



29 January 2021

Opyl Appendix 4C – Quarter (Q1) ending 31 December 2020

Melbourne, Australia – Opyl Limited (ASX:OPL) today released its Appendix 4C quarterly cash flow statement for the three month period ending 31 December 2020 (Q2 FY2021).

Highlights

- Positive operating cash flow of \$88K in the quarter (YTD positive cashflow of \$24K)
- Cash balance at the end of the quarter was \$730K.
- R&D tax rebate of \$249K received.
- R&D investment continued as work on Opyl's platforms escalate.
- Recruited three strategic hires building the company's sales, technical specialist and client facing capacity and capabilities.
- 100% of existing retainer clients have renewed for 2021.

Financials

Opyl reports positive cash flow of \$26K for Q2 FY2021, a company first, with receipt of R&D refund of \$249K supporting continued investment in business development, expanding capabilities and R&D. As result, overall net cash balance increased from \$704K to \$730K.

Receipts from customers in Q2 FY2021 were \$117K with trade receivables increasing by \$171k in the quarter to circa \$297K. Sales have continued to accelerate reflective of a solid business development pipeline delivering social media management and deep listening and insights projects. Q2 FY2021 sales (unaudited) were \$317K up \$142K (82%) on sales (unaudited) in Q1 FY2021. All of the retainer clients initially lost in June/July 2020 due to COVID19 have re-signed with Opyl for 2021.

“Opyl continues to realise growth in demand for deep social media listening and insights projects from local and international markets, higher profit margins, and projects with higher price points as noted in the September Quarter Activity Report. The scale alliance with humun (UK-based collaborator) has been instrumental in driving revenue and market growth, helping Opyl to secure six new revenue projects in the past seven months with a global pharmaceutical client highlighting our ability to provide a unique value-adding extendable service.”, said Michelle Gallaher, Opyl CEO.

Interest in Opyl's specialist clinical trial recruitment services using social media channels and insights data (consulting model) escalated in the past period as COVID19 infections eased in Australia, particularly Victoria and clinical trial recruitment into hospital sites resumed. This revenue stream will become a key focus for Opyl in the coming periods with the development and beta launch of the Opyl trial recruitment platform scheduled in Q4 FY2021.

Company Operations

During the period, Opyl successfully recruited three strategic hires critical to the expansion of deep social media listening and insights as well as clinical trial recruitment services.

The company has invested in General Manager Sales & Marketing, an Analytics & Insights Manager and a Social Media Technical Specialist. Each brings new capabilities and broadens our ability to penetrate the market and support our client engagements.

In addition to the R&D tax rebate, Opyl also received various COVID19 support Incentives provided by both federal and state Governments amounting to \$38K. As noted in the



September Quarter Activity Report, Opyl is no longer be eligible for the Job Keeper payments following the stronger revenue numbers in Q1.

Overall costs relating to operating activities remained consistent with the previous quarter. This included directors fees of \$45K that require disclosure under Listing Rule 4.7B.

Research and Development

Opyl has continued to invest in its clinical trial prediction/protocol design platform and the clinical trial recruitment platform.

The clinical trial recruitment platform (web enabled) will complement the existing consulting service Opyl already offers to the market. The point of difference in Opyl's trial recruitment offering is its expertise in using social media and predictive analytics combined to deliver a targeted, efficient, and measurable service. Clinical trial recruitment will be a strategic focus for Opyl over the next six months moving the platform into a beta launch and focussing on securing strategic alliances, contracts, and revenue.

The prediction/ protocol design platform continued to pass through the development pathway, as expected, increasing the specificity and reliability of the tool.

In accordance with Listing Rule 4.7B, Opyl advises that it made related party payments of \$53K to Advantage Data and EdwayApps relating to R&D activities for the further development of the Company's clinical trial platforms. These costs involved leveraging the expertise of the company's directors, Mr Damon Rasheed and Mr Marat Basyrov.

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

-ENDS-

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Opyl is a new generation Australian company that provides leading biopharma and health organisations access to emerging AI-assisted technologies and real-world data insights to understand and improve healthcare design, development, and delivery.

Opyl works at the intersection of clinical trials, artificial intelligence, and social media.

Our key offering for biopharma, medtech, government and healthcare organisations:

- clinical trial recruitment and retention solutions
- clinical trial predictive analytics
- deep social media insights

Our vision is to improve health and wellness by optimising data assets and digital activation to advance technologies for life.

Follow Opyl on Twitter (@Opylai), LinkedIn and Facebook

Appendix 4C

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

Name of entity

Opyl Limited

ABN

71 063 144 865

Quarter ended ("current quarter")

31 December 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (.....months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	117	283
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs		
(c) advertising and marketing	(27)	(53)
(d) leased assets		
(e) staff costs (Includes \$45k payment for the quarter to directors)	(222)	(421)
(f)		
(g) administration and corporate costs	(46)	(219)
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	(21)	(21)
1.7 Government grants and tax incentives	287	455
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	88	24
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(9)	(9)
(d) investments		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (.....months) \$A'000
	(e) intellectual property (amount is paid to a related party for in-house software development)	(53)	(85)
	(f) other non-current assets		
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)		
2.6	Net cash from / (used in) investing activities	(62)	(94)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
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		
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	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (.....months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	704	800
4.2	Net cash from / (used in) operating activities (item 1.9 above)	88	24
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(62)	(94)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	730	730

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	730	704
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)	730	704

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	45
6.2 Aggregate amount of payments to related parties and their associates included in item 2	53

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

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.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000

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.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	88
8.2 Cash and cash equivalents at quarter end (Item 4.6)	730
8.3 Unused finance facilities available at quarter end (Item 7.5)	
8.4 Total available funding (Item 8.2 + Item 8.3)	730
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	8

- 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:29 January 2021.....

Authorised by:By the Board of Directors of Opyl Limited.....
(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.