

HSC Group Sales Update

30 June 2020

- **HSC achieves over \$900,000 of enterprise sales**
- **Additional sales orders received from ACH Group**
- **Further sales orders received from Bolton Clarke**
- **Additional orders received via the HSC reseller network**
- **Additional sales orders received accessing government CHSP funding**
- **Over 2,700 active subscriptions generating recurring revenue, with SaaS recurring fees to follow each new order**

HSC Technology Group Ltd (ASX:HSC) ("HSC" or the "Company") is pleased to announce a number of new sales achieved from existing or expanded orders from our current client base.

HSC has achieved over \$900,000 of enterprise customer sales orders for the quarter to date, as the business continues to grow and HSC establishes itself as a market leader in aged care technology.

Further to the announcement of being awarded the tender to upgrade technology at multiple sites of the Aged Care & Housing Group Inc (ACH Group) of residential care in South Australia, purchase orders for the fifth site as part of the project have been received, for approximately \$335,000.

The ACH Group project involves the installation, service and maintenance of assistive technology to their nine residential aged care sites by HSC on a site by site basis, with each site being the subject of a separate purchase order.

These purchase orders include the deployment of the HSC multi-site cloud portal. HSC will provide an assistive technology platform powered by IoT devices consisting of the Essence Smart Care Call Platform, allowing 2-way voice communication with each resident area being fitted with the latest Essence Voice Activated Nurse Call stations, along with a range of activity sensors to provide proactive data analysis, as well as human monitoring, to determine residents' routines and detect anomalies. These early insights allow for better decision-making by care providers, allowing more focused service, minimising unnecessary care and facilitating care services more responsively. Refer to ASX Announcements dated 28 January 2020 and 13 February 2020.

The federal government has expanded the Commonwealth Home Support Programme ("CHSP") grants to enable aged care providers to utilise existing grant budget prior to 30 June 2020 to purchase personal monitoring technology for senior Australians. HSC has been in discussions with a number of providers and received several orders to capitalise on grant funding to enhance technology capabilities.

HSC has received further sales orders as part of the Master Services Agreement (MSA) signed in January with one of Australia's largest not-for-profit, healthcare and independent living service providers, RSL Care RDNS Limited (trading as Bolton Clarke). This is in addition to 1,000 units already delivered and a second order for 1,000 units. Refer to ASX Announcements dated 28 January 2020 and 12 May 2020.

This MSA involves the roll out of a new suite of smart technology including wearables and in-home monitoring supporting clients to age in place and stay connected with their families, provided by an assistive technology platform powered by IoT devices on a project by project basis on standard commercial terms with setup, hardware purchase, professional services, and recurring subscription fees applicable. Some of the commitments from Bolton Clarke involve CHSP funding.

HSC will provide additional detailed information relating to its sales and operations as part of its next quarterly results and an upcoming investor presentation.

This announcement has been authorised by the Board of Directors of HSC Technology Group Ltd.

Investor Enquiries

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About HSC

HSC provides a range of Connected Health and Smart Home solutions.

The HSC assistive technology platform allows elderly and people with disabilities to live independently via "Aging in Place" solutions, through the use of data analysis, as well as human monitoring, to determine residents' routines and detect anomalies. These early insights allow for better decision-making by care providers and families, allowing more focused service, minimising unnecessary care and facilitating welfare checks in a more responsive manner.

HSC helps protect and connect our elderly and people with disabilities with a scalable healthcare technology platform integrated with leading third party providers to ensure end-to-end solutions for Connected Health.

FORWARD LOOKING STATEMENTS

Certain statements contained in this ASX release, including information as to the future financial or operating performance of the Company and its projects, are forward looking statements. Such forward looking statements:

- (a) are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies;
- (b) involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward looking statements; and
- (c) may include, among other things, statements regarding estimates and assumptions in respect of prices, costs, results and capital expenditure, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. The Company disclaims any intent or obligation to publicly update any forward-looking statements, whether as a result of new information, future events or results or otherwise.

The words "believe", "expect", "contracted", "anticipate", "indicate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule", "planned" and similar expressions identify forward looking statements. All forward looking statements contained in this ASX release are qualified by the foregoing cautionary statements. Recipients are cautioned that forward looking statements are not guarantees of future performance and accordingly recipients are cautioned not to put undue reliance on forward looking statements due to the inherent uncertainty therein.