

# ASX Release

---

## **SUDA LTD: APPENDIX 4C FOR FIRST QUARTER FY2016**

**PERTH, AUSTRALIA – 30 October 2015:** SUDA LTD (ASX: SUD), a leader in oro-mucosal drug delivery, today released its Appendix 4C for the consolidated Group for the first quarter of FY2016. Receipts from customers for the period were \$1.3 million with a net operating cash loss of \$0.6m.

In August 2015, SUDA acquired the minority shareholding in its subsidiary company, Malaria Research Company Pty Ltd as announced on 26 August. The acquisition price of \$1.2m included the amount owed by SUDA to the minority shareholder in respect of work performed on the ArTiMist™ project.

The 2013 Convertible Notes matured on 30 September 2015 and the company is currently finalising documentation in respect of rolling over the 2013 Convertible Notes for an additional 18 months and in respect of the commitments from new investors for the 2015 Convertible Notes. The redemption and new funds will be included in the Appendix 4C for the second quarter.

SUDA's CEO, Mr Stephen Carter, commented: "The acquisition of the 20% minority interest in Malaria Research Company and achieving a good outcome in respect of the 2013 convertible notes largely dominated the first quarter for FY2016. The company is in a strong financial position with cash of \$4.2m at the end of September to continue with its planned development activities and with its ongoing discussions with prospective partners for its projects."



**Further information:**  
**STEPHEN CARTER**  
**CHIEF EXECUTIVE OFFICER / MANAGING DIRECTOR**  
**SUDA LTD**  
Tel: +61 8 6142 5555  
[sjcarter@sudaltd.com.au](mailto:sjcarter@sudaltd.com.au)

## **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 the Americas and South Africa. 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 admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

**SUDA LTD**

ABN

35 090 987 250

Quarter ended ("current quarter")

30 September 2015

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter	Year to date 3 Months
	\$'000	\$'000
1.1 Receipts from customers	1,272	1,272
1.2 Payments for (a) staff costs	(458)	(458)
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	(2)	(2)
(e) other working capital	(1,339)	(1,339)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	28	28
1.5 Interest and other costs of finance paid	(106)	(106)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net operating cash flows</b>	<b>(605)</b>	<b>(605)</b>

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

		Current quarter	Year to date
		\$A'000	3 Months \$A'000
1.8	Net operating cash flows (carried forward)	<b>(605)</b>	<b>(605)</b>
<b>Cash flows related to investing activities</b>			
1.9	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	(647)	(647)
	(c) intellectual property	(754)	(754)
	(d) physical non-current assets	(2)	(2)
	(e) other non-current assets	-	-
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	-
1.11	Loans to other entities	-	-
1.12	Loans repaid by other entities	-	-
1.13	Other (provide details if material)	-	-
	<b>Net investing cash flows</b>	<b>(1,403)</b>	<b>(1,403)</b>
<b>1.14</b>	<b>Total operating and investing cash flows</b>	<b>(2,008)</b>	<b>(2,008)</b>
<b>Cash flows related to financing activities</b>			
1.15	Proceeds from issues of shares, options, etc.	-	-
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	-
1.18	Repayment of borrowings	-	-
1.19	Dividends paid	-	-
1.20	Other (capital raising fees)	-	-
	<b>Net financing cash flows</b>	<b>-</b>	<b>-</b>
	<b>Net increase (decrease) in cash held</b>	<b>(2,008)</b>	<b>(2,008)</b>
1.21	Cash at beginning of quarter/year to date	6,252	6,252
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	<b>Cash at end of quarter</b>	<b>4,244</b>	<b>4,244</b>

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	145
1.25	Aggregate amount of loans to the parties included in item 1.11	Nil

1.26 Explanation necessary for an understanding of the transactions

Payment of Salary and Directors' Fees for the quarter ended 30 <sup>th</sup> September 2015
---

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A
-----

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A
-----

**Financing facilities available**

*Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	494	753
4.2 Deposits at call	3,750	5,500
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.23)</b>	<b>4,244</b>	<b>6,253</b>

### Acquisitions and disposals of business entities

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity	N/A	N/A
5.2 Place of incorporation or registration	N/A	N/A
5.3 Consideration for acquisition or disposal	N/A	N/A
5.4 Total net assets	N/A	N/A
5.5 Nature of business	N/A	N/A

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

Date: 30 October 2015

Print name:           Managing Director  
                          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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
  - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
  - 9.2 - itemised disclosure relating to acquisitions
  - 9.4 - itemised disclosure relating to disposals
  - 12.1(a) - policy for classification of cash items
  - 12.3 - disclosure of restrictions on use of cash
  - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.
4. The acquisition of minority shareholding in SUDA's subsidiary company, Malaria Research Company Pty Ltd, was finalised on 26 August 2015 for a total of \$1.2m. The acquisition price included the amount owed by SUDA to the minority shareholder in respect of work performed on the ArTiMist™ project, hence the payment for acquisition of equity investments, as shown in 1.9(b) relates to the value attributable to the shares acquired and the balance is included in payments for acquisition of intellectual property included in 1.9(c).