

ASX ANNOUNCEMENT

Appendix 4C – Quarterly Cash Flow Report

Highlights for the quarter ended 30th September 2020

- **Development continues on performance and cost reduction enhancements to PeriCoach**
- **Impact of coronavirus**

30th October 2020: Analytica Ltd (ASX: ALT), manufacturer of the PeriCoach® system and the Enhanced Infusion System technologies, has today released its Appendix 4C - Quarterly Cashflow report for the period ending 30th September 2020.

Analytica is finalising the current development of the PeriCoach to reduce cost of sales and upgrade features. The coronavirus lockdowns have highlighted the need for in-home delivery of essential, effective treatments. The PeriCoach is the ideal solution for in-home, clinician-guided treatment of women's pelvic floor health.

Announced changes to classification of medical devices in the EU has required an upgrade to Analytica regulatory systems. Analytica is also working through the regional regulatory clearances required for current distribution agreements and for jurisdictions being negotiated.

The coronavirus pandemic has severely impacted negotiations and product trials with distribution partners for the PeriCoach. Distribution discussions for the Enhanced Infusion System have been delayed and supply of trial product have been delayed due to limited transport. With shutdowns, suspension of travel and the attention of partners diverted to manage their immediate demands to respond to the pandemic, there have been limited opportunities to progress distribution agreements. This has delayed the anticipated sales from these agreements. Despite these handicaps progress has been made.

Costs have been reviewed and tightened to ensure progress with development and to prepare when our partners are able to finalise negotiations. Directors have agreed to defer payment of directors' fees to assist preservation of cash.

Analytica anticipates a R&D tax incentive refund of approximately \$650k this quarter. The board is committed to a capital raising in the new year to fund continued development and marketing and is confident of support from major shareholder.

The Company at the 30th September 2020 had drawn down \$626k of the unsecured revolving working capital facility for up to \$1 million from Halonna Pty Ltd, an entity associated with the Chairman, Dr Michael Monsour (**Facility**).

Interest is payable at a commercial unsecured overdraft rate, presently 8.51%, quarterly in arrears. The Facility must be repaid in full on the earliest of 30 June 2021, completion of an equity raising of more than \$250,000 and 14 days after a change of control event¹ occurs in relation to the Company.

¹ A change of control occurs if (a) any person, whether alone together with the person's associates (other than the Halonna and its associates), acquires a relevant interest in 20% or more of the issued share capital of Analytica or (b) a person (either alone or with that person's associates) who was unable to control the composition of Analytica's Board as at the date of this document, acquires that ability.



Aggregate payments to related parties and their associates amounted to \$31k for the quarter. These payments were for executive salary of the CFO Ross Mangelsdorf, who is also a director.

Authorised for release by the Board.

For more information, please contact: investorrelations@analyticamedical.com

For more information about the PeriCoach System, visit: www.PeriCoach.com

For more information about Analytica, visit www.AnalyticaMedical.com

About Analytica Limited

Analytica's lead product is the PeriCoach® System – an e-health treatment system for women who suffer Stress Urinary Incontinence. This affects 1 in 3 women worldwide and is mostly caused by trauma to the pelvic floor muscles as a result of pregnancy, childbirth and menopause.

PeriCoach comprises a device, web portal and smartphone app. The device evaluates activity in pelvic floor muscles. This information is transmitted to a smartphone app and can be loaded to a cloud database where physicians can monitor patient progress via web portal. This novel system enables physicians to remotely determine if a woman is performing her pelvic floor exercises and if these are improving her condition. Strengthening of the pelvic floor muscles can also potentially improve sexual sensation or satisfaction and orgasm potential in some women.

PeriCoach has regulatory clearance for urinary incontinence in Australia and has CE mark and USFDA 510(k) clearance.

PeriCoach also has clearance in Australia, and CE Marking in Europe for the treatment of pelvic organ prolapse, a condition that affects up to 1 in 5 women during their lifetime.



Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

ANALTICA LTD

ABN

12 006 464 866

Quarter ended ("current quarter")

Sept 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) research and development	(416)	(416)
(b) product manufacturing and operating costs	(14)	(14)
(c) advertising and marketing	(4)	(4)
(d) leased assets		
(e) staff costs	(94)	(94)
(f) administration and corporate costs	(121)	(121)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	(7)	(7)
1.6 Income taxes paid		
1.7 Government grants and tax incentives	80	80
1.8 Other (provide details if material)	7	7
1.9 Net cash from / (used in) operating activities	(569)	(569)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		
(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities		

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings	551	551
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	551	551

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	66	66
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(569)	(569)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	551	551
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	48	48

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	48	66
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	48	66

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	31
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	1,000	626
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities	1,000	626
7.5	Unused financing facilities available at quarter end		374
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(569)
8.2	Cash and cash equivalents at quarter end (item 4.6)	48
8.3	Unused finance facilities available at quarter end (item 7.5)	374
8.4	Total available funding (item 8.2 + item 8.3)	(147)
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	0.26
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: A positive cash flow for the December quarter with reduced development costs and anticipated R&D tax incentive of \$650k..	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: The board monitors the cash position and undertake to raise further funds when required. The board is committed to a capital raising in the new year to fund continued development and marketing and is confident of support from major shareholder.	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: Yes. Cash flow projections are within loan facility.	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: ...30/10/2020.....

Authorised by:Ross Mangelsdorf.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.