
HomeStay Care March 2019 Quarterly Update

HomeStay Care Limited (ASX: HSC) is pleased to provide the following quarterly business update alongside its Appendix 4C Quarterly cashflow report for the quarter ended 31 March 2019 (Q1 FY19). This quarter was a very busy and successful quarter for the Company as it strengthened its board and management team, while rolling out its growth strategy.

Highlights:

- Commercial roll-out starts for up to 1,000 HomeStay 'Intelligent Home' installations over 18 months across Australia with initial revenue received in Q1 FY19.
- 'Go live' trial implementation of MyDay and Carers Companion apps with St John of God Health Care to help meet the National Disability Insurance Scheme's (NDIS) Assistive Technology Strategy
- Management team and Board strengthened via key experienced appointments:
 - Wayne Cahill as Non-Executive Chairman
 - Philippa Lewis as Interim Chief Executive Officer (CEO)
 - Manoj Chandra as Chief Technology Officer (CTO)
- Customer receipts of \$41,505 due to \$34,151 in Intelligent Home sales and monthly subscription revenue and \$7,354 due to additional services provided to customers.

Commercial partnership secured for up to 1,000 'Intelligent Home' installations over 18 months

Following a successful 2018 pilot, HomeStay entered into a commercial contract in March with Enrich Living Pty Ltd to provide its Intelligent Home aged care monitoring platform for up to 1,000 homes across Australia. The two companies will collaborate on the care delivery, resident movement data and support requirements to inform a technology-enabled care delivery model.

Installations have commenced for the first 100 units with initial project revenue generated in Q1 2019. The revenue value of the agreement ranges between at least \$200,000 - \$2,000,000 (the latter figure based on 1,000-homes and the former figure being based on a minimum 100-home installation using an average tier offering). The project provides HomeStay with an up-front fee, including installation fees, in addition to ongoing monthly subscription fees on a per-home basis.

'Go live' trial implementation of MyDay and Carers Companion applications with St John of God Health Care

In March HomeStay also commenced a go-live trial of its MyDay and Carers Companion apps for the St John of God Health Care— Enabled Lifestyle Blueprint Project. The project is a smart home with proprietary technologies provided by HomeStay, and other market-leading technology companies. This showcases the Company's capability to provide technology that has a significant positive impact on the quality of life of clients and their carers.

This project complies with the NDIS Assistive Technology Strategy and enables residents to be more independent and less reliant on carers.

The trial house in Melbourne is fitted with motion sensors, apps and voice assistants powered by artificial intelligence (AI) and more fit-for-purpose innovations for people with cognitive issues and secondary conditions, such as epilepsy, cerebral palsy and blindness.

Technology provided by HomeStay will allow St John of God Health Care to collect key metrics and utilise data analytics to support decision making and prioritise one-on-one care.

Board and management strengthened with key experienced appointments

During the quarter, the Company strengthened its management team and Board, significantly enhancing its expertise as it commercialises its proprietary technology solution:

– **Wayne Cahill appointed Non-Executive Chairman**

Effective 1 February 2019, HomeStay appointed Wayne Cahill (FAICD, FCHSM) as Non-Executive Chairman. Mr Cahill brings a wealth of broad industry experience and was previously Chief Executive Officer of major health care organisations Ryde and Hunters Hill Area Health Service, Macquarie Area Health Service and Australian Council on Healthcare Standards. Current directorships include Chair of Healthdirect Australia and director at Navy Health. He is a retired partner of leading law firm Ashurst and continues both as a Senior Consultant and to head their national health and aged care practice. Mr Cahill has been selected as a leading lawyer in health and aged care and corporate law in Australia by Best Lawyers from 2008 – 2020 inclusive.

– **Philippa Lewis appointed Interim CEO**

Philippa Lewis was appointed Interim CEO in March following the resignation of Ago Manhao. Philippa brings over 25 years' experience in health, aged care and medtech sectors. She has been a founder and CEO of several successful private and listed medtech companies in the aged care sector in Australia, New Zealand, Europe and North America.

Philippa has extensive experience in product development and commercialisation of medical devices and AI-powered disruptive technologies. With deep industry and government relationships, Philippa brings sector know-how as well as strong execution skills to the Company.

– **Manoj Chandra appointed as CTO**

In February Manoj Chandra joined HomeStay as Chief Technology Officer to manage the ongoing development and rollout of the Company's technology and provide guidance on product roadmaps and innovative R&D activity. Manoj is a technology executive with more than 10 years' experience developing software architecture and product design.

ASX ANNOUNCEMENT

30 April 2019

Customer receipts

Customer receipts in Q1 2019 were \$41,505 reflecting early momentum from customer demand. Continued growth in customer receipts will be underpinned by ongoing sales orders and roll-outs.

Commenting on the progress made in Q1 FY19, HomeStay Care CEO Philippa Lewis said:

“HomeStay is strongly positioned to benefit from the evolving aged care and disability sectors. We assist older Australians and those who require assistance to safely stay in their homes as long as possible and enjoy the benefits to quality of life and increased dignity that independence brings.

“It has been a busy start to the year for HomeStay. During the March quarter we started a national implementation partnership for the commercial roll-out of up to 1,000 ‘Intelligent Home’ installations following a successful 2018 trial. We also delivered technology in a trial project for St John of God Health Care to develop an end-to-end residential technology solution to improve quality of life for residents.

“We are excited by the potential we see for HomeStay’s technology and artificial intelligence [AI] solutions to positively enhance the independence and quality of life for older and disabled Australians. With a strong sales pipeline of new business opportunities in place, we are focused on converting these opportunities to drive commercial orders in the near term.”

HomeStay will hold a group investor conference call at 11:00am AEST today.

To pre-register for this conference and avoid a queue when calling, please follow this link: <https://services.choruscall.com.au/DiamondPassRegistration/register?confirmationNumber=213651&linkSecurityString=1764b8d7>. You will be given a unique pin number to enter when you call which will bypass the operator and give you immediate access to the event.

If you are unable to register, then at the time of the conference you can call one of the numbers below and provide the conference ID 213651 to an operator:

- +61 2 9007 3187
- 1800 558 698

- END -

About HomeStay Care:

The HomeStay Intelligent Home platform allows elderly and disabled Australians to live independently in their own home. Its remote monitoring, alerts and data analysis, as well as human monitoring, to determine residents' routines and detect anomalies. These early insights allow for better decision-making by care providers and families, allowing more focused service, minimising unnecessary care and facilitating welfare checks in a more responsive manner.

HomeStay helps protect and connect our elderly with a scalable healthcare technology platform that allows them to live in their homes for longer. www.homestay.care

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 March 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	42	42
1.2 Payments for		
(a) research and development	(194)	(194)
(b) product manufacturing and operating costs	(155)	(155)
(c) advertising and marketing	(67)	(67)
(d) leased assets	(31)	(31)
(e) staff costs	(540)	(540)
(f) administration and corporate costs	(132)	(132)
1.3 Dividends received (see note 3)		
1.4 Interest received	6	6
1.5 Interest and other costs of finance paid	(2)	(2)
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	(1,073)	(1,073)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(20)	(20)
(b) businesses (see item 10)		
(c) investments		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(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		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(20)	(20)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares		
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		
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)		
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	3,417	3,417
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,073)	(1,073)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(20)	(20)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	2,324	2,324

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	2,324	3,417
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)	2,324	3,417

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**

72

Director and legal 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**

N/A

8. Financing facilities available <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. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	300
9.2 Product manufacturing and operating costs	150
9.3 Advertising and marketing	100
9.4 Leased assets	35
9.5 Staff costs	450
9.6 Administration and corporate costs	250
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	1,285

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

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: 30 April 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.