

## Company Update

29 July 2022

Australian internet of things (IoT) and healthcare technology company, Oakridge International Limited (ASX: OAK) (“Oakridge” or the “Company”) is pleased to provide the following business update alongside its Appendix 4C Quarterly Cash Flow Report for the quarter ended 30 June 2022 (the “Period”).

During the Period, the Company:

- Continued to focus on increasing its healthcare sales activities, the delivery of customer projects and product development to further enhance our existing product offerings.
- Continued to engage industry leaders from government departments and private organisations.
- Commenced an ‘Assistive Technology’ project for a disability accommodation developer.
- Completed an Independent Living Project for one of Australia’s largest disability providers.
- Completed a significant Nurse Call System upgrade for a South Australian metropolitan hospital ward.
- Applied for a Research and Development (“R&D”) Tax Incentive Refund of \$131,501 attributable to the R&D activities performed in the financial year ended 30 June 2021 which was subsequently received in early July 2022.
- Completed the legacy issue of the plugging, abandonment and remediation of the Salamander 1 Geothermal Well and applied for the surrender of the Geothermal Exploration License GEL223 which was received in early July 2022.

Due to the pandemic’s adverse effect on the Company’s business growth and earnings, the Company is seeking to expand its business and revenue base by exploring other emerging business in the technology sector focusing on renewable energy, energy storage solutions, new energy vehicles and energy saving materials. These activities are at an exploratory stage which may require shareholders and/or regulatory approval but there is no guarantee that the Company will enter any of these sectors. We shall keep the shareholders and the market informed if we decide to pursue any new such business or opportunity, if at all. The IoT and Healthcare sectors remain the focus of the Company.

During the Period, related party payments of \$79,998 relate to Director and Executive Officer fees.

### Healthcare Business

JCT Healthcare (“JCT”), a wholly owned subsidiary of the Company, is a provider of innovative technology solutions for the healthcare sector. JCT develops and distributes its own range of nurse call hardware and software solutions for use across multiple healthcare sectors including hospitals, aged care, disability care and supported independent living.

The Period has seen a steady increase in all aspect of the Healthcare business which have been as a result of easing COVID protocols, renewed activity and confidence within the sector. The completion and commencement of some significant projects, complemented by product development milestones featured within the Period.

JCT continued its ongoing strategy to engage industry leaders from government departments and private organisations with the goal to assist Healthcare executives develop robust and reliable ICT roadmaps, complimented by JCT's technology and services.

JCT commenced an 'Assistive Technology' project for a disability accommodation developer in the Period. The project is expected to run into the final quarter of 2022 and will showcase a combination of JCT Software, Nurse Call and Assistive Technology solutions. In addition, JCT is integrating its proprietary technology to the CCTV, Access Control and Wi-Fi systems within the new development. Discussions on future projects are also underway with the same developer.

During the Period, an Independent Living Project was completed on schedule for one of Australia's largest disability providers. This project was a result of the successful completion of a similar project, with the same provider, earlier in the year.

JCT also completed a significant upgrade of a South Australian metropolitan hospital ward with its proprietary Nurse Call System and TV Handsets as disclosed in the previous Appendix 4C period. This upgrade was as a result of the successful implementation of a "pilot room" that was established to demonstrate the Company's technical capabilities.

JCT finalised the design and manufacture of the company's latest version Double-Sided Annunciator which has been extremely well received within our existing client base. This component is an integral product line of all leading Nurse Call manufacturers, and is an essential requirement for metropolitan hospitals. The ability to undertake projects like this 'inhouse', demonstrates that JCT remains one of Australia's most capable and equipped Nurse Call providers and showcases JCT's continued commitment to diversification and improvement of its products.

The outlook for the JCT Healthcare business remains strong. The company is entering a particularly busy phase of the year with several projects due for completion, new projects scheduled to come online, and additions to the product range anticipated.

### **Legacy Issues**

During the Period the Company completed the legacy issue of the plugging, abandonment and remediation of the Salamander 1 Geothermal Well and the Company applied for the surrender of the Geothermal Exploration License GEL223.

Subsequent to the Period, the Company received confirmation of a discharge on the bank guarantee to the value of \$100,000 on the public and commercial licence register.

### **Others**

As announced on 2 January 2020, the Company completed a A\$250,000 share placement ("Placement Agreement") with Teko International Limited (Teko). On 28 July 2020, the Company held a discussion with Teko in respect to a potential claim asserted by Teko against the Company for allegedly

misrepresenting the Company's unrecorded liabilities, including the Heuresy liability payment previously disclosed, by its then directors. The Board believes that there may be some exposure to the Company in respect to the representations made by the then Board members. If the Company were to be subject to legal action that could be taken by Teko, there could be no assurance as to the outcome or the costs required to defend any such action. The Company will continue to discuss the issue with our legal advisors and negotiate with Teko to seek the most desirable outcome for the Company and its shareholders.

This announcement has been approved by the Board.

Julie Edwards  
Company Secretary  
Oakridge International Limited

## Appendix 4C

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

**Name of entity**

Oakridge International Limited

**ABN**

89 122 203 196

**Quarter ended ("current quarter")**

30 June 2022

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	252	916
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(35)	(82)
(c) advertising and marketing		(21)
(d) leased assets		
(e) staff costs	(181)	(530)
(f) administration and corporate costs	(234)	(930)
1.3 Dividends received (see note 3)		
1.4 Interest received		5
1.5 Interest and other costs of finance paid	(10)	(17)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		6
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(208)</b>	<b>(653)</b>
<b>2. Cash flows from investing activities</b>		
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 (12 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)		
<b>2.6 Net cash from / (used in) investing activities</b>		

<b>3. Cash flows from financing activities</b>		
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		
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)		
<b>3.10 Net cash from / (used in) financing activities</b>		

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	1,933	2,378
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(208)	(653)
4.3 Net cash from / (used in) investing activities (item 2.6 above)		

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)		
4.5	Effect of movement in exchange rates on cash held		
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,725</b>	<b>1,725</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	1,725	1,933
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,725</b>	<b>1,933</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	80
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>		

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
<b>7.4 Total financing facilities</b>		
<b>7.5 Unused financing facilities available at quarter end</b>		
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.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(208)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,825
8.3 Unused finance facilities available at quarter end (item 7.5)	
8.4 Total available funding (item 8.2 + item 8.3)	1,825
<b>8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>8.77</b>
<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:	
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:	
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:	
<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.

29 July 2022

Date: .....

The Board

Authorised by: .....  
(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.