

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

Tech Mpire Limited

ABN

88 156 377 141

Quarter ended ("current quarter")

September 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	7,902	7,902
1.2 Payments for		
(a) research and development (see additional note 1)	(419)	(419)
(b) product manufacturing and operating costs including cost of services rendered	(5,856)	(5,856)
(c) advertising and marketing	(171)	(171)
(d) leased assets	-	-
(e) staff costs (see additional note 2)	(1,118)	(1,118)
(f) administration and corporate costs	(71)	(71)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(8)	(8)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	260	260

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(39)	(39)
(b) businesses (see item 10)	(21)	(21)
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	(34)	(34)
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(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	(94)	(94)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
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	-	-

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
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	5,601	5,601
4.2	Net cash from / (used in) operating activities (item 1.9 above)	260	260
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(94)	(94)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(230)	(230)
4.6	Cash and cash equivalents at end of quarter	5,537	5,537

5. Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1 Bank balances	5,537	5,601
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)	5,537	5,601

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	108
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	

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7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
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	

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	-	-
8.2 Credit standby arrangements	-	-
8.3 Other: debtor factoring facility	1,310	-

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 facility at 8.3 is a secured debtor factoring facility with Fast Pay Partners LLC (FPP), an unrelated party, which enables the Group to receive cash receipts in advance on certain of its customer invoices which are purchased by FPP. A fixed fee of 1.5% of the customer invoice purchased is charged by FPP. In addition, where the customer invoice remains unpaid after 30 days, an additional fee of 1.5% of the invoice value is charged on a pro-rata basis for every 30 days the invoice remains unpaid.

In the event the customer invoice remains unpaid for 90 days, the Group is required to repay to FPP all advances received from FPP for that invoice plus all fees associated with that invoice.

The debtor factoring facility has a credit limit of US\$1,000,000 and under the current terms the facility will terminate on 13 March 2017. The Group is not obligated to factor a minimum value of customer invoices over the life of the facility and the facility has not been used during the quarter.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	460
9.2 Product manufacturing and operating costs including cost of services rendered	5,875
9.3 Advertising and marketing	265
9.4 Leased assets	-
9.5 Staff costs	1,364
9.6 Administration and corporate costs	71
9.7 Other (provide details if material)	24
9.8 Total estimated cash outflows	8,059

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10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity	Appenture d.o.o	n/a
10.2	Place of incorporation or registration	Croatia	n/a
10.3	Consideration for acquisition or disposal *	AUD \$21k	n/a
10.4	Total net assets **	AUD \$51k	n/a
10.5	Nature of business	Development services	n/a

*\$21k is the cash component paid in the quarter out of the total consideration of \$87k. The total cash component paid to date is \$67k.

** Subject to finalisation under the provisions of AASB 3: Business Combinations

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: 7 November 2016

Print name: CLARE MADELIN

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.

Additional Notes

1. Item 1.2(a), payments for research and development, comprises primarily staff costs relating to on-going technology development work.
2. Item 1.2(e), payments for staff costs, excludes those costs relating to on-going technology development work which are included instead at item 1.2(a) – see additional note 1 above.

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