

## ASX Announcement

28 October 2021

### ACTIVITIES REPORT FOR THE QUARTER – 30 SEPTEMBER 2021

#### Updates

- 3Dicom Mobile software launched on the Apple App Store and Google Play Store for iOS and Android devices respectively for 3D visualisation of medical images by patients.
- Beta version of Health Academy completed with Virtual Anatomy providing Virtual Reality (VR) experience. Subsequent to period end, trials have commenced with 10 West Australian schools.
- Revenue of \$70,078 including \$7,378 from customers.
- Advisory Board formed and well-renowned reconstructive surgeon Professor Jonathan Clark AM appointed during Quarter as its first member.
- The commissioning of Australian Additive Engineering, the Company's medical 3D printing facility, has been delayed due to COVID-19 lockdowns in Melbourne.
- Strong cash position of \$3.51M at end of Quarter.

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**28 October 2021** - Singular Health Group Limited (ASX: SHG) ("Singular" or the "Company") is pleased to provide the following update on the Company's core activities and financial position in the attached 4C Quarterly Cashflow Report for the September 2021 Quarter.

The development team delivered a number of key objectives during this Quarter including more than 90% integration of the VSP software, the launch of 3Dicom Lite on mobile and tablet devices and the introduction of segmentation capabilities in the software.

Segmentation is key to the end-to-end Scan to Surgery approach as it enables 3Dicom Surgical users to segment anatomy and/or pathology from the scans and convert it to 3D computer-aided-design files which can be edited in VSP and then 3D printed.

With the anticipated submission to the U.S. "Food and Drug Administration" (FDA) & the Australian "Therapeutic Goods Administration" (TGA), any approvals obtained will allow surgeons to segment patient's cases within minutes of the scan to generate patient-specific bio-models and surgical guides which can be printed at the AAE facility or an approved point-of-care 3D printer.

## Update on Acquisitions & Investments

As aforementioned, during the Quarter, Singular's developers have been integrating the VSP software into 3Dicom on standalone Oculus VR headsets with more than 90% of the functionality now integrated. As previously reported on 22 March 2021, upon completion of this integration, Lyka Smith, a leading medical computer aided design company, has agreed to purchase 50 licenses for a total monthly recurring revenue of \$15,000.

Subsequent to the end of the period, Oculus Quest 2 VR headsets have been provided to a number of medical professionals including Professor Jonathan Clark AM, our inaugural member of the advisory board, to test the Beta version of the 3Dicom VSP module.

Due to COVID-19 Lockdown Number 6 in Victoria, the commissioning of the Australian Additive Engineering (AAE) facility has been delayed with first commercial print runs now expected in January or February 2022. In the meantime, AAE has been registering with various agencies including the Advanced Manufacturing Growth Centre.



## Advisory Board

In line with the Company's vision of Developing Better Health Literacy, which spans improving patient education through to the design and manufacture of patient-specific surgical implants, Singular Health announced the formation of an advisory Board.

The advisory Board will consist of three to four key opinion leaders with a broad cross-section of academic, commercial, and crucially, clinical experience who will provide technical and clinical advice to guide the development and commercialisation of Singular's medical software solutions.

Singular Health appointed Professor Jonathan Clark AM as the inaugural member of the Advisory Board during the Quarter. With over 280 peer-reviewed academic publications, covering facial reconstruction, oral cancers, and patient education, in addition to his roles as a consultant reconstructive surgeon at Chris O'Brien Lifehouse and Royal Prince Alfred Hospital, Prof. Clark was the ideal candidate as the inaugural Advisory Board Member.



*Professor Jonathan Clark*

Awarded a Member of the Order of Australia (AM) in 2019 for his contribution to head and neck surgery, Professor Clark is the Chair of Head and Neck Cancer Reconstruction at the University of Sydney, Director of Translational Research at the Royal Prince Alfred Institute of Academic Surgery, a founding member of the Sydney Facial Nerve Service and former chair of Head and Neck Cancer Australia, a patient education website for head and neck patients.

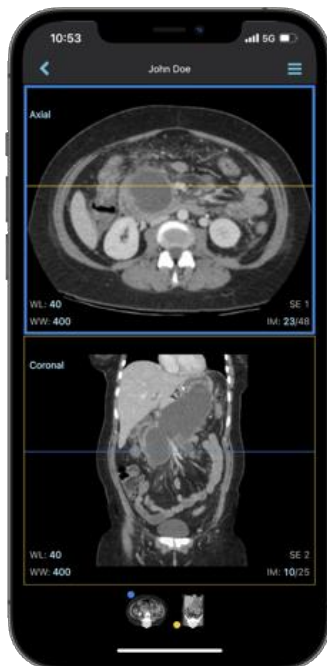
## Product Development

### 3Dicom

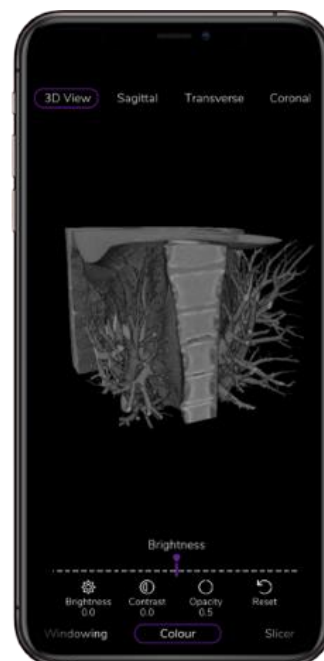
During this period, the Company has engaged a Legal Consultant based in the United States to assist in preparing its application for “U.S. Food and Drug Administration” (FDA) 510(k) certification. At the same time, submissions have been prepared for Class II certification by the Australian “Therapeutic Goods Administration” (TGA) as both a visualisation and diagnostic device.

Singular has continued to add 2-Dimensional (2D) tools to the software in addition to the advanced visualisation tools to demonstrate substantial equivalence with predicate devices and is confident in the Company applying for FDA510(k) as a visualisation software which will work across mobile, tablet, desktop, and on Virtual Reality (VR) headsets.

In addition to adding further tools to the desktop versions of 3Dicom, the Company released 3Dicom Mobile on the Google Play Store and Apple App Store. This release further emphasises one of the Company’s core visions in enabling improved communication between clinicians and patients.



An Existing 2D Patient Software.



Singular’s Interactive 3D Patient Software

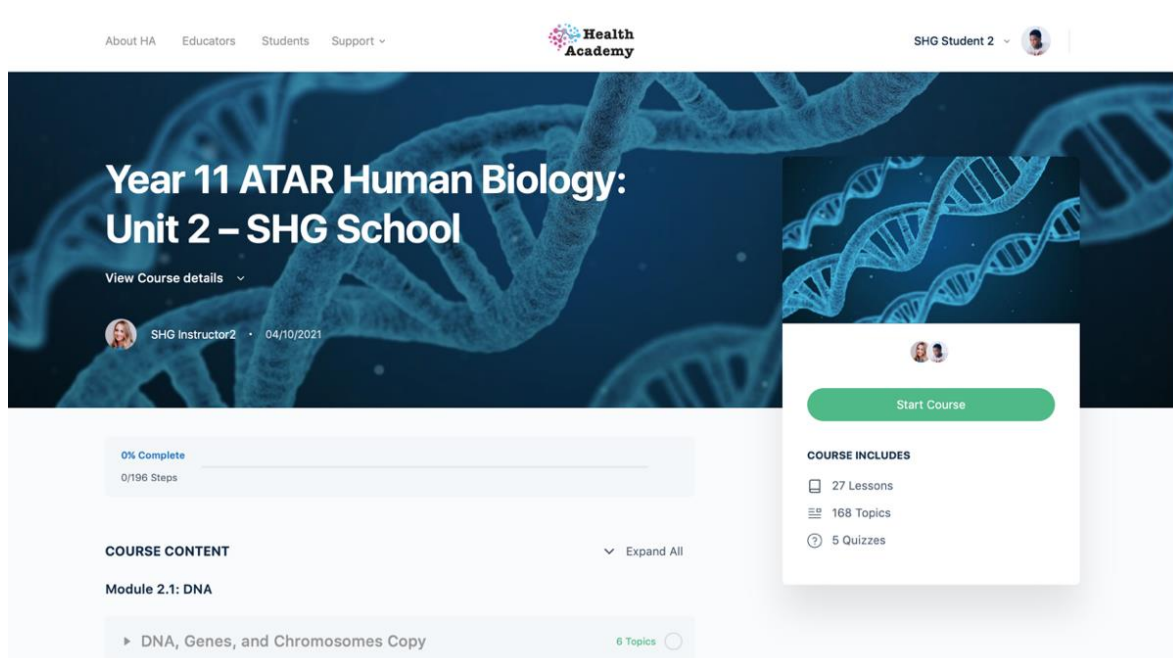
3Dicom Mobile enables Dicom scans acquired by “Magnetic Resonance Imaging” (MRI), “Computerised Tomography” (CT) and “Positron Emission Tomography” (PET) to be 3-Dimensionally (3D) volume rendered, creating a 3D model of the patient’s medical image. The software also features our “Quick Response” (QR) code system for transferring the patient’s scans using SHG’s proprietary “Medical File Transfer Protocol” (MFTP). MFTP allows the sharing of medical image files between computers, mobile devices and VR headsets.

Transactions completed via the MFTP, such as consent to share images and the download of the image, are stored on a private blockchain with a complete audit trail.

## Health Academy

One of the biggest achievements during the September Quarter was the overhaul of the Virtual Anatomy product into a completely mobile responsive online platform. The Year 11 Human Biology curriculum content prepared by Singular and aligned to the curriculum standards was uploaded to the platform where it can now be edited by teachers using an intuitive drag and drop interface to fully customise their lessons. This change in direction towards an online system enabled Singular's core development team to remain focused on the 3Dicom product and improving the Virtual Anatomy software to work on standalone Oculus Quest 2 VR headsets, resulting in a reduction in development costs.

Just prior to the end of the Quarter, Health Academy lead Dr Martina Mariano attended the Innovation in Education Festival in Perth. The Company has secured 10 schools to participate in trials of the software during Term 4 of the current academic year. Additionally, tertiary institutions and private health practitioners have expressed interest in hosting courses on the platform.



## GeoVR

During July, Singular successfully completed the Pilot Project with FlowCentric Technologies for the GeoVR technology which created a digital twin of a tenement and allowed for terrain, geological and drill hole assay data to be visualised in a 3D digital twin.

This was refined to be hostable online, allowing for numerous stakeholders to view the same dataset collaboratively through a cloud-based solution.

Singular and FlowCentric have received a large volume of enquiries about the software, and its applications for investor relations, mine site training and geological analysis and mine optimisation, and are currently evaluating the most viable commercialisation opportunities.

With the initial Pilot Project complete, Singular and FlowCentric are in the final stages of formalising the 50:50 GeoVR Joint Venture.

### Subsequent Events

The September Quarter consisted of significant activity by the Company which delivered results subsequent to the period ending including the second Advisory Board appointment of Dr Bradley Moore announced 6 October 2021, the collaboration with Osteopore Limited (ASX: OSX) and CSIRO on the Kickstart 2 project announced 19 October 2021, and the progress of the Company's Quality Management System (QMS) for the ISO13485 accreditation process.

### Business Activities Expenditure

In accordance with ASX Listing Rule 4.7C.1, with respect to operating activities expenditure, Singular can confirm total direct operating expenditure was \$696,252 for the September 2021 quarter, consisting of research and development expenses of \$109,669, advertising and marketing costs of \$84,029, staff costs of \$343,253, lease costs of \$13,255 and administration and corporate costs (net of interest received) of \$146,046. Net cash used in the operating activities was \$626,174 due to cash inflows including \$7,378 from revenue, and \$62,700 from government grants.

### Compliance

Pursuant to Listing Rule 4.7C.2, the Company provides the following comparison of its actual group expenditure on the individual items in the "use of funds" statement in its IPO prospectus since the date of its admission to ASX's official list against the estimated expenditure on those items in the "use of funds" statement in the prospectus and an explanation of any material variances.

Use of Funds	Estimate for the two years post ASX admission (as per Prospectus 9 December 2020)	Actual Use to 30 September 2021	% of Total
Costs of the Offer	\$505,000	\$343,894	68%
Hardware Purchases	\$700,000	\$250,369	36%
Marketing & IP Certification	\$1,163,319	\$441,655	38%
Staffing Costs	\$1,700,000	\$961,387	57%
Research and Development	\$1,465,000	\$444,827	30%
Working Capital & Corporate Costs	\$700,000	\$649,160	93%
Loan Repayment	\$166,681	\$166,857	100%
<b>TOTAL</b>	<b>\$6,400,000</b>	<b>\$3,258,149</b>	<b>51%</b>

### Corporate Activities

In accordance with Listing Rule 4.7C.3, the Company advises that payments to related parties of the entity and their associates during the Quarter amounted to \$150,000. This includes additional consulting services provided by Non-Executive director Denning Chong.

Amounts included in 6.1 attached 4C relates to remuneration paid to Directors.

Authorised for release by the Board of Directors.

**Ends.**



For further information contact

Investors	Corporate
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## About Singular Health

Founded in 2017, Singular Health is a medical technology company that has developed and commercialised the proprietary Volumetric Rendering Platform (“VRP”) for the 3D & VR visualisation of anatomy using standard radiological imagery.

Singular Health is committed to developing technologies that provide patients and practitioners alike with access to personalised, enhanced medical data to inform better health decisions and is currently developing and deploying software products that are built upon the proprietary VRP on a global scale through a direct-to-consumer Software-as-a-Service (“SaaS”) model.

## About Scan to Surgery

Scan to Surgery™ is a disruptive technology driven process that revolutionises the planning and execution of surgical procedures, reducing cost and improving patient outcomes. Built on the backbone of MFTP, incorporating 3D/VR scan review with virtual surgical planning software and utilising local additive manufacturing facilities, Scan to Surgery™ aims to rapidly deliver patient-specific solutions.

## About Health Academy

Aligned with Singular’s vision of *Developing Better Health Literacy* and *Delivering Better Health Outcomes*, Health Academy is an online health education platform built for health practitioners, secondary and tertiary educators to deliver interactive content to improve health literacy.

Combining an online platform with curriculum-aligned interactive content and quizzes with the **Virtual Anatomy** module which provides a fully immersive virtual-reality model of human anatomy, Health Academy provides a multi-modal approach to delivering health education to students and patients.

## Appendix 4C

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

**Name of entity**

Singular Health Group Limited

**ABN**

58 639 242 765

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

30 September 2021

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	7	7
1.2 Payments for		
(a) research and development	(110)	(110)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(84)	(84)
(d) leased assets	(13)	(13)
(e) staff costs	(343)	(343)
(f) administration and corporate costs	(148)	(148)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	63	63
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(626)</b>	<b>(626)</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 (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 (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>		

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

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	4,136	4,136
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(626)	(626)
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)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>3,510</b>	<b>3,510</b>

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	510	1,136
5.2	Call deposits	3,000	3,000
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,510</b>	<b>4,136</b>

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	150
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>		

<b>7.</b>	<b>Financing facilities</b> <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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>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.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(626)
8.2	Cash and cash equivalents at quarter end (item 4.6)	3,510
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	3,510
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	5.60
<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.

28 October 2021

Date: .....

The Board of Directors

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.