

ASX ANNOUNCEMENT

ASX: SMN

31 October 2019

**STRUCTURAL
MONITORING
SYSTEMS**
plc



SMS Appendix 4C - September Quarter 2019

Structural Monitoring Systems Plc (ASX: SMN) is pleased to present its Appendix 4C Quarterly Report for the period ended 30 September 2019.

The Company continued to progress successfully on several fronts during the quarter, and plans to conduct a detailed and extensive investor update conference call in November, ahead of the Company's Annual General Meeting to be held in Perth.

All SMS Board members, and a full complement of the Company's Executive, senior staff and consultants will be on the call, including key staff from Anodyne Electronics Manufacturing. The Agenda for the call will include:

- Updates on current operations, activities and Programs
- Further developments, future activities, strategic plans
- Open Q&A

Full details of the conference call, and the AGM, will be released on the ASX announcements platform in due course.

For further information, please contact:

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Company Secretary

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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

Structural Monitoring Systems plc

ARBN

106 307 322

Quarter ended ("current quarter")

30 September 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	4,609	4,609
1.2 Payments for		
(a) research and development	(97)	(97)
(b) product manufacturing and operating costs	(3,530)	(3,530)
(c) advertising and marketing	(176)	(176)
(d) leased assets	-	-
(e) staff costs	(1,379)	(1,379)
(f) administration and corporate costs	(383)	(383)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(33)	(33)
1.6 Income taxes paid	(80)	(80)
1.7 Government grants and tax incentives	1	1
1.8 Other	-	-
1.9 Net cash used in operating activities	(1,068)	(1,068)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(28)	(28)
(b) businesses (see item 10)	-	-

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
(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	-	-
2.6 Net cash used in investing activities	(28)	(28)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	177	177
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	-	-
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 (lease principal repayments)	(76)	(76)
3.10 Net cash from financing activities	101	101

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	1,562	1,562
4.2 Net cash used in operating activities (item 1.9 above)	(1,068)	(1,068)
4.3 Net cash used in investing activities (item 2.6 above)	(28)	(28)
4.4 Net cash from financing activities (item 3.10 above)	101	101

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	17	17
4.6	Cash and cash equivalents at end of quarter	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	1,030	2,291
5.2	Call deposits	-	-
5.3	Bank overdrafts	(446)	(729)
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	584	1,562

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

94

-

Director's fees

7. Payments to related entities of the entity and their associates

- 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

Current quarter \$A'000

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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	2,239	446
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.		

HSBC Operating loan, secured at 4.95%

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	113
9.2 Product manufacturing and operating costs	2,544
9.3 Advertising and marketing	268
9.4 Leased assets	-
9.5 Staff costs	1,058
9.6 Administration and corporate costs	248
9.7 Other (lease principal repayments)	76
9.8 Total estimated cash outflows	4,307

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

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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)

31 October 2019
Date:

Sam Wright
Print name:

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.

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