

ASX ANNOUNCEMENT
Lifespot Health Limited

ASX: LSH
31st July 2017

June 2017 Quarterly Report

Highlights

- The BodyTel redesign and rebuild of its core platform was completed with new functionality that is now the basis for all new developments.
- The Roche CoaguChek was successfully added as the first device to the new BodyTel system and has been offered as part of a solution to a German critical care provider.
- Work was continued with Unisono and Icon global in the establishment of a consortium for the first full pilot installation in Australia.
- A number of new collaboration arrangements are in preparation for final approval that will expand the offering of BodyTel.
- Existing development contracts with B. Braun were expanded to include additional functionality to the Omnitest device.
- Beurer finalised its manufacturing partner for the new 24-hour blood pressure monitoring device with development of the apps and web portal to commence in the Q1 of FY18.
- The preliminary engineering of the new cannabis dispensing device owned by Seng Vital was completed and initial discussions are expected with potential Australian manufacturers in Q1 of FY18.
- The new platform was certified under European CE standards that was a testament to the unique selling point of the BodyTel platform. The application of similar certification for the Australian TGA will now begin in Q1 of FY18.

Financial

This quarter was a period of rebuilding and reinvestment into the BodyTel value proposition, with the team at BodyTel focussing on the platform necessary for future direction. This now provides capability

for external plug ins of third party modules and the extension of the platform to a full ecosystem. Investment was made in base hardware to support this program with a focus on testing

Incoming revenue during the rebuilding continued via the ongoing work for B. Braun in completion of the iOS app version 1.4 that has now been rescoped to version 2.0 along with the Android equivalent leading to the global launch of the Omnitest by B.Braun.

During the next quarter revenue from consulting work will grow along with anticipated early work for the critical care SaaS contract.

In a process of streamlining the financial operations, the German auditors RSM were replaced with HLB Mann Judd's audit team in Germany to provide a simpler and more efficient process managed from Australia.

Collaborations

With the completion of the base platform, the next quarter will be a period of defining industry partners to enhance the offering of LSH including product manufacturers, technology platform developers and complimentary service providers.

LSH has been working closely with Unisono and Icon Global in the formation of a consortium to launch on the Australian market with a combined solution targeted directly at the Home Assisted living market. The consortium is to seek federal funding to assist in the establishment of a pilot program in the Regional city of Geelong.

Certification

The certification by TUV Sud was completed successfully after a two week audit that worked through the associated documentation and processes in the development of the BodyTel platform with European certification under EN ISO 13485:2012 + AC 2012 : Medical Devices – Quality Management Systems – Requirements for regulatory purposes (ISO 13485:2003 + Cor. 1:2009) DIN EN ISO 13485:2012. The completion of this audit will now allow the application for TGA approval in the coming quarter.

ENDS

For further information:

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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

Lifespot Health Ltd

ABN

90 611 845 820

Quarter ended ("current quarter")

30 June 2017

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	59	149
1.2 Payments for		
(a) research and development	(355)	(663)
(b) product manufacturing and operating costs		
(c) advertising and marketing		
(d) leased assets		
(e) staff costs		
(f) administration and corporate costs	(313)	(675)
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		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(609)	(1,190)

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets	(75)	(75)
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)		
2.6 Net cash from / (used in) investing activities	(75)	(75)

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	(-)	(548)
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		
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	(-)	(548)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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	6,482	7,611
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(609)	(581)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(75)	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(548)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	5,798	6,482

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	5,798	6,482
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)	5,798	6,482

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

**Current quarter
\$A'000**

(41)

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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

8. Financing facilities available

Add notes as necessary for an understanding of the position

**Total facility amount
at quarter end
\$A'000**

**Amount drawn at
quarter end
\$A'000**

8.1 Loan facilities

-

-

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.

9. Estimated cash outflows for next quarter

\$A'000

9.1 Research and development

(200)

9.2 Product manufacturing and operating costs

(131)

9.3 Advertising and marketing

(20)

9.4 Leased assets

-

9.5 Staff costs

(60)

9.6 Administration and corporate costs

(9)

9.7 Other (provide details if material) – Computer hardware

(-)

9.8 Total estimated cash outflows

(420)

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10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	N/A	N/A
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

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: 31/7/17

Print name: Justyn Stedwell

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.

About Lifespot Health Ltd.

Lifespot Health operates within the digital health sector and is focused on developing and commercializing medical diagnostic and monitoring technology, which includes the BodyTel system and the Lifespot Skin system. Lifespot Health Ltd was incorporated in 2016 and is based in Melbourne, Australia.

Our systems and applications aim to bring efficiencies in the medical system to our clients and end users, saving time and money by providing real-time medical information and recommendations.

Widespread adoption of smartphones will equip our increasingly aging society to self-cater for its medical needs by using modern telemedical systems.

In providing treatment to patients wherever they are and whenever it is needed, telemedical systems have the capacity to decrease health care costs while still improving the quality of patient care.

Our systems use modern software to combine enhanced sensor technology with self-learning algorithms, allowing patients to monitor chronic diseases and critical conditions with their smartphones.

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