintain their business independence through pro-active and supportive boards of directors, capable management teams and use the abilities and opportunities available within the whole ICM Group portfolio to optimise their long-term value for the benefit of all shareholders.

We invest in, and nurture, companies that potentially have:

- **a world class product with a compelling solution;**
- **a market leading team and robust business plan; and**
- **the ability to scale rapidly by utilising our global network of investment professionals and portfolio companies.**

Allectus' focus is on companies that are developing proprietary ideas and intellectual property that are changing the industries they are involved in.

Our mandate is to deliver superior shareholder total returns through capital appreciation.

Key areas of focus for Allectus are investments that are capable of disrupting their industries and markets on a global scale. Our thematic approach builds on significant experience investing in technology, financial services, infrastructure, utilities and resources.

There are dramatic changes in the global financial ecosystem whether it be payments, artificial intelligence or block chain technology. Allectus continues to review how best to unlock value in this area; whether through new investments or our existing investee companies making use of new technology.

We target mission driven founders and companies that have the potential for:

- **a world class product with a compelling solution, backed by proprietary ideas and intellectual property;**
- **a market leading team executing a focused business plan; and**
- **scaling rapidly by utilising synergies with our global network of investment professionals and portfolio companies.**

Allectus, through its Investment Manager ICM, seeks to engage with and work with investee companies to achieve operational synergies and to leverage a group approach to meet various compliance, regulatory and risk requirements. Allectus engages with the management of investee companies to stimulate new and better ways of processing tasks, and to mitigate risk both at the investee level, and at an Allectus level.

Business Model

The business model the Board has adopted to achieve its objective is to appoint an external investment manager to whom it has contractually delegated the management of the portfolio. Allectus has appointed ICM to manage the portfolio in accordance with the Board's strategy of generating capital growth and income return. The ICM investment team responsible for the management of the portfolio is detailed in the Investment Management Team section of this report. Other administrative functions such as company secretarial, legal and custody are contracted to external services providers who may be associates of either Allectus or ICM Limited. The Board oversees and monitors the activities of ICM and other service providers on behalf of shareholders, and ensures that the investment objectives are adhered to.

ICM actively monitors and manages all investments from point of origination. Portfolio companies are managed through a monthly management information system which is supported by ICM's valuation team, and benefit from Board oversight. Proposed investments are assessed individually, and all significant new investments require approval from the Board. Overall investment targets are subject to periodic reviews, and the investment portfolio is reviewed to monitor exposure to specific geographies, economic sectors, and asset classes.

Borrowing

Portfolio investments are generally funded through a mixture of shareholders' funds and debt to maximise returns to shareholders. Leverage generally increases the returns but has greater potential risk than equity funding. External borrowings will only be undertaken if the Directors and ICM consider that the terms and conditions attached to such borrowings are acceptable, having regard to the investment objective and policy of Allectus. Allectus will be indirectly exposed to borrowings to the extent that entities within the investment portfolio are themselves leveraged. Borrowings will generally be drawn down in Australian Dollars, or any currency for which there is a corresponding asset within the Allectus portfolio.

Environmental, Social And Governance Policy

The Board believes that it is in the shareholders' interests to consider ESG factors when selecting and retaining investments, and has asked ICM to take this into account when investing. ICM employs a disciplined investment process that seeks to both uncover opportunities and evaluate potential risks, while striving for the best possible return outcomes.

When reviewing any investment opportunity, ICM looks to understand the relevant ESG issues in conjunction with the financial, macro, and political drivers as part of its investment process. Relevant and material ESG opportunities and risks can meaningfully affect investment performance, therefore the consideration of ESG issues forms part of the integrated research analysis, decision-making and ongoing monitoring.

The concept of responsible investing has always been a core component of the investment process, and ICM looks to determine conclusions based on objective, ascertainable facts and do not consider sentiments or interest groups.

Each investment is considered on its own merits, and intention and actions are important considerations. ESG factors help to enhance ICM's understanding of a company, as these factors affect the Company's business model and its long-term ability to generate sustainable returns. ESG considerations provide a way to identify and review the long-term drivers of an investment that are not found within the financial accounts.

Investments are regularly reviewed, and ICM meets to discuss key issues ranging from high level macro developments to detailed company specific points, to ensure a high awareness of how the current portfolio and potential new investments are performing.

Where possible ICM aims to visit investment opportunities to access an in-person opportunity to ask management teams what they perceive to be the key operational, social, and environmental issues, as well as a chance to see assets operating first-hand. Given ICM is a long term investor, engagement with management teams is and will remain paramount to the investment approach. Where necessary, ICM will question and challenge a portfolio company's management team directly to ensure a full understanding of any challenges and opportunities.

On behalf of Allectus as shareholder, ICM works actively with investee companies to incorporate stronger ESG principles and to vote in a considered manner to drive positive change. ICM recognises governance factors are fundamental to an investment.

ICM is a signatory to the United Nations-supported Principles for Responsible Investment, which is an international network of investors working together to implement its six aspirational principles; and is also a member of the Asian Corporate Governance Association which is focused on the implementation of effective corporate governance in Asia. ICM believes that good stewardship is essential and the principles these various bodies espouse aligns with its philosophy to protect and increase the value of its investments.

Governance

As Allectus has enjoyed continued growth of the portfolio, so has our focus on corporate governance. Long term sustainability is a key focus for Allectus, and over the last twelve month period there was a focus on strengthening our internal capabilities, in line with the governance expectations of our stakeholders. The Board continually reviews Allectus' governance policies and practices to ensure they are in line with corporate governance expectations and developments for Allectus, and as part of ICM.

Modern Slavery Act

Due to the nature of Allectus' business, being a company that does not offer goods and services to customers, the Board considers that it is not within the scope of the Modern Slavery Act 2015 because it has no turnover. Allectus is therefore not required to make a slavery and human trafficking statement. In any event, the Board considers Allectus' supply chains, dealing predominantly with professional advisers and service providers in the technology industry, to be low risk in relation to this matter.

Gender Diversity

Allectus has no employees and therefore there is nothing further to report in respect of gender representation within the Company.

Greenhouse Gas Emissions

All of Allectus' activities are outsourced to third parties. Allectus therefore has no greenhouse gas emissions to report from its operations. In addition, Allectus considers itself to be a low energy user and therefore does not disclose energy and carbon information.

Bribery Act

Allectus has a zero tolerance policy towards bribery and is committed to carrying out business fairly, honestly and openly. ICM also adopts a zero tolerance approach and has policies and procedures in place to prevent bribery.

Criminal Finances Act

Allectus has a commitment to zero tolerance towards the criminal facilitation of tax evasion.

Social, Human Rights And Community Matters

As an externally managed investment fund, Allectus does not have any employees or maintain any premises. It therefore has no material, direct impact on the environment or any particular community, and Allectus itself has no environmental, human rights, social or community policies.

Investment Manager and Team

The Directors are responsible for Allectus' investment policy and have overall responsibility for Allectus' day to day activities. Allectus has an Investment Management Agreement with ICM, under which ICM provides investment management services to Allectus including investment analysis, portfolio monitoring, research and corporate finance.

ICM is a Bermuda based fund manager and corporate finance adviser. Other ICM clients include UIL Limited and Utilico Emerging Markets Trust plc, both listed on the London Stock Exchange; Zeta Resources Limited, listed on the Australian Securities Exchange; Somers Limited, listed on the Bermuda Stock Exchange; and our unlisted funds include Pentagon Global Diversified Bond Fund and Pentagon High Conviction Bond Fund.

ICM focuses on identifying investments at valuations that do not reflect their true long-term value. ICM's investment approach is to have a deep understanding of the business fundamentals of each investment and its environment versus its intrinsic value.

Jason Cheong

Jason Cheong is a Portfolio Manager at ICM Limited and leads its global technology investing activities. He is a Director of Allectus Capital, having worked in private equity, investment banking and corporate law in both Australia and the United Kingdom. Prior to joining ICM, he was in investment management at Brookfield Asset Management, an investment banker focusing on financial sponsors and a private equity lawyer at Baker & McKenzie. He is the shareholder representative on numerous ICM Group investee companies. Jason graduated from the University of New South Wales with first class honours and holds a Bachelor of Commerce and Bachelor of Laws. He is a qualified solicitor, admitted to practice in Australia.

Duncan Saville

Duncan Saville founded the ICM Group and its predecessor companies and has been employed by the Group since 1988. Duncan is a chartered accountant with experience in corporate finance and asset management. He is an experienced non-executive director having previously been a director in multiple companies in the utility, investment, mining and technology sectors. Duncan is currently a Non-Executive Director of Resimac Group Limited and Allectus Capital Limited. His Fellowships include the Institute of Chartered Accountants Australia and New Zealand, the Australian Institute of Company Directors and the Financial Services Institute of Australasia, and he is a Member of the Singapore Institute of Directors.

Matthew Gould

Matthew Gould is the Head of Emerging Technology and has responsibility for ICM's quantum endeavour, with a background that includes work in AI and the commercialisation of language technologies. Prior to joining ICM, he was CEO of Arria NLG, a publicly traded AI software company in London. Matthew was with Hewlett Packard (HP) from 2001 to 2009 where he led the Asia-Pac Telco practice as the regional principal for emerging technologies out of Sydney Australia, before being transferred to corporate HQ in the USA to take up the role of Chief Strategy Officer for HP's Professional Services division. Matthew was also on HP America's M&A committee and had a role in identifying and qualifying acquisition targets. Matthew has degrees in Anthropology, Literary Theory, and Theology, specialising in Buddhist Philosophy, and a Masters in Business with a focus on Corporate Strategy and Finance from the Advanced Business Programme at Otago University.

Pierre de Villecourt

Pierre de Villecourt joined ICM in 2017 as Chief Information Officer, based in Sydney. Pierre works across the portfolio to operationally assist with technology strategy including infrastructure, applications and development. Pierre is also responsible for paytech / fintech and cybersecurity investing for the wider ICM portfolio including working with ICM and its funds such as Somers Limited. Pierre was previously the Chief Information Officer at RESIMAC where he was charged with establishing current and long-range technology objectives, plans, and policies. He previously held senior technology roles at Fox Symes, the Bluestone Group and Charles Schwab.

Vasavi Vittal

Vasavi Vittal joined ICM in 2021 as a Senior Investment Analyst based in Singapore. She has been involved in investment analysis and management, corporate finance, strategy and fund-raising for the last sixteen years. Prior to that, she was a research scientist in biotech and biochemistry and has co-authored several published scientific papers. Vasavi is focused on the health and med-tech sectors. She has an MBA from the Said Business School at the University of Oxford, as well as a Master of Science in Biochemistry and a Bachelor of Science in Genetics, Chemistry and Zoology.

Alex Giles

Alex Giles joined ICM in 2016 as an Investment Analyst, based in Sydney. She has accounting and financial analysis experience in mortgage securitisation and technology investing. She is a member of the Allectus Investment team focused on due diligence, financial analysis and board reporting. She graduated with a Bachelor of Commerce and Masters of Professional Accounting from the University of New South Wales.

Stefan Williams

Stefan Williams joined ICM in 2019 as an Investment Analyst, based in Sydney, Australia. He has experience with management consulting, performance improvement, data analytics and corporate strategy. Previously, Stefan worked at EY, advising clients across a wide range of industries, helping them achieve rapid and sustainable improvements to their operational capabilities and financial performance. Stefan graduated with a BBA in Finance at Southern Methodist University in Dallas, Texas.

Kate Prebble

Kate Prebble joined ICM in 2021 as an Investment Analyst based in Wellington, New Zealand. Kate's core focus is quantum computing investments. Kate has experience with science and engineering, data analytics and management consulting. Prior to joining ICM, Kate worked at EY with private and public sector clients on a range of engagements including risk and compliance, performance improvement and strategy development. Kate holds a Bachelor of Science in Mathematics from the University of Canterbury, New Zealand.

ICM manages some

$1.9 billion

Directly and has indirect involvement in over $21.5 billion in a range of mandates.

ICM has over

80 staff

based in offices in Bermuda, Cape Town, Dublin, Hong Kong, London, Seoul, Singapore, Sydney, Vancouver and Wellington.

Directors

Duncan Saville

CHAIRMAN

Duncan Saville founded the ICM Group and its predecessor companies and has been employed by the Group since 1988. Duncan is a chartered accountant with experience in corporate finance and asset management. He is an experienced non-executive director having previously been a director in multiple companies in the utility, investment, mining and technology sectors. Duncan is currently a Non-Executive Director of Resimac Group Limited. His Fellowships include the Institute of Chartered Accountants Australia and New Zealand, the Australian Institute of Company Directors and the Financial Services Institute of Australasia, and he is a Member of the Singapore Institute of Directors.

Charles Jillings

Charles Jillings joined ICM in 1995, and established ICM Investment Research Limited in 1997 and ICM Investment Management Limited in 2015. Charles is a Director of ICM Limited and ICM Investment Management Limited, and he is responsible for the day to day running of UIL Limited and Utilico Emerging Markets Trust plc. He is a qualified chartered accountant and has extensive experience in corporate finance and asset management with over thirty years of experience in international financial markets. Mr Jillings is a director of Somers Limited and Waverton Investment Management Limited. Mr Jillings graduated from University of Cape Town with a B. Com.

Alasdair Younie

Alasdair Younie joined ICM in 2010. He is a Director of ICM Limited and is based in Bermuda. Alasdair has extensive experience in financial markets and corporate finance and is responsible for the day to day running of the Somers Group. Mr Younie qualified as a chartered accountant with PricewaterhouseCoopers and subsequently worked for six years in the corporate finance division of Arbuthnot Securities Limited in London. He is a non-executive director of Somers Limited and West Hamilton Holdings Limited. Mr Younie graduated from Bristol University and is a Member of the Institute of Chartered Accountants in England and Wales.

Jason Cheong

Jason Cheong is a Portfolio Manager at ICM Limited and leads its global technology investing activities. He is a Director of Allectus Capital, having worked in private equity, investment banking and corporate law in both Australia and the United Kingdom. Prior to joining ICM, he was in investment management at Brookfield Asset Management, an investment banker focusing on financial sponsors and a private equity lawyer at Baker & McKenzie. He is the shareholder representative on numerous ICM Group investee companies. Jason graduated from the University of New South Wales with first class honours and holds a Bachelor of Commerce and Bachelor of Laws. He is a qualified solicitor, admitted to practice in Australia.

Matthew Gould

Matthew Gould is the Head of Emerging Technology and has responsibility for ICM's quantum endeavour, with a background that includes work in AI and the commercialisation of language technologies. Prior to joining ICM, he was CEO of Arria NLG, a publicly traded AI software company in London. Matthew was with Hewlett Packard (HP) from 2001 to 2009 where he led the Asia-Pac Telco practice as the regional principal for emerging technologies out of Sydney Australia, before being transferred to corporate HQ in the USA to take up the role of Chief Strategy Officer for HP's Professional Services division. Matthew was also on HP America's M&A committee and had a role in identifying and qualifying acquisition targets. Matthew has degrees in Anthropology, Literary Theory, and Theology, specialising in Buddhist Philosophy, and a Masters in Business with a focus on Corporate Strategy and Finance from the Advanced Business Programme at Otago University.

Dugald Morrison

(ALTERNATE TO MATTHEW GOULD)

Dugald Morrison has been involved with ICM and its predecessor companies since 1994 and he is based in Wellington, New Zealand. Dugald is an experienced investment analyst, having worked in stockbroking, investment banking and investment management firms in New Zealand, the United Kingdom, and the United States since 1987. Dugald is responsible for the Australian and New Zealand ICM offices, and he leads the ICM team responsible for ICM Mobility Group. Dugald is a director of a number of companies, including Snapper Services Limited and Horizon Gold Limited. Dugald graduated from Victoria University of Wellington in 1991 with BCA (Hons) and is a Member of the New Zealand Institute of Directors.

DIRAQ

SWITCH

ADARGA

CLUEY

THE CLINICIAN

Financial Statements

Total Assets

AT 30 JUNE WAS

$74.0 million

(2021: $57.0 MILLION)

Assets Managed

OVERSEEING & SUPPORTING

$200.0 million

(2021: $200.0 MILLION)

Net Profit

$3.3 million

(2021: $6.5 MILLION)

In this Section:

Report of the Directors

The directors present their report for Allectus Capital Limited for the year ended 30 June 2022.

DIRECTORS

The names of directors in office at any time during or since the end of the year are:

- Duncan Saville
- Jason Cheong
- Charles Jillings
- Matthew Gould
- Alasdair Younie
- Dugald Morrison (Alternate to Matthew Gould) (appointed 27 June 2022)

PRINCIPAL ACTIVITIES

The principal activities of the Company are investing in listed and unlisted Technology focused investments.

In June 2022, Allectus sold the majority of its listed investee assets to its shareholder UIL Limited to focus on unlisted Technology investments, in response to market volatility and its view on the outlook for the opportunities and risks of early stage technology.

OPERATING AND FINANCIAL REVIEW

Operating results

The net profit attributable to the Company for the year to 30 June 2022 amounted to US$3,268,449 (2021: US$6,453,141)

Financial position

At the end of the year, the Company had US$1,336,355 in cash and cash equivalents. Investments at fair value totalled US$59,467,986, loans to subsidiaries were valued at US$4,437,459, investment in subsidiaries was valued at US$5,098,417 and other loans totalled US$3,613,420.

GOING CONCERN

The annual financial statements have been prepared on a going concern basis. The majority of the Company's assets consist of equity shares in unlisted companies. The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the accounts.

As at the year end, the Company has no external debt and the Parent companies Mobility Holdings Limited and UIL Limited intend to provide continued financial support to enable the Company to continue its operation and settle its obligations as and when they fall due.

MACROECOMIC AND COVID-19 IMPACT

The Allectus management team have considered the risks and impacts of Covid-19 to our investment portfolio and noted the Covid-19 risks to each investee where applicable. Broadly given the nature of our investees and industries there were no specific downward adjustments based on Covid-19 risks and all adjustments have been made on the underlying business and systematic risk.

DIVIDENDS

No dividends have been paid or declared since the start of the year. No recommendation is made as to dividends.

LIKELY DEVELOPMENTS

The Company intends to continue to seek to maximise total returns for shareholders by identifying and investing in assets and companies where the underlying value is not reflected in the market price.

AUDITORS

Mazars South Africa retire and a resolution for their reappointment as auditor of the Company will be proposed at the forthcoming annual general meeting.

mazars

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Docex 9 Century City

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Email: cpt@mazars.co.za
www.mazars.co.za

Independent Auditor's Report

30 June 2022

To the Shareholders of Allectus Capital Limited

Report on the Audit of the Annual Financial Statements

Opinion

We have audited the annual financial statements of Allectus Capital Limited set out on pages 44 to 72, which comprise the statement of financial position as at 30 June 2022, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Allectus Capital Limited as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Allectus Capital Limited Annual Financial Statements for the year ended 30 June 2022", which includes the Directors' Report, which we obtained prior to the date of this report. The other information does not include the annual financial statements and our auditor's reports thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

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In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the Company'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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are 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 ISAs 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 these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion.

  Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Mazars has been the auditor of Allectus Capital Limited for 3 years.

Mazars

Mazars
Partner: Nico Jansen
Registered Auditor
Date: 15 September 2022
Cape Town

Statement of Financial Position

as at 30 June 2022	Notes	June 2022 US$	June 2021 US$
Non-current assets			
Investment in subsidiaries	4	4,326,664	8,418,494
Investments	5	60,239,739	46,706,543
Loans to subsidiaries	6	4,437,459	1,839,750
Other loans	7	1	1
		69,003,864	56,964,789
Current assets			
Cash and cash equivalents	8	1,336,355	62,646
Other loans	7	3,613,419	–
Trade and other receivables	9	15,373	3,632
		4,965,147	66,278
Total assets		73,969,011	57,031,066
Non-current liabilities			
Loans from shareholders	10	(15,895,962)	–
		(15,895,962)	–
Current liabilities			
Trade and other payables	11	(224,924)	(2,451,390)
		(224,924)	(2,451,390)
Total liabilities		(16,120,886)	(2,451,390)
NET ASSETS		**57,848,125**	**54,579,676**
Equity			
Share capital	12	20,000	20,000
Contributed Surplus	12	46,192,687	46,192,687
Retained Earnings		11,635,438	8,366,989
TOTAL EQUITY		**57,848,125**	**54,579,676**

Alasdair Younie
Director

Duncan Saville
Director

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2022	Notes	June 2022 US$	June 2021 US$
Income and investment returns			
Revenue	13	389,989	353,975
Investment income	13	5,317,735	7,193,649
Other (losses) / income	14	(1,330,241)	2,256,763
Expenses			
Directors fees		(23,028)	(23,990)
Interest expense		(528)	–
Management and consulting fees	15	(966,912)	(3,092,119)
Operating and administration expenses	16	(118,566)	(235,137)
Profit (Loss) before income tax		3,268,449	6,453,141
Income Tax	17	–	–
Profit (Loss) for the year		3,268,449	6,453,141
TOTAL COMPREHENSIVE PROFIT (LOSS) FOR THE YEAR		**3,268,449**	**6,453,141**

Statement of Cash Flows

for the year ended 30 June 2022	Notes	June 2022 US$	June 2021 US$
Cash flows from operating activities			
Cash utilised by operations	19	(3,071,175)	(759,383)
Interest received		–	13
Interest expense		(528)	–
Net cash flows from operating activities		(3,071,703)	(759,370)
Cash flows from investing activities			
Investments purchased		(27,892,023)	(15,863,488)
Investment sold		19,606,101	6,908,144
Investments purchased in subsidiaries		(2,120,391)	–
Investments sold in subsidiaries		5,883,683	1,960,729
(Increase)/decrease in loan to subsidiaries from additional funding		(5,872,435)	(3,037,888)
(Increase)/decrease in loan to subsidiaries from repayments		2,912,773	920,147
(Increase)/decrease in other loans from additional funding		(7,783,035)	(261,920)
(Increase)/decrease in other loans from repayments		3,674,753	596,190
Net cash flows from investing activities		(11,590,574)	(8,778,086)
Cash flows from financing activities			
Proceeds from issue of shares		–	–
Increase in loan from parent from additional funding		29,144,221	14,020,800
(Increase) in loan from parent from repayments		(13,248,258)	(4,741,380)
(Increase)/decrease in other loans from additional funding		–	–
(Increase)/decrease in other loans from repayments		–	–
Net cash flows from financing activities		15,895,962	9,279,420
Net movement in cash and cash equivalents		1,233,685	(258,036)
Cash and cash equivalents at the beginning of the year		62,646	357,357
Effect of exchange rate fluctuations on cash held		40,024	(36,675)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	8	**1,336,355**	**62,646**

Statement of Changes in Equity

for the year ended 30 June 2022	Notes	Share capital US$	Contributed Surplus US$	Accumulated (losses)/ profits US$	Total US$
Balance at 1 July 2019		12,000	–	5,944,177	5,956,177
Issue of shares	12	8,000	–	–	8,000
Debt to equity conversion	12	–	58,837,047	–	58,837,047
Total comprehensive loss for the year		–	–	(4,030,329)	(4,030,329)
Balance at 30 June 2020		**20,000**	**58,837,047**	**1,913,848**	**60,770,895**
Issue of shares	12	–	–	–	–
Capital distributions	12	–	(25,748,360)	–	(25,748,360)
Debt to equity conversion	12	–	13,104,000	–	13,104,000
Total comprehensive income for the year		–	–	6,453,141	6,453,141
Balance at 30 June 2021		**20,000**	**46,192,687**	**8,366,989**	**54,579,676**
Total comprehensive income for the year		–	–	3,268,449	3,268,449
Balance at 30 June 2022		**20,000**	**46,192,687**	**11,635,438**	**57,848,126**

Notes to the Annual Financial Statements

for the year ended 30 June 2022

1. BASIS OF PREPARATION

1.1 Corporate information

Allectus Capital Limited ("Allectus Capital" or "the Company") is an investment company incorporated on 13 December 2012 and domiciled in Bermuda. The annual financial statements of the company as at and for the year ended 30 June 2022 comprise the company only.

1.2 Basis of preparation

The annual financial statements for the year ended 30 June 2022 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB). The company carries on the business of an investment holding company, in accordance with IFRS 10. The purpose of the company is to earn returns through capital appreciation or investment income. The company is accordingly applying the consolidation exemption for investments in subsidiaries and they will be recognised at fair value through profit and loss.

The annual financial statements were authorised for issue by the board of directors on 15 September 2022.

1.3 Basis of measurement

The annual financial statements provide information about the financial position, results of operations and changes in financial position of the company. They have been prepared on the historic cost basis except for those financial instruments at fair value through profit or loss, which are measured at fair value. The annual financial statements are prepared on a going concern basis.

1.4 Functional and presentation currency

The company's functional and presentation currency is United States dollars.

1.5 Use of estimates and judgements

The preparation of annual financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions are recognised in the period in which the estimate is revised and in any future periods affected.

The key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year relate to the valuation of unquoted investments, details of which are set out in note 20 and the classification of the subsidiaries as investment entities. Details of the subsidiaries are set out in note 4. Subsidiaries that carry on business as investment companies are designated as being at fair value through profit and loss on initial recognition.

Loans to subsidiaries are classified as fair value through profit and loss. The loans are subject to impairment testing as debt instruments (refer note 3.6). The impairments on the loans are determined separately to the fair value of the investments in the subsidiaries as disclosed in note 6.

2. ADOPTION OF NEW AND REVISED STANDARDS

2.1 Standards and interpretations adopted during the year

No new or amended standards and interpretations that became effective in the current period had a significant impact on the annual financial statements.

2.2 New standards, amendments and interpretations effective for annual periods beginning after 1 January 2022 that have not been adopted

At the date of authorisation of these annual financial statements, the following standards affecting the company were in issue, but not yet effective:

- Subsidiary as a first-time adopter (Amendments to IFRS 1) – effective 1 January 2022
- Reference to the Conceptual Framework (Amendments to IFRS 3) – effective 1 January 2022
- Fees for derecognition of financial liabilities (Amendments to IFRS 9) – effective 1 January 2022
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1) – effective 1 January 2023
- Disclosure of accounting policies (Amendments to IAS 1) – effective 1 January 2023
- Definition of accounting estimates (Amendments to IAS 8) – effective 1 January 2023
- Deferred tax related to asset and liabilities arising from a single transaction (Amendments to IAS 12) – effective 1 January 2023

The company has chosen not to early adopt the new and revised standards affecting presentation and disclosure which have been published and are mandatory for the company's accounting records beginning on the date mentioned above.

Based on initial assessment, these standards are not expected to have a material impact on the company.

No new or amended standards and interpretations that became effective after 1 July 2021 are expected to have a significant impact on the annual financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies detailed below have been consistently applied by the company.

3.1 Investment income

Dividend income is recognised when the company's right to receive payment is established and is presented gross of withholding taxes.

Gains or losses on the sale of investments are recorded on the trade date.

Investment income also comprises of unrealised gains on changes in the fair value of financial assets at fair value through profit or loss as well as impairment losses on investments and loans receivable from investees

Interest income is recognised using the effective interest method.

3.2 Borrowing costs

Borrowing costs are recognised as an expense when incurred.

3.3 Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

The company has elected to be tax exempt in terms of local Bermudian legislation.

3.4 Foreign currency

Foreign currency transactions and balances

Transactions in foreign currencies are translated into the respective functional currency of the company at exchange rates at the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the prevalent exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between the amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and principal payments during the period, and the amortised cost in foreign currency translated at the prevalent exchange rate at the end of the period. The foreign currency gains or losses are recognised as part of other income/(losses) in the Statement of profit and loss and other comprehensive income.

Foreign currency differences arising on retranslation are recognised in other comprehensive income.

3.5 Financial instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the entity becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets at FVTPL

Loans to subsidiaries, other loans, Investment in subsidiaries and investments in listed and unlisted shares are measured at FVTPL as they do not meet the criteria of cash flows that are solely payments of principal and interest.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

Cash and cash equivalents and Trade and other receivables meet the criteria for measurement at amortised cost.

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets are not reclassified subsequent to their initial recognition unless the entity changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial liabilities

The company has adopted the following classifications for financial liabilities:

Financial liabilities at amortised cost and subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

Derecognition

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when they transfer the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.

The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the company currently have a legally enforceable right to set off the recognised amounts and they intend either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.6 Impairment of assets

The company recognise loss allowances for ECLs on financial assets measured at amortised cost.

The company measure loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

The company considers a financial asset to be performing when there is a low risk of default and no amounts are past due.

The company considers a financial asset to be under-performing when contractual payments are 30 days past due or there has been a significant increase in credit risk since initial recognition. A significant increase in credit risk is indicated by a significant decrease in the future prospects of the borrower's operations, changes in the scope of business or changes in the organisational structure that result in a significant change in the borrower's ability to meet its debt obligations.

The company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the company may also consider a financial asset to be in default when internal or external information indicates that the company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Presentation

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expect to receive).

Measurement of ECLs

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

3.7 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

3.8 Provisions and accruals

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will occur, and where a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. If the effect of discounting is material, provisions are discounted. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

3.9 Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

4. INVESTMENT IN SUBSIDIARIES

	June 2022 US$	June 2021 US$
At fair value		
Investment in GERP-ACL ("GERP-ACL")	–	3,193,107
Investment in Own Solutions AC Limited ("Own Solutions")	4,326,664	5,225,387
	4.326,664	8,418,494

Investments in subsidiaries are held as part of the investment portfolio and consequently, in accordance with IFRS 10 are not consolidated but rather shown at fair value through profit and loss.

The investment in GERP-ACL was disposed of during the year to a group related entity Permanent Mutual Limited. The remaining investment in subsidiary are fair valued by the directors at a nominal value due to the fact that they hold no significant assets, nor do they have any significant value. The company had the following subsidiaries as at 30 June 2022:

	Number of ordinary shares	Percentage of ordinary shares held
30 June 2022		
Own Solutions incorporated in Ireland	15,334	76.7%
30 June 2021		
GERP-ACL incorporated in Bermuda	3,920	100%
Own Solutions incorporated in Ireland	15,334	76.7%

5. INVESTMENTS

	June 2022 US$	June 2021 US$
Financial assets at fair value through profit or loss	60,239,739	46,706,543
Equity securities at fair value		
Ordinary shares – listed	132,926	12,326,169
Ordinary shares – unlisted	42,876,915	28,545,446
Other – unlisted	17,229,898	5,834,928
	60,239,739	**46,706,543**
Equity securities at cost		
Ordinary shares – listed	236,903	7,274,256
Ordinary shares – unlisted	27,465,524	23,677,345
Other – unlisted	17,571,112	5,846,034
	45,273,538	**36,797,635**

6. LOANS TO SUBSIDIARIES

	June 2022 US$	June 2021 US$
Non-current loans:		
Loan to GERP-ACL	–	–
Loan to Own Solutions	4,437,459	1,839,750
	4,437,459	**1,839,750**

The loan to GERP-ACL is denominated in United States dollars to the value of $nil (2021: $nil). There are no fixed repayment terms and no interest is charged. Prior to disposal to group related company Permanent Mutual Limited, the loan value of $2,120,391 was capitalised during the year end and converted into equity in the form of Contributed Surplus.

The first loan facility to Own Solutions is denominated in Euros to the value of €1,100,000 (2021: €1,100,000). The loan is repayable on demand. Payment will only be due and claimable 12 months from the date of written demand. As at 30 June 2022 written demand has not been sent to the borrower and no interest is charged.

The second loan facility to Own Solutions is denominated in Euros to the value of €3,000,000 (2021: €452,662). The loan is repayable on demand. Payment will only be due and claimable 12 months from the date of written demand. As at 30 June 2022 written demand has not been sent to the borrower and interest is charged at 6.5% per annum. Interest of €130,343 (2021: €2,662) was capitalized during the year.

7. OTHER LOANS

	June 2022 US$	June 2021 US$
Non-current loans:		
Loan to 3S Networks Pty Ltd	2,917,519	2,454,335
Accumulated impairment losses	(2,917,518)	(2,454,334)
	1	1
Current loans:		
Loan to Permanent Mutual. Ltd	3,400,881	–
Loan to Limepay Pty Ltd	212,573	–
	3,613,419	**–**

The loan to 3S Networks is denominated in Australian Dollars to the value of A$4,105,267 (2021: A$3,471,267), The loan matures on 31 March 2023 and no interest is charged.

During the year ended 30 June 2022, the loan to 3S Networks, which was utilised for operational purposes, was classified as credit impaired due to internal indications that the company is unlikely to receive the full contractual amounts owed. The expected credit loss for this loan has been calculated based on the lifetime Expected Credit Losses ("ECLs"). The directors calculated the ECLs by reviewing relevant forward-looking information that is most relevant to the subsidiary including review of the company's assets and liabilities to suggest a value for the loan. The impairment was based on the expected decrease in the value of the underlying investment for the loan. As at the 30 June 2022 the ECLs calculated amounted to A$463,184.

The loan to Permanent Mutual Ltd is denominated in United States Dollars. The Company disposed of it's investment in GERP-ACL for total consideration $5,883,683. During the year repayments of $2,482,801 were received. The loan is repayable post the sale of Trustlink (Pty) Ltd which is expected to complete in November 2022. No interest is charged.

The loan note to Limepay matured on 25 May 2022 and is denominated in Australian Dollars to the value of A$307,491 (2021: A$nil). At year end the note is repayable 6 weeks after the first payment was made being on 14 June 2022 and bears no interest.

8. CASH AND CASH EQUIVALENTS

	June 2022 US$	June 2021 US$
Cash balance comprises:		
Cash at bank	**1,336,355**	**62,646**

9. TRADE AND OTHER RECEIVABLES

	June 2022 US$	June 2021 US$
Sundry debtors	11,815	–
Prepayments	3,558	3,632
	15,373	**3,632**

10. LOANS FROM SHAREHOLDERS

	June 2022 US$	June 2021 US$
Loan from UIL Limited ("UIL")	6,649,539	–
Loam from Mobility Holdings Limited ("MHL")	9,246,424	–
	15,895,962	**–**

The loans are denominated in United States Dollars. The loans are repayable on a date notified to the borrower by the lender on less than 12 months notice. At 30 June 2022 no notice of repayment has been received by the shareholders 'and no interest is charged on these loans.

11. TRADE AND OTHER PAYABLES

	June 2022 US$	June 2021 US$
Accruals	224,924	2,451,390
Trade and other payables	–	–
	224,924	**2,451,390**

The accruals are for accounting, audit, management, and consulting fees payable.

12. SHARE CAPITAL AND CONTRIBUTED SURPLUS

Authorised

200 ordinary shares of par value US$100.00

Issued	Number of shares	Share capital	Contributed Surplus
Balance as at 01 July 2019	1,200,000	12,000	–
Shares split into 120 shares of US$100.00 each	120	12,000	–
Issued following shareholder approval	80	8,000	–
Debt to equity conversion	–	–	58,837,047
Balance as at 30 June 2020	200	22,000	58,837,047
Capital distributions	–	–	(25,748,360)
Debt to equity conversion	–	–	13,104,000
Balance as at 30 June 2021	–	–	46,192,687
Balance as at 30 June 2022	–	–	46,192,687

During the year ended 30 June 2022 the Company made no capital distributions to its shareholder companies (2021: $25,748,360).

At year end the shareholder loans were not capitalised into equity as the loan funding provided was not in equal proportions (2021: $6,552,000 was converted into equity in the form of Contributed Surplus).

13. INVESTMENT (LOSS)/INCOME

	June 2022 US$	June 2021 US$
Revenue		
Interest income	389,989	353,975
Derived from financial instruments measured at fair value		
Investment gains/(losses):		
Impairments	(463,184)	(240,055)
Realised gains	6,079,538	18,635,415
Realised losses	(6,914,706)	(11,125,801)
Reversal of impairments	–	1,725,932
Unrealised fair value gains on revaluation of investments	24,152,109	12,440,846
Unrealised fair value losses on revaluation of investments	(17,536,021)	(14,242,689)
	5,317,735	7,193,648

14. OTHER INCOME/(LOSSES)

	June 2022 US$	June 2021 US$
Foreign exchange gains	319,977	1,935,301
Foreign exchange losses	(1,877,202)	–
Other income	226,984	321,462
	(1,330,241)	2,256,763

15. MANAGEMENT AND CONSULTING FEES

	June 2022 US$	June 2021 US$
Consulting fees	244,363	107,115
Management fees	722,549	699,134
Performance fees	–	2,285,870
	966,912	3,092,119

The Company entered into an investment management agreement with ICM Limited on 1 July 2019. Management fees are payable at a rate of 0.25% per quarter, of the gross assets managed on calculation date (last day of quarter), payable quarterly in arrears.

Performance fees are payable annually at year end on the difference between adjusted equity funds (adjusted for any dividends paid or accrued) on calculation date less adjusted base equity funds (high-water mark) previously used in the performance fee calculation multiplied by 15%. The adjusted base equity funds is the base equity fund used in the last performance fee calculation. No performance fee was incurred for the current period (2021: US$ 2,285,870). Either party may terminate the agreement with six months' notice.

16. OPERATING AND ADMINISTRATION EXPENSES

	June 2022 US$	June 2021 US$
Operating and administration expenses consist of:	50,000	50,000
Administration fees	15,945	10,762
Audit fees	6,604	6,838
Bank charges	3,333	5,000
Custody fees	4,275	4,275
Government levies & regulatory costs	32,745	108,925
Professional fees	5,664	49,337
Other expenses	118,566	235,137
	118,566	235,137

17. INCOME TAX

The Company has elected to be tax exempt in terms of local Bermudian legislation.

18. GOING CONCERN

The annual financial statements have been prepared on a going concern basis. The majority of the Company's assets consist of equity shares in unlisted companies which in most circumstances are realisable within a longer timescale. The Company has historically been supported by funding from its two Shareholders.

The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern. After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the accounts.

The Allectus management team have considered the risks and impacts of Covid-19 to our investment portfolio and noted the Covid-19 risks to each investee where applicable. Broadly given the nature of our investees and valuations performed in the technology sector there were no specific downward adjustments based on Covid-19 specific risks and all adjustments have been made on the underlying business and systematic risk noting that technology valuations globally remain robust.

19. NOTES TO THE CASH FLOW STATEMENT

	June 2022 US$	June 2021 US$
Cash utilised by operations		
(Loss) for the year	3,268,449	6,453,141
Adjustments for:		
Realised gains on investments	(6,079,538)	(16,632,873)
Realised losses on investments	6,957,401	9,312,499
Reversal of impairments	–	(1,725,932)
Fair value gains on revaluation of investments	(24,152,109)	(3,549,582)
Fair value losses on revaluation of investments	17,536,021	5,351,425
Impairments	463,184	240,055
Foreign exchange gains	(319,977)	(1,935,301)
Foreign exchange losses	1,877,202	–
Interest income	(384,129)	(353,963)
Interest expense	528	–
Operating loss before working capital changes	(832,968)	(2,840,531)
(Increase)/decrease in trade and other receivables	(11,741)	(2,535)
Increase in trade and other payables	(2,226,466)	2,083,683
	(3,071,175)	(759,383)

20. AUDITOR REMUNERATION

	June 2022 US$	June 2021 US$
Amounts due to the auditors for audit of annual financial statements	15,945	10,762

21. FINANCIAL RISK MANAGEMENT

The board of directors, together with the Investment Manager, is responsible for the Company's risk management. The directors' policies and processes for managing the financial risks are set out below. These financial risks are principally related to the market (currency movements, interest rate changes and security price movements), liquidity and credit and counterparty risk.

The accounting policies which govern the reported statement of financial position carrying values of the underlying financial assets and liabilities, as well as the related income and expenditure, are set out in note 3 to the annual financial statements. The policies are in compliance with IFRS and best practice and include the valuation of certain financial assets and liabilities at fair value through profit and loss.

Categories of financial instruments

IFRS 9 contains three principal classification and measurement categories for financial assets: at amortised cost, fair value through other comprehensive income, and fair value through profit and loss. The analysis of assets into their categories as defined in IFRS 9 is set out in the following table.

The table below sets out the Company classification of each class of financial assets and liabilities. All assets and liabilities approximate their fair values:

	Financial assets mandatorily measured at fair value through profit or loss US$	Financial assets/ liabilities measured at amortised cost US$	Total carrying value US$
30 June 2022			
Assets			
Investments in subsidiaries	4,326,664	–	4,326,664
Investments	60,239,739	–	60,239,739
Loans to subsidiaries	–	4,437,459	4,437,459
Other loans	–	3,613,420	3,613,420
Cash and cash equivalents	–	1,336,355	1,336,355
	64,566,403	9,387,234	73,953,638
Liabilities			
Trade and other payables	–	224,924	–
	–	224,924	–
30 June 2021			
Assets			
Investments in subsidiaries	8,418,494	–	8,418,494
Investments	46,706,543	–	46,706,543
Loans to subsidiaries	–	1,839,750	1,839,750
Other loans	–	1	1
Cash and cash equivalents	–	62,646	62,646
	55,125,037	1,902,397	57,027,434
Liabilities			
Trade and other payables	–	2,451,390	–
	–	2,451,390	–

21.1 Market risks

The fair value of equity and other financial securities held in the Company's portfolio fluctuates with changes in market prices. Prices are themselves affected by movements in currencies, interest rates and by other financial issues, including the market perception of future risks. The board of directors sets policies for managing these risks within the Company's objective and meets regularly to review full, timely and relevant information on investment performance and financial results. The Investment Manager assesses exposure to market risks when making each investment decision and monitors on-going market risk within the portfolio.

The Company's other assets and liabilities may be denominated in currencies other than United States dollars and may also be exposed to interest rate risks. The Investment Manager and the board of directors regularly monitor these risks. The Company does not normally hold significant cash balances. Borrowings are limited to amounts and currencies commensurate with the portfolio's exposure to those currencies, thereby limiting the Company's exposure to future changes in exchange rates.

Gearing may be short- or long-term and in United States dollars and foreign currencies, and enables the company to take a long-term view of the countries and markets in which it is invested without having to be concerned about short-term volatility. Income earned in foreign currencies is generally converted to United States dollars on receipt. The board of directors regularly monitors the effects on net revenue of interest earned on deposits and paid on gearing.

Currency exposure

The principal currencies to which the Company was exposed were the Australian dollar, Euro, Sterling and New Zealand dollar. The exchange rates applying against the United States dollar at 30 June 2022 and the average rates for the year were as follows:

	30 June 2022	Average
AUD – Australian dollar	0.6912	0.7255
EUR – European dollar	1.0483	1.1278
GBP – British pound	1.2177	1.3316
NZD – New Zealand dollar	0.6251	0.6809

The Company's monetary assets and liabilities at 30 June 2022 (shown at fair value), by currency based on the country of primary operations, are shown below:

	USD	AUD	EUR	GBP
30 June 2022				
Cash and cash equivalents	194,375	1,141,979	–	–
Loans to subsidiaries	–	–	4,437,459	–
Loans from parent	15,895,962	–	–	–
Other loans	3,400,881	212,537	–	–
Trade and other payables	208,918	8,395	–	7,611
Trade and other receivables	15,373	–	–	–
Net monetary (liabilities)/assets	19,715,510	1,362,912	4,437,459	7,611
30 June 2021				
Cash and cash equivalents	62,646	–	–	–
Loans to subsidiaries	–	–	1,839,750	–
Other loans	–	1	–	–
Trade and other payables	2,451,390	–	–	–
Trade and other receivables	3,632	–	–	–
Net monetary (liabilities)/assets	2,517,668	1	1,839,750	–

Based on the financial assets and liabilities held, and exchange rates applying, at the reporting date, a weakening or strengthening of the United States dollar against each of these currencies by 10% would have had the following approximate effect on income after tax and on net asset value (NAV):

	AUD	EUR	GBP	Total
Strengthening of the United States dollar				
(Decrease)/Increase in total comprehensive income for the year ended 30 June 2022	94,204	465,179	927	560,310
(Decrease)/Increase in total comprehensive income for the year ended 30 June 2021	–	217,992	–	217,992
Weakening of the United States dollar				
Increase/(Decrease) in total comprehensive income for the year ended 30 June 2022	(94,204)	(465,179)	(927)	(560,310)
Increase/(Decrease) in total comprehensive income for the year ended 30 June 2021	–	(217,992)	–	(217,992)

These analyses are broadly representative of the company's activities during the current year as a whole, although the level of the company's exposure to currencies fluctuates in accordance with the investment and risk management processes.

Interest rate exposure

The exposure of the financial assets and liabilities to interest rate risks at 30 June 2022 and at 30 June 2021 is shown below:

	Within one year	Greater than one year US$	Total US$
30 June 2022			
Exposure to fixed rates:			
Loans to subsidiaries	–	3,284,329	3,284,329
	–	3,284,329	3,284,329
30 June 2021			
Exposure to fixed rates:			
Loans to subsidiaries	–	536,360	536,360
	–	536,360	536,360

Exposures vary throughout the year as a consequence of changes in the make-up of the net assets of the company arising out of the investment and risk management processes. The company tends to limit its cash reserves and interest earned is insignificant and therefore not sensitive to interest rate changes. The majority of borrowings are at a fixed rate and not sensitive to interest rate risk.

Other market risk exposures

The portfolio of listed investments valued at US$132,926 at 30 June 2022 (30 June 2021: US$12,326,169) is exposed to market price changes. The Investment Manager assesses these exposures at the time of making each investment decision.

Price sensitivity risk analysis

A 10% decline in the market price of the listed investment held by the Company would result in an unrealised loss of US$13,293 (2021: US$1,232.617). A 10% appreciation in the market price would have the opposite effect. See note 21.4 for unlisted investment sensitivity analyses.

21.2 Liquidity risk exposure

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meets its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Investment Manager reviews liquidity at the time of making each investment decision. The contractual maturities of the financial liabilities, based on the earliest date on which payment can be required, were as follows:

	Three months or less US$	More than a year US$	Total US$
30 June 2022			
Trade and other payables	224,924	–	224,924
Loans from shareholders	–	15,895,962	15,895,962
	224,924	15,895,962	16,120,886
30 June 2021			
Trade and other payables	2,451,390	–	2,451,390
Loans from shareholders	–	–	–
	2,451,390	–	2,451,390

21.3 Credit risk and counterparty exposure

The Company is exposed to potential failure by counterparties to deliver securities for which the Company has paid, or to pay for securities which the Company has delivered. To mitigate against credit and counterparty risk broker counterparties are selected based on a combination of criteria, including credit rating, balance sheet strength and membership of a relevant regulatory body.

Cash and deposits are held with reputable banks. The Company has an on-going contract with its Custodians for the provision of custody services. The contracts are reviewed regularly. Details of securities held in custody on behalf of the Company are received and reconciled monthly.

The Company has loan assets totalling US$8,050,879 (2021: US$1,839,751) and bank balances totalling US$1,336,355 (2021: US$62,646) that are exposed to credit risk.

None of the Company's financial assets are past due. The Company's principal banker and custodian are Bermuda Commercial Bank (rated by Fitch as BBB-)

Maximum exposure to credit risk

The Company has loan assets totalling US$8,050,879 (2021: US$1,839,751) and bank balances totalling US$336,355 (2021: US$62,646) that are exposed to credit risk.

21.4 Fair values of financial assets and liabilities

The assets and liabilities of the Company are, in the opinion of the directors, reflected in the statement of financial position at fair value. Borrowings under loan facilities do not have a value materially different from their capital repayment amount. Borrowings in foreign currencies are converted into United States dollars at exchanges rates ruling at each valuation date.

Unquoted investments are valued based on professional assumptions and advice that is not wholly supported by prices from current market transactions or by observable market data.

Valuation of financial instruments

The table below analyses financial assets measured at fair value at the end of the year by the level in the fair value hierarchy into which the fair value measurement is categorised:

Level 1 The fair values are measured using quoted prices in active markets.

Level 2 The fair values are measured using inputs, other than quoted prices, that are included within level 1, that are observable for the asset.

Level 3 The fair values are measured using inputs for the asset or liability that are not based on observable market data. The directors make use of recognised valuation techniques and may take account of recent arms' length transactions in the same or similar investments.

The directors regularly review the principles applied by the Investment Manager to those valuations to ensure they comply with the Company's accounting policies and with fair value principles.

Level 3 financial instruments

Valuation methodology

The board of directors have satisfied themselves as to the methodology used, the discount rates and key assumptions applied in the valuation of level 3 assets. The level 3 assets have each been assessed based on its industry, location and business cycle. Where sensible, the directors have taken into account observable data and events to underpin the valuations.

The level 3 investments are split between unlisted companies and Investments in subsidiaries.

(a) Unlisted companies

Adarga Ltd ("Adarga") – United Kingdom incorporated

Valuation inputs: Adarga submits quarterly financial reports to Allectus. The valuation is based on the last reported twelve months report and any transactions that have occurred between periods and any other key information disclosed.

Valuation methodology: The Allectus team believes the most suitable and fairest valuation method to value Adarga is the past round minus an execution risk discount. We believe this comes to a fair value conclusion, and we have erred on the more conservative choice. We believe this to be suitable as the last round was undertaken from a well-regarded outside investor and venture capital fund. The market participants are notable investors and not under any compulsion to buy or sell, the market participant had knowledge of relevant facts and performed sufficient due diligence in order to be able to make orderly investment decisions related to the enterprises. Allectus has applied a discount to the previous round of Adarga due to missed key target milestones. Additionally, The Allectus team have considered all available information outside the recent round, and we are not aware of anything that would suggest that the past round valuation is not a valid valuation price for this investment.

Sensitivities: Should the discount of Adarga move by 10% the gain or loss in valuation for Allectus would be $0.17m.

Asia Verify ("AV") – Singapore incorporated

Valuation inputs: AV submits quarterly financial reports to Allectus. The valuation is based on the last reported twelve months report and any transactions that have occurred between periods and any other key information disclosed.

Valuation methodology: After considering the fairest valuation methodology for Asia Verify, we believe that a -10% discount to the previous valuation provides the most reasonable valuation. The 10% discount considers; progress towards its business plan since the last round of financing, the early-stage nature of the business (Seed business), financial results vs. forecasts, comparable early-stage companies, and what Allectus management believes the company would raise additional financing at or sell their business for. While AV has expanded its product development and has strengthened its pipeline of customers and POC contracts since the last round of financing, revenue growth has been slower than Allectus expected since the previous round, so Allectus believes a -10% discount is an appropriate discount to the past round.

Sensitivities: Should the discount of AV move by an additional 10% the gain or loss in valuation for Allectus would be $0.04m.

Aura Ventures Growth SPV ("Aura") – Australian incorporated

Valuation inputs: Aura submits yearly financial reports to Allectus. The valuation is based on the last reported twelve months report and any transactions that have occurred between periods and any other key information disclosed.

Valuation methodology: The Allectus team believes the most suitable and fairest valuation method to value Aura Ventures is the Allectus cost of investment. We believe this comes to a fair value conclusion, and we have erred on the more conservative choice. We believe this to be suitable as the last round was undertaken from outside investors. The market participants were not under any compulsion to buy or sell, the market participant had knowledge of relevant facts and performed sufficient due diligence in order to be able to make orderly investment decisions related to the enterprises. Additionally, Allectus management have considered all available information since this date, and we are not aware of anything that would suggest that the last round is still not a valid valuation price for this investment as of our new valuation date.

Sensitivities: Allectus management have considered all available information since the date of the last round, and we are not aware of anything that would suggest that the Allectus cost of investment is still not a valid valuation price for this investment.

Cohort Solutions Pty Ltd ("Cohort") – Australia incorporated

Valuation inputs: Cohort submits monthly management accounts to Allectus. The valuation is based on the latest twelve months of revenue and the last reported net debt figure.

Valuation methodology: Allectus' management team believes a revenue multiple based approach is the fairest valuation method at the current stage of the company. We believe this valuation method comes to a fair value conclusion and we have erred on the more conservative choice.

Sensitivities: Should the 2022 revenue of Cohort move by 10% the gain or loss in valuation for Allectus would be $0.74m. Should the peer group multiple ascribed to Cohort revenue move by 1.0 the gain or loss in valuation for Allectus would be $1.98m.

FanAI Inc. ("FanAI") – United States of America incorporated

Valuation inputs: FanAI submits quarterly financial reports to Allectus. The valuation is based on the last reported twelve months report and any transactions that have occurred between periods and any other key information disclosed.

Valuation methodology: After considering the fairest valuation methodology for FanAI, we believe that a -50% discount to the previous valuation provides the most reasonable valuation. The 50% discount considers; progress towards its business plan since the last round of financing, the early-stage nature of the business (Seed/ Series A business), financial results vs. forecasts, comparable early-stage companies, and what Allectus management believes the company would raise additional financing at or sell their business for, and the acquisition valuation which FanAI management was discussing with potential acquirees as of June 30th.

Sensitivities: Should the discount of FanAI move by an additional 10% the gain or loss in valuation for Allectus would be $0.03m.

Finch Pty Ltd ("Finch") – Australian incorporated

Valuation inputs: Finch submits quarterly financial reports to Allectus. The valuation is based on the last reported twelve months report and any transactions that have occurred between periods and any other key information disclosed.

Valuation methodology: Finch is an early-stage business and its success could not be reasonably assessed until the occurrence of certain milestone events. As such adjusted cost (the price of recent investments adjusted for material subsequent events and feedback from the early milestones) was deemed the most suitable initial valuation method until data could be compared against the milestone events.

Sensitivities: given the valuation is set to nil there is no sensitivity to the valuation of Finch as of June 30th 2022.

Firmsy Limited ("Firmsy") – New Zealand incorporated

Valuation inputs: Firmsy submits monthly management accounts to Allectus. The valuation is based on the latest twelve months of revenue and the last reported net debt figure.

Valuation methodology: Allectus' management team believes a revenue multiple based approach is the fairest valuation method at the current stage of the company. We believe this valuation method comes to a fair value conclusion and we have erred on the more conservative choice.

Sensitivities: Should the 2022 revenue of Firmsy move by 10% the gain or loss in valuation for Allectus would be $0.02m. Should the peer group multiple ascribed to Firmsy revenue move by 1.0 the gain or loss in valuation for Allectus would be $0.11m.

FloodMapp Holdings Pty Ltd ("FloodMapp") – Australian incorporated

Valuation inputs: FloodMapp submits monthly financial reports to Allectus. The valuation is based on the last reported twelve months report and any transactions that have occurred between periods and any other key information disclosed.

Valuation methodology: The Allectus team believes the most suitable and fairest valuation method to value Floodmapp is the past round. We believe this comes to a fair value conclusion, and we have erred on the more conservative choice. We believe this to be suitable as the last round was undertaken from a well-regarded outside investor and venture capital fund. The market participants are notable investors and not under any compulsion to buy or sell, the market participant had knowledge of relevant facts and performed sufficient due diligence in order to be able to make orderly investment decisions related to the enterprises. Additionally, Allectus management have considered all available information since this date, and we are not aware of anything that would suggest that the last round is still not a valid valuation price for this investment as of our new valuation date

Sensitivities: Allectus management have considered all available information since the date of the last round and we are not aware of anything that would suggest that the last round is still not a valid valuation price for this investment.

GeoX GIS Innovation Ltd ("GeoX") – United States of America incorporated

Valuation inputs: Due to the closeness of the transaction to year end, the Allectus team based the valuation at cost.

Valuation methodology: The Allectus team believes the most suitable and fairest valuation method to value GeoX is the past round. We believe this comes to a fair value conclusion, and we have erred on the more conservative choice. We believe this to be suitable as the last round was undertaken from a well-regarded outside investor and venture capital fund. The market participants are notable investors and not under any compulsion to buy or sell, the market participant had knowledge of relevant facts and performed sufficient due diligence in order to be able to make orderly investment decisions related to the enterprises. Additionally, Allectus management have considered all available information since this date, and we are not aware of anything that would suggest that the last round is still not a valid valuation price for this investment as of our new valuation date.

Sensitivities: Allectus management have considered all available information since the date of the last round and we are not aware of anything that would suggest that the last round is still not a valid valuation price for this investment.

LifeQ Global Limited ("LifeQ'") – United States of America incorporated

Valuation inputs: LifeQ submits quarterly financial reports to Allectus. The valuation is based on the last reported twelve months report and any transactions that have occurred between periods and any other key information disclosed.

Valuation methodology: The Allectus team believes the most suitable and fairest valuation method to value LIfeQ is the past round. We believe this comes to a fair value conclusion, and we have erred on the more conservative choice. We believe this to be suitable as the last round was undertaken from a well-regarded outside investor and venture capital fund. The market participants are notable investors and not under any compulsion to buy or sell, the market participant had knowledge of relevant facts and performed sufficient due diligence in order to be able to make orderly investment decisions related to the enterprises. Additionally, Allectus management have considered all available information since this date and we are not aware of anything that would suggest that the last round is still not a valid valuation price for this investment as of our new valuation date

Sensitivities: Allectus management have considered all available information since the date of the last round and we are not aware of anything that would suggest that the last round is still not a valid valuation price for this investment.

MyPass Global ("MyPass") – Australia incorporated

Valuation inputs: MyPass submits monthly financial reports to Allectus. The valuation is based on the last reported twelve months report and any transactions that have occurred between periods and any other key information disclosed.

Valuation methodology: The Allectus team believes the most suitable and fairest valuation method to value MyPass is the past round plus an additional 20% premium to account for changes since the previous transaction. Since then, their subscription revenue has tripled and continues to grow fast, and the number of customers has increased. The 20% premium considers; progress towards its business plan since the last round of financing, the early-stage nature of the business (Seed/ Series A business), financial results vs. forecasts, comparable early-stage companies, and what Allectus management believes the company would raise additional financing at or sell their business for.

Sensitivities: Should the premium of MyPass move by an additional 10% the gain or loss in valuation for Allectus would be $0.02m.

NovaFori Ltd ("Novafori") – United Kingdom incorporated

Valuation inputs: Novafori submits quarterly financial reports to Allectus. The valuation is based on the last reported twelve months report and any transactions that have occurred between periods and any other key information disclosed.

Valuation methodology: The Allectus team believes the most suitable and fairest valuation method to value Novafori is the past round. We believe this comes to a fair value conclusion, and we have erred on the more conservative choice. We believe this to be suitable as the last round was undertaken from outside investors. The market participants were not under any compulsion to buy or sell, the market participant had knowledge of relevant facts and performed sufficient due diligence in order to be able to make orderly investment decisions related to the enterprises. Additionally, Allectus management have considered all available information since this date and we are not aware of anything that would suggest that the last round is still not a valid valuation price for this investment as of our new valuation date

Sensitivities: Allectus management have considered all available information since the date of the last round and we are not aware of anything that would suggest that the last round is still not a valid valuation price for this investment.

Shopback Pte. Ltd ("ShopBack") – Singapore incorporated

Valuation inputs: Shopback submits yearly financial reports to their regulators. The valuation is based on the last reported twelve months report and any transactions that have occurred between periods and any other key information disclosed.

Valuation methodology: The Allectus team believes the most suitable and fairest valuation method to value ShopBack is the past round. We believe this comes to a fair value conclusion, and we have erred on the more conservative choice. We believe this to be suitable as the last round was undertaken from a well-regarded outside investor and venture capital fund. The market participants are notable investors and not under any compulsion to buy or sell, the market participant had knowledge of relevant facts and performed sufficient due diligence in order to be able to make orderly investment decisions related to the enterprises. Additionally, Allectus management have considered all available information since this date, and we are not aware of anything that would suggest that the last round is still not a valid valuation price for this investment as of our new valuation date

Sensitivities: Allectus management have considered all available information since the date of the last round and we are not aware of anything that would suggest that the last round is still not a valid valuation price for this investment.

Switch Automation USA Inc. ("Switch'") – United States of America incorporated

Valuation inputs: Switch submits quarterly financial reports to Allectus. The valuation is based on the last reported twelve months report and any transactions that have occurred between periods and any other key information disclosed.

Valuation methodology: The Allectus team believes the most suitable and fairest valuation method to value Switch is the past round. We believe this comes to a fair value conclusion, and we have erred on the more conservative choice. We believe this to be suitable as the last round was undertaken from a well-regarded outside investor and venture capital fund. The market participants are notable investors and not under any compulsion to buy or sell, the market participant had knowledge of relevant facts and performed sufficient due diligence in order to be able to make orderly investment decisions related to the enterprises. Additionally, Allectus management have considered all available information since this date and we are not aware of anything that would suggest that the last round is still not a valid valuation price for this investment as of our new valuation date

Sensitivities: Allectus management have considered all available information since the date of the last round and we are not aware of anything that would suggest that the last round is still not a valid valuation price for this investment.

The Clinician ("TC'") – United States of America incorporated

Valuation inputs: TC submits quarterly financial reports to Allectus. The valuation is based on the last reported twelve months report and any transactions that have occurred between periods and any other key information disclosed.

Valuation methodology: After considering the fairest valuation methodology for The Clinician, we believe that a -10% discount to the previous valuation provides the most reasonable valuation. The 10% discount considers; progress towards its business plan since the last round of financing, the early-stage nature of the business (Series A business), financial results vs. forecasts, comparable early-stage companies, and what Allectus management believes the company would raise additional financing at or sell their business for. While The Clinician has expanded its product development and has strengthened its pipeline of customers and POC contracts since the last round of financing, revenue growth has been slower than Allectus expected since the previous round, so Allectus believes a -10% discount is an appropriate discount to the past round.

Sensitivities: Should the discount of The Clinician move by an additional 10% the gain or loss in valuation for Allectus would be $0.62m.

Zemble Inc. (“Zemble”) – United States of America incorporated

Valuation inputs: Zemble submits quarterly financial reports to Allectus. The valuation is based on the last reported twelve months report and any transactions that have occurred between periods and any other key information disclosed.

Valuation methodology: After considering the fairest valuation methodology for Zemble, we believe that a -50% discount to the previous valuation provides the most appropriate valuation. The 50% discount considers; progress towards its business plan since the last round of financing, the early-stage nature of the business (Seed/ Series A business), financial results vs. forecasts, comparable early-stage companies, and what Allectus management believes the company would raise additional financing at or sell their business for. Since the last round of financing Zemble has been slow to develop their product as expected and has been behind in acquiring new customer, thus, we believe a -50% discount to the previous round is a reasonable discount.

Sensitivities: Should the discount of Zemble move by an additional 10% the gain or loss in valuation for Allectus would be $0.01m.

Adarga Ltd loan notes – United Kingdom incorporated

Valuation inputs: Adarga submits monthly management accounts to Allectus. The valuation is considered for any applicable discounts and when none are identified, instruments are based on fair value.

Valuation methodology: The Directors considered that the fair value of the loans was equal to the par value.

Sensitivities: Allectus also considers other liquidity, credit and market risk factors, and adjusts the valuation model as deemed necessary, as none were identified fair value was considered appropriate.

Bobidi Ltd loan notes – United States of America incorporated

Valuation inputs: Bobidi submits quarterly management accounts to Allectus. The valuation is considered for any applicable discounts and when none are identified, instruments are based on fair value.

Valuation methodology: The Directors considered that the fair value of the loans was equal to the par value.

Sensitivities: Allectus also considers other liquidity, credit and market risk factors, and adjusts the valuation model as deemed necessary, as none were identified fair value was considered appropriate.

Envision Sciences Pty Ltd loan notes – United States of America incorporated

Valuation inputs: Envision submits quarterly management accounts to Allectus. The valuation is considered for any applicable discounts and when none are identified, instruments are based on fair value.

Valuation methodology: The Directors considered that the fair value of the loans was equal to the par value.

Sensitivities: Allectus also considers other liquidity, credit and market risk factors, and adjusts the valuation model as deemed necessary, as none were identified fair value was considered appropriate.

Nautilus Data Technologies loan notes – United States of America incorporated

Valuation inputs: Nautilus submits quarterly management accounts to Allectus. The valuation is considered for any applicable discounts and when none are identified, instruments are based on fair value.

Valuation methodology: The Directors considered that the fair value of the loans was equal to the par value.

Sensitivities: Allectus also considers other liquidity, credit and market risk factors, and adjusts the valuation model as deemed necessary, as none were identified fair value was considered appropriate.

Pandia Health Inc. loan notes – United States of America incorporated

Valuation inputs: Pandia submits monthly management accounts to Allectus. The valuation is considered for any applicable discounts and when none are identified, instruments are based on fair value.

Valuation methodology: The Directors considered that the fair value of the loans was equal to the par value.

Sensitivities: Allectus also considers other liquidity, credit and market risk factors, and adjusts the valuation model as deemed necessary, as none were identified fair value was considered appropriate.

Patch’d loan notes – United States of America incorporated

Valuation inputs: Patch’d submits quarterly management accounts to Allectus. The valuation is considered for any applicable discounts and when none are identified, instruments are based on fair value.

Valuation methodology: The Directors considered that the fair value of the loans was equal to the par value.

Sensitivities: Allectus also considers other liquidity, credit and market risk factors, and adjusts the valuation model as deemed necessary, as none were identified fair value was considered appropriate.

(b) Investments in subsidiaries

Own Solutions (“OS”) – Ireland incorporated

Valuation inputs: OS submits monthly management accounts to Allectus. The valuation is based on the latest twelve months of revenue and the last report net debt figure.

Valuation methodology: Allectus’ management team believes a revenue multiple based approach is the fairest valuation method at the current stage of the company. We believe this valuation method comes to a fair value conclusion and we have erred on the more conservative choice.

Sensitivities: Should the 2022 revenue of OS move by 10% the gain or loss in valuation for Allectus would be $0.40m. Should the peer group multiple ascribed to OS revenue move by 1.0 the gain or loss in valuation for Allectus would be $1.05m.

30 June 2022	Level 1 US$	Level 2 US$	Level 3 US$
Financial assets			
Investments	132,926	–	60,106,813
Investment in subsidiaries	–	–	4,326,664
Loans to subsidiaries	–	–	4,437,459
Other loans	–	–	3,613,420

Investment in Touch Ventures Limited was transferred from level 3 to level 1 as a result of the company listing on the Australian Securities Exchange.

The following table shows a reconciliation from opening balances to closing balances for fair value measurements in level 3 investments of the fair value hierarchy:

	Level 3 Investments US$	Level 3 Investments in subsidiaries US$	Level 3 Loans to subsidiaries US$	Level 3 Other loans US$
Balance at 1 July 2021	34,380,373	8,418,494	1,839,750	1
Acquisitions at cost	25,100,460	2,120,391	3,655,840	8,124,142
Disposals during the year	(7,678,138)	(5,883,683)	(552,550)	(4,010,758)
Impairments during the year	–	–	–	(463,184)
Transferred to Level 1	(2,061,685)	–	–	–
Total gains/(losses) recognised in lfair value through profit or loss	10,365,802	(328,538)	(505,581)	(36,781)
Balance at 30 June 2022	60,106,813	4,326,664	4,437,459	3,613,420

30 June 2021	Level 1 US$	Level 2 US$	Level 3 US$
Financial assets			
Investments	12,326,169	–	34,108,216
Investment in subsidiaries	–	–	8,690,652
Loans to subsidiaries	–	–	1,839,750
Other loans	–	–	1

Investment in Cluey Limited was transferred from level 3 to level 1 as a result of the Company listing on the Australian Securities Exchange.

The following table shows a reconciliation from opening balances to closing balances for fair value measurements in level 3 investments of the fair value hierarchy:

	Level 3 Investments US$	Level 3 Investments in subsidiaries US$	Level 3 Loans to subsidiaries US$	Level 3 Other loans US$
Balance at 1 July 2020	27,543,157	13,630,665	4,649,326	2,291,009
Acquisitions at cost	18,116,943	5,012,660	3,767,434	258,042
Disposals during the year	(14,669,237)	(16,848,865)	(8,312,262)	(2,560,119)
Impairments during the year	–	–	–	(240,055)
Reversal of impairments during the year	–	–	1,725,932	–
Transferred to Level 1	(2,928,304)	–	–	–
Total gains/(losses) recognised in fair value through profit or loss	6,317,814	6,624,034	9,320	251,124
Balance at 30 June 2021	34,380,373	8,418,494	1,839,750	1

21.5 Capital risk management

The objective of the Company is stated as being to maximise shareholder returns by identifying and investing in investments where the underlying value is not reflected in the market price. In pursuing this long-term objective, the board of directors has a responsibility for ensuring the Company's ability to continue as a going concern. It must therefore maintain an optimal capital structure through varying market conditions. This involves the ability to issue and buy back share capital within limits set by the shareholders in general meeting; borrow monies in the short and long term; and pay dividends to shareholders out of current year earnings as well as out of brought forward reserves.

22. RELATED PARTIES

22.1 Material related parties

Holding company

On 30 June 2022 the Company's joint holding companies are UIL and MHL. UIL is 65.42% owned by General Provincial Life Pension Fund Limited (2021: 65.06%) and MHL is wholly owned by the HH Stephens No.1 Trust (2021: wholly owned by the CNR Trust).

Subsidiary companies

The Company's only subsidiary is Own Solutions which is a majority owned subsidiary. (2021: GERP-ACL and Own Solutions which are all majority owned subsidiaries).

Key management personnel

Key management personnel and their close family members and entities which they control, jointly or over which they exercise significant influence are considered related parties of the Company. The Company's directors, as listed in the director's report are considered to be key management personnel of the Company.

Investment Manager

ICM Limited is an Investment Manager of the Company and of UIL.

	June 2022 US$	June 2021 US$
Nature of transactions		
Investments in related parties:		
GERP-ACL	–	3,193,107
Own Solutions	4,326,664	5,225,387
Loans to related parties:		
Own Solutions	4,437,459	1,839,750
Permanent Mutual Limited	3,400,881	–

22.2 Material related parties transactions

	June 2022 US$	June 2021 US$
Loans from related parties:		
UIL Limited	6,649,539	–
Mobility Holdings Limited	9,246,424	–
Other payables:		
ICM	197,423	2,440,948
Performance fee	–	2,285,870
Management fee	184,923	142,578
Accounting fee	12,500	12,500
Impairment of loan to subsidiary	–	–
Fees paid to the Investment Manager	772,549	3,035,004
Administration fee	50,000	50,000
Management fee	722,549	699,134
Performance fee	–	2,285,870
Interest received from related parties		
NovaFori Ltd	–	155,988
Own Solutions	143,629	3,155
Fees paid to the directors		
D Saville	23,028	23,990

23. EVENTS AFTER THE REPORTING DATE

Further loan support was provided to 3S Networks of A$ 56,000

The Company received loan funding $230,000 from its Parent companies Mobility Holdings Limited $115,000 and UIL Limited $115,000.

The Company received A$307,491 as full settlement of its loan agreement with Limepay Pty Ltd.

The Company entered into a Simple Agreement on 19th July 2022 for Future Equity (S.A.F.E.) with GeoX GIS Innovation Ltd, investing a further $250,000.

The Company entered into a sale agreement to dispose of its holding in Cohort, an unlisted Australian payments entity. The deal concluded on the 14 July 2022 and the Company generated proceeds of A$ 14,527,142. The proceeds were further utilised to repay the shareholder company loans and each parent (UIL and MHL) received their 50% portion of the generated proceeds.

No additional impairments were identified up to 15 September 2022 as the value of the underlying assets have not decreased any further since year-end.

Company Information

Allectus Capital Limited
Company Registration Number: 47196
www.allectuscapital.limited

Directors (Non-executive)

Duncan Saville
Charles Jillings
Alasdair Younie
Jason Cheong
Matthew Gould
Dugald Morrison (appointed 27 June 2022)

Registered Office

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Investment Manager

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Hamilton HM 11
Bermuda

Secretary

Trinity Corporate Services Limited
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Hamilton HM12
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General Administration

ICM Corporate Services (Pty) Ltd
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Cape Town
South Africa

Auditor

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www.allectuscapital.limited

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