

## Update for the Quarter Ending 31 March 2020

**Brisbane, Australia, 30 April 2020** – ResApp Health Limited (ASX:RAP), a leading digital health company developing smartphone applications for the diagnosis and management of respiratory disease, is pleased to provide an update on the company’s activities for the third quarter ended March 31, 2020.

Tony Keating, CEO and Managing Director commented on the quarter: “We have begun to make great progress on the commercialisation of our suite of products. During the quarter we agreed on our first set of commercial terms for the use of ResAppDx-EU in telehealth, which we were pleased to announce are within our previously targeted range of \$5-10 per test. The COVID-19 pandemic has shone a bright light on respiratory disease and, in particular, the telehealth industry, where we have seen an explosion in the number of telehealth consultations taking place globally. We are excited to be in a unique position to provide telehealth clinicians an opportunity to maintain the highest levels of care alongside this growth in remote consultations.”

### Recent Highlights and Outlook

- **Completed ResAppDx regulatory approvals in Australia.** In February, ResAppDx-EU received Australian Therapeutic Goods Administration (TGA) approval for adult use, adding to the paediatric TGA approval received last quarter. During the quarter, ResApp was advised by the US Food and Drug Administration (FDA) that ResApp’s De Novo classification request for ResAppDx-US has not been approved and that additional information was required. ResApp is now working closely with its regulatory consultants to request a meeting with the FDA to determine our next steps in the US.
- **First telehealth commercial terms negotiated.** On March 30, ResApp announced that it had completed the initial integration of ResAppDx-EU into CoviU’s telehealth platform and that ResApp and CoviU had agreed upon a per test fee for the use of ResAppDx-EU. The per test fee to be received by ResApp is within the previously targeted range of \$5-10 per test. ResApp also entered into a Joint Development Agreement with Phenix Health to integrate ResAppDx-EU into Phenix’s Australian telehealth platform. ResApp is planning for ResAppDx-EU to go live on both Phenix’s and CoviU’s platforms before the end of the fourth quarter of the financial year.
- **Announced SleepCheck, an at-home sleep apnoea screening app.** On April 1, ResApp announced that SleepCheck, a regulatory-approved (CE Marked and TGA approved), clinically-validated at-home sleep apnoea screening app, would be launched on the App Store in Australia and the United Kingdom during the fourth quarter of the financial year. SleepCheck is a smartphone app that only requires a smartphone placed on the bedside table to assess a person’s risk of sleep apnoea, a common, but under-diagnosed sleep breathing disorder which affects nearly one billion people worldwide.



- **Handheld and wearable prototypes delivered.** In February, ResApp successfully completed functional testing of both handheld and wearable prototype devices. These devices expand ResApp's product portfolio to address specific use cases. The Android-based ruggedized handheld is a low-cost option for using ResAppDx-EU in specific in-person clinical environments. The wearable monitor provides an easily worn, unobtrusive platform for up to three days of continuous monitoring of patients with chronic respiratory disease. Further clinical, electrical and usability evaluation is underway, with CE Mark approval targeted in the first half of this calendar year.
- **\$5 million capital raise to accelerate European market entry.** In February, ResApp successfully completed a \$5 million capital raise to accelerate European commercialisation. During March, ResApp announced that it had appointed Jamie Joint as Director, Sales and Marketing (Europe) to lead its sales and marketing activities in Europe, and that Dr Michael Stein, a highly experienced serial entrepreneur who is also based in Europe, had joined as a Non-Executive Director. During the quarter, ResApp also obtained UK Health Research Authority approval for both adult and paediatric multi-site health economic evaluations of ResAppDx-EU in UK accident and emergency (A&E) departments. Recruitment in these evaluations will be delayed until the demand placed on A&E departments from the COVID-19 pandemic has subsided.

At the end of the quarter the company held cash of \$6.9 million. The quarter saw an overall net increase in cash of \$3.0 million. Operating cash outflows for the quarter were \$1.6 million, mainly associated with research and development (including clinical and regulatory activities), and staff costs. The related party payment of \$131,000 reported in item 6.1 of the Appendix 4C related to payment of non-executive director fees and executive director remuneration (including superannuation).

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### **About ResApp Health Limited**

ResApp Health Limited (ASX: RAP) is a leading digital health company developing smartphone applications for the diagnosis and management of the respiratory disease. ResApp's machine learning algorithms use sound to diagnose and measure the severity of respiratory conditions without the need for additional accessories or hardware. ResApp's regulatory-approved and clinically-validated products include ResAppDx-EU, a smartphone-based acute respiratory disease diagnostic test for use in telehealth, emergency department and primary care settings; and SleepCheck, an at-home sleep apnoea screening app for consumers to self-assess their risk of sleep apnoea. Both products are CE Marked in Europe and TGA approved in Australia. For more information, please visit [www.resapphealth.com.au](http://www.resapphealth.com.au).

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*This ASX announcement was approved and authorised for release by the board of directors of ResApp Health.*

## Appendix 4C

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

**Name of entity**
**ResApp Health Limited**
**ABN**
**51 094 468 318**
**Quarter ended ("current quarter")**
**31 March 2020**

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	20	76
1.2 Payments for		
(a) research and development	(658)	(2,064)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(74)	(199)
(d) leased assets	-	-
(e) staff costs	(656)	(2,079)
(f) administration and corporate costs	(265)	(716)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	7	43
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	1,831
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,626)</b>	<b>(3,108)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	(2)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	(104)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>(106)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	5,000	5,000
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	(336)	(336)
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	Payment of lease liability	(36)	(60)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>4,628</b>	<b>4,604</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,904	5,516
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,626)	(3,108)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(106)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,628	4,604
4.5	Effect of movement in exchange rates on cash held		
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>6,906</b>	<b>6,906</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	6,906	3,904
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>6,906</b>	<b>3,904</b>

**6. Payments to related parties of the entity and their associates**

6.1 Aggregate amount of payments to related parties and their associates included in item 1

6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter  
\$A'000**

(131)

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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

Item 6.1 above includes Directors fees and salary (including superannuation) for Managing Director.

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

**7. Financing facilities**

*Note: the term "facility" includes all forms of financing arrangements available to the entity.*

*Add notes as necessary for an understanding of the sources of finance available to the entity.*

	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	-	-

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.

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (Item 1.9)	(1,626)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	6,906
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	6,906
<b>8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	<b>4</b>

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

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:

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:

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:

## 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: 30 April 2020  
 .....

Authorised by: Tony Keating  
 .....  
 (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.