



28 April 2023

InteliCare Operations Update March 2023 Quarter

InteliCare Holdings Ltd
ABN 84 622 484 397

ASX Code
ICR

Corporate Directory

Non-Exec Chairman
Dr Neale Fong

Non-Executive Director
Mr Greg Leach

Non-Executive Director
Mr Scott Taylor

Non-Executive Director
Mr Cam Ansell

Company Secretary
Mr Neil Hackett

Chief Executive Officer
Mr Daniel Pilbrow

Issued Shares
210,065,407

Unlisted Options
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Listed Options
60,224,568

Company Details

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- Ongoing business review continued throughout the quarter
- B2B customer pipeline continued to expand and progress during the quarter
- Commercial pilots continue to perform exceptionally at Bethanie and Western Australia Country Health Service (WACHS)
- Operational efficiencies continued to be implemented with monthly cash burn continuing to be reduced
- Further functional enhancements made to the platform based on feedback from customers
- Staffing shortages and the provision of high quality care across the Aged Care, Disability Care and Healthcare sectors continue to be a challenge
- The requirement of technology to help support the provision of high quality care and staff productivity and effectiveness remains integral

InteliCare Holdings Ltd (“InteliCare” or the “Company”) (ASX: ICR), an Australian Software-as-a-Service (SaaS) technology company in the aged care, disability and health industries has developed an award-winning AI-based care support solution. Built on its proprietary internet of things (IOT) platform utilising smart sensors and artificial intelligence (AI), InteliCare empowers care providers to tailor solutions to their customers, delivering improved outcomes and increasing client independence. The Company is pleased to provide this Quarterly Report together with an operational and business update.

Daniel Pilbrow, Chief Executive Officer, InteliCare commented, “Over the quarter we continued to review and assess all areas of InteliCare. There are three primary focuses to the review, 1. the commercial strategy for the InteliCare Platform, 2. The product roadmap for the InteliCare platform and 3. The operational efficiency of InteliCare.

“With regard to commercialisation of the InteliCare platform steady progress was made during the quarter. As previously mentioned, the board and management has refocused its strategy towards winning larger commercial deployments through contracts with B2B customers. The sales model differs for B2B customers with an initial pilot phase required which allows the InteliCare platform to be validated by the customer. During the pilot phase the customer is able to understand how the InteliCare platform can work within their operating model and how it can impact their service delivery, improve their client’s health outcomes and enhance operational efficiency and productivity, adding a growth driver to their business.



“Pleasingly, a number of existing pilots continued to perform excellently with the pilot at Bethanie drawing to its conclusion, with negotiation of commercial terms for a broader deployment underway. We look forward to updating shareholders in due course on these discussions. Further, the residential care pilot with WACHS is proceeding very well.

“More broadly the pipeline for further pilots across other aged care, disability and healthcare service providers and retirement living operators continues to expand and progress. We expect this to only accelerate over the coming quarters as the Company generates further validation and evidence as to the benefits for aged care, disability service and health care providers as results of these pilots are received.

“What continues to be reaffirmed when meeting with potential customers are the challenges they are facing with regard to staffing shortages and being able to maintain the delivery of high quality care. The role that a platform such as IntelliCare can play in supporting providers in the delivery of their high quality care and enhancing staff productivity and effectiveness remains integral.

“During the period the Company continued to make steady progress on its operational efficiency of the business with the monthly cash burn reduced from \$380,000 per month to approximately \$240,000 per month going forward.”

Review of Operations

Since the Company undertook board and management changes between May and July 2022, the new management team continue to undertake a whole of company review specifically focusing on:

1. the commercial strategy for the IntelliCare Platform
2. The product roadmap for the IntelliCare platform
3. The operational efficiency of IntelliCare.

Commercialisation Strategy

In the December 2022 quarterly report the Company provided preliminary comments on the shift commercially to focus on B2B customers as opposed to B2C. There are several reasons for this shift in focus. Specifically focussing on larger business customers such as residential aged care providers supports a more scalable business model whereby the IntelliCare platform can be deployed across an entire residential aged care facility and then even further throughout an entire residential aged care business.

A key finding in the review to this point is the requirement for a greater focus on implementation and customer success once the customer has entered into a commercial agreement. Whilst the broad challenges within each customer are a uniform understanding of the key challenges of their organisation, ensuring integration of the IntelliCare platform into an organisation’s workflows and care model are a key focus to ensure success and broader rollout.

Under the review, five market segments have been identified where commercial application exists for the IntelliCare platform; Residential Aged Care, Home-based Aged Care, Specialist Disability Accommodation/Supported Independent Living, Retirement Living, and Healthcare.

Residential aged care has become a key target market within the aged care space specifically due to staffing challenges and supporting providers in continuing to deliver high quality care. It’s a market in Australia with over 245,000 beds managed in this space.

Within the residential aged care sector IntelliCare currently has two pilots underway with Bethanie and WACHS. The WACHS pilot continues, while the three-month 10-bed Bethanie pilot has concluded with the next phase of roll-out currently being finalised between the parties.

Furthermore, IntelliCare continues to progress discussions with a number of other aged care (both residential and home-based care providers) and disability service providers to undertake pilots of the

InteliCare platform within their operations. On completion of agreements being reached InteliCare shareholders will be updated.

We have also commenced the planning for two pilot projects within the acute hospital sector where the InteliCare platform will be used in the continuous monitoring of patient vitals (using TGA approved real-time vitals wearables) to support early discharge and 'hospital in the home' programs. It is expected that these projects will commence during the next quarter.

Product Enhancement and Roadmap

Whilst the primary focus of the business is commercialising the InteliCare platform, enhancements and modifications continue to be made based on customer feedback and market requirements. For example, feedback from our residential aged care pilots is driving rapid improvements in alignment of the product to this sector.

During the quarter the Company continued to successfully deliver new features that support its existing industry leading capabilities across target sectors. These developments include:

- The release of a new version of the mobile app with support for tablet and phone formats for Android and iOS devices. This new application provides for greater flexibility in feature deployment and targeted functionality based on the user type.
- Medication tracking has been released within the new mobile application.
- Alert management and response tracking added to support residential aged care operational needs.
- Automated, scheduled report generation to proactively inform care teams of client status and recent event history within defined cohorts. This supports staff efficiencies within both the residential aged care and home care sectors.
- Receipt of our first shipment of Generation 2 PERS compliant hardware which is now being supply to home care, residential care and specialist disability accommodation clients.
- Expansion of our falls detection capabilities with the addition of a radar-based falls sensor to the suite of options.

Current roadmap activities being actively worked on include:

- Mobility Tracking: InteliCare's ability to detect decline in mobility has passed internal validation and is due for release in the next quarter. This metric provides valuable insights into the ability to predict falls and assess the risk of falling over time.
- Pilot testing of motion-based incident detection.
- Support for continuous real-time monitoring of information via the mobile or tablet app. This provides the ability to display dynamic content via our mobile app. Use cases include real-time activity monitoring by active care staff, annunciator displays in residential aged care facilities, remote patient monitoring for vitals and other real-time data.
- A configurable alert escalation workflow to support effective management of urgent alerts (falls, duress, vitals etc.)
- Support for TGA approved real-time vitals wearables. Clinically aligned, real-time display for a selection of wearable bio patches. Metrics supported include continuous blood pressure, temperature, heart rate, respiration rate, SPO2 and ECG.
- Leveraging InteliCare's rich data relating to a range of falls risk indicators, coupled with care staff input (from the current customer base), we are developing a Falls Risk score and tracking function.

Operational Structure

During the quarter further operational efficiencies have been implemented reducing the monthly burn from \$380k per month down to \$240k per month going forward. Recent changes have included reducing the size of the sales team with management and the board, given their expertise and networks, now driving the commercialisation strategy. Separately, other savings are being made through the

simplification of accounting systems, the streamlining of invoicing processes and other process improvements.

Cash Position Remains Healthy with Continued Focus on Expenditure

Receipts from sales activities for the quarter was \$62k, marginally up from \$42k for the previous quarter. Cashflows from operating activities for the quarter were positive by \$52k. This was due to the receipt of \$1.092m FY22 R&D tax refund and the subsequent repayment of the R&D financing facility including transaction costs (\$896k). At the end of the quarter the Company had cash and cash equivalents of \$1.969m and is well funded to continue with its current business operations. The Company continues to maintain its focus on further reduction in expense and controlling cash burn.

Payments of \$75k to related parties and their associates during the quarter was a reduction of \$18k compared to the previous quarter. These payments relate to remuneration arrangements for non-executive directors and service agreements with Frontline Services Pty Ltd.

This announcement is approved for release by the Board of IntelliCare Holdings Limited.

For more information regarding IntelliCare, visit www.intellicare.com.au.

Contact and Authorised for Release to the ASX

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About Intellicare Holdings Limited

IntelliCare is an Australian technology company that has commercialised a predictive analytics hardware and software system for use in the aged care and health industries. IntelliCare believes Australians deserve to age with dignity and through its business-to-business (B2B) and business-to-consumer (B2C) solutions built on its proprietary internet of things (IOT) platform utilising smart sensors and artificial intelligence (AI), IntelliCare aims to enable people to stay in their own homes for longer while empowering healthcare providers to deliver higher quality, more efficient services.