

Appendix 4C

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

Name of entity

Medical Developments International Limited

ABN

14 106 340 667

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	10,033	19,219
1.2 Payments for		
(a) research and development	(95)	(183)
(b) product manufacturing and operating costs	(2,832)	(8,686)
(c) advertising and marketing	(453)	(1,074)
(d) leased assets	-	-
(e) staff costs	(3,333)	(7,113)
(f) administration and corporate costs	(1,405)	(2,945)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	25	69
1.5 Interest and other costs of finance paid	(19)	(39)
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	1,921	(752)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(126)	(158)
(d) investments	-	-
(e) intellectual property	(30)	(68)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(f) other non-current assets	(200)	(277)
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	(356)	(503)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	10,014
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	-	(736)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings (lease liabilities)	(74)	(145)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (payment of shares acquired by Employee Trust)	-	(304)
3.10	Net cash from / (used in) financing activities	(74)	8,829

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	15,815	9,735
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,921	(752)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(356)	(503)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(74)	8,829
4.5	Effect of movement in exchange rates on cash held	312	309
4.6	Cash and cash equivalents at end of period	17,618	17,618

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	17,618	15,815
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)	17,618	15,815

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	-
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)	1,921
8.2	Cash and cash equivalents at quarter end (item 4.6)	17,618
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	17,618
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<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: N/A	
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: N/A	
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: N/A	
<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: 31 January 2025.....

Authorised by: Board of Directors.....
(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.

31 January 2025

ASX ANNOUNCEMENT

QUARTERLY ACTIVITY REPORT AND APPENDIX 4C FOR Q2 FY25¹

-
- Strongly improved operating cashflow.
 - Continued growth for Pentrox in Australian hospital segment.
 - Cash balance at 31 December 2024 of \$17.6 million.
 - Positive operating cashflow expected by the end of FY25.
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¹ Financial information in the Quarterly Activity Report and Appendix 4C is unaudited.

Medical Developments International (ASX: MVP) today released its Appendix 4C and Quarterly Activity Report for the quarter ended 31 December 2024 (Q2 FY25).

FINANCIAL UPDATE

Group revenue for Q2 FY25 was \$10.9 million, \$1.8 million up on the previous quarter. Revenue for the first half of FY25 (1H FY25) of \$20.0 million was \$4.9 million higher than in the prior corresponding period (pcp).

Pain Management revenue was \$7.1 million for the quarter, improved \$1.1 million on Q1 FY25, with improved Pentrox pricing and higher demand from the UK, due mostly to phasing. Revenue for 1H FY25 at \$13.1 million was \$3.5 million improved on the pcp driven by higher Pentrox pricing and increased demand from Europe.

Respiratory revenue was \$3.8 million for the quarter, \$0.7 million improved on Q1 FY25, with seasonally stronger demand in the US. Revenue for 1H FY25 was \$1.4 million ahead of the pcp driven by improved demand conditions in Australia and share growth in the US market.

The Group generated \$1.9 million cash from operating activities during Q2 FY25, \$4.6 million improved on Q1 FY25, due mostly to a \$3.4 million improvement in working capital.

Receipts from customers in the quarter were \$10.0 million, \$0.8 million higher than Q1 FY25, with the benefit of stronger sales offset partly by an increase in working capital.

Payments to suppliers and employees in the quarter were \$8.1 million, \$3.7 million lower than Q1 FY25, due mainly to a reduction in working capital, in line with seasonal expectations.

Cash used in operating activities for the first half was \$0.7 million, \$5.7 million improved on the pcp, reflecting a strong improvement in margins and lower costs.

Cash used in investing activities during the quarter was \$0.4 million, and cash used in financing activities was \$0.1 million.

Cash at 31 December 2024 was \$17.6 million.

FY25 OUTLOOK

The Group expects underlying EBIT in FY25 to be strongly improved on FY24, driven by higher average Pentrox prices and operational efficiencies of ~\$4 million.

CEO Brent MacGregor said, *“We have delivered a pleasing improvement to earnings and cashflow in the first half through enhanced pricing and cost efficiencies. We remain on track to deliver positive operating cashflows by the end of FY25.”*

UPDATE ON FY25 STRATEGIC PRIORITIES

Improve margins through pricing and efficiency

The Group has implemented pricing initiatives in the current year that are expected to deliver annualized margin improvements of ~\$3.5 million. This includes higher pricing in Australia, aligned with improved pricing for Pentrox on the Pharmaceutical Benefits Scheme (PBS) from August 2024 and higher pricing in the UK and Ireland following the extension of distribution arrangements in July 2024.

Group operating costs for the first half of FY25 are approximately \$4 million lower than the pc, reflecting the benefits of efficiency initiatives implemented in the second half of FY24.

Accelerate penetration of Pentrox in Australia

The Group made further progress in its strategy to grow Pentrox in hospital emergency departments. Demand from the hospital segment in the first half of FY25 was up 52% on the pc.

The Group is implementing several medical engagement and commercial initiatives to accelerate behavioural change required to promote faster adoption of Pentrox in the hospital and to embed Pentrox as a standard of care.

Grow Pentrox in Europe

European in-market demand for Pentrox in 1H FY25 was up 22% versus the pc, with growth in all markets.

In August 2024 the Group submitted an application to the European regulatory agency based on the MAGPIE paediatric study data. A successful outcome would broaden the addressable market for Pentrox in select markets to children from 6 years of age. Initial feedback received from the regulatory agency during the quarter was positive about the submission. A decision from the regulatory authorities is expected by August 2025.

The Group continued to advance partner negotiations for distribution of Pentrox in France.

Planning for the transfer of distribution in Switzerland to Labatec is tracking well, with the transition expected to be completed in Q4 FY25.

The Group will release its FY25 first half results on Thursday 20 February 2025.

~END~

Authorised for release by the Board of Directors.

Enquiries

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About Medical Developments International Ltd

MVP is an Australian company delivering emergency medical solutions dedicated to improving patient outcomes. MVP is a leader in emergency pain relief and respiratory products. The Company manufactures Pentrox®, a fast-acting non-opioid trauma & emergency pain relief product. It is used in Australian Hospitals including Emergency Departments, Australian Ambulance Services, the Australian Defence Forces, Sports Medicine and for analgesia during short surgical procedures such as change of burns dressings, biopsies, and dental procedures as well as in other medical applications.

Forward looking statements

This announcement contains certain 'forward looking statements' within the meaning of the securities law of applicable jurisdictions. Forward looking statements can generally be identified by the use of forward-looking words such as 'may', 'should', 'expect', 'anticipate', 'estimate', 'scheduled' or 'continue' or the negative version of them or comparable terminology. Any forecasts or other forward-looking statements contained in this announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. The Company does not give any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur and you are cautioned not to place undue reliance on forward looking statements.