

## **ASX QUARTERLY UPDATE**

### **DECEMBER 2018 QUARTER**

#### **Highlights:**

- **Reinstatement to the ASX following the successful acquisition of HomeStay and subsequent changing of the company name to HomeStay Care Limited**
- **Successful completion of \$4 million capital raising**
- **Roll out of commercial “Intelligent Homes”**
- **HomeStay’s Inner Circle (Living Lab)**

The Directors of HomeStay Care Limited (ACN 111 823 762) (“HomeStay”, or the “Company”) are pleased to provide an update on the Company for the December 2018 quarter.

During the quarter, HomeStay was reinstated to Official Quotation on the ASX, following the acquisition of HomeStay and the Company’s compliance with listing rule 11.1.3 and chapters 1 and 2 of the ASX Listing Rules. As part of its compliance, the Company successfully completed a \$4 million capital raising to progress the commercialisation of HomeStay’s proprietary technology solution.

HomeStay provides technology enabled care to the aged care industry. Through its proprietary IoT platform, HomeStay assists seniors and the elderly to remain living independently in their homes for longer. This platform is a unified technology solution offering on demand care services, lifestyle remote monitoring and data analytics via its Intelligent Homes.

The Intelligent Home integrates various in-home AI sensors as a single modular package. These sensors include: movement/activity monitoring; bed sensors; door/window sensors; hot water sensors; incontinence device and wearable smart watches. Data from the various sensors is collected at a user’s home wirelessly through a “hub” which is central to Intelligent Home technology. The main outcome is to provide early interventions and care to the elderly by utilising AI and predictive analytics to alert family, friends and caregivers to a potential incident via an alert system, so the situation can be immediately attended to. Actions include calling an ambulance in the case of an emergency, or calling a caregiver to attend the next day if the situation is not so immediate.

During the quarter, the Company continued to focus on the rollout of its Intelligent Homes pursuant to pilot programs in Australia and Singapore. HomeStay commenced installation of its first commercial Intelligent Homes in NSW with one of HomeStay’s early adopter clients. The Company is encouraged with the acceleration of this program and the strong pipeline being developed.

The learnings from the projects currently on foot have generated a number of use cases, demonstrating how HomeStay can contribute to enhanced security and peace of mind for its users, as well as better transparency, efficiency and early intervention for caregivers. These include numerous



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31 January 2019

occasions where HomeStay's technology has assisted in early communication where an incident has occurred and client, family and caregivers have been contacted, updated and reassured with action taken to care for the client. There are also user cases of the Intelligent Home contributing to early detection of health indicators to facilitate implementation of preventive care measures, through its monitoring, alerts and analytics.

HomeStay continues to develop its technology solution and product offering, in particular to support the Intelligent Home. The Company engages with clients and potential customers, both enterprise and end users, to test its technology solutions and support the ongoing product development roadmap. This is being undertaken as part of HomeStay's inner circle community which acts as a living lab to provide invaluable insight on functionality and user experience feedback. This is important to ensure alignment of the needs and expectations of HomeStay technology solution users and the delivery of real solutions that enable older Australians to continue living at home longer and independently.

### **Corporate Update**

On 13 November 2018, the Company completed the acquisition of HomeStay Care Pty Ltd and its subsidiary companies ("Acquisition") as approved by shareholders on 23 August 2018 at a General Meeting. The Company was reinstated to trading on the ASX on 19 November 2018 following completion of the Acquisition. Further details of the Acquisition are set out in the prospectus lodged by the Company on 21 August 2018 as supplemented by the supplementary prospectus dated 4 September 2018.

### **For Investor Enquiries, please contact:**

[investor@homestay.care](mailto:investor@homestay.care)

### **About HomeStay:**

HomeStay's Internet of Things platform uses wearables, sensors, artificial intelligence, machine learning and other advanced innovations to provide ongoing monitoring, real-time alerts and preventative interventions. By integrating tailored solutions, HomeStay turns houses into smart homes designed to provide seniors and people living with disabilities with the dignity, privacy and independence they need.

## Appendix 4C

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

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

HomeStay Care Limited

**ABN**

62 111 823 762

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

31 December 2018

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	3	3
1.2 Payments for		
(a) research and development	(160)	(160)
(b) product manufacturing and operating costs	(223)	(223)
(c) advertising and marketing	(29)	(29)
(d) leased assets	(66)	(66)
(e) staff costs	(424)	(491)
(f) administration and corporate costs	(607)	(988)
1.3 Dividends received (see note 3)		
1.4 Interest received	5	10
1.5 Interest and other costs of finance paid	(11)	(11)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,512)</b>	<b>(1,955)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(6)	(6)
(b) businesses (see item 10)		(100)
(c) investments		

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
(d) intellectual property		
(e) other non-current assets		
2.2 Proceeds from disposal of:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets		
2.3 Cash flows from loans to other entities	(400)	(900)
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material) Cash acquired on acquisition of HomeStay	7	7
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(399)</b>	<b>(999)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	4,000	4,000
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options	(319)	(319)
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings	(100)	(100)
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)	8	8
<b>3.10 Net cash from / (used in) financing activities</b>	<b>3,589</b>	<b>3,589</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	1,722	2,663
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,512)	(1,955)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(399)	(999)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	3,589	3,589

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	17	119
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>3,417</b>	<b>3,417</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	3,417	318
5.2	Call deposits	-	1,404
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,417</b>	<b>1,722</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter  
\$A'000**

203

Director fees

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter  
\$A'000**

400

Loans to HomeStay Care International Pty Ltd prior to completion of acquisition.

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

N/A

9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	152
9.2 Product manufacturing and operating costs	99
9.3 Advertising and marketing	83
9.4 Leased assets	35
9.5 Staff costs	554
9.6 Administration and corporate costs	280
9.7 Other (provide details if material)	-
<b>9.8 Total estimated cash outflows</b>	<b>1,203</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
10.1 Name of entity	HomeStay Care International Pty Ltd and subsidiaries	
10.2 Place of incorporation or registration	Australia	
10.3 Consideration for acquisition or disposal	300,000,000 fully paid ordinary shares, 200,000,000 Deferred Consideration fully paid ordinary shares (with vesting conditions)	
10.4 Total net assets	(\$1.776 million) net liabilities	
10.5 Nature of business	Aged care technology	

**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.

Sign here:

  
(Company secretary)

Date: 31 January 2019

Print name: Melanie Ross

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.