

# ASX Release

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## **SUDA LTD: APPENDIX 4C FOR SECOND QUARTER FY2017**

**PERTH, AUSTRALIA – 31 January 2017:** SUDA LTD (ASX: SUD), a leader in oro-mucosal drug delivery, today released its Appendix 4C for the consolidated Group for the second quarter of FY2017.

Receipts from customers for the period were \$1.9 million, an increase of 20% from the first quarter of FY2017 and an increase of 29% on the corresponding quarter in FY2016. The increase in receipts in Q2 was primarily due to the receipt of US\$300,000 as outlined in 9 November 2016 announcement regarding the Eddingpharm licence agreement.

SUDA's subsidiary company, Westcoast Surgical & Medical Supplies, has continued to increase revenues this financial year and, based on orders received, is expected to demonstrate further growth in the third quarter.

The cash position as at 31 December 2016 was \$1.3 million, but with the anticipated receipt of an R&D Tax Incentive refund of \$0.8 million in early February 2017, SUDA has pro-forma net cash of \$2.1 million.

The negotiations with the estate of HC Berlin Pharma are currently in progress with the intention that the outcome will provide more certainty in relation to this matter, which was initiated by a transaction in 2008.

SUDA's CEO, Mr Stephen Carter, commented: "We continue with negotiations to finalise further licencing agreements in various territories, which will have further positive impacts on our cash flows. We are very pleased with Westcoast's performance this current financial year especially in such a difficult economic environment."



**Further information:**

**STEPHEN CARTER**

**CHIEF EXECUTIVE OFFICER / MANAGING DIRECTOR**

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## **NOTES TO EDITORS:**

### **About SUDA LTD**

SUDA LTD (ASX: SUD) is a drug delivery company focused on oro-mucosal administration, headquartered in Perth, Western Australia. The Company is developing low-risk oral sprays using its OroMist® technology to reformulate existing pharmaceuticals. The many potential benefits of administering drugs through the oral mucosa (ie: cheeks, tongue, gums and palate) include ease of use, lower dosage, reduced side effects and faster response time. SUDA's product pipeline includes Zolpimist™, a first-in-class oral spray of zolpidem for insomnia. Zolpimist™ is marketed in the USA and SUDA has rights to the product outside of North America. SUDA's most advanced development-stage product, ArTiMist®, is a novel sublingual malaria treatment for children. In a Phase III trial, ArTiMist® was shown to be superior to intravenous quinine. Other products in development include oral sprays for the treatment of migraine headache, chemotherapy-induced nausea and vomiting, erectile dysfunction and pre-procedural anxiety. For more information, visit [www.sudaltd.com.au](http://www.sudaltd.com.au)

## Appendix 4C

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

**Name of entity**

**Suda Ltd**

**ABN**

35 090 987 250

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

31 December 2016

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,897	3,483
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(1,150)	(2,203)
(c) advertising and marketing	-	-
(d) leased assets	(5)	(10)
(e) staff costs	(444)	(853)
(f) administration and corporate costs	(609)	(995)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	20
1.5 Interest and other costs of finance paid	(51)	(51)
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>(358)</b>	<b>(609)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(56)	(58)
(b) businesses (see item 10)	-	-
(c) investments	-	-

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
(d) intellectual property	(232)	(521)
(e) other non-current assets	-	-
<b>2.2 Proceeds from disposal of:</b>		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
<b>2.3 Cash flows from loans to other entities</b>	-	-
<b>2.4 Dividends received (see note 3)</b>	-	-
<b>2.5 Other (provide details if material)</b>	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(288)</b>	<b>(579)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	-	-
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	-	-
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>-</b>	<b>-</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 quarter/year to date	1,906	2,448
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(358)	(609)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(288)	(579)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>1,260</b>	<b>1,260</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	760	856
5.2	Call deposits	500	1,050
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>1,260</b>	<b>1,906</b>

<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	148
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	

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**Quarterly report for entities subject to Listing Rule 4.7B**

<b>7. Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
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>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
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.		

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Research and development	-
9.2 Product manufacturing and operating costs	1,100
9.3 Advertising and marketing	-
9.4 Leased assets	9
9.5 Staff costs	440
9.6 Administration and corporate costs	500
9.7 Other (provide details if material)	-
<b>9.8 Total estimated cash outflows</b>	<b>2,049</b>

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	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		

### 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: .....  
(Director/Company secretary)

Date: 31 January 2017.....

Print name: .....Stephen Carter.....

### 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.