



ASX Release

31 January 2022

QUARTERLY REVIEW FOR THE PERIOD ENDED 31 DECEMBER 2021

- Cash receipts for the 12 months to 31 December 2021 - \$6.94 million (\$8.01 million 31 December 2020)
- Cash receipts of \$1.65 million for the quarter ended 31 December 2021 (\$1.29 million 31 December 2020)
- Operational cash outflow of \$836k

Melbourne, Australia; 31 January 2022: Jayex Technology Limited (ASX: JTL) (**Jayex** or **Company**), a leading UK and Australian e-health provider of integrated SaaS healthcare services delivery platforms, today released its 4C – Quarterly cash flow report for the quarter ended 31 December 2021 (the Quarter).

Trading conditions in the United Kingdom were subdued for the quarter despite the urgings of the UK Govt. to “restore” routine care services, the pickup in activity from the prior months fell away as new mandates from Omicron were put in place. The focus for the NHS during the quarter was taken up with the Omicron booster vaccination program at most GP surgeries. Later in the quarter there was a steady increase in December of both new enquiries and service orientated calls as Jayex Connect Display and Jayex Connect Arrive services were turned back on. This trend has continued into the first quarter of 2022 with the expectation that all customer GP surgeries will be operational in the coming months.

Sales for the 4th quarter were slightly above average with a single Clinical Commissioning Group (CCG) order of 345k over 56 sites being successfully concluded and currently being installed. This trend has continued into January with sales running slightly ahead of budget as the Company moves into its traditionally busiest months. With activity in the GP surgeries expected to increase the Company is launching two new products on the Connect Platform, in February Connect Surveys and in April Connect Campaign. Both these assist GP’s in organising and prioritising patients back into the GP surgery.

Receipts from customers were \$1.650 million for the quarter up from \$1.555 million for the quarter ended September 2021. There was an operating cashflow of \$836k for the quarter compared with an outflow of \$608k (30 September 2021).

Whakaora Hou Ltd

The Company received on 1 December 2021 from Nexia an Independent Experts Report on the valuation of Whakaora Hou Ltd and its Medicinal Cannabis Licence valuing the asset at between NZD544k and NZD680k, the Board of Jayex is currently considering a conditional offer of NZD750k received from Bioarc Limited, a related company. The conditional offer is for cash and is subject to a capital raising currently being undertaken by Bioarc Limited.

Jayex Technology Limited
(ACN 119 122 477)

Level 4, 100 Albert Road, South Melbourne, VIC, 3205
T: +61 3 9692 7222 | W: <https://www.jayex.com/en-au/>



Investment in Brainworks | Medio Labs

During the quarter the Company's investment in Brainworks subsidiary Medio Labs continued to develop, the Medio Labs business has completed a number of milestones including:

- Set up, fitted out, and refined the company's first BSL2 lab space, complete with all major capital equipment and consumables.
- Hired and trained the full complement of operating staff.
- Designed, refined, and validated the new MedioSeq Testing protocol, which included the validation of the high-multiplex DNA bar code technology, as well as the multi-pathogen test target multiplex.
- Pursuing the Clinical validation determining of our limits of detection is currently underway and should be completed shortly with our regulatory filing submissions expected in Q1 2022.

The Company continues to monitor the investment and remains positive about the development of the unique intellectual property being that is currently seeking registration.

Related Party Payments

In line with its obligations under ASX Listing Rule 4.7C.3, the Company has advised in the Appendix 4C, Section 6.1 for the period ended 31 December 2021, that the only payments to related parties of the Company pertaining to payments to Directors for salaries, fees and consultancy. This totaled payment of \$78k, over the period.

This announcement is authorised for release to the market by the Board of Jayex Technologies Limited.

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About Jayex Technology Limited - www.jayexhealthcare.com.au

Jayex Technology is a leading provider in the United Kingdom and Australia of integrated healthcare services delivery platforms, incorporating the Company's four interconnected and proprietary technologies, being:

- the *Jayex Connect* – the complete cloud-based Patient Engagement Platform;
- the *Enlighten* patient workflow platform;
- the *Appointuit* patient engagement solution;

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Appendix 4C

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

Name of entity

JAYEX HEALTHCARE LIMITED

ABN

15 119 122 477

Quarter ended ("current quarter")

31 DECEMBER 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	1,650	6,945
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(596)	(1,941)
(c) advertising and marketing	(23)	(89)
(d) leased assets	(41)	(164)
(e) staff costs	(891)	(3,482)
(f) administration and corporate costs	(887)	(3,284)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	(48)	(188)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(836)	(2,203)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		(1,359)
(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	462	1,458
	(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	462	99
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		1,206
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		1,089
3.6	Repayment of borrowings	(56)	(412)
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	(56)	1,883
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,391	1,182
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(836)	(2,203)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	462	99

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)	(56)	1,883
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	961	961

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	961	961
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)	961	961

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	(78)
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	5,316	5,316																				
7.2	Credit standby arrangements																						
7.3	Other (please specify)																						
7.4	Total financing facilities	5,316	5,316																				
7.5	Unused financing facilities available at quarter end		0																				
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.																						
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">\$2,700,000</td> <td style="width: 25%;">Covenant Holdings (WA) Pty Ltd</td> <td style="width: 15%;">6.5% per annum</td> <td style="width: 15%;">30/06/2021</td> <td style="width: 30%;">Unsecured</td> </tr> <tr> <td>\$500,000</td> <td>Covenant Holdings (WA) Pty Ltd</td> <td>Interest free</td> <td>30/06/2021</td> <td>Unsecured</td> </tr> <tr> <td>\$971,000</td> <td>National Westminster Bank</td> <td>2% from July21</td> <td>30/06/2026</td> <td>Unsecured</td> </tr> <tr> <td>\$1,089,000</td> <td>National Westminster Bank</td> <td>2% from Feb22</td> <td>31/01/2027</td> <td>Unsecured</td> </tr> </table>			\$2,700,000	Covenant Holdings (WA) Pty Ltd	6.5% per annum	30/06/2021	Unsecured	\$500,000	Covenant Holdings (WA) Pty Ltd	Interest free	30/06/2021	Unsecured	\$971,000	National Westminster Bank	2% from July21	30/06/2026	Unsecured	\$1,089,000	National Westminster Bank	2% from Feb22	31/01/2027	Unsecured
\$2,700,000	Covenant Holdings (WA) Pty Ltd	6.5% per annum	30/06/2021	Unsecured																			
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\$971,000	National Westminster Bank	2% from July21	30/06/2026	Unsecured																			
\$1,089,000	National Westminster Bank	2% from Feb22	31/01/2027	Unsecured																			

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(836)
8.2	Cash and cash equivalents at quarter end (item 4.6)	961
8.3	Unused finance facilities available at quarter end (item 7.5)	0
8.4	Total available funding (item 8.2 + item 8.3)	961
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.2
	<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: Q1 is our seasonal peak. We expect positive cash flow with a high surplus of receipts to be received and increased Sales activity now that the Covid closures have been suppressed.	

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: We have recently raised prices of our annual SaaS renewals starting January 1st 2022 to increase annualised revenue receipts and recently appointed a dedicated accounts receivable person to focus on cash collection.

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, our objectives remain unchanged and our main revenue stream in the UK has now returned to full sales activities.

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.

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: 31 January 2022

Authorised by: By the Board
(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.