urbanise

ASX RELEASE

27 July 2023

Appendix 4C & Quarterly Activities Report for the period ended 30 June 2023

- FY2023 full year revenue of $12.85m[1], up 1.5% vs previous corresponding period (pcp). The implementation of new and backlog customers more than offset the loss of Ventia[2] and professional fees were in line with pcp.
- Q4 FY2023 total revenue of $3.09m[1] was down 2.7% vs pcp largely due to reduction in FM APAC professional fees compared to Q4 FY2022.
- Q4 FY2023 licence revenue of $2.76m[3] was marginally higher on pcp. Growth in licence fee revenue was largely offset by a reduction in licences from two APAC customers.
- Q4 FY2023 average monthly cash generated was $738k.[1] Adjusting for net proceeds from the recent placement and the impact of late receipts, underlying average monthly cash used was $183k.
- Colliers Australia went live with Urbanise's FM platform on 3 April 2023. The roll out is on track and meeting expectations. Urbanise recognised $105k of licence and professional fees in Q4 FY2023 and ARR of $216k.[4]
- Closing cash balance of $4.25m[1] (30 June 2022: $3.97m) and no material debt.[5]
- From 1 July 2022, Urbanise is expensing all strata development costs. FM development costs are already fully expensed.
- Urbanise will provide further information on Annualised Recurring Revenue (ARR) and backlog when the Company releases its FY2023 results on 22 August 2023.
- On 18 April 2023, Urbanise announced the resignation of Almero Strauss as Non-Executive Chairman and appointment of Sam Cuccurullo to the role. Mr Strauss will remain a Non-Executive Director. Darc Rasmussen also joined the Board as Non-Executive Director and Daniel Bignold resigned from the Board.

Urbanise.com Limited (ASX: UBN) ("Urbanise" or "the Company") today provides a business update and quarterly cash flow report for the quarter ended 30 June 2023 (Appendix 4C).

Urbanise is a leading provider of cloud-based Software-as-a-Service (SaaS) platforms, Urbanise Strata and Urbanise FM, which service the strata and facilities management sectors. Urbanise provides its solutions in Australasia, the Middle East, Europe and South Africa.

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[1] Unaudited financial information.
[2] From 1 April 2022, Ventia reduced its requirements for user licences on 3 contracts due to the implementation of a single standardised enterprise system across that business. ARR impact of $0.63m.
[3] Unaudited financial information.
[4] Unaudited financial information, revenue accrued is a management estimate based on contractual terms
[5] No debt other than annual insurance premium funding

Q4 FY2023 Business Activity Update

Urbanise's CEO Simon Lee said: *"There has been significant activity in the quarter in relation to strengthening the balance sheet of the business and resetting the sales and operational management of the business, to execute on our growth strategies. The key considerations for the past quarter and our outlook are set out below".*

Results

Urbanise reported $12.85m of total revenue in FY2023 including $11.2m of licence fees for the year ended 30 June 2023 (87% recurring revenue). Underlying licence revenue growth of $1.0m was offset by a revenue reduction of $0.8m.

FY2023 revenue growth was largely driven by the implementation of 1 July 2022 backlog of $219k and new wins in FY2023 of $384k, as well as organic growth of $408k of which over half relates to price increases. New wins came from small to medium strata customers in Australia, pure play strata managers in the Middle East and small to medium FM customers in the Middle East and APAC.

The $0.8m reduction in FY2023 licence revenue vs pcp was due to the reduction in licences by Ventia ($491k), small customer churn ($129k split equally between FM and Strata) and the loss of a contract or lots under management by two APAC customers (one in strata and one in FM). Urbanise continues to work closely with these two customers and expects them to replace lost business in the future.

The cash closed at $4.25m on 30 June 2023. During Q4 FY2023, Urbanise successfully completed an institutional placement to raise net proceeds of $3.31m to support working capital and growth. The business has projected a cash break even position by FY2025, underpinned by revenue growth and continued working capital and cost management.

Total receipts for the quarter of $3.43m were impacted by $0.55m in outstanding invoices from four large Middle East customers. These customers have been impacted by local compliance changes relating to budget approvals by government entities and other corporate entity changes, which has delayed payments to Urbanise over the last two quarters. Urbanise has received assurances from these customers and the local government agency (Real Estate Regulatory Authority) that these processes are being resolved.

Sales conversions and pipeline

During Q4 FY2023, the sales team has focused on opportunities relating to aged care/retirement villages, commercial, retail, FM Outsourcers and strata managers. The team converted seven small strata managers, one small FM customer and a number of the larger opportunities are still under review by prospective customers. We note there are longer timeframes to complete final decisions to buy, as contract size increases. The average contract value of our pipeline is between $300k - $350k highlighting the use of Urbanise's platform by larger customers, especially in FM and Middle East Strata. The Company's ARR and CARR[6] growth over the past five years has been driven by large contracts for PICA, Nakheel, Anglo-American and Colliers. Urbanise has also invested significantly into marketing content to help customers understand the value of our platforms.[7]

[6] Annual Recurring Revenue (ARR) relates to licence fees for customers that are live on our software and Contracted Annual Recurring Revenue (CARR) relates to ARR plus customers who have signed up but are not yet live on our software.
[7] Examples includes customer cases where our platform has been deployed:
Baptcare Implementation on track
Why Whiddon chose Urbanise as a tech partner

Organisational and cost base review

During the quarter, our management team was re-organised and divided into our two businesses – Urbanise Strata and Urbanise FM. Prior to the re-organisation, the management team was comprised of functional leads for sales, implementation, product development and support, working across both businesses. The purpose of the re-organisation is to better align our sector expertise to the distinct strata and FM markets.

In addition, the Board and senior management team have commenced a review of the operations and cost base of the business, ahead of an anticipated ramp down of development effort. This follows recent significant investment for Colliers and integrations to Mollak in Dubai and earlier development for the PICA contract. While the investment in product is expected to yield significant return on investment through new sales, the current cash cost of development is substantial. We expect to complete that review within Q1 FY2024, with the expectation that any changes will deliver an improvement in cash burn.

Urbanise Strata

Urbanise Strata remains the larger part of our business contributing 64.3% of total revenue for the year. Within Strata, ANZ accounts for 68.7% of revenue, the Middle East 30.6%, and Africa 0.7%.

ANZ Strata continues to focus on small to medium strata managers in ANZ and sales continue to be steady with seven customers secured in the quarter, totalling $63k in ARR. We expect steady improvement over time with the opportunity to gradually secure market share from on-premise (non-cloud-based) competitors. Our sales effort is a combination of relying on our strong relationship network as well as marketing through Strata Community Association (SCA) events.

Our objective is to increase revenues by strengthening existing partnerships with strata franchisee networks,[8] third-party software and other services, with the view to increase revenue with existing customers by reselling partner services or securing new customers through partners.

Middle East Strata continues to focus on the strata requirements of property developers and 'pureplay' strata managers[9] who need combined FM and strata solutions. Our sales pipeline allows for deeper expansion into property development groups, where we have an existing footprint, as well as securing new customers. There are opportunities to further expand with existing customers where the UAE government is driving the consolidation of government-owned strata and FM businesses.[10]

Integration work into Dubai's Real Estate Regulatory Authority's (RERA) platform continues to be on track for a September 2023 completion date. The integration of Urbanise Strata and FM ensures our customers meet legislative compliance obligations, specifically the provision of customer satisfaction, strata and facilities data which is automatically loaded into the government database. We successfully completed manual data loads for customers during the quarter as an interim solution, which further validated our integrations design.

The integration provides Urbanise with further competitive advantage in the region, ensuring the Company is the single system integrated into Mollak combining data from our systems and other third-party systems. There are relatively few major competitors who can provide this end-to-end solution, particularly for large customers.

[8] Partners include the Ace Strata Franchise and Stratavote, a third-party strata voting platform.
[9] Strata managers are referred to as community managers in the UAE region.
[10] This includes the Recent merger of Eltizam Asset Management and Aldar Estates

Urbanise FM

Urbanise FM contributes 35.6% of total revenue. In FY2023, ANZ represented 81.1% of FM revenue, the Middle East 17.9% and Africa 1.0%.

Colliers continued to roll-out Urbanise FM across their portfolio and user adoption has been positive. Urbanise has provided Colliers with roll-out support during this time. Consequently, we recognised licence and professional fees in the quarter, totalling $105k with Annual Recurring Revenue (ARR) of $216k.[2] The roll-out provides an important reference for future sales, particularly for commercial and multi-site facilities management, which we have been able to promote at various trade events.[11] We also completed a number of implementations during the quarter including Colliers NZ and Baptcare.

In July 2023, Urbanise FM secured an FM APAC customer with ARR of ~$40k and implementation fees of approximately $50k. We expect the implementation to be completed by Q2 FY2023. During Q4 FY2023, we also secured an order for $260k of professional fees with a MENA FM customer for primarily analytics and value add services, to be delivered in FY2024.

The sales focus by industry:

Aged care: The team continue to target NSW and VIC based aged care and retirement village operators through a series of trade events and direct sales efforts.[12] The opportunity is to provide village operators with asset management compliance reporting using our platform.

FM outsourcers: Our pipeline includes opportunities with new FM outsourcers as well as increasing revenue with existing customers who are tendering for new contracts.

Commercial and retail: Urbanise is targeting retail and commercial operators who manage their FM in-house. The current pipeline includes shopping centres and retail brands.

Board changes

On 18 April 2023, Urbanise announced several changes at Board level which included the appointment of Sam Cuccurullo as Non-Executive Chairman and Darc Rasmussen as Non-Executive Director. Outgoing Chairman Almero Strauss will remain a Non-Executive Director. Daniel Bignold has stepped down from the Board but will continue in a technical advisory role.

Mr Cuccurullo joined the Urbanise Board in April 2021 and has been Chair of the Remuneration and Nomination Committee, ESG Sub-Committee and a member of the Audit and Risk Committee. He has broad experience in property services and a deep understanding of the facilities management industry in the Asia-Pacific region. Mr Rasmussen brings extensive SaaS and business growth experience, having worked across several international private and public companies and currently serves as director of Objective Corporation (ASX:OCL) and Gentrack Group (ASX:GTK).

[11] Example includes the recent Australian Proptech Summit 2023 event - How Colliers are using Urbanise to drive efficiency and reduce risk

[12] Example includes National Retirement Living Summit - How Urbanise is digitising asset management planning for retirement living operators

FY2023 Full Year Financial Summary

FY2023 total revenue of $12.85m was up 1.5% vs pcp (FY2022: $12.66m). Licence fee growth, excluding Ventia licence fee reductions and the non-core Utilities platform, was 6.6%. Professional fees of $1.69m increased by $22k or 1.3% vs FY2022.

Table 1: Key drivers of FY2023 licence fee growth by segment

FY2023 FM Licence fees	$000s	FY2023 Strata Licence fees	$000s
New and backlog customers	329	New and backlog customers	274
Organic growth from existing customers	171	Organic growth from existing customers	237
Loss of customers	(64)	Loss of customers	(65)
Reduction licence fees from APAC customer	(50)	Reduction licence fees from APAC customer	(139)
Reduction in licence fees (Ventia)	(491)		
Change in FM Licence fees in FY2023	**(105)**	**Change in Strata Licence fees in FY2023**	**307**
% Change on pcp	*(2.7)%*	*% Change on pcp*	*4.3%*

Table 2: FY2023 Urbanise Summary (Unaudited financial information)

$000s	FY2023	FY2022	Var	Var %
FM Licence fees	3,816	3,921	(105)	(2.7%)
Strata licence fees	7,335	7,028	307	4.3%
Utilities licence fees	5	39	(34)	(87.2%)
Total licence fees	**11,156**	**10,988**	**168**	**1.5%**
Professional fees	1,694	1,672	22	1.3%
Other revenue	-	2	(2)	(100.0%)
Total revenue	**12,850**	**12,662**	**188**	**1.5%**
Licence fees % total	**86.8%**	**86.8%**		

Q4 FY2023 Financial Summary

During the June quarter, total revenue was $3.09m, a reduction of 2.8% vs pcp (Q4 FY2022: $3.17m). This was driven by a reduction in professional fees of $112k, while licence revenue was steady with a 0.8% increase.

Q4 FY2023 recurring licence fees were in line vs pcp with the implementation of new clients ($236k) and organic growth from existing clients ($79k) offset by customer churn ($50k), a reduction in licence fees from two APAC FM customers ($93k) and lower licence fees from an APAC Strata customer due to a reduction in lots and requirements ($139k) for the quarter. The impact of this revenue reduction is not expected to be an Annual Recurring Revenue impact due to contract renewal discussions.

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At 30 June 2023, the cash balance closed at $4.25m with no material debt.[13] The average monthly cash generated was $738k for Q4 FY2023. The underlying average monthly cash used was $183k after adjusting for net proceeds from the institutional placement and late receipts.

Table 3: Q4 FY2023 Urbanise Summary (Unaudited financial information)

$000s	Q4 FY2023	Q4 FY2022	Var	Var %
FM licence fees	946	935	11	1.2%
Strata licence fees	1,812	1,790	22	1.2%
Utilities licence fees	-	10	(10)	(100.0%)
Total licence revenue	**2,758**	**2,735**	**23**	**0.8%**
Professional Fees	327	439	(112)	(25.5%)
Total revenue	**3,085**	**3,174**	**(89)**	**(2.8%)**
Average monthly cash generated/(used)	738	43	695	1600.1%
Underlying average monthly cash generated/(used)	(183)	53	(304)	(573.6%)
Closing cash	**4,248**	**3,970**	**278**	**7.0%**
Licence fees % total	**89.4%**	**86.2%**		

Facilities Management

Q4 FY2023 FM licence fees were $946k, an increase of $11k vs pcp of $935k. Growth from new and backlog customers ($116k) included $54k for Colliers Australia which went live on 3 April 2023. Further licence fees from Colliers Australia will be recognised as the national roll out continues. Revenue from Colliers New Zealand and Baptcare which both went live on 30 June 2023 will be recognised from the next quarter.

This growth was offset by three factors. Firstly, Ventia licence fee reduction of $43k driven by a reduction of the expired contracts ($30k) in Q4 FY2023 and $13k related to timing of lost revenue in Q4 FY2023. Secondly, lost customers ($25k) of which one small customer ($24k ARR) was lost at the end of quarter with the remainder disclosed in prior quarters. Finally, an FM Outsourcer customer in Malaysia reduced its licence fees by $50k in Q4 FY2023 due to the loss of their primary customer. Urbanise continues to serve the remainder of this customer's portfolio and continues to work closely with them.

Professional fees were $137k lower on pcp, primarily due to development and implementation fees from two significant APAC projects carried out in Q4 FY2022.

Table 4: Key drivers of Q4 FY2023 FM licence fee growth

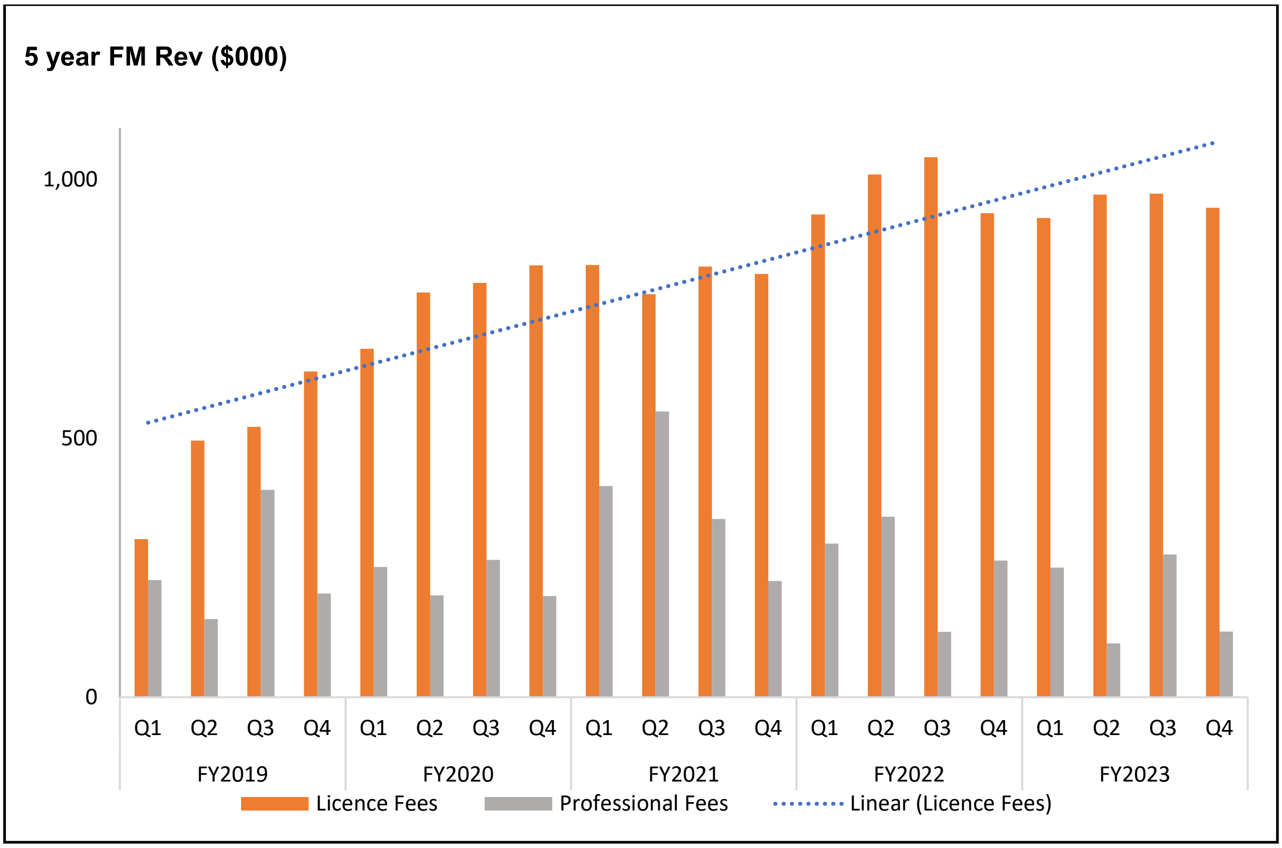
Q4 FY2023 FM Licence fees	$000s
New and backlog customers	116
Organic growth from existing customers	13
Loss of customers from primarily prior quarters	(25)
Reduction licence fees from APAC customer	(50)
Reduction in licence fees (Ventia)	(43)
Change in FM Licence fees in Q4 FY2023	**11**
% Change on pcp	*1.2%*

[13] No debt other than annual insurance premium funding

Table 5: Q4 FY2023 Facilities Management Summary (Unaudited financial information)

$000s	Q4 FY2023	Q4 FY2022	Var	Var %
Licence fees	946	935	11	1.2%
Professional fees	127	264	(137)	(51.9%)
Total revenue	**1,073**	**1,199**	**(126)**	**(10.5%)**
Licence fees % total	**88.2%**	**78.0%**		

Chart 1: Facilities Management delivers long term growth ($000s)



Strata Management

Q4 FY2023 Strata licence fees increased by 1.2% vs pcp due to new and backlog contracts completed since Q4 FY2022 ($120k). New customers in Q4 FY2023 included a large Middle East customer implemented at the end of Q3 FY2023 ($55k), nine small APAC customers ($13k). One small Middle East customer ($3k) was implemented from backlog. In addition, there was organic growth from existing customers in both APAC and Middle East of $66k.

The growth was offset by customer churn of $25k related to a small APAC strata customer lost in Q4 FY2023 ($16k) and a small Middle East customer lost in pcp ($9k). In addition, an APAC Strata customer had reduced licence fees in the quarter due to a reduction in lots and requirements ($139k) for the quarter. The impact of this revenue reduction is not expected to be an Annual Recurring Revenue impact due to contract renewal discussions.

Q4 FY2023 professional fees growth of $25k was primarily due to the implementation of nine new small APAC strata managers implemented in Q4 FY2023.

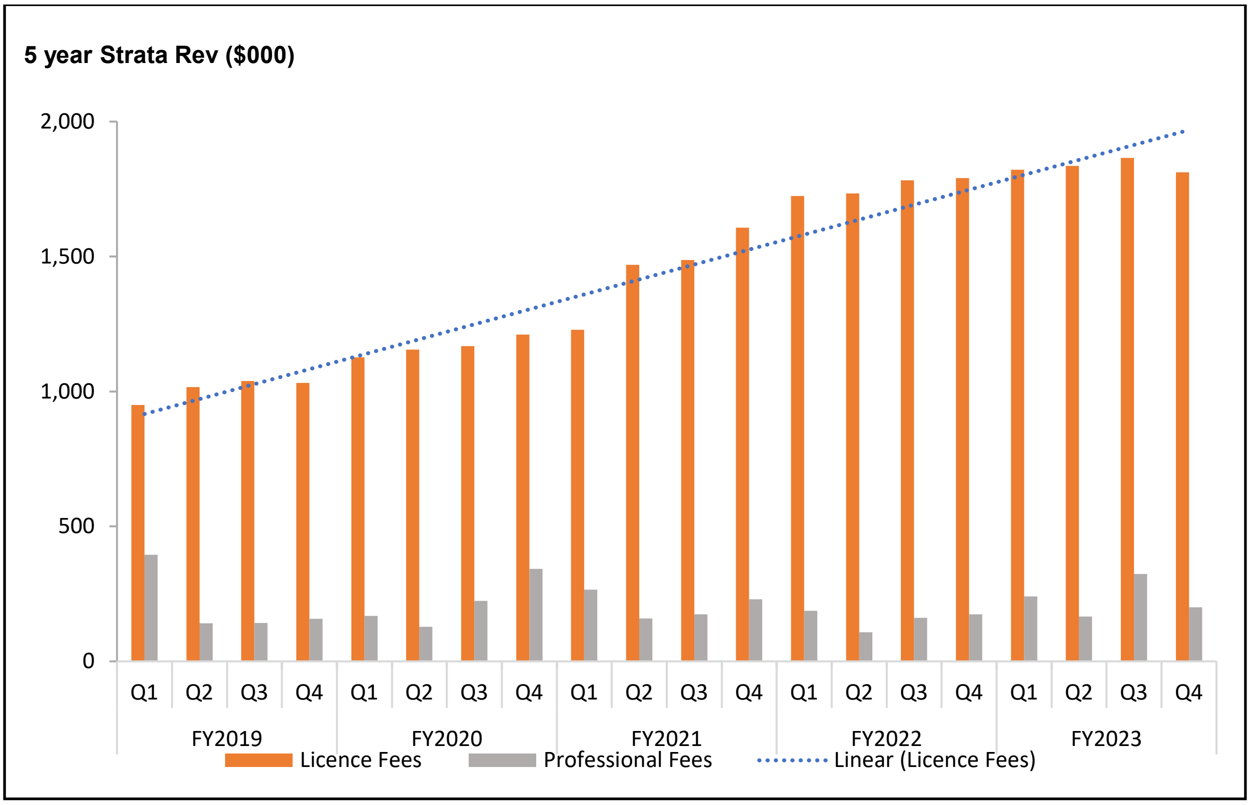
Table 6: Key drivers of Q4 FY2023 Strata licence fee growth

Q4 FY2023 Strata Licence fees	$k
New and backlog customers	120
Organic growth from existing customers	66
Loss of customers	(25)
Reduction licence fees from APAC customer	(139)
Change in Strata Licence fees in Q4 FY2023	**22**
% Change on pcp	*1.2%*

Table 7: Q4 FY2023 Strata Summary (Unaudited financial information)

$000s	Q4 FY2023	Q4 FY2022	Var	Var %
Licence fees	1,812	1,790	22	1.2%
Professional fees	200	175	25	14.3%
Total revenue	**2,012**	**1,965**	**47**	**2.4%**
Licence fees % total	**90.1%**	**91.1%**		

Chart 2: Strata delivers consistent licence fee growth ($000s)



Q4 FY2023 Cashflow Summary

Cash receipts for the quarter of $3,429k[14] were $615k lower vs pcp (Q4 FY2022: $4,044k) primarily due to significant cash-in-advance received in Q4 FY2022 ($792k).

At the close of Q3 FY2023 there was $1,055k of late receipts related to four large Middle East customers, of which $683k was collected within Q4 FY2023. In Q4 FY2023, there was an additional $178k in late receipts from two of the large Middle East customers. While the region is administratively slow at processing invoices, a number of these customers have been going through a period of change including new company set-ups requiring new contracts to be issued prior to processing invoices. The Dubai strata customers, in particular, have been burdened with tough Real Estate Regulatory Authority (RERA) regulations prior to processing of invoices. Urbanise has been reassured by these customers and the local government agency (RERA) that the processes are being resolved and the Company expects to collect these outstanding receipts over the next two quarters.

Table 8: Adjusted cash receipts (Unaudited financial information)

Adjusted cash receipts ($000)	Q4 FY2023	Q4 FY2022	Variance	Variance%
Total cash receipts from customers	3,429	4,044	(615)	(15.2%)
Significant cash-in-advance	-	(792)	792	N/A
Adjusted Total	**3,429**	**3,252**	**177**	**5.4%**

Following a review of the Strata Product, Urbanise has determined that it has reached a stage of maturity whereby capitalisation of development costs no longer meet the accounting requirements. As a result, all development costs have been expensed from 1 July 2022. Table 9 provides a summary of total payments for suppliers and employees and capitalised development costs for Q4 FY2023 and Q4 FY2022. No development costs were capitalised in Q4 FY2023 with these costs included in Payments to suppliers and employees.

Table 9: Total Payments Suppliers/Employees Comparison (Unaudited financial information)

Total payments for suppliers and employees ($000s)	Q4 FY2023	Q4 FY2022	Variance
Payments to suppliers and employees	(4,519)	(3,622)	(897)
Payments for intangibles / capitalised development	-	(225)	225
Total	**(4,519)**	**(3,847)**	**672**

Q4 FY2023 cash payments to suppliers and employees of $4,519k was $672k or 17% higher than the equivalent figure of $3,847k in Q4 FY2022 (Payments to suppliers and employees plus capitalised development costs).

Q4 FY2023 payments that were incremental to pcp included spend on non-core contract developers for development in the Middle East (primarily RERA integration) and Colliers ($220k); non-recurring employment costs ($184k); timing and lumpiness of payments between quarters ($200k); and other net employee movements ($58k). Note that the $220k in costs associated with the Middle East development and Colliers was partially offset by professional fees received in the quarter.

[14] Unaudited financial information

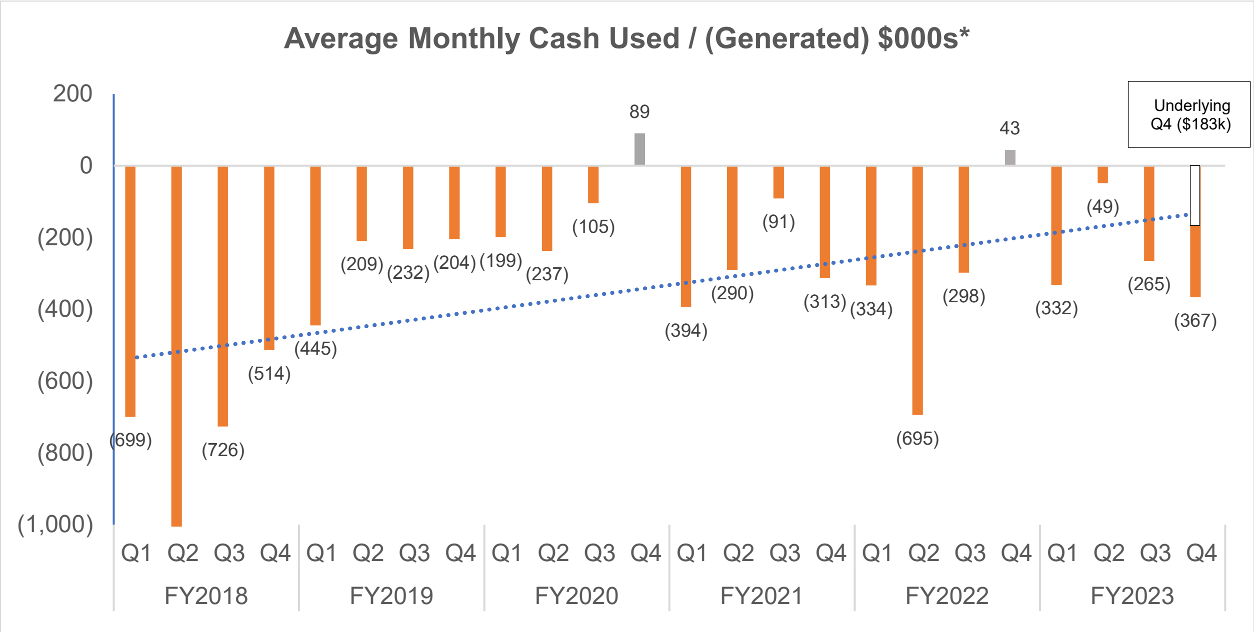
Closing cash was $4,248k and the average monthly cash generated was $738k for Q4 FY2023. The underlying average cash used was $183k after adjusting for net proceeds from placement and the impact of late receipts. Table 10 sets out the cash flow for Q4 FY2023 vs pcp and the impact of exceptional items.

Table 10: Q4 FY2023 & Q4 FY2022 Cashflow Summary (Unaudited financial information)

$000s	Q4 FY2023	Q4 FY2022	FY2023	FY2022
Opening Cash Balance	**2,035**	**3,840**	**3,970**	**7,820**
Receipts from customers	3,429	4,044	13,741	13,590
R&D tax rebate	-	-	389	352
Payments to suppliers and employees	(4,519)	(3,622)	(17,100)	(16,689)
Interest	(14)	(29)	(54)	(65)
Net cash used in operating activities	**(1,104)**	**393**	**(3,024)**	**(2,812)**
Payments for equipment	(13)	(36)	(54)	(96)
Payments for intangibles / capitalised development	-	(225)	-	(930)
Proceeds from sale of business	16	-	16	-
Net cash used in investing activities	**3**	**(261)**	**(38)**	**(1,026)**
Net increase in cash and cash equivalents	**(1,101)**	**132**	**(3,062)**	**(3,838)**
Net proceeds from placement	3,313	-	3,313	-
Effect of movement exchange rates on cash balances	1	(2)	27	(12)
Net cash flow for the period	**2,213**	**130**	**278**	**(3,850)**
Cash at 30 June	**4,248**	**3,970**	**4,248**	**3,970**
Average Monthly Cash Generated / (Used)	**738**	**43**	**23**	**(321)**
Net cash flow for the period	**2,213**	**130**	**278**	**(3,850)**
Investment for Strata migration	-	-	-	49
R&D rebate	-	-	(389)	(352)[15]
Net proceeds from placement	(3,313)	-	(3,313)	-
Middle East development net cash outflow	-	-	62	-
Non-recurring employment costs	-	28	133	1,258[16]
Uncollected late receipts at Q3 FY2023	1,055	-	1,055	-
Prior quarters late receipts collected in Q4 FY2023	(683)	-	(683)	-
Uncollected late receipts from Q4 FY2023	178	-	178	-
Underlying cash flow for the period	**(550)**	**158**	**(2,679)**	**(2,895)**
Underlying Average Monthly Cash (Used)	**(183)**	**53**	**(223)**	**(241)[6]**

[15] R&D rebate not adjusted for underlying cash in Q4 FY2022 4C, adjusted for comparison.
[16] Includes FY2022 termination payouts, non-recurring employment costs, recruitment costs and STI for ex-CEO.

Chart 3: Average monthly cash used / generated ($000s)* (Unaudited financial information)



** Excludes proceeds from capital raises / placements and sale of business assets*

Payments to related parties in Item 6.1 of Appendix 4C consisted of fees paid to the Board of Directors.

This announcement has been authorised for release by the UBN Board of Directors

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About Urbanise
Urbanise is a leading provider of cloud-based Software as a Service (SaaS) platforms for property management, specifically strata and facilities management. The Strata platform manages the communications and accounting functions for apartment buildings, strata commercial towers and large housing communities. The Facilities Management platform manages the repair and maintenance for infrastructure, buildings, residential and commercial properties. Urbanise technology is used in some of the tallest towers and most prestigious communities around the globe. www.urbanise.com

Forward-looking statements
This announcement may contain forward-looking statements regarding the Company's financial position, business strategy and objectives (rather than being based on historical or current facts). Any forward-looking statements are based on the current beliefs of the Company's management as well as assumptions made by, and information currently available to, the Company's management. Forward-looking statements are inherently uncertain and must be read accordingly. There can be no assurance that some or all of the underlying assumptions will prove to be valid.

All data presented in this announcement reflects the current views of the Company with respect to future events. Forward-looking statements are subject to risk, uncertainties and assumptions relating to the operations, results of operations, growth strategy and liquidity of the Company. To the maximum extent permitted by law, the Company, its officers, employees and agents do not accept any obligation to release any updates or revisions to the information (including any forward-looking statements) in this announcement to reflect any change to expectations or assumptions; and disclaim all responsibility and liability for any loss arising from reliance on this announcement or its contents.

Appendix 4C

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

Name of entity
Urbanise.com Limited

ABN	Quarter ended ("current quarter")
70 095 768 086	30 June 2023

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	3,429	13,740
1.2	Payments for		
	(a) research and development		
	(b) product manufacturing and operating costs	(613)	(2,164)
	(c) advertising and marketing	(27)	(256)
	(d) leased assets		
	(e) staff costs	(2,347)	(9,110)
	(f) administration and corporate costs	(1,532)	(5,571)
1.3	Dividends received (see note 3)		
1.4	Interest received		
1.5	Interest and other costs of finance paid	(14)	(54)
1.6	Income taxes paid		
1.7	Government grants and tax incentives		389
1.8	Other (provide details if material)		
1.9	**Net cash from / (used in) operating activities**	**(1,104)**	**(3,026)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	(13)	(53)
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
2.2	Proceeds from disposal of:		
	(g) entities	16	16
	(h) businesses		
	(i) property, plant and equipment		
	(j) investments		
	(k) intellectual property		
	(l) 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**	**3**	**(37)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	3,500	3,500
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	(187)	(187)
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**	**3,313**	**3,313**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	2,035	3,970
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,104)	(3,026)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	3	(37)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,313	3,313
4.5	Effect of movement in exchange rates on cash held	1	28
4.6	**Cash and cash equivalents at end of period**	**4,248**	**4,248**

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	4,248	2,035
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)**	**4,248**	**2,035**

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	(88)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

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.

7.	Financing facilities *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	Total facility amount at quarter end $A'000	Amount drawn at quarter end $A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	**Total financing facilities**		
7.5	**Unused financing facilities available at quarter end**		
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.		

8.	Estimated cash available for future operating activities	$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,105)
8.2	Cash and cash equivalents at quarter end (item 4.6)	4,247
8.3	Unused finance facilities available at quarter end (item 7.5)	
8.4	Total available funding (item 8.2 + item 8.3)	4,247
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	3.8

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.

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:

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:

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:

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.

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.

Date: 27 July 2023

Authorised by: Board of Directors
(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.