



28th January 2022

InteliCare Operations Update December 2021 Quarter

InteliCare Holdings Ltd
ABN 84 622 484 397

ASX Code
ICR

Corporate Directory

Chief Executive Officer &
Managing Director
Mr Jason Waller

Non-Exec Chairman
Mr Greg Leach

Non-Executive Director
Mr Branden Dekenah

Non-Executive Director &
Company Secretary
Mr Neil Hackett

Non-Executive Director
Mr Scott Taylor

Issued Shares
121,616,307

Unlisted Options
20,710,569

Company Details

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investors@intelicare.com.au
Website
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Registered & Principal Office

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Leederville WA 6001

- **Back-to-back record quarters for sales**
- **Another marquee client with MercyCare deal**
- **Successful capital raise with cornerstone fund strengthens cash position**
- **\$756,318 from research & development (R&D) tax refund**

InteliCare Holdings Ltd ("InteliCare" or the "Company") (ASX: ICR), an Australian Software-as-a-Service (SaaS) technology company in the aged care and health industries has developed an award-winning AI-based home monitoring solution that allows people to live at home independently. The Company is pleased to provide this Quarterly report together with an operational and business update.

Another Record Sales Quarter

Backing on from the previous highest September 2021 quarter, December 2021 saw another record quarter in sales:

- Invoiced sales increased by 55% to \$340k;
- Customer receipts grew by 82% from the last quarter;
- Cashflow from customers was 10x same period in FY20; and
- B2B commercial care providers and distributors expanded by a further 40% on last quarter to over 70.

Included in this growth, InteliCare signed an important contract with MercyCare, valued at over \$170,000, with further non-binding potential for ongoing recurring fees and additional hardware. As part of the initial terms, MercyCare committed to purchasing a minimum of 125 units.

Importantly, MercyCare selected InteliCare based on our richness of insights into patterns of behaviour, which is a critical element in being able to provide personalised and proactive care. Secondly, was the product's ability to scale up customised sensor configurations for each client. This assists MercyCare's staff to meet their client's changing needs based on real-world evidence, helping them stay healthy at home for longer.

Expenditure control continuing

Disciplined control of cash burn continued with operating costs reducing across the major expenditures of product manufacturing (-15%), staff (-18%) and administration (-2%).



Product Development

During the quarter, product development focussed on:

- Increasing the array of integrated sensors, particularly those associated with health metrics to drive entry into hospital-in-home and telemedicine markets;
- Expanding and improving the UI to manage multi-resident households, in line with market and customer feedback, particularly for NDIS markets; and
- Integrating the IntelliCare messaging system with third-party monitoring centre systems to facilitate additional value-chain partnerships with these providers.

Successful Capital Raise

In December 2021, the Company successfully completed a capital raise of \$2.99 million through an entitlement offer and underwritten placement. The Entitlement Offer was strongly supported by eligible shareholders, raising approximately \$1.3 million (before costs). The Entitlement Offer shortfall was allocated by Westar Capital Ltd, resulting in a new cornerstone investor, Merchant Funds Management, being welcomed onto the register. At the end of the quarter, Merchant Funds Management control 8.8% of the Company's expanded share capital.

R&D Tax Refund

Additionally, the Company announced it has received a \$756,318 research & development (R&D) tax refund for financial year 2020-2021. The receipt of these funds reflects IntelliCare's significant and ongoing investment in developing its proprietary internet of things (IOT) platform.

COVID-19

The impact of COVID-19 was felt in the reduced bandwidth of aged and disability care service providers, delays in installations and friction in sales lead development due to working from home conditions, particularly on the east coast. There remains a risk that due to further or additional government restrictions the Company may experience business continuity impact or sales pipeline execution delays, particularly as installation and distribution has been restricted in parts of the country due to isolation and lockdown measures.

Intelicare has implemented a set of supply chain risk management approaches including forward ordering of stock for consumables such as sensors, as well as taking advantage of batch manufacture of components where designs were adjusted to address specific chip set shortages. We have recently been advised that chip set availability has improved alleviating risks with Intelicare manufactured components.

Strong Cash Position

As a result of sales combined with the income from the R&D refund and entitlement offer, the company had cash and cash equivalents of \$4.04 million at the end of the quarter and is well funded to continue with its current business operations.

Cash outflows from operating activities for the quarter amounted to \$204k. When considered without the extraordinary cashflow from the R&D grant they were \$976k, still representing an 18% decrease in cash burn.

In addition to the increased receipts from customers and reduced operating expenses, this included lower product manufacturing costs of \$239k, a 6% increase in marketing and advertising costs of \$201k, and reduced staff costs of \$403k.

InteliCare made payments of \$103K to related parties and their associates during the quarter. These payments relate to service agreements with Frontline Services Pty Ltd and Frontline Technology Services Pty Ltd for IT and project services.

This announcement is approved for release by the Board of InteliCare Holdings Limited.

For more information regarding InteliCare, visit www.intelicare.com.au.

Contact and Authorised for Release to the ASX

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About Intelicare Holdings Limited

InteliCare is an Australian technology company that has commercialised a predictive analytics hardware and software system for use in the aged care and health industries. InteliCare believes Australians deserve to age with dignity and through its business-to-business (B2B) and business-to-consumer (B2C) solutions built on its proprietary internet of things (IOT) platform utilising smart sensors and artificial intelligence (AI), InteliCare aims to enable people to stay in their own homes for longer while empowering healthcare providers to deliver higher quality, more efficient services.