



ABN 27 621 105 824
ACN 621 105 824

ASX announcement

31 October 2019

Appendix 4C quarterly cashflow report and business update

Smiles Inclusive Limited (ASX: SIL) has released its Appendix 4C quarterly cashflow report and provides the following update on trading for the three months ending 30 September 2019.

Cashflow report

Cash inflows from Q1 FY20 operating activities of \$12.275 million were similar to Q4 FY19 inflows and showed a slight improvement on same quarter in FY19.

Cash outflows from operating activities of \$12.963 million for the quarter (excluding non-underlying costs of \$0.214 million) were \$0.179 million higher than Q4 FY19 outflows due to the timing of payments for key suppliers. Non-underlying costs of \$0.214 million include redundancies, legal costs and professional fees associated with the turnaround strategy. Cash outflows from operating activities (excluding non-underlying costs) have improved by \$1.642 million from the same quarter in FY19, driven by reductions in overhead and operating expenses.

As previously announced to the market on 25th September 2019, the Company has raised \$3.3 million through a non-renounceable **rights issue which completed on the 16th of October 2019 to assist with cashflow while the turnaround plan is being implemented.**

Net cash outflows for the quarter ended 30 September 2019 were \$1.250 million, with cash at bank decreasing from \$1.595 million at 30 June 2019 to \$0.345 million at 30 September 2019.

For further information please contact:

Tony McCormack, Chief Executive Officer

M +61 409 201 577

E tony.mccormack@totallysmiles.com.au

For personal use only