

Azure Healthcare Limited

Appendix 4E - Year End Financial Report

For the Year Ended 30 June 2015

Results for Announcement to the Market

Current Reporting Period - Year Ended 30 June 2015
Previous Reporting Period - Year Ended 30 June 2014

	% Change Up/(down)	30 June 2015 \$'000	30 June 2014 \$'000
Revenue from ordinary activities include Interest	11.6%	34,962	31,319
Interest income	9.1%	12	11
Revenue from ordinary activities excluding interest income	11.6%	34,950	31,308
Operating expenses	24.9%	(34,261)	(27,428)
Earnings before Interest, tax, depreciation and amortisation (EBITDA)	(82.3%)	689	3,891
Depreciation and amortisation expenses	0.6%	(489)	(486)
Earnings before interest and tax (EBIT)	(94.1%)	200	3,405
Interest expense	(10.1%)	(80)	(89)
Profit before income tax expense	(96.4%)	120	3,316
Income tax benefit	79.1%	962	537
Net Profit after tax from continuing operations	(71.9%)	1,082	3,853
Net Profit after tax from discontinued operations	(8.3%)	11	12
Net Profit after tax for the period attributable to members of Azure Healthcare Limited	(71.7%)	1,093	3,865
Other comprehensive income:			
Exchange difference arising on translation of foreign operations (movement in equity reserves)	(104.0%)	5	(126)
Total comprehensive income for the period attributable to members of Azure Healthcare Limited	(70.6%)	1,098	3,739
Net Tangible Assets per Security (cents per security)		6.50	5.76
Profit per share attributable to the ordinary equity holders of the company (cents per security):			
Continuing Operations (Basic and Diluted)		0.57	2.04
Discontinued Operations (Basic and Diluted)		0.01	0.01
Overall Earnings per Share (Basic and Diluted)		0.58	2.04
Record date for determining entitlements to the dividend, (in the case of a trust, distribution)			
Dividends (distribution)		Amount per Security	Not Applicable
Final dividend		n/a	n/a
Previous corresponding period		n/a	n/a
Explanation of the above information:			
Please refer to the Directors' Report - Review of Operations for further information on the Company operations over the past 12 months.			



Appendix 4E Preliminary Final Report

For the Year Ended 30 June 2015
(previous corresponding period: Year ended 30 June 2014)

To be read in conjunction with the 30 June 2014 Annual Report.
In compliance with Listing Rule 4.2A

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Directors' Report

Operating Result

The consolidated profit from continuing operations of the Company after providing for income tax amounted to \$1.082 million (2014: \$3.853 million). For further detail, refer to the Review of Operations below.

Review of Operations

Financial Performance Highlights:

1. Revenue from ordinary activities excluding interest income up 11.6% to \$34.950 million compared to \$31.308 million for the previous corresponding period.
2. Net profit after tax from continuing operations of \$1.082 million down 71.9% compared to \$3.853 million in the previous corresponding period.
3. EBIT of \$0.200 million down 94.1% from the previous corresponding period.
4. Earnings per share from continuing operations down 72% of 0.58 cents compared to 2.04 cents in the previous corresponding period.
5. NTA up 12.8% to 6.50 cents per share compared to 5.76 cents per share in the previous corresponding period.
6. Positive operating cashflow of \$1.503 million and finished the year with cash at bank of \$3.157 million.

Directors' Report (continued)

Report on operations for the 12 months ended 30 June 2015

The Directors of Azure Healthcare Limited are pleased to report the financial and operating results for the financial year ended 30 June 2015. We have taken measures, including increased investment in Research & Development that will allow us to advance our goals of evolving into a clinical workflow management software business. Our ability to evolve and adapt to a rapidly changing healthcare industry will be the key to the long-term growth and success of Azure.

Board composition

The Board has undergone some significant changes recently including the appointments of Mr Greg Lewis as Independent Non-Executive Chairman and Mr Clayton Astles as Director and Chief Executive Officer. The Board recognises that these changes were in line with corporate governance best practise and ASX recommendations and that the Company is now at a phase of its development where these changes were appropriate.

Research & Development

Expenditure

The Company's expenditure on Research and development (R&D) increased from \$2.6 million in the 2014 financial year to \$5.1 million in the 2015 financial year. Whilst the Company spent \$2.9 million in R&D at its existing Melbourne facility to assist and deliver improvements to our existing third generation Tacera Nurse call platform, the Company also spent \$2.2 million at a second R&D facility in the USA to facilitate new software related products which will expand the Company's healthcare and clinical workflow solutions. In line with the Company's existing policy the Company expensed these costs in the 2015 financial accounts and anticipates similar R&D expenditure for the 2016 financial year.

Strategy

The strategic decision to open a second R&D facility in the United States was for the following reasons:

- Technology trends originate in the United States and are gradually adopted internationally; US based R&D gives Azure exposure to the most sophisticated healthcare market in the world.
- Access to a larger pool of talented software engineers will improve innovation and reduce time to market.
- There is a broader range of clinical, facility management & wireless telephony suppliers based in the US. With US based engineers, we can build the strategic partnerships needed to expedite development of certified interfaces to these 3rd party systems.
- Nurse Call vendors operating in the United States are required to adhere to the most stringent regulations and certifications in the world, including FDA 510(k), MDDS & UL1069. Employing engineers who have experience with these regulations and certifications are critical for compliance.

Focus

Our Research & Development efforts are currently focused on our 4th generation Tacera platform, a comprehensive communication and information system that has the ability to receive and display patient, staff, and emergency events. The value proposition offered by our new software platform includes improvements in operational efficiencies and patient satisfaction by collecting data that can help caregivers deliver high quality care.

Innovation

The 4th generation Tacera platform will interface with complimentary technologies such as Real Time Locating Systems (RTLS), Patient Care Devices and Wireless Telephony to support our customers' operational objectives. New tools will directly link the patient to their care provider and bridge the gap between patient needs and staff resources available.

Product Release

Our initial platform release will be Tacera Pulse which will be launched later this year. Tacera Pulse is part of a suite of software applications for personal computers and mobile devices that delivers business intelligence information to an interactive dashboard, allowing healthcare providers to make data driven decisions. Key performance indicators provide healthcare organizations with actionable data needed to increase patient satisfaction, improve staff performance and optimize workflow.

Production

The Directors have made the conscious decision to begin a transition of manufacturing its products to the USA where access to high quality human resources in a flexible work place environment with manageable cost structures is available. As our USA revenues grow it becomes more important for us to be located closer to those customers as it increases service levels and reduces logistics costs. The transition to the USA is also a direct result of increased world awareness for FDA compliant products. The Directors are of the view that this trend will continue; in particular as healthcare products expand into clinical workflow and software solutions. The US is the leader in the healthcare innovation field with the remainder of the world tending to adopt US practices. Moreover the Company is engaging the fastest growing market in the United States where a strong presence is required.

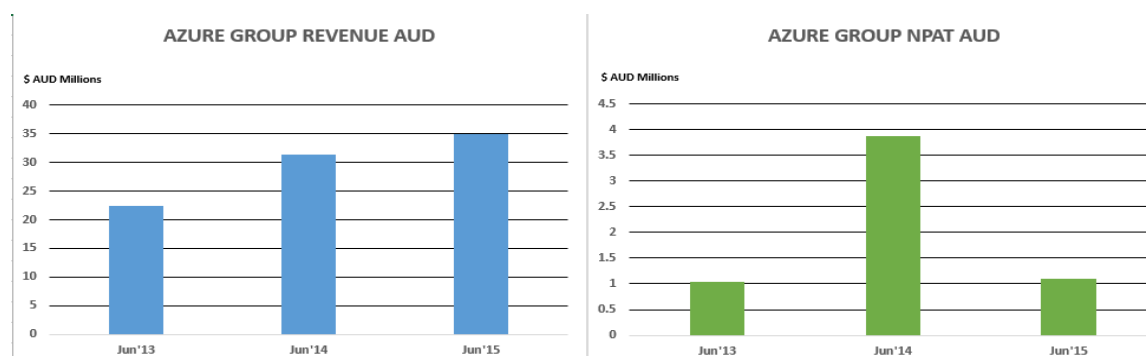
Provisions

The Australian arm of the Azure Group delivered strong underlying revenue and margin growth across its Nursecall product range however the Company has made provisions for warranty and other associated issues of \$0.64 million relating to non-Nursecall product. This issue relates only to the Australian business and is a non-core product. A further provision of \$0.35 million has been made for inventory items which have been identified as products which the Company will discontinue in the near future as a part of a new rationalisation of existing products. This rationalisation of product inventories has been identified as a part of the transition to USA based manufacturing where a smaller number of products will be manufactured but in greater volume for greater efficiencies.

Directors' Report (continued)

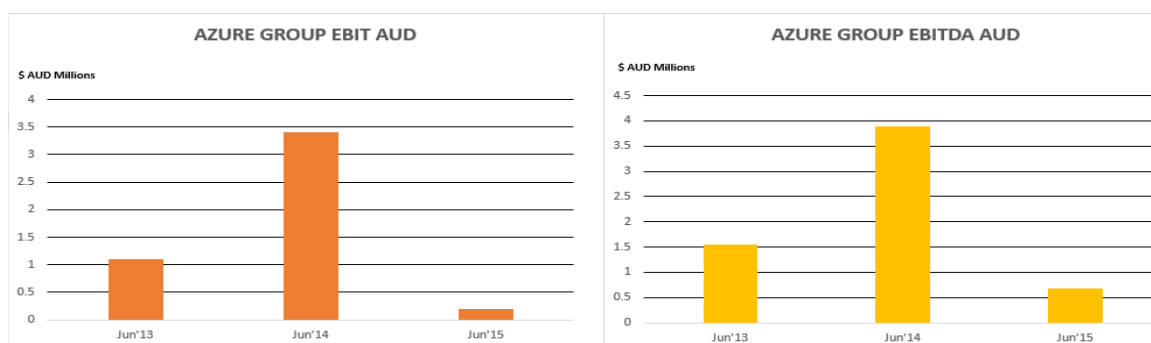
Financials

Revenue from ordinary activities increased by 11.6% in the 2015 financial year to \$34.95 million whilst Gross margins were 52.3% (2014: 56.3%) reflecting higher overall costs of manufacturing in two facilities.



Net profit after tax (NPAT) was \$1.093 million representing a 71.7% decrease from the 2014 financial year.

Net earnings before interest, tax, depreciation and amortisation, (EBITDA) were \$0.688 million, whilst earnings before interest and tax (EBIT) were \$0.200 million.



Performance Summary 2014-2015

	Jun-15 \$ Mil	Jun-14 \$ Mil	%
Revenue	34.962	31.319	11.6%
EBITDA	0.689	3.891	-82.3%
EBIT	0.200	3.405	-94.1%
NPAT	1.093	3.865	-71.7%

Revenue: Consolidated revenues from ordinary activities increased by 11.6% to \$34.95 million compared to the previous corresponding period of \$31.31 million.

Earnings before Interest and Tax (EBIT): Net earnings before interest, tax, depreciation and amortisation, (EBITDA) were \$0.689 million, whilst earnings before interest and tax (EBIT) were \$0.200 million.

Net Profit After Tax (NPAT): Net profit after tax (NPAT) was \$1.093 million representing a 71.7% decrease from the previous corresponding period. The Azure Group produced earnings of 0.58 cents per share compared to 2.04 cents in the previous corresponding period.

Net Tangible Assets (NTA): Net Tangible assets have increased from 5.76 cents to 6.50 cents per share, an increase of 12.8%.

Final Dividend: The directors have not declared a final dividend as the Company will continue to focus on short term working capital requirements for production expansion, R&D investment, strategic acquisition opportunities and Group debt reduction.

Operating expenses: Operating expenses have increased by 24.9% over the prior corresponding period largely due to the increase in expenditures in research & development and warranty provisions explained above. Our Research & Development investment expenditure increased by \$2.5 million to \$5.1 million in the 2015 financial year. Increased staffing for research and development adversely impacted the Employee benefits expense line item by \$1.9 million and increased insurance expense line item by \$0.144 million whilst impairment write downs and warranty expense increased to \$0.988 million.

Cashflow: During the year the Company generated positive operating cashflow of \$1.503 million and finished the year with cash at bank of \$3.157 million. The Company is executing a series of initiatives to maximise operating cashflow and does not anticipate raising working capital during the 2016 financial year. During the year increased working capital for the North American operations included inventory increases of \$2.1 million.

Taxation: During the year the Company increased its R&D expenditure, which in turn created an additional deferred tax asset currently available in Australia or 'negative' tax as classified in the Consolidated statement of profit and loss.

Discontinued operations overview:

The liquidation of the Australian contracting division TSV Australia Pty Ltd was finalised on 26 June 2014 and a final distribution of \$0.011 million was received during the 2015 financial year. The Company does not anticipate receiving any further distributions.

Directors' Report (continued)

The future

In 2016 we will focus on the following key initiatives to improve our business and maximise returns for our shareholders:

- Develop industry leading clinical software solutions that help improve patient outcomes
- Establish a recurring revenue stream based on a subscription based pricing model
- Build strategic partnerships with market-leading healthcare technology companies
- Continue to streamline operational and manufacturing efficiencies

On behalf of the Board of Directors and Executive Management team, we would like thank our hard-working and passionate staff who are committed to delivering exciting products and fantastic customer service.

Finally, the Directors would like to thank you, our shareholders, for your continued support as we build for the future.

Yours faithfully



Clayton Astles
Chief Executive Officer

Consolidated Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2015

	Note	Consolidated Entity 30 June 2015 \$'000	30 June 2014 \$'000
Revenue from Continuing Operations		34,950	31,308
Cost of Goods Sold		(16,664)	(13,670)
Gross Profit		18,286	17,638
Other Income		12	11
Employee Benefits Expense		(11,096)	(9,186)
Motor Vehicle Expenses		(326)	(275)
Occupancy Expenses		(901)	(915)
Depreciation and Amortisation Expenses		(489)	(486)
Accounting, Audit and Legal Fees		(887)	(868)
Finance Costs		(80)	(89)
Travel Expenses		(1,031)	(917)
Insurance		(334)	(190)
Staff Recruitment Expense		(279)	(185)
Other Expenses		(1,646)	(1,201)
Subscriptions		(121)	(20)
Impairment Writedowns		(656)	(1)
Warranty Allowance		(332)	-
Profit Before Income Tax		120	3,316
Income Tax Benefit		962	537
Net Result for the Year		1,082	3,853
Profit for Discontinued Operations	1c, 6	11	12
Net Result for the Year		1,093	3,865
Other Comprehensive Income			
Exchange Differences on Translation of Foreign Operations		5	(126)
Total Comprehensive Income for the Year		1,098	3,739
		Cents	Cents
Continuing Operations:			
Basic profit per share	5	0.57	2.04
Diluted profit per share	5	0.57	2.04
Discontinued Operations:			
Basic profit per share	5	0.01	0.01
Diluted profit per share	5	0.01	0.01
Overall Earnings per Share:			
Basic profit per share	5	0.58	2.04
Diluted profit per share	5	0.58	2.04

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As at 30 June 2015

	Note	30 June 2015 \$'000	Consolidated Entity 30 June 2014 \$'000
Current Assets			
Cash and Cash Equivalents		3,157	1,609
Trade and Other Receivables		5,686	8,864
Inventories		6,907	4,363
Other Assets		1,252	1,048
Total Current Assets		17,002	15,884
Non-Current Assets			
Plant and Equipment		1,030	929
Deferred Tax Assets		2,154	1,024
Intangible Assets		3,207	3,461
Total Non-Current Assets		6,391	5,414
Total Assets		23,393	21,298
Current Liabilities			
Trade and Other Payables		4,632	4,404
Short Term Borrowings		1,331	1,308
Current Tax Liabilities		131	113
Provisions	7	1,226	744
Total Current Liabilities		7,320	6,569
Non-Current Liabilities			
Long Term Borrowings		13	21
Deferred Tax Liabilities		424	274
Provisions	7	99	60
Total Non-Current Liabilities		536	355
Total Liabilities		7,856	6,924
Net Assets		15,537	14,374
Equity			
Contributed Equity		35,107	35,042
Option Reserves		16	16
Accumulated Losses		(18,925)	(19,733)
Foreign Exchange Reserve		(661)	(951)
Total Equity		15,537	14,374

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity For the Year Ended 30 June 2015

	Consolidated Entity				
	Issued Capital	Accumulated Losses	Foreign Exchange Reserve	Option Reserve	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2013	35,042	(23,598)	(825)	16	10,635
Profit after income tax expense for the year	-	3,865	-	-	3,865
Other comprehensive income for the year, net of tax	-	-	(126)	-	(126)
Total comprehensive income for the year	-	3,865	(126)	-	3,739
Transactions with equity holders in their capacity as equity holders:					
Share based payments	-	-	-	-	-
Transfer to/from reserves	-	-	-	-	-
Balance at 30 Jun 2014	35,042	(19,733)	(951)	16	14,374
Balance at 1 July 2014	35,042	(19,733)	(951)	16	14,374
Profit after income tax expense for the year	-	1,093	-	-	1,093
Other comprehensive income for the year, net of tax	-	-	5	-	5
Total comprehensive income for the year	-	1,093	5	-	1,098
Transactions with equity holders in their capacity as equity holders:					
Issue of Shares	65	-	-	-	65
Transfer to/from reserves	-	(285)	285	-	-
Balance at 30 Jun 2015	35,107	(18,925)	(661)	16	15,537

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2015

	Note	Consolidated Entity 30 June 2015 \$'000	30 June 2014 \$'000
CASHFLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers		38,128	28,263
Payments to Suppliers		(36,557)	(27,452)
Interest Received		12	11
Borrowing Costs		(80)	(89)
Income Tax Paid		-	(156)
	8	1,503	577
Net cash provided by continuing operations		1,503	577
Net cash used in discontinued operations		-	-
Net Cash Provided by Operating Activities		1,503	577
CASHFLOWS FROM INVESTING ACTIVITIES			
Payments for Plant and Equipment		(336)	(520)
Proceeds from Liquidations	1c,6	11	12
		(325)	(508)
Net cash used in continuing operations		(336)	(520)
Net cash provided by discontinued operations		11	12
Net Cash Used in Investing Activities		(325)	(508)
CASHFLOWS FROM FINANCING ACTIVITIES			
Proceeds from Issue of Shares		65	-
Proceeds from / (repayment of) Borrowings		21	(396)
Payment of Lease and Hire Purchase Liabilities		(6)	(6)
		80	(402)
Net cash Provided by / (used in) continuing operations		80	(402)
Net cash Provided by / (used in) discontinued operations		-	-
Net Cash Provided by / (used in) Financing Activities		80	(402)
Net Increase / (Decrease) in Cash Held		1,258	(333)
Cash and Cash Equivalents at Beginning of Year		1,609	2,068
Effects of Exchange Rate Changes in Cash		290	(126)
Cash and Cash Equivalents at End of Year		3,157	1,609

The accompanying notes form part of these financial statements.

Notes to the Consolidated Financial Statements

Note 1. Basis of Preparation

This preliminary financial report covers the consolidated entity consisting of Azure Healthcare Limited and its controlled entities. Azure Healthcare Limited is a listed public company, incorporated and domiciled in Australia. The nature of the operations and principal activities of the consolidated entity are described within Note 3.

(a) Basis of Preparation

This preliminary financial report is intended to provide users with an update on the latest annual financial statements of Azure Healthcare Limited and its controlled entity (the Group). As such, it does not contain all information that represents relatively insignificant changes occurring during the year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2014, together with any public announcements made during the year.

(b) Financial Assets and Liabilities

Financial assets and liabilities of the Group are recognised in the statement of financial position at their fair values in accordance with accounting policies set out in the 30 June 2015 financial report. In all instances the fair value of financial assets and financial liabilities approximate their carrying value.

(c) Update on Liquidation of TSV Australia Pty Ltd

The Directors are pleased to report that the liquidation of the Australian contracting division TSV Australia Pty Ltd was finalised on 26 June 2014 with a final creditors meeting on that date. The liquidation process facilitated a further minor debt reduction for the Group of \$0.011 million in the 2015 financial year. There is no materially adverse impact to the remaining Azure Group.

(d) Summary of the Significant Accounting Policies

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has not had any material impact on the consolidated entity.

(e) Rounding Off of Amounts

The Company is a company of the kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and in accordance with that Class Order amounts in the Directors Report and the Preliminary Financial Report are rounded off to the nearest thousand dollars.

Note 2. Dividends

The company resolved not to declare any dividends in the period ended 30 June 2015.

Notes to the Consolidated Financial Statements

(continued)

Note 3. Segment Information

Management has determined the operating segments based upon reports reviewed by the board and executive management that are used to make operational and strategic decisions. The group is organised into one operating division, healthcare, which has four geographic segments. These segments are the basis on which the Group reports its segment information.

Healthcare

The healthcare division focuses on providing electronic communications in healthcare and development of nurse call and care management systems for hospitals, aged care and detention care markets. The healthcare division is further segmented into four geographic regions consisting of North America, Europe, Asia and Australia/New Zealand.

	-----Healthcare-----					Eliminations		
	Austco Australia / Sedco / NZ	Austco Asia	Austco Europe	Austco North America	Total	Inter company	Corporate	Group Total
	\$'000	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000
30 June 2015								
Revenue	12,605	5,179	2,391	14,775	34,950	-	-	34,950
Revenue - intersegment	5,527	9	-	2,509	8,045	(8,045)	-	-
Interest Revenue	59	-	1	-	60	(48)	-	12
Total Revenue	18,191	5,188	2,392	17,284	43,055	(8,093)	-	34,962
Adj EBITDA	(528)	(25)	55	1,062	564	231	(106)	689
Depreciation	(109)	(42)	(27)	(83)	(261)	-	(5)	(266)
Amortisation	(223)	-	-	-	(223)	-	-	(223)
EBIT	(860)	(67)	28	979	80	231	(111)	200
Interest Expense	(1)	(1)	(1)	(44)	(47)	37	(70)	(80)
Income Tax Benefit	999	-	(10)	2	991	-	(29)	962
NPAT	138	(68)	17	937	1,024	268	(210)	1,082
30 June 2014								
Revenue	13,617	4,516	2,676	10,558	31,367	-	-	31,367
Revenue - intersegment	6,637	1	-	943	7,581	(7,581)	(59)	(59)
Interest Revenue	57	1	-	-	58	(47)	-	11
Total Revenue	20,311	4,518	2,676	11,501	39,006	(7,687)	-	31,319
Adj EBITDA	3,589	286	164	(54)	3,985	(95)	-	3,890
Depreciation	(115)	(38)	(31)	(68)	(252)	-	(11)	(263)
Amortisation	(223)	-	-	-	(223)	-	-	(223)
EBIT	3,251	248	133	(122)	3,510	(95)	(11)	3,404
Interest Expense	(4)	(1)	-	(37)	(42)	35	(81)	(88)
Income Tax Benefit	500	75	(29)	(3)	543	-	(6)	537
NPAT	3,747	322	104	(162)	4,011	(60)	(98)	3,853
Segment Assets								
30/06/14	20,381	2,518	1,655	6,543	31,097	(27,820)	18,021	21,298
30/06/15	20,988	2,095	1,393	7,899	32,375	(26,852)	17,870	23,393
Segment Liabilities								
30/06/14	5,771	1,886	624	8,872	17,153	(11,554)	1,325	6,924
30/06/15	6,029	1,510	514	9,632	17,685	(11,135)	1,306	7,855

Notes to the Consolidated Financial Statements

(continued)

Note 3. Segment Information (continued)

The Board assesses the performance of the operating segments based on a measure of adjusted EBITDA. This measurement basis excludes corporate expenses and non-recurring expenditures such as impairment to non-current assets from the operating segments which are disclosed separately.

Results of Segments

Segment revenues and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists.

Inter-segment pricing

Segment revenues, expenses and result include transfers between segments. The prices charged on inter-segment transactions are the same as those charged for similar goods to parties outside of the economic entity at arm's length. These transfers are eliminated on consolidation.

Note 4. Contingent Liabilities and Assets

There has been no changes in contingent liabilities and assets reported since the last annual reporting date.

Note 5. Profit per Share

	30 June 2015 cents	30 June 2014 cents
Continuing Operations:		
Basic profit per share	0.57	2.04
Diluted profit per share	0.57	2.04
Discontinued Operations:		
Basic profit per share	0.01	0.01
Diluted profit per share	0.01	0.01
Overall Earnings per Share		
Basic profit per share	0.58	2.04
Diluted profit per share	0.58	2.04
a) Net Profit/(Loss) used in the calculation of basic and diluted loss per share		
	\$'000	\$'000
Continuing Operations	1,082	3,853
Discontinued Operations	11	12
Overall Earnings per Share	1,093	3,865
b) Weighted average number of ordinary shares outstanding during	No. 189,648,141	No. 189,312,544

Options that are considered to be potential ordinary shares are excluded from the weighted average number of ordinary shares used in the calculation of basic loss per share. Where dilutive, potential ordinary shares are included in the calculation of diluted loss per share. All the options on issue do not have the effect to dilute the loss per share. Therefore they have been excluded from the calculation of diluted loss per share.

Notes to the Consolidated Financial Statements

(continued)

Note 6. Discontinued Operations

Former wholly controlled entities noted below were placed into Voluntary Administration by the Directors of those companies on 30 June 2011 and during a meeting of creditors held on 4 August 2011, creditors voted that all these Companies be placed into liquidation. These companies were accounted for as discontinued operations and deconsolidated as of 30 June 2011 due to loss of control. The final liquidator's report was issued on the 26 June 2014. Directors believe that unsecured creditors of the subsidiaries listed below are not expected to receive any monies from the liquidators.

Amatec Communications Pty Ltd
Calltec(Vic) Pty Ltd
Tecsound (NSW) Pty Ltd
Tecsound (SA) Pty Ltd
Tecsound (West Australia) Pty Ltd
Tecsound QLD Pty Ltd
TSV Australia Pty Ltd
Tecall Pty Ltd

Financial information relating to the discontinued operations was as follows;

	30 June 2015 \$'000	30 June 2014 \$'000
Liquidation Distributions	11	12
Expenses	-	-
Profit before income tax	11	12
Income tax expense	-	-
Profit after income tax of discontinued operations	11	12
Loss on removal of discontinued operations from economic entity	-	-

Note 7. Provisions

	30 June 2015 \$'000	30 June 2014 \$'000
Short Term		
Employee entitlements	894	744
Provision for Warranty	332	-
	1,226	744
Long Term		
Employee entitlements	99	60
	99	60

Note 8. Operating Cashflow Information

Operating cashflows were positive \$1.503 million for the 12 months ended 30 June 2015 compared to the previous corresponding period of positive \$0.58 million. Cashflow from investing activities were negative \$0.325 million as the Company continue to invest in fixed assets including the USA production facility rollout.

Note 9. Events Subsequent to Reporting Date

On the 8th of July 2015, Mr Robert Grey retired from his position as Executive Chairman and Mr Greg Lewis was appointed as independent Non-Executive Chairman.

On the 31st July 2015, Mr Robert Grey also retired from his position as Chief Executive Officer and Mr Clayton Astles was appointed as Chief Executive Officer.

Note 10. Information on Audit

The consolidated financial report of Azure Healthcare Ltd is in the process of being audited. An Annual Financial Report containing the audit report will be provided in due course.