



ASX ANNOUNCEMENT

31 January 2024

Q2 FY24 Quarterly Activity Report and Appendix 4C

Melbourne, Australia – Opyl (ASX:OPL) (Opyl or the Company) today released its Quarterly Activity Report and Appendix 4C for the quarter ended 31 December 2023 (**Q2 FY24**).

Key highlights

- Cash receipts from customers of \$201k, up \$151k on the prior quarter
- Successfully completed a Placement, raising \$576,000 at an offer price of \$0.03 per share from new and existing professional and sophisticated investors
- Launched a 2 for 5 non-renounceable rights offer at an offer price of \$0.03 per share to raise up to a further \$1.43m. Subsequent to the quarter, the rights issue raised a further \$687,158, with Opyl receiving firm and binding commitments in advance for the shortfall of \$746,200
- Appointed Mr Saurabh Jain as interim CEO, bringing over 25 years of extensive executive, technology markets and commercialisation experience to Opyl. Mr Mark Ziirsén returned to the position of Non-Executive Chairman (previously Executive Chairman)
- Progressed pivotal technology development and commercialisation activities for TrialKey, increasing the platform's predictive capability to above 90% area under the curve accuracy and progressing UX / UI improvements to enable public launch
- Subsequent to the quarter TrialKey was publicly launched, users can now visit trialkey.ai to sign up for an initial free trial
- Opyl secured a contract with GlaxoSmithKline (**GSK**) valued at \$145k under its existing master services agreement (**MSA**), and two significant partnerships with Bowel Cancer Australia and Scleroderma Australia
- As at 31 December 2023, Opyl held cash of \$584k

TrialKey update

Opyl continued to make key technology improvements to functionality, user experience and accuracy of the TrialKey platform during the quarter. These improvements resulted in a significant enhancement in TrialKey's predictive performance to over 90%, further cementing itself as the market leader in terms of area under the curve accuracy.

In addition to platform accuracy, various improvements were made to UX / UI enabling the platform to be made widely available to the public under a 6-week free trial offer, launched



subsequent to the quarter. Feedback from trial participants will be critical to broadening product awareness, driving enterprise sales lead generation and informing future technology development roadmap initiatives.

Opyl remains focused on driving flagship revenue for TrialKey and, having now successfully raised further capital from its Placement and rights offer, looks forward to allocating funds to accelerating commercialisation activities.

Opin update

Per Opyl's strategy update in 2023, the Opin business continued to focus on expanding its partner relationships to include strategic community management networks. During the quarter, Opin secured a contract for \$145k with GSK under its existing MSA and two significant partnerships – Bowel Cancer Australia and Scleroderma Australia – underpinning the potential for new scalable recurring recruitment revenues versus its previous focus on servicing bespoke just-in-time project revenues.

These strategic partnerships are instrumental to Opin's revised strategy, which looks to unlock new business opportunities within the broader healthcare community compared to targeting and servicing once-off clinical trial recruitment projects. These partnerships present opportunities to drive recurring recruitment revenues across the landscape of bowel cancer and Scleroderma clinical trials and candidate populations.

Partnering with community managers is delivering several strategic benefits to Opin including:

- Improved matching and retention of prospective patient candidates to clinical trials;
- Greater effectiveness in driving early patient recruitment into trials;
- Bringing new clinical trial opportunities to Australia and New Zealand, improving therapeutic options for local patients;
- Unlocking new opportunities to manage virtual private communities on behalf of research institutions, patient advocacy groups and sponsors.

Corporate update

As announced in November 2023, Mr Saurabh Jain was appointed interim Chief Executive Officer (**CEO**) of Opyl. Mr Jain is an accomplished technology entrepreneur with a track record of commercialising, scaling and transitioning management to proven leadership in emerging technology businesses.

In 1997, Mr Jain founded Netpro Express, an internet service provider that was later acquired by Telstra. Since then, Mr Jain has held various senior executive roles at Ventia (**ASX:VNT**), Cushman Wakefield (**NYSE:CWK**) and was previously CEO and Executive Director of Urbanise (**ASX:UBN**) that under his tenure, achieved revenue growth of >400% and market cap growth from ~\$23m to ~\$96m in 3 years. Prior to his current appointment with Opyl, Mr Jain joined the



board of Spacetalk (**ASX:SPA**) where he stepped into the role of acting CEO before transitioning to the current leadership.

Since joining Opyl, Mr Jain has overseen the commercialisation and go-to-market strategy for TrialKey, driving significant improvements in functionality, accuracy and brand awareness which resulted in the platform being made available to the public on the 17th of January 2024, subsequent to the quarter.

Following Mr Jain's appointment, Mr Mark Ziirsén's position transitioned back to Non-Executive Chairman of Opyl.

Placement and Entitlement Offer

In December 2023, Opyl successfully completed a Placement raising \$576,000 at \$0.03 per share from new and existing professional and sophisticated investors. The offer price reflected a 25.0% discount to the closing price of \$0.040 on 7 December 2023.

Further to the Placement, Opyl launched a 2 for 5 non-renounceable rights offer at \$0.03 per share to raise up to an additional \$1.43m from eligible shareholders. The Entitlement Offer also provided eligible shareholders the opportunity to apply for additional shares in excess of their entitlements under a shortfall top-up facility (**Top-Up Offer**) and provided for partial underwriting by Mr Antanas Guoga and Charkaroo Pty Ltd (a related entity of Mr Mark Simari) (the **Underwriters**).

The rights offer closed on Monday, 15 January 2024 (**Closing Date**), raising a total of \$687,158 from eligible shareholders and the Underwriters.

Pleasingly, as announced on 2 January, Opyl procured firm and binding commitments in advance for 100% of any remaining shortfall from professional and sophisticated investors and plans to allocate the shortfall to parties accordingly. Opyl's board reserves the right to allot the shortfall at its discretion within 3 months of the Closing Date, but intends to do so as soon as practicable.

Through the combined proceeds from the company's recent placement (\$576k), rights offer (\$687k) and shortfall (\$746k), Opyl will have raised a total of \$2.01m before costs.

Financial position

The company ended the quarter with a cash position of \$584k, including cash receipts of \$576k from the Placement, up \$89k on 30 September 2023. Further funds from the rights offer are expected to arrive subsequent to the quarter.

Opyl's underlying operating cash outflow, before R&D incentives, was \$449k, an improvement of \$213k on the prior quarter, before Q1 FY24 cash receipts from the Australian Taxation Office under the Federal Government's R&D Tax Incentive Scheme of \$531k.



Opyl received \$201k in cash receipts from customers, representing an increase of \$151k on the prior quarter (\$50k). Staff, administration and corporate costs remained stable. Research and Development costs totalled \$66k.

In accordance with Listing Rule 4.7.B, Opyl made payments to related parties as described in Items 6.1 of the Appendix 4C of \$211k. This included \$126k in directors' fees and salaries, and the balance being payments to RDI Consulting Pty Ltd (**RDI**) and Zappli Pty Ltd (**Zappli**) for R&D expenditure relating to the ongoing development of Opyl's technology platforms. For completeness, RDI and Zappli are entities associated with Opyl's executive director Damon Rasheed and non-executive director Antanas Guoga.

The Board has authorised this announcement for release to the ASX.

-ENDS-

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About Opyl Limited

Opyl is a new generation Australian digital health company that applies artificial intelligence to improving clinical trials and predicting outcomes. Our platforms provide targeted insights that make clinical trials more efficient and easier to access, giving patients more options and saving medical researchers time and money. Our key offering for biopharma, medtech, government and healthcare organisations are Opin.ai (clinical trial recruitment solutions) and Trial Key (clinical trial predictive analytics and protocol design).

Appendix 4C

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

Name of entity

Opyl Limited

ABN

71 063 144 865

Quarter ended ("current quarter")

31 December 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	201	251
1.2 Payments for		
(a) research and development	(66)	(148)
(b) product manufacturing and operating costs		
(c) advertising and marketing		
(d) leased assets		
(e) staff costs (Includes \$126k payment for the quarter to directors)	(312)	(631)
(f) administration and corporate costs	(272)	(583)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives	-	531
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(449)	(580)

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		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	(f) other non-current assets 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)	576	606
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	(38)	(40)
3.5	Proceeds from borrowings	-	150
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings	-	(4)
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	538	712

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	495	452
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(449)	(580)
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 (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	538	712
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	584	584

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	584	452
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)	584	452

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	211
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 <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	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)	(449)
8.2	Cash and cash equivalents at quarter end (item 4.6)	584
8.3	Unused finance facilities available at quarter end (item 7.5)	
8.4	Total available funding (item 8.2 + item 8.3)	584
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.30
<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?	
	Answer: Yes	
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: As outlined in Opyl's ASX announcement on 2 January 2024 and further on 17 January 2024, the company received \$547k from its Rights Offer plus securing \$140K from a partial underwriting and firm and binding commitments for the shortfall. As a consequence, the company has secured a further \$1.43M less costs. This is in addition to the \$576K less costs raised via the placement in the December quarter.	
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 – refer above comment within 8.6.2	
<i>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.</i>		

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: 31st January 2024

Authorised by: By the Board of Directors of Opyl Limited
(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.