

ASX ANNOUNCEMENT

Appendix 4C – Quarterly Cash Flow Report

Highlights for the quarter ended 31st March 2021

- **Expansion of PeriCoach Pelvic Health into China**
- **Expansion of Enhanced Infusion System (EIS) into Middle East**
- **\$3.83M Capital raising, \$750K subject to shareholder approval**
- **PeriCoach provides cost-effective solution to improve quality of life and ease burden of care in postpartum as well as aging populations.**

29 April 2021. 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 31st March 2021.

On the 30th March, Analytica announced entering into a joint venture agreement to manufacture, distribute and market the PeriCoach system in China, Macau, Hong Kong and Taiwan. The JV partners with Hebei NACOL Bio-Technology Co., Ltd (**Nacol**) and Shijiazhuang Biosphere Pty Ltd (**Biosphere**), Peoples Republic China (PRC) companies based in Hebei Province.

Nacol key shareholders includes two highly experienced Chinese medical manufacturing and distribution companies, Hebei Aineng Biological Technology Co., Ltd and Shijiazhuang YST Medical Supplies Co. Ltd.

The JV will register PeriCoach with the Chinese Food and Drug Administration (CFDA) as a class II medical device. With CFDA clearance, PeriCoach can become a prescription treatment, initially covering the hospital network in the North China area.

Expansion into China will support the distribution of PeriCoach to both the rapidly growing postpartum rehabilitation market and the early-stage preventative senior market, as one in three women worldwide suffer from stress urinary incontinence.

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.

A recent independent, peer-reviewed, randomized controlled clinical trial performed at the University of New Mexico and published in the Journal of Female Pelvic Medicine & Reconstructive Surgery concluded that the PeriCoach biofeedback system, with no formal instruction, is non-inferior and on par with in-clinic pelvic floor physical therapy in a pelvic floor centre of excellence, making this system the most cost-effective form of treatment for stress and mixed urinary incontinence.

PeriCoach will be distributed through the existing extensive network of hospitals and postpartum organisations serviced by the JV partners. The JV partners have collaborated with a leading postpartum care service platform in China with coverage of 100 cities and more than 30,000 clinical professionals.

In China, 15 million babies are born each year. With the rapid development of the modern economy, the postpartum rehabilitation industry has grown to 3.95bn yuan pa (US\$608M) in 2018, with a compound annual growth rate of 43.9%.

Furthermore, China, as with Western countries, has an aging population among which 31% of older women



experience urinary incontinence, but only 25% of those currently seek medical assistance. The JV sees a large public health opportunity for conservative treatment of incontinence in women aged 50-70 years, reducing the quality-of-life impact along with the longer-term economic burden of aged-care.

On the 20th April Analytica, entered into an agreement with an Egyptian entity, Marwa's Office for Export & Import Medical Supplies to distribute and market the EIS in Egypt, Bahrain, Iran, Iraq, Jordan, Kuwait, Lebanon, Saudi Arabia and United Arab Emirates (Licensed Territory). Marwa's Office for Export & Import Medical Supplies is based in Tanta, Egypt.

The Egyptian public/parastatal sector consists of quasi-governmental organizations such as the Health Insurance Organization and the Curative Care Organization. Principals of Marwa's Office for Export & Import Medical Supplies have extensive experience of the Egyptian health system, as a consultant and undersecretary of health for the Egyptian Health Insurance Organization Clinics (HIO) as well as leadership positions in the Egyptian Ministry of Health.

Subject to Egyptian Ministry of Health clearance, the plan is to distribute the EIS through the hospital network in Egypt. Egypt with a population of over 100 million people has 1,848 hospitals with more than 131,000 beds. Egypt's medical device market is the second largest in the Middle East. The Egyptian government is rapidly improving the health system and has introduced the Universal Health Insurance Law to provide a comprehensive health insurance system all over Egypt which the Egyptian government is aiming to cover all Egyptians by the year 2025.

The Enhanced Infusion System (EIS) is a simple and inexpensive solution to reduce monitoring costs and automatically restart flow after medication delivery during intravenous fluid infusion.

The agreement furthers Analytica's strategy to bring the EIS and PeriCoach into global markets, building upon the PeriCoach agreement for the Middle East with partner Motion Egypt LLC, and the recently announced agreement with Nacol for PeriCoach in China, Macau, Hong Kong and Taiwan, as well as pursuit of other partners in North America, Europe and Southeast Asia outside of China.

On the 23rd April Analytica Ltd announced a share placement at an issue price of 0.35 cents per share which will raise up to \$3.83 million subject to shareholder approval (**Placement**).

This capital will allow Analytica to pursue opportunities for both PeriCoach and EIS in foreign and domestic markets, particularly North America and Europe, adding to the existing manufacturing and distribution agreements announced for China and the Middle East.

Subject to shareholder approval, under the Placement:

- up to 1,094,188,797 new shares (**New Shares**) will be issued to institutional and sophisticated investors and other persons to whom no disclosure is required under the Corporations Act 2001 (Cth); and
- subscribers will also receive 1 new attaching option for each New Share subscribed for, exercisable at 0.5 cents with an expiry date of 18 June 2023 (**Attaching Options**). The Company intends to apply for the grant of quotation of the Attaching Options subject to being able to satisfy the conditions of quotation.

The Placement will occur in two tranches.

In the first tranche, 879,903,083 New Shares will be issued to raise approximately \$3.08 million cash before costs. These shares will be issued under the Company's placement capacity under LR 7.1 and enhanced



placement capacity under LR 7.1A. Accordingly, shareholder approval is not required and will not be sought for the issue of these shares. Completion of the first tranche is expected to occur on 29 April 2021.

The second tranche of New Shares comprises the proposed issue, subject to shareholder approval, of:

- 214,285,714 New Shares to convert \$750,000 of a loan owing to a lender associated with Analytica Chairman, Dr Monsour. Shareholder approval for these shares will be sought for the purposes of Listing Rules 7.1 and 10.11. No new cash will be raised by this share issue;
- up to 1,094,188,797 Attaching Options. Shareholder approval for these Attaching Options will be sought under Listing Rules 7.1 and 10.11 (for participation by Dr Monsour).

180 Markets Pty Ltd acted as sole lead manager to the Placement and, subject to shareholder approval, will receive 25,000,000 options exercisable at 0.5 cents with an expiry date of 18 June 2023 (**Broker Options**). Shareholder approval will be sought at the same meeting to consider the issue of securities under the second tranche of the Placement.

The Company expects to hold an extraordinary general meeting to seek the necessary shareholder approvals on or about 18 June 2021.

Costs have been reviewed and tightened to ensure progress with development and finalise negotiations. With the signing of these agreements costs will be incurred for regulatory and legal as well as deployment of technology.

The Company at the 31st March 2021 had drawn down \$1,125,791 of the unsecured revolving working capital facility for up to \$1.5 million from Halonna Pty Ltd, an entity associated with the Chairman, Dr Michael Monsour (**Facility**). The directors and Dr Monsour on the 29th January had agreed to extend this facility to \$1.5M.

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. With the capital raising subject to shareholder agreement for Dr Monsour's share allocation, this loan will be repaid by the due date. Halonna Pty Ltd has agreed to continue to provide a loan facility up to \$400,000.

Aggregate payments to related parties and their associates amounted to \$34k for the quarter. These payments were for executive salary of the CFO Ross Mangelsdorf, who is also a director.

"2021 has seen tremendous progress for Analytica for our world leading products, the PeriCoach and Enhanced Infusion System" said chairman Dr Monsour. "With agreements in such large and growing markets of China and the Middle East, with capital to move forward, and continuing negotiations for further markets the future looks very promising".

Authorised for release by the Board.

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.



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 is a product development and commercialisation company, based in Queensland, Australia, focussed on Class I and II medical device products.

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 in Australia and has CE mark and USFDA 510(k) clearance for the treatment of urinary incontinence.

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

Analytica is also the developer of the Enhanced Infusion System (EIS), a combination of patented technologies developed under the project names AutoStart and AutoFlush. The EIS is a simple and inexpensive IV add-in technology to reduce nursing monitoring costs, reduce embolism risk, improve infection control, and automatically restart flow after medication delivery during intravenous fluid infusion.



Appendix 4C

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

Name of entity

ANALYTICA LTD

ABN

12 006 464 866

Quarter ended ("current quarter")

Mar 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) research and development	(109)	(551)
(b) product manufacturing and operating costs	22	(10)
(c) advertising and marketing	(23)	(60)
(d) leased assets		
(e) staff costs	(180)	(539)
(f) administration and corporate costs	(106)	(434)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives	12	785
1.8 Other (provide details if material)		7
1.9 Net cash from / (used in) operating activities	(384)	(802)
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 (9 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		(3)
	(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)
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		1,002
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		1,002
4. Net increase / (decrease) in cash and cash equivalents for the period			
4.1	Cash and cash equivalents at beginning of period	647	66
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(384)	(802)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		(3)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)		1,002
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	263	263

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	263	647
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)	263	647

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	34
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	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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>		
7.1 Loan facilities	1,500	1,126
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities	1,500	1,126
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.		
An unsecured revolving working capital facility for up to \$1.5 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 event occurs in relation to the Company.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	384
8.2 Cash and cash equivalents at quarter end (item 4.6)	263
8.3 Unused finance facilities available at quarter end (item 7.5)	374
8.4 Total available funding (item 8.2 + item 8.3)	637
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.6
<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: Continued loan funds support from Halonna until capital raising which occurred April 23 rd .	
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 Company's immediate short term working capital requirements are being provided by the Company's major shareholder. Capital raising occurred on April 23 ^{ed} with a placement..	
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. Sufficient Capital.	
<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: ...29/4/2021.....

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.