



ASX Release

Quarterly Cash Flow Report and Trading Update

Quarter ended 31 December 2016

Melbourne, Australia; 31 January 2017: Jayex Healthcare Limited (ASX: JHL) (**Jayex** or **Company**), a leading e-health provider of integrated healthcare services delivery platforms, today released its Appendix 4C – Quarterly cash flow report for the quarter ended 31 December 2016 (the **Quarter**).

During the Quarter JHL's consolidated cash receipts amounted to approximately AUD\$1.849m and are approximately AUD\$10.249m for the 12 months to 31 December 2016. The receipts over the year have been adversely affected by the depreciation of the UK Pound, which is down approximately 18% against the Australian Dollar since Jan 1st 2016. Receipts derived from the UK represent approximately 80% of consolidated cash receipts.

Cash at bank over the quarter reduced from \$1.659m to \$1.335m.

Operationally the Company continues to deploy its technologies of Appointuit (patient engagement) and the Enlighten Patient Flow Management Platform (patient arrival registration via kiosks, calling screens and wayfinding technologies) across the UK and Australia, whilst entering new regions.

During the quarter and up to current date, the key operational highlights include:

- JHL signed a four year contract with cohealth, a not-for-profit community health organisation in Melbourne, to provide a patient arrival/calling and engagement solution at cohealth's new health centre in Footscray, Victoria;
- the creation of a dedicated acute sales channel to focus on hospital and corporate opportunities and the appointment of a new national primary care sales manager and the expansion of the Group's sales team to drive sales of Enlighten and Appointuit in the Australian Primary Health Care market;
- the receipt of its first orders to deploy Enlighten into New Zealand – the contracts to provide these services are expected to be finalised in Q1 2017, with further NZ orders expected to follow;
- the development of the Group's P2U prescription processing and delivery solution is proceeding as planned, with product roll-out currently expected in H2 2017;

The Federal Court application served by Australian Medical Consulting Group Pty Ltd and its owners Mr Gordon Cooper and Ms Rosemary Cooper upon JHL, as advised to the market in October 2016, remains in progress with a direction hearing on Thursday the 2nd of February. JHL and its advisors do not believe there is any merit to the claims contained in the application and defend them vigorously. JHL has terminated the employment of Mr Gordon Cooper and Ms Rosemary Cooper. Despite the

distraction, *Appointuit* is currently deployed in 331 locations and 3,045 GPs; this compares to 254 locations and 2,318 GPs at the time of the prospectus.

In addition to the Company's expected improvement in operating cash flow during H1 2017, driven by the seasonally stronger Q1 cash flows from its UK operations, the Company proposes to enter into an agreement with an entity associated with Mr Michael Boyd, the Company's Chairman and major shareholder, to provide the Company with a loan facility of up to \$2 million to provide substantial headroom to fund its operations including future developments.

The Company will be releasing its full year results in late February and will supply detail at that point around historical performance and expectations for FY'17.

Contacts for further information:

Chairman
Michael Boyd
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Company Secretary
Melanie Leydin
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About Jayex Healthcare Limited - www.jayexhealthcare.com.au

Jayex Healthcare 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 *Enlighten* patient workflow platform;
- the *Appointuit* patient engagement solution;
- the *Pharmacy Delivery 2 U* prescription delivery service; and
- the *BluePoint*® remote pharmacy prescription processing and dispensing terminal.

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

JAYEX HEALTHCARE LIMITED

ABN

15 119 122 477

Quarter ended ("current quarter")

31 DECEMBER 2016

Consolidated statement of cash flows	Current quarter	Year to date
	\$A'000	(12 months)
		\$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,849	10,249
1.2 Payments for		
(a) research and development	(119)	(275)
(b) product manufacturing and operating costs	(313)	(3,187)
(c) advertising and marketing	(131)	(309)
(d) leased assets	-	(28)
(e) staff costs	(1,119)	(4,498)
(f) administration and corporate costs	(808)	(4,044)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	3
1.5 Interest and other costs of finance paid	(3)	(7)
1.6 Income taxes paid	-	(6)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(643)	(2,102)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(9)	(16)
	(b) businesses (see item 10)	-	(1,062)
	(c) investments	-	-
	(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)	-	(150)
2.6	Net cash from / (used in) investing activities	(9)	(1,228)

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	-	(362)
3.5	Proceeds from borrowings	250	600
3.6	Repayment of borrowings	-	(5)
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	250	233

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
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	1,659	4,637
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(643)	(2,102)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(9)	(1,228)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	250	233
4.5 Effect of movement in exchange rates on cash held	78	(205)
4.6 Cash and cash equivalents at end of quarter	1,335	1,335

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	1,335	1,659
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)	1,335	1,659

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	(45)
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	

Director fee payments for the quarter.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
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	

Nil

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	600	600
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.		

Existing facilities:

Facility amount	Lender	Interest rate	Secured/unsecured
\$400,000	Nicho Holdings Pty Ltd	8.0% per annum	Unsecured
\$200,000	Lazarevski Pty Ltd	8.0% per annum	Unsecured

Proposed facility to be entered into after quarter end:

Facility amount	Lender	Interest rate	Secured/unsecured
Up to \$2,000,000	Covenant Holdings (WA) Pty Ltd	To be confirmed	Unsecured

9.	Estimated cash outflows for next quarter**	\$A'000
9.1	Research and development	41
9.2	Product manufacturing and operating costs	987
9.3	Advertising and marketing	114
9.4	Leased assets	-
9.5	Staff costs	1,052
9.6	Administration and corporate costs	1,202
9.7	Other (provide details if material)	-
9.8	Total estimated cash outflows	3,396

*** Please note that the above estimated cash outflows for the next quarter do not include inflows of receipts from customers. The cash outflows are estimates only and variable outflows are calculated on forecast revenue for the quarter. Variable outflows will change if actual revenue differs from forecast revenue.*

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity	Jayex Technologies Limited	
10.2	Place of incorporation or registration	United Kingdom	
10.3	Consideration for acquisition or disposal	\$9,082,378 Note Business was acquired in December 2015, final payment of \$1,062,000 paid in January 2016	
10.4	Total net assets	\$2,395,000	
10.5	Nature of business	Development and sales of health services workflow hardware and software systems.	

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 2017

Print name: Melanie Leydin

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.