



ASX Release

28 April 2023

QUARTERLY REVIEW FOR THE PERIOD ENDED 31 MARCH 2023

- Unaudited net profit before tax of \$4k for the quarter ended 31 March 2023 (loss of \$385k quarter ended 31 March 2022)
- Cash receipts of \$1.73 million for the quarter ended 31 March 2023 (\$2.07 million quarter ended 31 March 2022)
- Operational cash outflow of \$182k (outflow \$285k quarter ended 31 March 2022)
- Quarter closed with \$1.02 million of accounts receivable and \$182k of hardware orders to be installed and invoiced in Q2

Melbourne, Australia; 28 April 2023: Jayex Technology Limited (ASX: JTL) (**Jayex** or **Company**), a leading UK and Australian provider of integrated e-health SaaS healthcare services delivery platforms, today released its 4C – Quarterly cash flow report for the quarter ended 31 March 2023 (the Quarter).

Unaudited net profit for the quarter was \$4k, compared with a net loss of \$385k for the quarter ended 31 March 2022. The improvement was largely due to a reduction in operating expenses, following the completion of a number of key restructuring activities during the quarter:

- The internally managed warehouse has been closed and hardware warehousing and logistics has been transferred to a specialist provider. In addition to reducing operational costs, this will also improve hardware delivery and installation performance. The carrying value of inventory at the end of the quarter was \$130k compared with \$259k as at 31 March 2022.
- Payment for staff costs for the quarter were \$598k, which includes approximately \$28k of restructuring costs. In comparison, payment for staff costs for the quarter ended 31 March 2022 were \$780k.
- A rationalisation of third-party software licenses was completed in the quarter, this will deliver savings of approximately \$92k p.a. The realisation of the savings will commence next quarter.

Cash receipts were \$1.73m in the quarter, which closed with \$1.02m of trade receivables of which \$1.0m is due for payment during the quarter ended 30 June 2023. Net cash from financing activities was \$72k in the quarter. Proceeds from loans during quarter of \$360,000 and repayment of loans to Covenant and CBIL of \$288,000.

As previously reported, the restructuring of \$3.25m of debt was approved by shareholders during the quarter, this will result in a reduction in annual interest costs of approximately \$315k. Additionally, \$392k of outstanding tax was paid during the quarter, resulting in a reduction of approximately \$18k of recurring interest p.a.

Jayex Technology Limited
(ACN 119 122 477)

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Update on JV with Shine Clinical

Progress has continued with the implementation of the previously reported JV with Shine Clinical. The operational and governance processes for the JV have been agreed in principle by the Company and by Shine Clinical and these are now being incorporated into the final Agreement between the two parties. The Company expects to execute the final Agreement within the next few weeks and to begin receiving revenue from the JV during the quarter ending 30 June 2023.

Related Party Payments

In line with its obligations under ASX Listing Rule 4.7C.3, the Company has advised in the Appendix 4C, Section 6.1 for the period ended 31 March 2023, that the only payments to related parties of the Company pertaining to payments to Directors for salaries, fees and consultancy. This totaled payment of \$9k, over the period.

This announcement is authorised for release to the market by the Board of Jayex Technologies Limited.

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About Jayex Technology Limited - www.jayexhealthcare.com.au

Jayex Technology is a leading provider in the United Kingdom and Australia of integrated healthcare services delivery platforms, incorporating the Company's four interconnected and proprietary technologies, being:

the Jayex Connect – the complete cloud-based Patient Engagement Platform;
the Enlighten patient workflow platform;
the Appointuit patient engagement solution;

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Appendix 4C

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

Name of entity

JAYEX TECHNOLOGY LIMITED

ABN

15 119 122 477

Quarter ended ("current quarter")

31 MARCH 2023

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	1,729	1,729
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(527)	(527)
(c) advertising and marketing	(1)	(1)
(d) leased assets	(50)	(50)
(e) staff costs	(598)	(598)
(f) administration and corporate costs	(698)	(698)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	(37)	(37)
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	(182)	(182)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		
(f) other non-current assets		

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) 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.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
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		
3.5	Proceeds from borrowings	360	360
3.6	Repayment of borrowings	(288)	(288)
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	72	72
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	238	238
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(182)	(182)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	72	72
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	128	128

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	128	238
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)	128	238

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	(9)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>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.</i>		

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000			
<i>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.</i>					
7.1 Loan facilities	1,818	1,818			
7.2 Credit standby arrangements					
7.3 Other (please specify)					
7.4 Total financing facilities	1,818	1,818			
7.5 Unused financing facilities available at quarter end		0			
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.					
	\$702,000	National Westminster Bank	2% from July21	30/06/2026	Unsecured
	\$846,000	National Westminster Bank	2% from Feb22	31/01/2027	Unsecured
	\$270,000	Covenant Holdings (WA) Pty Ltd	Interest free	30/06/2023	Unsecured

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(182)
8.2 Cash and cash equivalents at quarter end (item 4.6)	128
8.3 Unused finance facilities available at quarter end (item 7.5)	0
8.4 Total available funding (item 8.2 + item 8.3)	128
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	0.7
<i>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.</i>	
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?	
<p>Answer: No, at the end of the quarter trade receivables were at \$1.02m, of which \$1.0m is due for payment within the quarter ended 30 June 2023. This compares with \$398k at the start of the year. Additionally, the restructuring activities completed during the quarter are now delivering savings in expenditure on an ongoing basis.</p>	
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?	
<p>Answer: Not at this time.</p>	

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: Yes, receipt of the current trade receivables in addition to revenue from the orders already secured going into the next quarter as well as new orders, combined with the reduction in operating costs are expected to enable the business to generate a positive cash flow.

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: 28 April 2023

Authorised by: By the Board
(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.