

ASX Announcement

30 July 2021

June 2021 Quarterly Update

Highlights

- New product launch of Wooboard wellness web and mobile app (“**Wooboard Wellness App**” or “**App**”) significantly expands the opportunity into the large corporate wellness market
- New wellness web and mobile App to focus on the US market, total global market for wellness valued at USD 52.8 billion in 2020¹
- Wooboard Wellness App can operate as a stand-alone application or seamlessly integrate with existing employee recognition and reward-based platforms to improve functionality and support tools for employers and employees
- Expansion of Wooboard team to continue to enhance product development and sales opportunities
- Industry leading experts engaged to enhance lead generation, sales and marketing strategies
- Wooboard Wellness App will have B2B capabilities and the ability to build out B2C capabilities, opening up new markets for Wooboard
- The Wooboard Wellness App is planned to launch on major app stores Apple and Google in the upcoming quarter
- Wooboard is currently in negotiations with numerous international social media influencers and industry experts in the fields of fitness, mental health and wellness generally to provide high quality cutting edge content for the Wooboard Wellness App

WOOBOARD TECHNOLOGIES LTD (ASX: WOO) ('WOO', 'Wooboard' or 'the Company), has today released its Appendix 4C and is pleased to provide an operational update for the quarter ended 30 June 2021.

During the quarter the Company continued to develop the way enterprises are able to engage with employees, enhancing their digital capabilities to connect with employees to improve mental health and wellbeing at work. Organisations increasingly recognise that improved employee engagement and mental health is a key driver for increased productivity and performance in the workplace.

The fast-growing shift to remote work environments has been accelerated by the pandemic and has created an increasing need for corporates to not only recognise and reward employees, but also provide the capability to improve employees’ health and wellbeing at work. The global corporate wellness market size was valued at USD 52.8 billion in 2020 and is expected to expand at a compound annual growth rate (CAGR) of 7% from 2021 to 2028¹.

¹ Source: <https://www.grandviewresearch.com/industry-analysis/corporate-wellness-market>

Based on extensive feedback from a number of large multinational corporations and SMEs following the launch of Wooboard 2.0, the Company has identified a significant opportunity to leverage the Wooboard rewards platform into the corporate wellness market and has created a standalone web and mobile wellness App, capable of seamlessly integrating with businesses who may have already established their own reward and recognition platforms, thereby providing additional functionality and support tools for their teams who are no longer co-located and require work flexibility.

Development & Launch of B2B Wooboard Wellness App

By placing individual mental health and wellbeing at the core of its mission with a strong emphasis on the practice of mindfulness, WOO continues to build its product portfolio with the addition of the B2B Wooboard Wellness App as a cloud-based, stand-alone web and mobile application. The Wooboard App empowers and supports large corporations and SMEs who recognize their employees may need additional health and wellness support due to the various challenges which can be associated with remote work.

Global Workplace Analytics study predicts that we will see 25% to 30% of the workforce working at home multiple days per week by the end of 2021². Wooboard Wellness App will equip managers with additional support tools to provide for their teams who are no longer co-located. Wooboard Wellness App provides significantly more in-depth functionality and metrics for both employers and employees using the platform. By providing a stand-alone App, the Company also has the ability to reach a much larger audience, including remote and mobile workers who may only have access to a mobile device.

Wooboard is also exploring the potential, using most of the core infrastructure of the B2B Wooboard Wellness App, to effectively build out a B2C version of the App in the upcoming quarter. The Company sees the potential to capitalise on the growing field of mental health, fitness and wellness for individuals (non-business consumers) on mobile devices delivered via apps in major app stores such as Apple and Google. Individual wellness App spending is forecast to reach USD 1.6 billion in 2021 and has been growing at 15% year-on-year since 2019³.

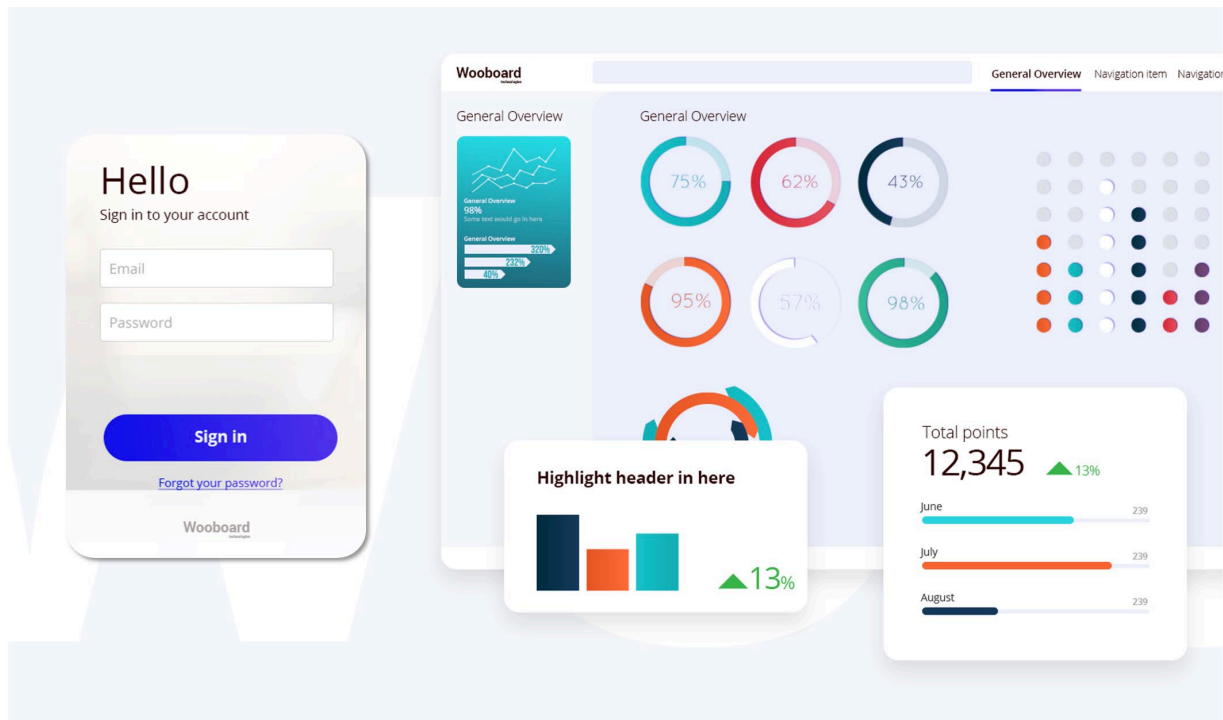
Wooboard is currently in negotiations with numerous international social media influencers and industry experts in the fields of fitness, mental health and wellness generally to provide high quality cutting edge content for the Wooboard Wellness App.

Key functionality areas of the Wooboard Wellness App include:

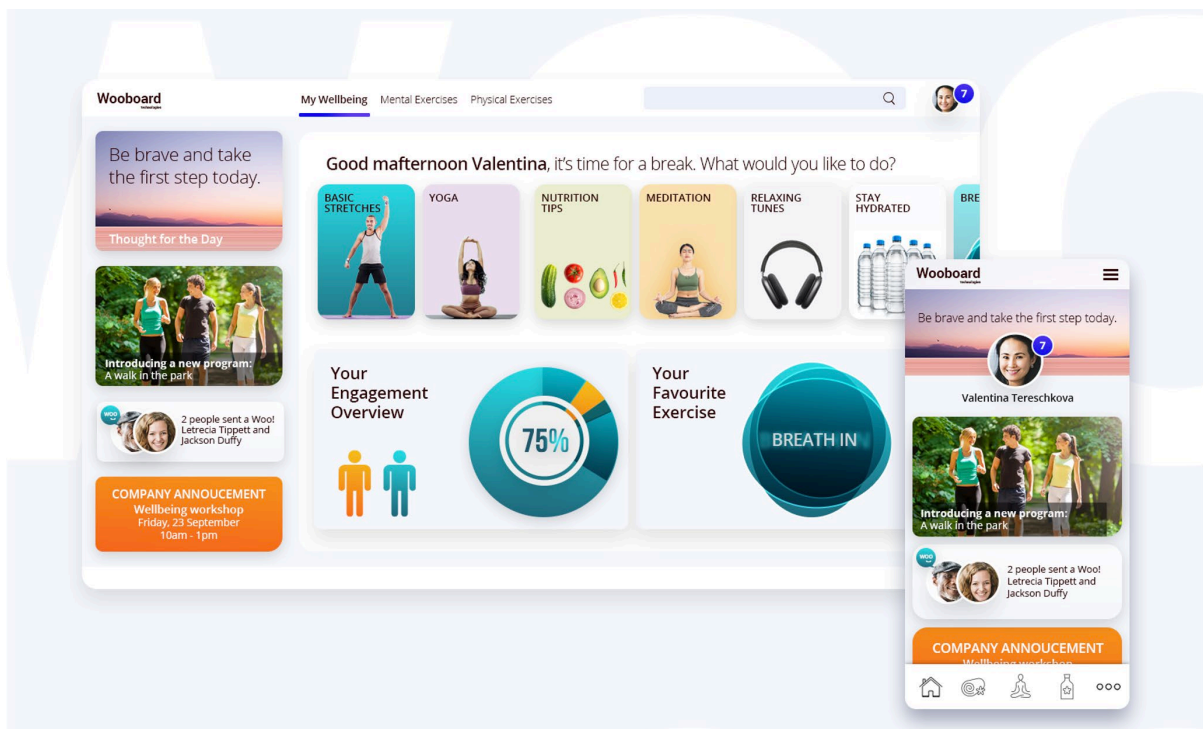
1. An employee wellness dashboard that provides automated oversight of individual employee's mental health. When an employer is unable to be physically present to check in with an employee, Wooboard wellness web or mobile app will do the check-in for them, and provide wellness activities that improve their wellness in the moment. Team goals, journaling reminders and surveys will also feature in the Wooboard Wellness App.

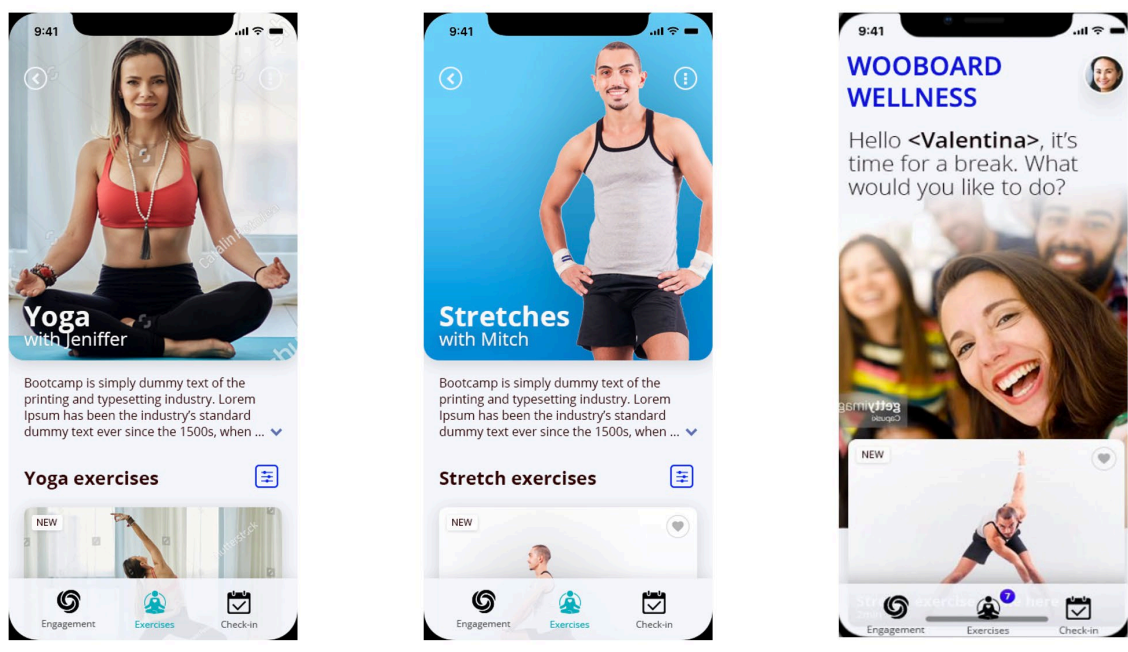
² <https://globalworkplaceanalytics.com/work-at-home-after-covid-19-our-forecast>

³ <https://sensortower.com/blog/mobile-wellness-market-trends-2021>

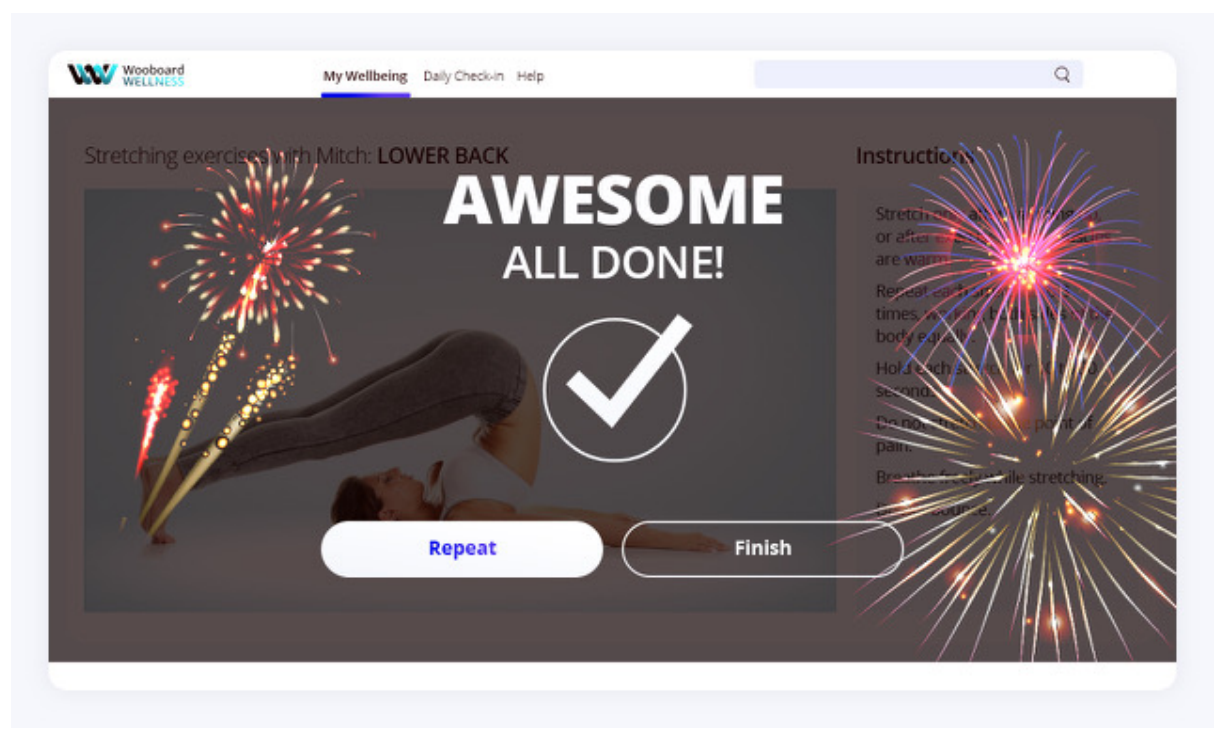


- Wellness activities focused on categories including, fitness and stretching, nutrition and healthy snacks along with mediation and yoga options, all categories providing byte size solutions that assist in addressing and solving for technology fatigue and isolation. In conjunction with these wellness activities for employees, surveys and dynamic dashboards will be used by employers to provide meaningful wellness metrics about the mental health and wellbeing of their employees.





3. Future product releases are planned to include reward options for teams and individuals.



The development of the Wooboard Wellness App during the quarter has been a significant milestone for the Company. Wooboard anticipates being in a position to launch the App in the upcoming quarter.

Team expansion

Following the appointment of two key executives in the previous quarter to lead the expansion of the technology and sales teams, the Company has commenced hiring for a number of internal positions on an employment basis to replace external contractors.

One of the key roles the Company has been pursuing is for a 'Growth Marketer' and WOO is pleased to have recently filled this position, with the new hire commencing in August, to continue building the digital go-to-market strategy for the Wooboard platform and wellness App.

WOO has also hired a UI/UX design lead Ulf Schroeter. Ulf creates effective brand, strategy, user experience, mobile and web communications and integration. Ulf designs digital environments & experiences that work for both customers and businesses. He has helped clients like Woolworths, BWS, Thomas Dux and Guinness Australia to align their brands with their digital strategies.

Corporate

The Company's cash position as 30 June 2021 was \$3,470,000. Cash outflow for the quarter was \$927,000 as the Company continued to grow headcount to develop and expand the commercial product offering.

Outlook

Wooboard is continuing to respond to the growing market demand for employee engagement and mental health & wellbeing products from enterprise and corporates of all sizes. The Company has further enhanced product features of the Wooboard platform and has also expanded the product offering to now include the large corporate wellness market. The Wooboard Wellness App can be seamlessly integrated with companies that already have an engagement or rewards platform that requires additional functionality to address the health and wellbeing of employees, which significantly expands the Company's market opportunity. Wooboard has appointed expert consultants and will continue to grow the internal team to ensure we are well placed to execute on our growth initiatives as we move forward.

Authorised for release by the Rumi Guzder, Executive chairman of Wooboard.

– ENDS –

For further information, please contact:

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About WOObOARD TECHNOLOGIES

WOObOARD TECHNOLOGIES (ASX:WOO) is an Australian-based software-as-a-service solutions company that provides enterprises with a range of services based on its proprietary employee reward, recognition and mindfulness platform, WooBoard. The focus is around creating happier and more productive employees by offering modules targeting mental health and wellbeing, skill building and performance optimisation of employees of large global enterprises.

Appendix 4C

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

Name of entity

WOOBOARD TECHNOLOGIES LIMITED

ABN

64 600 717 539

Quarter ended

("current quarter")

30-June-2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1	Cash flows from operating activities		
1.1	Receipts from customers	63	146
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(339)	(843)
	(c) advertising and marketing	(92)	(230)
	(d) leased assets	-	-
	(e) staff costs	(317)	(528)
	(f) administration and corporate costs	(243)	(1,287)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	5
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (Profit on sale of shares)	-	45
1.9	Net cash from / (used in) operating activities	(927)	(2,692)
2	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(12)	(12)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other (Loyyal Bid Process)	-	(503)
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	250
	(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	(12)	(265)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
3	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	100	4,540
3.2	Proceeds from issue of convertible debt securities	-	2,188
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(168)	(511)
3.5	Proceeds from borrowings	0	274
3.6	Repayment of borrowings	-	(100)
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	(68)	6,391
4	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,472	72
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(927)	(2,692)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(12)	(265)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(68)	6,391
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,465	3,506
5	Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1	Bank balances	3,465	4,472
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)	3,465	4,472
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	-	
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-	
	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		

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**

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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.

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8 Estimated cash available for future operating activities**\$A'000**

8.1	Net cash from / (used in) operating activities (Item 1.9)	(927)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	3,465
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	3,465
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	3.74

Note:- if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 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:

8.6.2 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:

8.6.3 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: **30-Jul-21**

Authorised
by: **By the board.**

(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.