



Helpport AI Reports Fiscal Full Year 2024 Financial Results

Nov 01, 2024

FY 2024 Revenue up 132% to \$29.6 Million Year over Year

Net Income up 53% to \$7.4 Million Year over Year

Completed Merger and Began Trading as a Public Company on Nasdaq Under Ticker Symbol "HPAI" on August 5, 2024

Management to Host Business Update Conference Call on Wednesday, November 6, 2024 at 5:30 pm ET

SINGAPORE and SAN DIEGO, Nov. 01, 2024 (GLOBE NEWSWIRE) -- Helpport AI Limited (NASDAQ: HPAI) ("Helpport AI" or the "Company"), an AI technology company serving enterprise clients with intelligent software, services and solutions, today announced financial results for its fiscal full year ended June 30, 2024.

Helpport AI Highlights:

- A pioneering AI technology company dedicated to empowering enterprises with intelligent software, services and solutions, aimed at accelerating sales growth, driving operational excellence and reducing cost in customer engagement.
- Established global presence, with offices in the United States, Singapore, and the Philippines. supporting 30,000+ active users around the world.
- Helpport AI's products and services have been applied across various industries, including banking, insurance, mortgage sales, wealth management, government services, and real estate.
- Helpport AI Assist – a SaaS software launched in 2022, which has become a key business focus, and provides AI-powered real-time speech guidance for customer communications, dedicated to enhancing sales performance and driving operational excellence, with functions including Agent Assistant, Quality Assurance Assistant, Supervisor Assistant, and Knowledge Base Assistant.
- Our AI+BPO service provides worldwide 24/7 customer engagement with AI-driven monitoring, compliance, and knowledge tools. Through global BPO partners, clients could access flexible, multilingual support, boosting performance and reducing costs.
- HDE (Helpport AI Developer Ecosystem) – An in-development ecosystem-based developer platform that packages Helpport AI's core underlying technologies and algorithms for different industries through open APIs, allowing for the rapid creation of industry-specific applications.

Fiscal 2024 Year & Subsequent Operational Highlights:

- Helpport AI Assist Software is officially approved and available on Google Cloud Marketplace.
- On August 2, 2024, the Company closed its business combination with Tristar Acquisition I Corp. ("Tristar") (NYSE: TRIS)
- Upon closing, an aggregate of \$10.4 million in gross proceeds was raised to support its operations, including \$5.5 million private placement financing ("PIPE Investment") and the rest in the form of convertible notes.
- Revenue for the fiscal year ended June 30, 2024 was \$29.6 million, an increase of 132% from \$12.7 million in the prior year.
- Gross profit for fiscal year 2024 was \$18.6 million, an increase of 137% from \$7.8 million in fiscal year 2023.
- Net income was \$7.4 million in fiscal year 2024 compared to \$4.8 million in fiscal year 2023, an increase of 53%.
- Net cash provided by operating activities was \$5.0 million for the fiscal year ended June 30, 2024.
- Cash was \$2.6 million as of June 30, 2024. Subsequently consummated the PIPE Investment referenced above.
- As of August 8, 2024, there were 37,132,968 ordinary shares and 18,844,987 warrants issued and outstanding.

Management Commentary

"Fiscal 2024 was highlighted by laying the foundation for a global expansion, our Nasdaq listing in August, and rising demand for our AI software and services for enterprise clients," said Guanghai Li, Chief Executive Officer of Helpport AI. "The transition from a private to public company was an incredibly proud moment and milestone for our company, our employees and our shareholders, one that we expect will catalyze our product development and service improvements, enhance our brand awareness in the U.S., and provide opportunities for growth outside of our traditional organically funded operations.

"Helpport AI aspires to be a global leader in AI-enhanced customer contact software and services, dedicated to empowering businesses with scalable and intelligent customer engagement. Our mission is to empower everyone to work as an expert through AI solutions. We believe that we are at the forefront of transforming how businesses engage with their customers, enhancing sales, optimizing operations and driving success across industries.

“Our proprietary software, Helpport AI Assist, provides AI-powered real time speech guidance for customer contact. Our self-developed AI technologies include real-time communication assistance, real-time sales guidance, real-time quality assurance, efficient knowledge base construction, voice cloning, and more. Our fully independent architecture, where the AI engine is separated from the knowledge base, allows for seamless flexibility, while keeping knowledge bases straightforward. This simplicity allows for faster deployment and adoption, and we intend that it would enable our customers to exceed their goals, particularly in the areas of sales, quality control, and compliance.

“Looking ahead, we will continue to strengthen our capabilities in more industries, including insurance, mortgage, wealth management, banking, government services, telecommunications, real estate, e-commerce, and more. We believe that we have made great strides in the financial services sector, securing partnerships in mortgage, insurance, and wealth management. These partnerships underscore our adaptability in catering to complex industries, where accurate interpretation and communication are critical.

“Our San Diego office will serve as our growth engine for the U.S. market and innovation, while our Singapore office will continue to be the center for global operations. This is expected to strengthen our presence in North America, especially as we see major breakthroughs with developing partnerships such as Google and eWorld Enterprise Solutions in supporting U.S. government sectors.

“We are pleased to announce Helpport AI's official listing on Google Cloud Marketplace, a milestone that we believe will enhance our global reach and strengthen our technology and data security credibility. We trust that this presence will enable us to deliver scalable, high-performance AI solutions across industries, advancing operational efficiency and customer engagement. Looking forward, we will focus on expanding U.S. partnerships and strengthening our ecosystem to drive the next wave of intelligent customer interactions.

“In the mid-term we plan to launch our Helpport AI Developer Ecosystem (HDE). Inspired by NVIDIA's CUDA platform, we are developing an open API interface that aims to enable thirty-party developers to create their own applications using our AI engine. This will allow any developers to innovate within our ecosystem, making it increasingly easy for anyone to innovate on our platform. By fostering this ecosystem, we aim to solidify our position as the go-to platform for AI-driven solutions across industries.

“Taken together, we expect our revenue growth will sustain in 2025, driven by the full impact of our new partnerships and expanded U.S. presence. In addition, we will continue to prioritize R&D investments, particularly in the development of HDE, to support long-term innovation and expansion. We look forward to providing updates in the months to come, including those attending our Business Update Conference Call next Wednesday, November 6th,” concluded Li.

2024 Fiscal Year Financial Results

Revenue for the fiscal year ended June 30, 2024 increased by 132% to \$29.6 million compared to \$12.7 million in the fiscal year ended June 30, 2023. The increase was primarily attributable to an average monthly subscribed seats increase from 2,192 for the fiscal year ended June 30, 2023 to 5,475 for the fiscal year ended June 30, 2024, which was driven by (i) efforts in continuous optimization and development in service offerings and platform, (ii) capabilities to increase overall cost performance for customers in their business management process, and (iii) the growing demands in professional technology services market.

Gross Profit for the fiscal year ended June 30, 2024 increased to \$18.6 million compared to a gross profit of \$7.8 million in the fiscal year ended June 30, 2023. Gross margin was 62.8% in the fiscal year ended June 30, 2024 as compared to 61.6% in the fiscal year ended June 30, 2023. The increases indicate that as sales increased, the Company was also able to optimize cost structure and achieve economic scale effect in the improvement of gross profit margin performance.

General and administrative expenses increased to \$5.0 million in the fiscal year ended June 30, 2024 from \$1.6 million in the fiscal year ended June 30, 2023, primarily attributable to an increase in withholding tax incurred from AI service provided to customers in the PRC subject to a 10% withholding tax rate.

Research and development expenses increased to \$4.3 million in the fiscal year ended June 30, 2024, compared to \$0.4 million in the fiscal year ended June 30, 2023, primarily due to the addition of AI training service fees and product development fees incurred during the year in order to enhance core competence to differentiate and diversify in products and service offerings with competitive technology, especially related to the development of AI technology application scenarios.

Net income for the fiscal year ended June 30, 2024 was \$7.4 million as compared with \$4.8 million in the fiscal year ended June 30, 2023, an increase of 53%.

Cash was \$2.6 million as of June 30, 2024, as compared to \$0.1 million on June 30, 2023.

Net cash provided by operating activities was \$5.0 million in fiscal year ended June 30, 2024 compared to net cash used of \$0.5 million in fiscal year 2023.

Business Update Conference Call

Guanghai Li, Chief Executive Officer, and Tao Ke, Chief Financial Officer, will host the conference call, followed by a question-and-answer session. The conference call will be accompanied by a presentation, which can be viewed during the webcast or accessed via the investor relations section of the Company's website [here](#).

To access the call, please use the following information:

Date: Wednesday, November 6, 2024
Time: 5:30 p.m. Eastern Time, 2:30 p.m. Pacific Time
Toll-free dial-in number: 1-800-445-7795
International dial-in number: 1-203-518-9848
Conference ID (Required for Entry): HELPORT

Please call the conference telephone number 5-10 minutes prior to the start time. An operator will register your name and organization. If you have any difficulty connecting with the conference call, please contact MZ Group at 1-949-491-8235.

The conference call will be broadcast live and available for replay at https://viaid.webcasts.com/starthere.jsp?ei=1695608&tp_key=0c8510f685 and via the investor relations section of the Company's website [here](#).

A replay of the webcast will be available after 9:30 p.m. Eastern Time through February 6, 2025.

Toll-free replay number: 1-844-512-2921
International replay number: 1-412-317-6671
Replay ID: 11157509

About Helpport AI

Helpport AI (NASDAQ: HPAI) is a provider of AI-driven solutions, specializing in providing products and services aimed at enhancing professional capabilities across industries. Focused on delivering measurable outcomes, Helpport AI is set to transform the way businesses operate by ensuring that professionals have the tools they need to succeed. The company serves enterprise-level customer contact services through intelligent products, solutions, and a digital platform, and is dedicated to helping businesses optimize their operations and improve customer engagement. Our mission is to empower everyone to work as an expert. For more information, please visit Helpport AI's website: <https://ir.helpport.ai/>.

Forward-Looking Statements

Certain statements in this announcement are forward-looking statements, including, but not limited to, Helpport AI's business plan and outlook. These forward-looking statements involve known and unknown risks and uncertainties and are based on Helpport AI's current expectations and projections about future events that Helpport AI believes may affect its financial condition, results of operations, business strategy and financial needs. Investors can identify these forward-looking statements by words or phrases such as "approximates," "believes," "hopes," "expects," "anticipates," "estimates," "projects," "intends," "plans," "will," "would," "should," "could," "may" or other similar expressions. Helpport AI undertakes no obligation to update or revise publicly any forward-looking statements to reflect subsequent occurring events or circumstances, or changes in its expectations, except as may be required by law. Although Helpport AI believes that the expectations expressed in these forward-looking statements are reasonable, it cannot assure you that such expectations will turn out to be correct, and Helpport AI cautions investors that actual results may differ materially from the anticipated results and encourages investors to review other factors that may affect its future results in Helpport AI's registration statement and other filings with the U.S. Securities and Exchange Commission.

Investor Relations Contact:

Chris Tyson
Executive Vice President
MZ North America
Direct: 949-491-8235
HPAI@mzgroup.us
www.mzgroup.us

HELPORT AI LIMITED
COMBINED BALANCE SHEETS
(Amounts in and U.S. dollars ("US\$"), except share data)

	As of June 30,	
	2024	2023
Cash	\$ 2,581,086	\$ 142,401
Accounts receivable	21,313,735	14,545,921
Deferred offering costs	817,871	-
Prepaid expenses and other receivables	41,966	-
Total current assets	24,754,658	14,688,322

Intangible assets, net	2,425,694	4,083,333
Total non-current asset	2,425,694	4,083,333
Total assets	\$ 27,180,352	\$ 18,771,655
Accounts payable	\$ 284,067	\$ 10,158,729
Income tax payable	2,724,998	1,123,065
Amount due to related parties	965,776	592,797
Convertible promissory notes	4,889,074	-
Accrued expenses and other liabilities	5,263,239	1,212,985
Total current liabilities	14,127,154	13,087,576
Total liabilities	14,127,154	13,087,576
Commitments and contingencies		
Ordinary shares (US\$1 par value per share; 50,000 authorized as of June 30, 2024, and 2023; 156 issued and outstanding as of June 30, 2024 and 2023, respectively)*	156	156
Additional paid-in capital	7,556	7,556
Subscription receivables	(156)	(156)
Retained earnings	13,045,642	5,676,523
Shareholders' equity	13,053,198	5,684,079
Total liabilities and shareholders' equity	\$ 27,180,352	\$ 18,771,655

* The shares and per share information are presented on a retroactive basis to reflect the shares reorganization (Note 10).

HELPORT AI LIMITED
COMBINED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Amounts in and U.S. dollars ("US\$"), except share data)

	For the years ended June 30,		
	2024	2023	2022
Revenues	\$ 29,575,625	\$ 12,728,313	\$ 2,667,914
Cost of revenues	(10,998,011)	(4,882,792)	(1,246,701)
Gross profit	18,577,614	7,845,521	1,421,213
Selling expenses	(97,984)	(50,830)	(99,817)
General and administrative expenses	(4,979,382)	(1,625,887)	(340,625)
Research and development expenses	(4,303,490)	(375,410)	-
Total operating expenses	(9,380,856)	(2,052,127)	(440,442)
Income from operation	9,196,758	5,793,394	980,771
Financial expenses, net	(226,713)	(7,936)	(5,894)
Other income, net	1,007	-	-
Income before income tax expense	8,971,052	5,785,458	974,877
Income tax expense	(1,601,933)	(970,755)	(152,917)
Net income	\$ 7,369,119	\$ 4,814,703	\$ 821,960
Total comprehensive income	\$ 7,369,119	\$ 4,814,703	\$ 821,960
Earnings per ordinary share			
Basic	47,238	30,863	5,269
Diluted	47,238	30,863	5,269

Weighted average number of ordinary shares outstanding*

Basic	156	156	156
Diluted	156	156	156

* The shares and per share information are presented on a retroactive basis to reflect the shares reorganization (Note 10).

HELPORT AI LIMITED
COMBINED STATEMENTS OF CASH FLOWS
(Amounts in and U.S. dollars ("US\$"), except share data)

	For the years ended June 30,		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	\$ 7,369,119	\$ 4,814,703	\$ 821,960
<i>Adjustments to reconcile net income to net cash provided by operating activities:</i>			
Amortization of intangible assets	2,352,639	2,333,334	583,333
<i>Changes in operating assets and liabilities:</i>			
Accounts receivable	(6,813,674)	(12,079,780)	(2,463,761)
Prepaid expenses and other receivables	(41,966)	-	-
Accounts payable	(3,158,729)	2,547,916	610,813
Amount due to related parties	21,640	7,626	16,450
Accrued expenses and other liabilities	3,702,668	951,932	194,508
Income tax payable	1,601,933	970,148	152,917
Net cash provided by/(used in) operating activities	5,033,630	(454,121)	(83,780)
CASH FLOWS FORM INVESTING ACTIVITY			
Purchase of intangible assets	(7,410,933)	-	-
Net cash used in investing activity	(7,410,933)	-	-
CASH FLOWS FORM FINANCING ACTIVITIES			
Payment for listing costs	(817,871)	-	-
Proceeds from convertible promissory notes	4,889,074	-	-
Loan from a third party	977,156	66,545	-
Repayment of loan from a third party	(629,570)	-	-
Loan from related parties	354,977	569,059	196,388
Repayment of loan from related parties	(3,638)	(45,102)	(114,465)
Net cash provided by financing activities	4,770,128	590,502	81,923
Effect of exchange rate changes	45,860	(2,380)	-
Net change in cash	2,438,685	134,001	(1,857)
Cash at the beginning of the year	142,401	8,400	10,257
Cash at the end of the year	\$ 2,581,086	\$ 142,401	\$ 8,400