

# ShareRoot

October 31, 2019

## ShareRoot 4C financial statement

**ShareRoot Limited (ASX: SRO) (Company) today** released its 4C for the 1<sup>st</sup> quarter of the current financial year.

During the period the company completed a placement and Rights Issues raising \$1.2M dollars before costs. The revenue for the period remains on track to the company's forecasts as the company begins to roll out its expanded digital healthcare products and the cost reduction across the company having been completed.

In comparison to the corresponding period, the staff costs have decreased by over 40% as the company streamlines the focus in digital health. The administrative costs for the period also decreased with a proportion of these costs attributed to the capital raising and the annual accounts.

During the quarter ShareRoot rolled out a number of pilot client projects under its Opyl offering as it continues to grow its presence and expertise in the healthcare industry.

For further details on the company's progress please refer to the webinar presentation and recently released company presentation.

The Company's AGM is scheduled for November 27<sup>th</sup>, 2019.

### About ShareRoot

Under the stewardship of a new Chief Executive, Michelle Gallaher, ShareRoot is positioning itself as a major player in the global digital healthcare sector by harnessing the potential of real-world data and evidence gathered from social media to guide the development of novel therapeutics and devices, improve patient activation and lead improvements to clinical practice.

Established in 2013 and listed on the Australian Stock Exchange in late 2015, ShareRoot relocated from the United States to Australia in 2019 with the change in leadership, re-aligning the strategy to focus on health and life sciences.

ShareRoot technologies, consulting and content creation teams use social media, artificial intelligence and machine learning to support and accelerate the advancement of technologies for life and good health.

ShareRoot's goal is to utilise the vast social media networks, patient-generated content and platforms, combined with artificial intelligence, machine learning and emerging digital tools to support deeper insight and more meaningful interactions for patients, carers and healthcare providers. Our vision is to make healthcare more personal.

## 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**

SHAREROOT LIMITED

**ABN**

71 063 144 865

**Quarter ended ("current quarter")**

30 SEPTEMBER 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	200	200
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs		
(c) advertising and marketing	(19)	(19)
(d) leased assets		
(e) staff costs	(285)	(285)
(f) administration and corporate costs	(411)	(411)
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)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(515)</b>	<b>(515)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) businesses (see item 10), net cash acquired from subsidiary		
(c) investments		

For personal use only

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
(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 (provide details if material)		
<b>2.6 Net cash from / (used in) investing activities</b>	-	-

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	1,290	1,290
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	(59)	(59)
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)		
<b>3.10 Net cash from / (used in) financing activities</b>	<b>1,231</b>	<b>1,231</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	99	99
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(515)	(515)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	1,231	1,231

For personal use only

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	(7)	(7)
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>808</b>	<b>808</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	808	99
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>808</b>	<b>99</b>

**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

<b>Current quarter \$A'000</b>
124
-

Remuneration and fees paid to Directors and their associates.

**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

<b>Current quarter \$A'000</b>
-
-

For personal use only

8. <b>Financing facilities available</b> <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	-	-
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.		

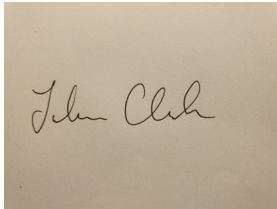
9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	15
9.3 Advertising and marketing	14
9.4 Leased assets	-
9.5 Staff costs	201
9.6 Administration and corporate costs	186
9.7 Other (provide details if material) <i>Repay shareholder loan</i>	100
<b>9.8 Total estimated cash outflows</b>	<b>516</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	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	-	-

For personal use only

**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: .....

Date: .....31 October 2019 .....

Chairman

Print name: Julian Chick

**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.

For personal use only