

30 April 2018

Market Announcements
Australian Stock Exchange
Level 5, 20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

APPENDIX 4C FOR THE QUARTER ENDED 31 MARCH 2018

Zenitas Healthcare Limited (ASX: ZNT) ("**Zenitas**" or the "**Group**") today announces its Appendix 4C for the quarter ended 31 March 2018.

The operating cash flow for the nine months ended 31 March 2018 was \$7.25 million and for the quarter ended 31 March 2018 was \$2.23 million.

The Board reaffirms FY18 EBITDA guidance of \$13.0 million to \$13.5 million prior to material acquisitions.

JUSTIN WALTER
CHIEF EXECUTIVE OFFICER
0439 112 464

Investor Enquiries contact:
SHANE TANNER
CHAIRMAN
0411 107 099

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Zenitas Healthcare Limited

ABN

78 009 074 588

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	28,070	73,132
1.2 Payments for		
(a) research and development	-	-
(b) operating costs	(7,281)	(17,573)
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) employee and subcontractor costs	(18,030)	(46,819)
(f) administration and corporate costs	(384)	(995)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	70	136
1.5 Interest and other costs of finance paid	(214)	(606)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (acquisition and business development costs)	-	-
1.9 Net cash from / (used in) operating activities	2,231	7,275

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(484)	(1,953)
(b) businesses (see item 10)	(16,541)	(47,799)
(c) investments	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	3
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) 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	(17,025)	(49,749)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	29,733
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	360	517
3.4 Transaction costs related to issues of shares, convertible notes or options	(58)	(2,025)
3.5 Proceeds from borrowings	-	23,582
3.6 Repayment of borrowings	(89)	(5,199)
3.7 Transaction costs related to loans and borrowings	-	(88)
3.8 Dividends paid	-	-
3.9 Other (Payments of distributions to minority interest holders)	(484)	(1,222)
3.10 Net cash from / (used in) financing activities	(271)	45,298

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	25,967	8,078
4.2 Net cash from / (used in) operating activities (item 1.9 above)	2,231	7,275
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(17,025)	(49,749)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(271)	45,298

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	10,902	10,902

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	10,902	25,967
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)	10,902	25,967

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in items 1.2 and 2.1
- 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

Current quarter \$A'000
547
-

Payments of Directors fees, reimbursement of expenses and payments to a corporate advisor for ongoing business development activities.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in items 1.2 and 1.8
- 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

Current quarter \$A'000
-
-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	23,000	18,000
8.2 Credit standby arrangements	-	-
8.3 Other (Working capital facilities)	3,650	1,899
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.		

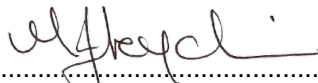
The group has entered into debt facility agreements with Westpac Banking Corporation totalling \$26.65 million including Bank Bill Business Loans of \$23 million and working capital facilities of \$3.65 million. The debt facility is secured against the assets of all entities within the Group. The amount drawn at the end of the quarter is in relation to Bank Bill Business Loans, Equipment Finance Facility and bank guarantees for property leases.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Operating costs	6,183
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Employee costs	28,152
9.6 Administration and corporate costs	480
9.7 Other	-
9.8 Total estimated cash outflows	34,815

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entities	<ol style="list-style-type: none"> 1. Peninsula Sports Medicine Group Pty Ltd, Mon More Sports Medicine Centre Pty Ltd and Allied Health Group Pty Ltd 2. Agewell Physiotherapy Pty Ltd 3. Modern Medical Pty Ltd 4. Careseekers Pty Ltd 5. JB Family Pty Ltd, A & L De Walls Pty Ltd (Deferred consideration, working capital and escrow retention amounts) 	
10.2 Place of incorporation or registration	Victoria and New South Wales	
10.3 Consideration for acquisition or disposal	<ol style="list-style-type: none"> 1. Consideration payments of \$7.1m 2. Consideration payments of \$5.1m 3. Consideration payments of \$1.2m 4. Consideration payments of \$1.1m 5. Deferred consideration, working capital settlement and escrow retention payments of \$2.0m 	
10.4 Total net assets	<ol style="list-style-type: none"> 1. \$0.5 million 2. \$0.5 million 3. \$0.1 million 4. N/A 5. N/A 	
10.5 Nature of businesses	Home care business, allied health businesses and medical clinics	

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: 30 April 2018

Print name: Melanie Leydin