

31 July 2014

## ASX ANNOUNCEMENT

### APPENDIX 4C - QUARTERLY CASH FLOW

Analytica Limited (the Company) presents its Appendix 4C for the quarter ended 30<sup>th</sup> June 2014.

#### Building Foundations

The 3 months ending 30<sup>th</sup> June have been a very productive quarter. Key milestones achieved include:

- Finalising the usability trial.
- Commissioning of the PeriCoach portal.
- Commissioning sales and payment gateways.
- First full production run of the PeriCoach sensor device on schedule.
- Appointment of United States regulatory representative
- Appointment of United States reimbursement advisor and strategy report.
- Recruitment and appointment of Clinical Advisory Board for the United States
- Continued FDA and CE submission preparation.
- Exhibiting at Australian state CFA conferences
- Appointment of NSW Sales Manager
- Appointment of Regulatory Affairs Manager
- Australian Clinical Advisory Board reviews
- Commencement of controlled market release of product
- Completion of training videos to allow faster clinician enrolment
- Creation of marketing collateral and preparation for public relations campaign
- Trials of marketing strategies of informing the public through GP's and other health professionals

The next 3 months ending 30<sup>th</sup> September ramp up with the following targets:

- Queensland Sales manager recruited, and will commence August
- Appointment Victoria/ Tasmania Sales Manager to commence September
- Appointment Western Australia/South Australia Sales Manager to commence September
- Exhibit at the preeminent international urogynaecological conference of AUGS/UGA with over 3000 delegates in Washington, July
- FDA 510(k) and EC CE Mark submissions

- Continued foundation clinician network recruitment
- Prepare deployment campaign to inform GP's December Quarter release
- Prepare public relations campaign December Quarter release
- Validation and production roll-out of iOS (Apple) capable platform.

## Cash Position

The Company had cash reserves at the end of the period of \$1,947k.

Research and development expenditure (\$526k), a large proportion final payments for the core software system, staff costs (\$81k), and marketing expenses (\$109k) accounted for the bulk of the operating cash flows for the quarter. Included in working capital (\$630k) is stock purchase prepayments of (\$513k). In the next 6 months, Analytica expect a reduction in cash burn as research and development expenditure will reduce and production costs be matched by sales. Further, R&D Tax benefit will be submitted for reimbursement.

Analytica continues to have a line of credit of \$400,000.

The controlled market release has permitted the identification of production efficiency improvements, ordering and logistic issues. From minutiae such as repositioning buttons on web pages for greater clarity to modifications to electronic circuitry to support extra features in the device. Feedback from patients, clinicians and GPs perception of the PeriCoach system has led to changes to expedite process or remove confusion. This controlled release is to ensure the best patient and clinician experience, so expansion of the network is managed. The anticipated September release device will be available for iOS (Apple) devices together with slight changes to improve functionality. All elements of the system are being tested and reviewed before public awareness campaigns are launched in the December quarter.

Analytica sent a strong delegation to the Washington AUGS/IUGA conference, commensurate with the importance of this event. This meeting provided excellent exposure to the world's opinion leaders in urogynaecology and continence, and provided Analytica with clinical and industry contacts across the globe. The Washington event allowed us to make key contacts with continence organisations, and to develop relationships with existing and potential partners in technology, sales, marketing and distribution.

Analytica also used this conference as an opportune occasion to convene its first US Clinical Advisory Board meeting. This meeting, held prior to the conference, primarily to ensure the PeriCoach system exceeds patient and clinician requirements in the United States, also allowed the PeriCoach marketing team to test our marketing, sales and distribution assumptions with an expert panel. The product and strategy fared well, and the subsequent conference and trade show provided excellent opportunity to make contacts and gather further information in areas which needed further development.

The PeriCoach accredited clinician network continues to grow in Australia. Concentrating on a confined number of clinicians during the controlled market release permits us to refine our recruitment and clinician support. Training videos and support material with clinician feedback are very focused and simplified. With those refinements our sales managers joining us over the next months will hit the road running and be far more effective.

For, and on behalf of the board,

**Dr Michael Monsour**

Chairman, Board of Directors

*About Analytica Limited*

*Analytica's lead product is the PeriCoach™ System – an e-health treatment system for women who suffer Stress Urinary Incontinence. This affects 1 in 3 women worldwide and is mostly caused by trauma to the pelvic floor muscles as a result of pregnancy, childbirth and menopause.*

*PeriCoach™ comprises a device, web portal and smartphone app. The device evaluates activity in pelvic floor muscles. This information is transmitted to a smartphone app and can be loaded to PeriCloud where physicians can monitor patient progress via web portal. This novel system enables physicians to remotely determine if a woman is correctly performing pelvic floor exercises and if these are improving her condition; otherwise physicians are guided on the need for surgery.*

*PeriCoach™ has been approved in Australia with product launches expected in 2014 in Australia, Europe and the US. The US market for incontinence pads is \$5 billion pa. It is projected that by 2030, 5.6 million women in Australia will suffer urinary incontinence.*

*Analytica is also commercialising the AutoStart™ Infusion System. This is a burette with improved safety and cost reduction features. It is targeting a \$3 billion pa global market, has FDA approval and potential near term cash flow with distribution agreements.*



# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

Analytica Limited

ABN

12 006 464 866

Quarter ended ("current quarter")

30 June 2014

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from customers		
1.2	Payments for		
	(a) staff costs	(82)	(170)
	(b) advertising and marketing	(109)	(329)
	(c) research and development	(443)	(2,114)
	(d) leased assets	-	-
	(e) other working capital	(630)	(1,032)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	9	22
1.5	Interest and other costs of finance paid	(2)	(5)
1.6	Income taxes paid	-	-
1.7	Other-		
	(a) Net sales income	-	-
	(b) R & D Tax Concession	-	521
	(c) Royalty Income	-	6
	(d) Other Grant Income	-	38
<b>Net operating cash flows</b>		<b>(1,257)</b>	<b>(3,063)</b>

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	<b>(1,257)</b>	<b>(3,063)</b>
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(184)	(188)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (purchase of Convertible Notes )	-	-
<b>Net investing cash flows</b>	<b>(184)</b>	<b>(188)</b>
<b>1.14 Total operating and investing cash flows</b>	<b>(1,441)</b>	<b>(3,251)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares	2,880	5,080
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	213
1.18 Repayment of borrowings:	-	(213)
1.19 Dividends paid	-	-
1.20 Other Creditors (costs of fund raising)	(88)	(231)
<b>Net financing cash flows</b>	<b>2,792</b>	<b>4,849</b>
<b>Net increase (decrease) in cash held</b>	<b>1,351</b>	<b>1,598</b>
1.21 Cash at beginning of quarter/year to date	596	349
1.22 Exchange rate adjustments to item 1.20	-	-
<b>1.23 Cash at end of quarter</b>	<b>1,947</b>	<b>1,947</b>

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	61
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions Payment of director's fees and compulsory superannuation.	

**Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A
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- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A
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**Financing facilities available**

*Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	400	0
3.2 Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	1947	596
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.23)		1947	596

### Acquisitions and disposals of business entities

		Acquisitions	Disposals
5.1	Name of entity	N/A	N/A
5.2	Place of incorporation or registration		
5.3	Consideration for acquisition or disposal		
5.4	Total net assets		
5.5	Nature of business		

### Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:

Date: 31 July 2014

Print name: Geoff Daly

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