ASX ANNOUNCEMENT

27 April 2022

March 2022 Quarterly Activities Report and Appendix 4C

San Francisco-based Life360, Inc. (Life360 or the Company) (ASX: 360) today released its Appendix 4C – Quarterly Cash Flow Report for the period ending 31 March 2022 together with a Business Activities Report. Appendix 4C is prepared in US dollars under US GAAP and is unaudited.

- **Very strong momentum in core Life360 business with 43% year-on-year growth in Paying Circles and 63% year-on-year growth in subscription revenue**
- **Annualised Monthly Revenue (excluding hardware) increases to US$166.1 million**
- **Highly encouraging trial results of Tile upsell offer with a 35% uplift in Life360 subscriptions versus the control group**
- **Accelerated integration of Tile and Jiobit to deliver targeted sustainable positive cash flow by late CY23, with first full year of positive cash flow in CY24**.
- **Quarter end cash and cash equivalents of US$98.2 million compared with proforma estimate of US$94 million at 31 December 2021 provided in last Appendix 4C after giving effect to the Tile transaction.**
- **Form 10 filing undertaken to comply with U.S. Securities and Exchange Commission (SEC) requirements; US dual listing plans ceased**
- **Resumption of earnings guidance**

Life360 Chief Executive Officer Chris Hulls said: "Life360 continued its significant business momentum, delivering strong results across key operational metrics in the March 2022 quarter. We added 71,000 net new subscribers, an increase of more than 160% from the March 2021 quarter. Monthly Active Users (MAU) also showed a significant increase, with an 8% quarter-on-quarter gain to 38.3 million, translating to 36% year-on-year growth.

"We're also on schedule integrating Tile and Jiobit into our offering, with early trials showing exceptionally strong results. For example, we ran a test where we bundled Tiles with an upsell offer, and achieved a 35% uplift in subscriptions versus the control group. Both our results for the quarter and these strong early signals from our Tile bundling efforts validate our long-term Membership vision. We are looking forward to scaling these efforts, starting with our "back to school" campaigns in Q3. Given these strong early indications, and the fact that available inventory may be constrained by continuing supply chain issues, our guidance reflects our decision to prioritise inventory allocation for the benefit of high margin bundled subscription offers over retail sales.

"We've also adjusted our strategic plan in light of market conditions, and are now targeting cash flow breakeven by Q4 of CY23, with our first full year of cash flow breakeven in CY24. This target will be assisted by the accelerated integration of Jiobit and Tile into Life360 as a single business unit. This is being driven by the extremely promising results we are seeing for hardware to drive Membership revenue. While this will not result in significant savings for CY22, we will enter CY23 with a much leaner organisational structure with which to drive Membership, which has been our core focus and continues to outperform expectations. Once the integration is complete, all key functions, including product, marketing and general & administrative will be consolidated with a corresponding realisation of headcount efficiencies.

"To facilitate the accelerated integration of Jiobit, we have negotiated an amendment to the Jiobit merger agreement with a 50% total upfront buyout of the contingent consideration in the agreement, while allowing the Company to integrate Jiobit fully and immediately into the Life360 organisation and platform. The buyout will reduce the equity contingent consideration portion of the deal (which was valued at US$17.5 million at the time of the agreement) by 50%."

The Appendix 4C includes Tile's results for the first time. Historically, Tile has its highest cash burn in Q1 due to timing of supplier payments, following the peak Q4 sales period. In addition to the typical high seasonal Q1 cash burn, the March 2022 quarter includes US$11 million of one-time costs and payments associated with the acquisition. In the Appendix 4C, these impacts are reflected in cash used in operating activities of US$37.8 million in the quarter. However, the offsetting working capital adjustment is reflected in the US$46.7 million of cash that was acquired with Tile, and in the Appendix 4C this is netted against the US$96.2 million cash paid for the acquisition in cash flows from investing activities (item 2.1(a)). This is in line with expectations at the time of acquisition, as reflected by the US$98.2m cash at quarter end, compared with our previous estimate of US$94 million (pro-forma at 31 December, after giving effect to the Tile transaction).

Chris Hulls added: "I'm also pleased to announce that according to Data.ai, (formerly App Annie), Life360 is now ranked as the #19 most used iOS app in the United States based on install penetration, just behind household names such as WhatsApp™ and Twitter™, and ahead of LinkedIn™, Venmo™, Walmart™ and other exceptionally large brands".

March 2022 Quarter Highlights

- Consolidated revenue growth (including Tile and Jiobit) of 129% to US$52.7 million. Underlying revenue growth for the quarter for core Life360 (excluding acquisitions) of 64% year-on-year. Subscription revenue growth (including Tile and Jiobit) of 93% to US$33.1 million, with core Life360 growth of 63%; Indirect revenue growth of 69% to US$9.9 million. Pro forma Hardware revenue declined US$3.1 million vs Q1 CY21, with hardware revenue recorded post-acquisition of US$9.7 million.

- Consolidated Annualised Monthly Revenue (AMR) (excluding hardware) of US$166.1 million increased 73% year-on-year. Core Life360 AMR increased 51% year-on-year.

- Consolidated Non-GAAP Underlying EBITDA loss (excluding Stock Based Compensation and other non-recurring adjustments) of US$(12.6) million including Tile and Jiobit, reflecting the inclusion of Tile and the seasonality of Tile's quarterly contribution as provided under the Business Activities update. This includes US$3 million incremental investment in the quarter to rapidly integrate the businesses, anticipated to be a total of US$13 million over the course of CY22.

- Core Life360 Global Monthly Active User (MAU) base of 38.3 million, an increase of 2.8 million from the December 2021 quarter. Year-on-year, MAU increased 36%.

- US MAU base of 25.1 million, an increase of 1.4 million, or 6% from the December 2021 quarter and 39% year-on-year. International MAU base of 13.2 million increased 1.4 million, or 12% from the December 2021 quarter and 32% year-on-year.

- Consolidated subscriptions of 1.8 million including Tile and Jiobit increased 38% year-on-year on a pro forma basis. Core Life360 Paying Circles increased 43% year-on-year to 1.3 million, with subscriber additions of more than 70,000 almost tripling versus the March 2021 quarter.

- US Paying Circles increased 42% year-on-year, with cumulative new and upsell subscribers in the Membership plans of 641,000, comprising Silver (10%), Gold (84%) and Platinum (6%). Membership now makes up 61% of US Paying Circles.

- Average Revenue Per Subscription (ARPS) (including Tile and Jiobit) increased 16% year-on-year, and 15% for core Life360.

- Paid User Acquisition and TV channel spend of US$6.7 million compared with US$4.6 million in the December 2021 quarter reflecting the inclusion of Tile from January 2022. Investment in core Life360 Paid User Acquisition of US$2.4 million increased slightly from US$2.1 million in the December 2021 quarter, driving strong MAU and subscription revenue growth.

- Cash and cash equivalents balance of US$98.2 million at March 2022 compared with US$231.3 million at December 2021 reflecting the close of the Tile transaction in January. Life360 remains confident its strong capital position represents sufficient resources to fund future growth and achieve sustainable positive cashflow.

Business Activities Update

At March 2022, Life360's Global Monthly Active User base was 38.3 million, an increase of 2.8 million from the December 2021 quarter and 36% year-on-year. US MAU of 25.1 million increased 39% year-on-year and 6% from the December 2021 quarter. International MAU of 13.2 million increased 32% year-on-year and 12% for the quarter. In our listed home of Australia, the MAU base of 1.0 million increased 47% year-on-year, and 7% quarter-on-quarter.

Consolidated revenue in the March quarter (including Tile and Jiobit) increased 129% to US$52.7 million, with the core Life360 business (excluding Tile and Jiobit) increasing 64% year-on-year. For the month of March, Consolidated Annualised Monthly Revenue (AMR), excluding hardware, increased 73% year-on-year and 51% for the core Life360 business.

Direct revenue benefited from strong subscriber growth, increasing 59% year-on-year on a pro forma consolidated basis including Tile and Jiobit, and 63% for core Life360. Consolidated subscriptions of 1.8 million grew 38% year-on-year including Tile and Jiobit on a pro forma basis. Core Life360 Paying Circles delivered quarterly additions of more than 70,000, close to triple the March 2021 growth. The Membership model now has 641,000 new and upsell subscribers, accounting for 61% of US Paying Circles.

Indirect revenue (which includes Data revenue and lead generation partnership) delivered strong growth year-on-year and quarter-on-quarter as the business transitioned to our new arrangement with Placer.ai. As previously disclosed, Data revenue for CY22 is expected to be broadly in line with Q4 CY21 run rate.

Tile's Q4 CY21 revenue met expectations that we set at the time of the acquisition for the critical holiday sales period. Performance for the March quarter which is a seasonally lower quarter was impacted by a generally softer environment for consumer electronics and media coverage of privacy concerns related to Apple Airtags. While Tile subscriptions remained strong, up 36% year-on-year on a pro forma basis), weaker hardware trends resulted in the business narrowly missing the aggressive earnout targets agreed as part of the acquisition (which were based on Q4 CY21 and Q1 CY 22 revenue). As a consequence, the US$50 million equity contingent consideration will not be paid, including the US$15 million related to Tile securityholders. We are increasingly optimistic about our ability to drive subscription growth by bundling Tile devices into Membership, and retention of Tile employees is key to delivering this key strategic pillar. Therefore, while the US$35 million portion of the earnout related to Tile employee retention equity will cease to be an obligation, the Company has created a separate, broadly equivalent, pool of retention equity grants for these employees to vest over a two-year period, directed towards ensuring that we have competitive compensation plans in place, while resetting performance goals for senior management.

Chris Hulls added: "We're also pleased to share our first formal update on our Canada Membership rollout, which is performing extremely well. Since launch, new registrations have increased materially and MAU growth has outpaced the US, up more than 50% year-on-year. We are seeing an increase in Average Revenue Per Paying Circle (ARPPC) of more than 100%, while conversions are staying in line with historical averages. Perhaps more importantly, this success is reflected in higher user engagement, such as increased family circle and feature activation, and usage of newly available safety features. This shows our playbook is working and increases our confidence for other international market rollouts. However, the timing for these launches is being impacted by the war in Ukraine, where we had a development office that is responsible for our international efforts. While we have been able to adapt, and get development back on track by redeploying these teams, our roadmap has been delayed by the conflict due to temporarily reduced engineering capacity. We now expect to launch the UK membership in the first half of CY23, and based on the strong Canada metrics, we are even more confident about its prospects for success."

Paid User Acquisition and TV channel spend of US$6.7 million increased from US$4.6 million in the December 2021 quarter reflecting the inclusion of Tile from January 2022. Investment in core Life360 Paid User Acquisition of US$2.4 million increased slightly from US$2.1 million in the December 2021 quarter.

Consolidated Non-GAAP Underlying EBITDA loss (including Tile and Jiobit and excluding Stock Based Compensation and other non-recurring adjustments) of US$(12.6) million increased from US$(4.6) million in the December 2021 quarter reflecting the inclusion of Tile and the seasonality of Tile's quarterly contribution.

Balance sheet and Cash flow

Life360 ended March 2022 with cash and cash equivalents of US$98.2 million, including US$15.5 million of restricted cash.

Tile's hardware business has significant seasonality, with sales weighted towards the second half and the peak Q4 holiday season in particular. Tile also benefits from deferred payment terms with contract manufacturing partners, and other suppliers, ahead of the peak Q4 sales period. Accordingly, Tile's hardware business has historically delivered strong positive cash flow in Q4, followed by peak cash burn in Q1 due to timing of supplier payments. Reflecting this well-known seasonality, the Tile transaction structure incorporated a working capital adjustment to insulate Life360 from this volatility in quarterly cashflows.

The Appendix 4C shows cash used in operating activities of US$(37.8) million compared with US$(11.7) million in the December 2021 quarter. Importantly, this cash outflow includes Tile's Q1 cash burn, but not the offsetting working capital adjustment, which is reflected in the US$46.7 million of cash that was acquired with Tile, and is netted against the US$96.2 million cash paid for the acquisition in cash flows from investing activities (Item 2.1(a)).

Tile's Q1 cash outflows included US$12.2 million related to manufacturing costs and US$6.7 million of advertising and marketing costs. In addition to Tile's typically high seasonal Q1 cash burn, the March 2022 quarter includes US$11.0 million of one-time costs and payments associated with the acquisition.

Receipts from customers of US$50.2 million increased from US$25.1 million in the December 2021 quarter, reflecting the inclusion of Tile and higher Life360 subscription and other receipts.

Total payments in the quarter of US$88.0 million increased from US$36.8 million in the December 2021 quarter. The increase is largely due to the inclusion of the Tile business, the usual seasonally high Q1 cash burn related to timing of supplier payments, and US$13.0 million of one-time costs and payments associated with the acquisition. The Tile hardware business is significantly seasonal, with higher burn in Q1 and strong inflows in the peak holiday season in Q4. This seasonality, and the one-time payments were known factors that contributed to the negotiated working capital components that formed part of the acquisition agreement.

Staff payments of US$25.7 million increased from US$11.2 million in the December 2021 quarter due to the inclusion of Tile employees from January 2022 with associated one-time retention bonuses as part of the acquisition as well as higher Life360 headcount.

Administration and corporate payments of US$14.7 million increased from US$3.0 million in the December 2021 quarter due to the inclusion of Tile and transaction costs of US$5.4 million associated with the Tile acquisition.

Advertising and Marketing payments (which include Paid User Acquisition) of US$14.1 million increased from US$5.3 million in the December 2021 quarter, primarily due to the inclusion of Tile.

Product manufacturing payments of US$13.5 million increased from US$0.8 million in the December 2021 quarter primarily due to the inclusion of Tile and Jiobit, and are seasonally concentrated in the first quarter, with extended terms provided by contract manufacturing partners during the build-up of inventory prior to the Q4 holiday season.

Cost of revenue of US$10.9 million increased from US$10.5 million in the December 2021 quarter due to the timing of technology payments.

Research and development payments of US$8.3 million increased from US$5.4 million in the December 2021 quarter primarily due to the inclusion of Tile.

Cash used in operating activities of US$(37.8) million increased from US$(11.7) million in the December 2021 quarter.

Cash used in investing activities of US$(96.2) million compared with US$(0.2) million in the December 2021 quarter reflecting the timing of the Tile acquisition.

Cash received from financing activities of US$0.9 million reduced from US$192.8 million in the December 2021 quarter reflecting the timing of the Tile capital raising.

Form 10 Registration Statement filing; US dual listing plans ceased

Life360 announced today that it has filed a Form 10 Registration Statement, dated April 26, 2022, with the SEC and has lodged that document for disclosure purposes with the Australian Securities Exchange (ASX).

Section 12(g) of the Securities and Exchange Act (Exchange Act) requires an issuer with total assets in excess of US$10 million and more than 2,000 holders of record on the last day of its fiscal year to register within 120 days of the fiscal year. Life360 exceeded the holder thresholds as of December 31, 2021 primarily due to equity issuances of common stock and CDIs in connection with the Tile and Jiobit acquisitions, and is therefore required under US law to file the Form 10.

The Form 10 is not being used to conduct a U.S. initial public offering (IPO) or U.S. stock exchange listing and does not raise any additional capital for Life360. The Company's previously announced plans for a US dual listing process via IPO have ceased due to the change in market conditions since the process commenced in Q4 2021. The Company maintains a very strong capital position, with more than US$98 million of cash and cash equivalents on the balance sheet.

The Form 10 Registration Statement will become effective (i) automatically by lapse of time sixty (60) days following the filing of the Form 10 Registration Statement or (ii) within such shorter period as the SEC may direct, at which point the Company will become a U.S. "public reporting company," subject to the periodic reporting requirements of the Exchange Act, including the requirements to file annual reports on Form 10-K, quarterly reports on Form 10-Q and periodic reports on Form 8-K and also subject to the SEC's proxy statement and tender offer rules. Directors, officers and 10% holders of Life360 will be subject to Section 16 and 5% holders of Life360 will be subject to beneficial ownership reporting under Section 13(d) and 13(g).

The Company expects the Form 10 Registration Statement to become effective in June 2022. Life360 therefore expects to be required to comply with the SEC regulatory regime from CY22 Q2 onwards. The Company intends to apply for a waiver from the ASX to avoid duplication of financial reporting, while complying with all ASX and SEC required and customary information to the market.

Resumption of Earnings Guidance

Life360 is now able to provide guidance for the CY22 year, and expects to deliver:

- Core Life360 subscription revenue (excluding Tile and Jiobit) growth in excess of 50%;
- Consolidated revenue of US$245 - 275 million for subscription, hardware and indirect revenue;
- Consolidated Non-GAAP Underlying EBITDA loss (excluding Stock Based Compensation and non-recurring items) in the range of US$(32)-(38) million. This includes incremental investment to rapidly integrate the Life360, Tile and Jiobit businesses of approximately US$13 million.

Given the strong results from early Tile bundling trials, and ongoing supply chain issues impacting hardware, the Company intends to prioritise hardware inventory allocation towards bundled subscription offers over retail sales. While this strategy may have an adverse impact on the Company's consolidated revenue near term, we believe the benefits to higher margin subscription revenue, as well as improved customer retention and lifetime value, make this a sound strategic decision.

The guidance range reflects the greater quarter-to-quarter volatility in the newly enlarged consolidated businesses, especially with respect to hardware sales. Positive Underlying EBITDA and Operating cash flows are anticipated in Q4 as a result of continued strong subscription growth, and the impact of the holiday season on hardware revenue.

We anticipate Life360 to move towards consistently positive Operating cash flow by late CY23, such that we record positive operating cashflow for CY24.

An accounting charge for integration costs of approximately US$3 million will be reflected in CY22 Q2 and Q3 results as a one-time item and has been excluded from CY22 underlying EBITDA guidance.

Related party

A related party payment of US$100,000 was paid to Carthona Capital for consultancy services for a non-executive director, and US$6,500 to the spouse of an executive for services relating to a marketing campaign.

Investor Conference Call

A conference call will be held today at 9.30am AEST, Wednesday 27 April. The call will be held as a Zoom audio webinar.

Participants wishing to ask a question should register and join via their browser **here**
Participants joining via telephone will be in a listen only mode.
Dial in details
Australia : +61 2 8015 6011
US : +1 669 900 6833
Other countries : **details**
Meeting ID : 965 5332 1863

A replay will be available after the call at https://investors.life360.com

Authorisation

Chris Hulls, Director, Co-Founder and Chief Executive Officer of Life360 authorised this announcement being given to ASX.

About Life360

Life360 operates a platform for today's busy families, bringing them closer together by helping them better know, communicate with and protect the people they care about most. The Company's core offering, the Life360 mobile app, is a market leading app for families, with features that range from communications to driving safety and location sharing. Life360 is based in San Francisco and had more than 38 million monthly active users (MAU) as at March 2022, located in more than 195 countries.

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Life360's CDIs are issued in reliance on the exemption from registration contained in Regulation S of the US Securities Act of 1933 (Securities Act) for offers of securities which are made outside the US. Accordingly, the CDIs, have not been, and will not be, registered under the Securities Act or the laws of any state or other jurisdiction in the US. As a result of relying on the Regulation S exemption, the CDIs are 'restricted securities' under Rule 144 of the Securities Act. This means that you are unable to sell the CDIs into the US or to a US person who is not a QIB for the foreseeable future except in very limited circumstances until after the end of the restricted period, unless the re-sale of the CDIs is registered under the Securities Act or an exemption is available. To enforce the above transfer restrictions, all CDIs issued bear a FOR Financial Product designation on the ASX. This designation restricts any CDIs from being sold on ASX to US persons excluding QIBs. However, you are still able to freely transfer your CDIs on ASX to any person other than a US person who is not a QIB. In addition, hedging transactions with regard to the CDIs may only be conducted in accordance with the Securities Act.

Future performance and forward-looking statements

This announcement contains forward-looking statements about future events, including statements regarding Life360's intentions, objectives, plans, expectations, assumptions and beliefs about future events, including Life360's expectations with respect to the financial and operating performance of its business, its capital position, future growth, its integration of Tile and Jiobit and its Form 10 Registration Statement. The words "anticipate", "believe", "expect", "project", "predict", "will", "forecast", "estimate", "likely", "intend", "outlook", "should", "could", "may", "target", "plan" and other similar expressions can generally be used to identify forward-looking statements. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. Investors and prospective investors are cautioned not to place undue reliance on these forward-looking statements as they involve inherent risk and uncertainty (both general and specific) and should note that they are provided as a general guide only. There is a risk that such predictions, forecasts, projections and other forward-looking statements will not be achieved. Subject to any continuing obligations under applicable law, Life360 does not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date of this announcement, to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statements are based. While due care has been used in the preparation of forecast information, actual results may vary in a materially positive or negative manner. Forward-looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. They are subject to known and unknown risks, uncertainty, assumptions and contingencies, many of which are outside Life360's control, and are based on estimates and assumptions that are subject to change and may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements. To the maximum extent permitted by law, responsibility for the accuracy or completeness of any forward-looking statements whether as a result of new information, future events or results or otherwise is disclaimed. This announcement should not be relied upon as a recommendation or forecast by Life360. Past performance information given in this document is given for illustrative purposes only and is not necessarily a guide to future performance and no representation or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward-looking statements, forecast financial information, future share price performance or any underlying assumptions. Nothing contained in this document nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of Life360.

Life360 provides below a summary of changes historically introduced on iOS and Android platforms and the Company's response. This information will be updated on a quarterly basis.

Appendix: Platform Update – iOS

Date	Version	Changes	Resolution	Potential impact	Actual impact
Sept '21	15	VoIP disabling has been confirmed from iOS 15 onwards IDFA updates (iOS 14.5)	Switch to using new Apple provided service extensions Updates made on client and backend to accommodate IDFA changes	Medium Medium on data business	Rollouts for VoIP replacement have started and will continue through 2022 Q1 and Q2. Too early to see any impacts IDFA updates are all rolled out and the data business has adapted to these changes.
Sept '20	14	Identifier for Advertisers (IDFA) update, now per app opt-in Users can switch off precise location VoIP disabling (not yet enforced in iOS14)	Apple delayed to 2021. Options being discussed and prototyped Messaging Alternatives being tested	Potentially significant on Data business Low Medium	Still to be determined Low Still to be determined
Sept '19	13	Location permissions VoIP disabling	Work-around User education through email and in-app campaigns Alternative provided by Apple	Minimal Minimal	Minimal None anticipated
Sept '18	12	10 mins maximum background time limit	Worked with Apple to increase limit before release of iOS 12	Minimal	Minimal
Sept '17	11	Blue bar	Additional API added to remove blue bar after negotiation with Apple	Minimal	Minimal
Sept '16	10	Decommissioned background socket	Migrated background wake up to VOIP	Significant	Minimal
Sept '15	9	More background location sampling	Update infrastructure to handle additional location points	Medium	Medium
Sept '13	7	iOS background task termination stopped all background location from running	Successful petition to Apple to change policy with iOS 7.1	Significant	iOS 7.0 - Significant iOS 7.1 - Minimal

Appendix: Platform Update – Android

Date	Version	Changes	Resolution	Potential impact	Actual impact
Apr '22	13	Android background location pushes need to confirm to new Android S restrictions	Modify location processing to be compliant prior to Android S release in November 2022	Medium	Non anticipated
Sept '21	12	Precise location, advertising ID opt-out	Will be incorporated and shipped	Minimal	No meaningful impact experienced
Sept '20	11	Minor	Incorporated and shipped	Minimal	Minimal
Sept '19	Q	Always vs When in Use background location permission	Updated app to present new permissions to the users and encourage Always permission	Minimal	Minimal
Aug '18	P	Limited access to sensors in the background	Display persistent notification while driving to ensure background access	Significant	Medium
Aug '17	O	Notification channels Background Execution limits	Added 11 different channels that allow users to customise all notifications Display persistent notification during background location updates	Minimal	Minimal
Aug '16	N	Doze Mode enhancements	Updates to ensure compatibility with Doze Mode	Minimal	Minimal
Oct '15	M	Doze Mode App Permissions	Update to high priority notifications for background location Ensure we prompt the user for all permissions required	Significant	Medium

Appendix 4C

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

Name of entity

Life360, Inc

ABN	**Quarter ended ("current quarter")**
629 412 942	March 31, 2022

Consolidated statement of cash flows			Current quarter $US'000	Year to date (3 months) $US'000
1.	**Cash flows from operating activities**			
1.1	Receipts from customers		50,253	50,253
1.2	Payments for			
	(a)	research and development	(8,305)	(8,305)
	(b)	product manufacturing and operating costs	(13,491)	(13,491)
	(c)	advertising and marketing	(14,149)	(14,149)
	(d)	leased assets	(744)	(744)
	(e)	staff costs	(25,671)	(25,671)
	(f)	administration and corporate costs	(14,745)	(14,745)
1.3	Dividends received (see note 3)			
1.4	Interest received		3	3
1.5	Interest and other costs of finance paid			
1.6	Income taxes paid			
1.7	Government grants and tax incentives			
1.8	Payments for cost of revenue		(10,942)	(10,942)
1.9	**Net cash from / (used in) operating activities**		**(37,791)**	**(37,791)**

2.	**Cash flows from investing activities**			
2.1	Payments to acquire or for:			
	(a)	acquisition, net of cash acquired	(96,215)	(96,215)
	(b)	businesses		
	(c)	property, plant and equipment		
	(d)	investments		
	(e)	intellectual property		

Consolidated statement of cash flows		**Current quarter $US'000**	**Year to date (3 months) $US'000**
	(f) Cash advance on convertible note receivable in connection with an acquisition		
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(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**	**(96,215)**	**(96,215)**

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 and settlement of RSUs	793	793
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	Cash received in connection with issuance of convertible notes		
3.10	Transaction costs relating to capital raising	85	85
3.11	**Net cash from / (used in) financing activities**	**878**	**878**

Consolidated statement of cash flows		Current quarter $US'000	Year to date (3 months) $US'000
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	231,344	231,344
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(37,791)	(37,791)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(96,215)	(97,215)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	878	878
4.5	Effect of movement in exchange rates on cash held		
4.6	**Cash and cash equivalents at end of period**	**98,216**	**98,216**

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 $US'000**	**Previous quarter $US'000**
5.1	Bank balances	82,717	231,141
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)[1]	15,499	203
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**98,216**	**231,344[2]**

[1]Other relates to escrow funds in connection with acquisitions and security deposits.

[2] Prior quarter cash position included the funds from the capital raise in connection with the acquisition of Tile,Inc.

6.	**Payments to related parties of the entity and their associates**	**Current quarter $US'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	107[3]
6.2	Aggregate amount of payments to related parties and their associates included in item 2	0

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.

[3] Related party payments of $100,000 were paid to Carthona Capital for consultancy services and $6,500 to a spouse of an executive for services relating to a marketing campaign.

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.*	**Total facility amount at quarter end $US'000**	**Amount drawn at quarter end $US'000**
7.1	Loan facilities	0	0
7.2	Credit standby arrangements	0	0
7.3	Other (please specify)	0	0
7.4	**Total financing facilities**	0	0

7.5	**Unused financing facilities available at quarter end**	0

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.

N/A

8.	**Estimated cash available for future operating activities**	**$US'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(37,791)
8.2	Cash and cash equivalents at quarter end (item 4.6)	98,216
8.3	Unused finance facilities available at quarter end (item 7.5)	0
8.4	Total available funding (item 8.2 + item 8.3)	98,216
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	3

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:
N/A

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:
N/A

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:
N/A

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.

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: ....April 27, 2022...

Authorised by: ....
(Audit and Risk Committee Chair)

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.