



ASX ANNOUNCEMENT
ASX: SF1 | 30 April 2021

March 2021 Quarterly Report and Commentary

STEMify Limited (“STEMify” or the “Company”) provides the following quarterly update to accompany its quarterly cash flow report for the three months ended 31 March 2021.

March 2021 Quarterly Cash Flow Commentary

Following the sale of the Company's 3D printing hardware and the MyStemKits K-12 curriculum business to BOXL on 21 April 2020, operational activities for US subsidiary MSK, Inc have effectively reduced to zero.

Corporate Update

Sale to Boxlight

On 21 April 2020, STEMify advised that it has completed the disposal of the Company's 3D printing hardware and the MyStemKits K-12 curriculum business to Boxlight Corporation (“Boxlight” or “BOXL”).

The transaction has not resulted in any changes to the Board of the Company.

Under the sale and purchase agreement with Boxlight, the Company was owed US\$350,000 by Boxlight, payable in four (4) separate instalments with the first payment due end of July and quarterly thereafter. The initial two instalments, due July 31 2020 and October 31 2020, were subject to the operating performance of the acquired MyStemKits assets however, the impact of COVID-19 restrictions on school purchasing resulted in significantly lower sales. Pursuant to the conditions in the asset purchase agreement, the Company has agreed that there will be no payment made for these first two instalments. The remaining two instalments of US\$87,500 due January 2021 and April 2021 are not subject to any operational performance criteria and are due and payable. These payments are expected to be received in the June quarter in one single lump sum.

The funds received from the sale will provide additional working capital to the Company which will be used to contribute to the funding for the new business that the Company announced to the market on 25 February, 2021.

At 31 March 2021, the Company had \$739,390 in cash excluding the receivable from BOXL.

Update on the Acquisition of Swoop and NodeOne Telecommunication Businesses

The Company continues to proceed toward the closure of the transaction of both of the abovementioned businesses and has provided ongoing updates to shareholders when available. The Board of STEMify expects to be able to seek shareholder approval at the EGM scheduled 3 May 2021 and complete the transaction in the June quarter, 2021.

Payments made to Related Parties

The Company notes that the payments made to related parties and their associates outlined in Section 6 of the Appendix 4C represent directors’ fees paid to directors and their related entities.

— ENDS —



FORWARD LOOKING STATEMENTS

All statements other than statements of historical fact included on this announcement including, without limitation, statements regarding future plans and objectives of STEMify, are forward-looking statements. Forward-looking statements can be identified by words such as ‘anticipate’, “believe”, “could”, “estimate”, “expect”, “future”, “intend”, “may”, “opportunity”, “plan”, “potential”, “project”, “seek”, “will” and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management of STEMify that could cause actual results to differ from the results expressed or anticipated in these statements.

This announcement is authorised by the Board of Directors of the Company.

Further information

INVESTORS:

Tim Grice —Director
STEMify Limited
tim@robo3d.com

About STEMify Limited

STEMify Limited has disposed of its main asset and is currently seeking suitable business opportunities.

Appendix 4C

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

Name of entity

STEMIFY LIMITED

ABN

20 009 256 535

Quarter ended ("current quarter")

31/03/2021

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	7	22
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(2)	(22)
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(23)	(111)
(f) administration and corporate costs	(146)	(554)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)*	-	110
1.9 Net cash from / (used in) operating activities	(164)	(555)
<p><i>* Other represents receipts from Strategic Energy Resources (SER) in relation to the Royalty Sale and Purchase Agreement as announced on 25 August 2020.</i></p>		
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	314
(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	-	314

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
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	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	911	1,003
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(164)	(555)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	314
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	2	(13)
4.6	Cash and cash equivalents at end of period	749	749

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	749	911
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)	749	911

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	23
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
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.	<div style="border: 1px solid black; padding: 5px; min-height: 100px;"> <p>N/A</p> </div>	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(164)
8.2 Cash and cash equivalents at quarter end (item 4.6)	749
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	749
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	4.57
<i>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.</i>	
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?	
<p>Answer: N/A</p>	
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?	
<p>Answer: N/A</p>	
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?	
<p>Answer: N/A</p>	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

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 April 2021

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.