

## ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE

30 January 2013

Company Announcements Office  
Australian Stock Exchange Limited  
10<sup>th</sup> Floor, 20 Bond Street  
SYDNEY NSW 2000

Dear Sir/Madam,

### **Re: Appendix 4C - Quarterly Report**

Please refer to the 'Appendix 4C' attached for details for the period ended 31 December 2012 for the Group.

The Company had a cash balance of \$1.99M at the end of the quarter, and last week closed a share purchase plan raising an additional \$2.9M. This will provide the company with sufficient capital to achieve its major milestones, including the initial approval and launch of CardioCel and see the initiation of the first clinical study for the DNA vaccine program. The Company has generated over \$3.7M in revenue to date this financial year, up 10% for the year to date and indicating continued strong growth in revenue.

The highlight for the quarter was that the Company's lead regenerative tissue product CardioCel<sup>®</sup> has been successfully used in first patients to treat and repair congenital heart defects after it received early approval via the Authorised Prescriber Scheme in Australia in the previous quarter. The Company anticipates additional early access approvals at key centres in Australia in the coming months and full regulatory approval of CardioCel<sup>®</sup> in at least one jurisdiction in 2013.

The Company also completed a successful heart valve reconstruction study in the quarter utilizing CardioCel<sup>®</sup> that demonstrated strong tissue regeneration in heart valve tissue as well as having the mechanical properties and characteristics required to be suitable material to reconstruct and repair heart valves.

The company is now advancing its pre-commercial launch activities in preparation of approvals and launching CardioCel in overseas markets. The Company also further invested in its DNA vaccine programs led by Professor Ian Frazer as the lead Herpes vaccine advances towards clinical trials expected to start in the first half of 2013.

Yours sincerely



Stephen Mann  
Company Secretary



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# 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

Allied Healthcare Group Limited

ABN

36 088 221 078

Quarter ended ("current quarter")

31 December 2012

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from customers	2,000	3,646
1.2	Payments for		
	(a) staff costs	(841)	(1,494)
	(b) advertising and marketing	(61)	(113)
	(c) research and development	(233)	(312)
	(d) leased assets	-	-
	(e) other working capital	(1,537)	(3,427)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	0	4
1.5	Interest and other costs of finance paid	(2)	(4)
1.6	Income taxes paid	-	-
1.7	Other – R&D Tax Concession	208	295
Net operating cash flows		(466)	(1,405)

		Current quarter \$A'000	Year to date (6 months) \$A'000
1.8	Net operating cash flows (carried forward)	<b>(466)</b>	<b>(1,405)</b>
1.9	<b>Cash flows related to investing activities</b>		
	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	(200)	(200)
	(c) intellectual property	(19)	(35)
	(d) physical non-current assets	(2)	(17)
	(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>(221)</b>	<b>(252)</b>
<b>1.14</b>	<b>Total operating and investing cash flows</b>	<b>(687)</b>	<b>(1,657)</b>
	<b>Cash flows related to financing activities</b>		
1.15	Proceeds from issues of shares, options, etc.	1,581	1,581
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 / Transactions with Non-controlling interests	-	-
	<b>Net financing cash flows</b>	<b>1,581</b>	<b>1,581</b>
	<b>Net increase (decrease) in cash held</b>	894	(76)
1.21	Cash at beginning of quarter/year to date	1,094	2,064
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	<b>Cash at end of quarter</b>	<b>1,988</b>	<b>1,988</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	75
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions	
	Consultancy services \$66k Directors fees \$9k	

## 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	-	-

The Company holds an overdraft facility of \$500,000 which is completely unused at the end of the current quarter. .

## 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	1,988	1,094
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.23)		<b>1,988</b>	<b>1,094</b>

## Acquisitions and disposals of business entities

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

## 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 ~~does not~~\* (delete one) give a true and fair view of the matters disclosed.

Sign here: ..... Date: 30 January 2013  
(Company Secretary)

Print name: Stephen Mann

## 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 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting 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.