

Quarterly Update

October 30, 2024

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 September 2024 (the “Period”).

The Company is a provider of innovative technology solutions for the healthcare sector where it develops and distributes its own range of nurse call and assistive technology hardware, and software solutions for use across multiple healthcare sectors including hospitals, aged care, disability care, and supported independent living.

The current quarter has seen significant progress and tangible results across multiple areas of our business, highlighting our growing market presence and the rising demand for our innovative healthcare solutions.

Key Highlights

- **Strategic Partnerships and Collaborations:** Strategic partnerships and new collaborations have opened new markets, boosting sales. By integrating partner and caregiver feedback into product development, we remain competitive and responsive to market needs.
- **Increased Orders:** Contracted orders have increased by 70% since June 2024, reaching \$523,000. Our strong project pipeline, with 22 projects across five states, demonstrates effective management and a national presence. Anticipated projects in New South Wales indicate ongoing growth.
- **Technological Advancements:** Advancements in the Nurse Call Management System (NuCaMS), hardware, and wireless technology highlight our commitment to innovation. Upcoming mobile app improvements and next-generation products position us as a leader in technological advancements.
- **Workforce Expansion:** Expanding the workforce by recruiting more technical staff ensures we can meet rising demand while maintaining high service standards.
- **Brand Awareness:** A focused strategy has significantly increased brand awareness. An enhanced digital presence and effective lead generation have turned increased interest into real business opportunities, reinforcing our industry leadership.

These achievements showcase our growing confidence in delivering exceptional value to the healthcare sector. With a strong market position and a robust pipeline extending into 2025, we are set for sustained growth and continued leadership in healthcare technology.

Business Development and Industry Engagement

We have intensified our business development initiatives, creating substantial opportunities for increased sales and project wins:

- **Strategic Partnerships:** By implementing an updated Partner Agreement, we have streamlined negotiations and strengthened collaborations with our existing authorised partner network. This

enhancement fosters stronger relationships, leading to increased sales through more efficient partnership operations.

- **New Partnerships:** We have strategically secured new channel partners aligned with our business model, optimising the distribution network. This expansion opens new markets and customer bases, directly contributing to higher sales volumes and potential project wins.
- **Channel Partner Collaboration:** By rapidly integrating valuable feedback from both partners and caregivers into the Product Development roadmap, we enhance our product offerings. This responsiveness ensures that our products meet the needs of customers and caregivers alike, increasing competitiveness and driving sales growth.
- **International Expansion:** We have effectively progressed discussions with relevant government departments and officials to facilitate market entry outside Australia. This international expansion broadens our market reach, creating opportunities for new sales channels and securing project wins globally.

Sales & Projects

The project pipeline has expanded effectively, highlighting robust growth in our sales pipeline and orders:

- **Contracted Orders:** The volume of unfilled contracted orders from customers has grown significantly, now reaching over \$520,000—a 70% increase since June 2024. This surge underscores the strong demand for our product offerings.
- **Diverse Portfolio:** We are successfully managing 22 Assistive Technology and Nurse Call projects across five states. This diverse portfolio demonstrates our effective project management capabilities and strengthens our national presence.
- **Upcoming Projects:** We anticipate receiving purchase orders for four projects in New South Wales next quarter. With timely completion expected by year-end, these projects are set to bolster the order book, ensuring sustained growth in our sales pipeline.

Product Development and Innovation

We continue to demonstrate a strong commitment to innovation and product enhancement:

- **NuCaMS Improvements:** By quickly implementing new features in the Nurse Call Management System (NuCaMS), such as low battery notifications and scheduled backups, we enhance operational efficiency and reliability.
- **Hardware Enhancements:** Seamless improvements to Annunciator functionality ensure user-friendly adaptability to time changes, enhancing communication clarity.
- **Wireless Technology:** Extending battery life and adding power sources for wireless Nurse Call Points reduce maintenance frequency while ensuring uninterrupted service.
- **Mobile Applications:** Enhancements to the NuCaMS staff application for Android and iOS reinforce our market leadership in mobile nurse call systems.
- **Future Innovations:** Ongoing R&D efforts for next-generation products keep us at the forefront of technological advancements.

Human Resources

Through streamlined processes and strategic resource allocation, we continue to optimise operations:

- **Increased Resources:** To support growth and maintain high productivity levels, we are expanding our workforce by recruiting additional technical staff. This proactive expansion ensures readiness to meet increasing demand while maintaining high standards of service.

Marketing

Our focused marketing strategy has significantly increased brand awareness:

- **Digital Presence:** Enhanced website integration with social media platforms has expanded our digital footprint, increasing visibility among potential customers.
- **Lead Generation:** Efficient conversion of increased website activity into project opportunities demonstrates our ability to leverage interest into tangible business growth.
- **Demonstration Area:** Optimising the demonstration and training area provides immersive experiences for clients, enhancing engagement and reinforcing our industry leadership reputation.

Related Party Payments

Related Party Payments: During the reporting period, related party payments totalling \$61,998 were made. These payments pertain to Director and Executive Officer fees.

Other Matters

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.

Overall Outlook

We are increasingly confident in our progress and market position, maintaining a strong foothold with a robust project pipeline extending beyond 2025. The ageing population, along with continued government and private investment in healthcare, are significant drivers of the market. These factors propel our success as we focus on innovative product development and strategic business expansion to meet the demands of this evolving landscape. Our growing partnership network enhances our capability to leverage these market drivers, positioning us for sustained growth in the future.

Oakridge International Limited remains committed to growth, innovation, and operational excellence, serving our clients and expanding our presence across different regions and markets.

This shareholder update has been approved by the Board of Oakridge International Limited.

Julie Edwards
Company Secretary
Oakridge International Limited

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Forward-looking statements

This announcement contains or may contain forward-looking statements that are based on Oakridge's beliefs, assumptions, and expectations and on information currently available to Oakridge. All statements that address operating performance, events or developments that Oakridge or its directors expect or anticipate will occur in the future are forward-looking statements, including, without limitation, statements as to the expectations of Oakridge or the market it operates in.

Oakridge believes that these forward-looking statements are reasonable as and when made. You should not place undue reliance on forward-looking statements because they speak only as of the date when made. Oakridge does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

No assurance or guarantee is, or should be taken to be, given in relation to, and no reliance should be placed on, the future business performance or results of Oakridge or the likelihood that the current assumptions, estimates or outcomes will be achieved. Actual results, developments or events could differ materially from those disclosed in the forward-looking statements.

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 September 2024

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	268	268
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(153)	(153)
(c) advertising and marketing	(13)	(13)
(d) leased assets	-	-
(e) staff costs	(191)	(191)
(f) administration and corporate costs	(212)	(212)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(2)	(2)
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	(303)	(303)
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 - Bank Guarantees	-	-
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	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – Payments for lease liabilities	(24)	(24)
3.10	Net cash from / (used in) financing activities	(24)	(24)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	962	962
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(303)	(303)
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)	(24)	(24)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	635	635

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	635	962
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)	635	962

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	62
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	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
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)	(303)
8.2	Cash and cash equivalents at quarter end (item 4.6)	635
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	635
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	2.10
<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.

30 October 2024

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.