

# Xped Limited



## Quarterly Activities Report

Xped Limited (**ASX: XPE**) (“Xped” or “the Company”), the Internet of Things (“IoT”) Technology Company has today released its Quarterly Appendix 4C filing for the quarter.

### QUARTERLY HIGHLIGHTS

- **Successful Reinstatement to ASX**
- **Acquisition of JCT Healthcare and Jackson Care Technologies**
- **Appointment of Dr Wenjun Sheng to Board of Directors**
- **Appointment of Lisa Zhang to Board of Directors**
- **Xped APP development awarded to Codium**
- **Successful porting on Moon Island Gateway**
- **Licensing agreement with Telink**
- **Corporate Changes**
- **Further patents filed**

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# Xped Limited



## REINSTATMENT ON ASX

After completing a successful capital raising under a Prospectus lodged in January 2016, the Company was reinstated on the ASX on 5<sup>th</sup> April 2016 following re-complying with Chapters 1 and 2 of the Listing Rules.

After a short period of suspension, the Company listed as Xped Limited (formerly Raya Group) with its business focus on IoT technology following the acquisition of Xped Holdings Limited.

## ACQUISITION OF JCT GROUP

As announced on 4<sup>th</sup> July the Company announced it has completed the Sale and Purchase Agreement ("SPA") of JCT. Under the agreement Xped Healthcare Pty Ltd (subsidiary of Xped) has acquired all shares of JCT and the business will continue to operate with Eddie Jackson appointed as CEO of JCT.

The cost of the acquisition was varied as per announcement on 7<sup>th</sup> June 2016 with first payment of \$750,000 cash, plus further \$750,000 cash payment subject to agreements with channel partners, resellers and key supplier. The variation included issuing up to \$1.25m of Xped ordinary shares along with three milestones tied to performance.

## BOARD OF DIRECTORS APPOINTMENT

The Board was pleased to announce the appointment of Lisa Zhang to the role of Executive Director on 29th June 2016. Most recently, Lisa was managing Director at Intel Capital overseeing Intel Capital's equity investments in China and was a voting member of Intel Capital's investment committee.

Based in China, Lisa managed a team of investment professionals in Beijing, Shanghai and Hong Kong. She was responsible for the US\$100M Intel Capital China Smart Device Innovation Fund, the US\$500M Intel Capital China Technology Fund II and the RMB\$80M Intel Capital China Angel Fund.

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Lisa's Investment areas of expertise include IoT, Cloud Infrastructure and Services, Data Analytics, Drones, Robotics and Security.

Prior to managing Intel Capital's equity investment practice in China, Lisa served as Intel Capital's Chief of Staff based in Santa Clara, a position in which she managed the operation, program and public aspects of Intel Capital and the organization's participation at the World Economic Forum.

Lisa holds a BS in Computer Science from Peking University and a MBA from the Wharton School of the University of Pennsylvania.

Lisa Zhang brings to the board significant experience in capital markets, investment and acquisition experience and will be actively representing the company in the Silicon Valley, San Francisco Bay Area.

On 21<sup>st</sup> April, the Company announced the appointment of Dr Wenjun Sheng as a Non-Executive Director.

Dr. Wenjun Sheng brings to the board significant experience in RF SOC semiconductor design, marketing, distribution, management and knowledge of the global semiconductor and device markets. Dr Sheng currently serves as the Chairman and Chief Executive Officer of Telink Semiconductor, a leading provider of low power wireless connectivity chips and solutions for Internet of Things (IoT). Telink Semiconductor ([www.telink-semi.com](http://www.telink-semi.com)) was founded in 2010 and received venture capital backing from Intel Capital in 2015. With over 10 chipset designs in the range, Telink Semiconductor is on target to deliver over 100,000,000 units to their customers in 2016.

Dr. Sheng has over 15 years of semiconductor industry experience, he has shown an ability to grow businesses from inception, to first revenue and profitability in an effective and accelerated manner. Prior to co-founding Telink Semiconductor in 2010, he was VP of RFIC design at Wiscomm Microsystem Inc., a startup company focusing on CMOS satellite TV tuner chip product.

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## CORPORATE CHANGES

As announced on 29<sup>th</sup> June, Athan Lekkas has been appointed Chairman and Chief Executive Officer (CEO) of the Company.

At the same time Chris Wood has been appointed Chief Technical Officer (CTO) of the Company and is relocating to the USA.

Michael Clarke tendered his resignation as a Director of the Company effective 31 August 2016.

On the 5<sup>th</sup> July, Luke Arthur tendered his resignation as Joint Company Secretary.

## JOINT COLLABORATION WITH TELINK

The Company announced on 5<sup>th</sup> May it had entered into a Joint Collaboration and Marketing Agreement ("JCMA") with Telink Semiconductor that will see the parties work together and market their respective products and technologies.

Xped and Telink have a mutual understanding and recognition of each company's capability and technology and have identified an opportunity to jointly develop a new range of semiconductors or IC chips.

The agreement will see each party cross license their respective Intellectual Property ("IP") of the technology being utilised in the agreement on a non-exclusive, world-wide and non-transferable license to the other party.

Further the company announced on 17<sup>th</sup> May that it would commence development of IOT ADRC Chip. The Telink TLSR8269F512 IoT chip provides a 2.4 GHz radio that is compatible with both 802.15.4 and Bluetooth Low Energy along with 128-bit AES encryption engine and 32-bit RISC processor in a small 5x5 mm package.

The Integrated ADRC IoT chip will target the high volume markets including consumer electronics and lighting, health care, consumer wearables and wireless smart toys.

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## INTEL® MOON ISLAND GATEWAY

During the Quarter the Company announced its ADRC technology would soon be compatible and available on the Intel® IoT Gateway. On 25<sup>th</sup> May the Company announced that it has just completed successful porting of its ADRC gateway services using an Advantech Embedded IoT Gateway running Linux.

The Company was developing a Mini PCIe card with ADRC functionality to allow compatibility with leading Intel® IoT gateway manufacturers including Advantech and other OEMs who offer the Mini PCIe expansion slot in their gateway devices.

On 9<sup>th</sup> June the Company indicated its engineering team had completed the testing of its ADRC technology against Intel® Moon Island gateway platform on the Advantech hardware.

The Company has since built a small number of demonstration kits of ADRC gateway software running on Intel® D2000 chip on mini PCIe card and configured on Advantech hardware running Moon Island gateway. These were recently shipped overseas to Intel® for their testing and review.

## XPED DEVICE BROWSER APP

As announced on 27<sup>th</sup> May, the Company engaged leading software developer Codium to develop and build the next release of the company Device Browser ("DeB") App. Under the agreement, Codium will provide full native Android and iOS Apps.

The release of the Xped App is due in both Apple and Google Play stores during the September quarter. The Company is happy with the progress of development to date and is working closely with Codium and their partners to ensure timely release.

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## FURTHER PATENTS FILED

During the quarter, the Company continued to expand its Intellectual Property portfolio with further grants and filed applications underway in various jurisdictions. Refer to ASX release on 23<sup>rd</sup> May 2016 for more information.

## LISTED OPTIONS XPEOB UNDERWRITTEN

As announced on 29 June, the Company entered into an underwriting agreement with Otsana Pty Ltd ("Otsana") to underwrite the unexercised listed options expiring 21 July 2016. The Company is pleased that the majority of option holders exercised their rights prior to expiry leaving only a small number of options unexercised.

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## LEGACY PROJECTS

### SOKORIA GEOTHERMAL PROJECT

As announced on 22<sup>nd</sup> June, the company ended discussions with PT Dalle Energy regarding proposed sale of Sokoria Geothermal Project.

During the quarter, the Company has held discussions with an Asian based geothermal developer who recently acquired a large geothermal project in Indonesia and have the capacity to fund and develop Sokoria project.

The Company is presently assisting this group who are considering the acquisition of the project and will provide a further update to the market should agreements be reached.

### AUSTRALIAN GEOTHERMAL PROJECTS

No other direct works were completed on any of the Australian tenements during the quarter, other than in respect of licence renewals and the like to ensure that all of these tenements remain in good standing.

The Company will be divesting its legacy geothermal assets and recently held a meeting with Department of State Development (DSD) to discuss restoring and rehabilitating GEL223 and GEL611 in South Australia.

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## FINANCE AND ADMINISTRATION

### CASH HOLDINGS

At the end of the quarter, the Company's cash position stood at approximately \$9,596,000

### EQUITY HOLDINGS

Nil

### HSEC

During the quarter under review, there were no reportable incidents relating to health, safety or community related matters.

### SHAREHOLDINGS

As at the date of this report, the following table represents the total equity instruments on issue in Xped Limited:

Equity Category	Details	Number on Issue
Listed Ordinary Shares	ASX : XPE	1,532,296,495
Listed Options (expired 21 July 2016)	Underwritten	8,735,970
Unlisted Ordinary Shares (Subject to ASX escrow)		518,684,203
Unlisted Options	Strike Prices from \$0.07 to \$1.50 Expiring between 15/12/16 to 31/3/18	181,100,000

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ASX:XPE

## ABOUT XPED

Xped has developed revolutionary and patent protected technology that allows any consumer, regardless of their technical capability, to connect, monitor and control devices and appliances found in our everyday environment. It's as simple as two people shaking hands. By enabling the Internet of Things, Xped's ADRC platform will bring benefit to Manufacturers, Retailers, Service Providers and Consumers.

At Xped, we're **Making Technology Easy Again**

## FOR MORE INFORMATION:

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## Appendix 4C

### Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

Xped Limited

ABN

89 122 203 196

Quarter ended ("current quarter")

30 June 2016

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) staff costs	(264)	(653)
(b) advertising and marketing	(7)	(267)
(c) research and development	(98)	(98)
(d) leased assets	-	-
(e) other working capital	(1,070)	(2,029)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	10	19
1.5 Interest and other costs of finance paid	(4)	(8)
1.6 Income taxes paid		
1.7 Other (merger and acquisition costs)	(417)	(652)
<b>Net operating cash flows</b>	<b>(1,850)</b>	<b>(3,688)</b>

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

	Current quarter \$A'000	Year to date (9 months) \$A'000
1.8 Net operating cash flows (carried forward)	(1,850)	(3,688)
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	(163)
(c) intellectual property	(70)	(133)
(d) physical non-current assets	(29)	(29)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	668
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	250
1.11 Loans to other entities	-	(315)
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	5
<b>Net investing cash flows</b>	(99)	283
<b>1.14 Total operating and investing cash flows</b>	(1,949)	(3,405)
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	2,970	13,141
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	169	245
1.18 Repayment of borrowings	(67)	(385)
1.19 Dividends paid	-	-
1.20 Other (Share issue costs)	(488)	(514)
<b>Net financing cash flows</b>	2,584	12,487
<b>Net increase (decrease) in cash held</b>	635	9,082
1.21 Cash at beginning of quarter/year to date	8,961	514
1.22 Exchange rate adjustments to item 1.20		
1.23 <b>Cash at end of quarter</b>	9,596	9,596

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**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	277
1.25	Aggregate amount of loans to the parties included in item 1.11	
1.26	Explanation necessary for an understanding of the transactions <div style="border: 1px solid black; padding: 5px; margin-top: 5px;">Includes directors fees, superannation and consulting fees.</div>	

**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
- 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

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

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

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

**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	8,946	8,961
4.2 Deposits at call	650	
4.3 Bank overdraft		
4.4 Other (provide details)		
<b>Total: cash at end of quarter (item 1.23)</b>	<b>9,596</b>	<b>8,961</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 give a true and fair view of the matters disclosed.

Sign here:  Date: 29<sup>th</sup> June 2016  
 Company secretary

Print name: Julie Edwards

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## 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.

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