



27 July 2020

Opyl Appendix 4C – Quarter (Q4) ending 30 June 2020

Melbourne, Australia – Opyl (ASX:OPL) today released its Appendix 4C Quarterly cash flow statement for the three month period ending 30th of June 2020 (Q4 FY2020).

Highlights

- Loss for the quarter was \$31,000, down 88% from the previous quarter
- Closing cash balance was \$800,000 after the company completed a capital raising, up 5 times from the previous quarter
- Staff costs further decreased 14% from \$222K to \$191K in the quarter
- Client revenue was down from \$188K to \$103K, impacted by payment timing and COVID-19

Revenue

The full year receipts from customers closed at \$739K, down slightly from the previous year, with impact from COVID-19 on the retainer-based business and closing out the US operation. The company experienced some timing issues on receipts from customers during the quarter, which will be reflected in the next quarter. During the period Opyl announced the first contract originating from its alliance with humun. The two companies continue to work on converting proposals in market and developing a strong sales pipeline together.

“The last quarter result demonstrates the business is heading in the right direction with a clear strategy, lean operational structure, a unique service offering generating revenue and a competitive development pipeline with three candidates advancing at pace.

The alliance with humun, a key element of Opyl's scale strategy, has provided a vital market access channel into the global pharma segment that has delivered a small but pivotal win to date.

Our focus forward is on building our client base, particularly amongst global medtech and biopharma, and advancing our platform development to market entry as quickly as possible to unlock scalable value”, said Opyl CEO Ms Michelle Gallaher.

Opyl had a significant rise of expressions of interest and proposals during the quarter to follow on from the previous quarter with the company currently having its highest number of active proposals in the market. The Company anticipates that if it is successful in converting a number of key proposals, the company will see a greater than 30% rise in its revenue in the coming 2020/21 financial year and has already made pleasing progress in the July 2020 quarter toward achieving this goal. Opyl will provide the market and shareholders further updates through the financial year on new contracts and R&D pipeline development.

Company Operations

For the quarter, overall costs remained contained as the business focused on prioritising expenditure on growing client services revenues and advancing the clinical trial recruitment and clinical trial prediction platforms to minimum viable product (MVP) status. The injection



of new funds from the recent capital raise will be applied to the next stage of development of both platforms.

The overall loss for the quarter decreased to \$31,000, down from \$249,000 the previous quarter and down from \$219,000 in the corresponding period. The company did have some timing issues in relation to conversion of contracts from the period which would have reduced the overall loss for the period further. COVID19 and working with more complex global clients has slowed down the typical time frame from project pitch to contract signing.

Opyl has a number of academic clients who were deeply impacted by COVID resulting in a reduction of revenue (approximately \$60k) as those clients pulled back retainer hours in response to budget cuts. Uncertainty in the market and slowed response times from clients delivered a delay in client receipts, which will be realised in the coming quarter.

During the period the company completed a placement that raised \$730K before fees and costs which has strengthened the company's cash position for the 2020/21 financial year.

Opyl was eligible and successful in accessing Job Keeper payments to supplement employment costs as well as Victorian Government cash grants for SME's.

The company has continued to control its internal costs, with staff costs further falling 14% during the period, and down 35% for the full year compared to the previous year. Over the past 12 months the Opyl has also reduced administrative and corporate costs by over 20%.

During the period Opyl had related party costs of \$46K in Director fees and to Advantage Data relating to R&D activities for the further development of the Company's clinical trial platforms.

The Board has authorised this announcement for release to the ASX.

-ENDS-

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Opyl is working at the intersection of artificial intelligence, social media and healthcare. Our focus is on using artificial intelligence in developing digital tools that improve the healthcare experience for patients, deliver deep market insights from social media data and improve the efficiency and value of the clinical trial process.

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