

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

JustKapital Limited

ABN

72 088 749 008

Quarter ended ("current quarter")

30 September 2017

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	3,015	3,015
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(24)	(24)
(d) leased assets	-	-
(e) staff costs	(1,058)	(1,058)
(f) administration, corporate costs, due diligence and transaction costs	(1,397)	(1,397)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	109	109
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (short term loans (to)/from third parties)	36	36
1.8 Other (disbursement funding division reports)	(3,588)	(3,588)
1.9 Net cash from / (used in) operating activities	(2,906)	(2,906)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(12)	(12)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
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 (investments by litigation funding division)	(2,535)	(2,535)
2.6	Net cash from / (used in) investing activities	(2,547)	(2,547)

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 (a)	Proceeds from borrowings (Disbursement funding division)	4,025	4,025
3.5 (b)	Proceeds from borrowings (Corporate)	-	-
3.6	Repayment of borrowings (Disbursement funding division)	(2,461)	(2,461)
3.7	Transaction costs and interest related to loans and borrowings	(1,175)	(1,175)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	390	390

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	7,627	7,627
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,907)	(2,907)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,547)	(2,547)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	389	389
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	2,564	2,564

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	2,408	7,472
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (term deposits for Bank Guarantees)	156	155
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,564	7,627

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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**

456

-

The payments above to directors includes payments to companies associated with directors for consulting fees.

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

- 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

**Current quarter
\$A'000**

-

-

8. Financing facilities available

Add notes as necessary for an understanding of the position

- 8.1 Loan facilities
- 8.2 Credit standby arrangements
- 8.3 Other (please specify)

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
52,000	33,850
-	-
-	-

- 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.

- On 22 January 2016, the Group secured a three-year \$20 million facility through Assetsecure Pty Limited. The loan is secured by a fixed and floating charge over the assets of JustKapital Financing Pty Limited. The parent company and other entities within the Group have guaranteed the facility. The facility was repayable on 22 January 2019.

On 3 July 2017, the Group announced that they had successfully negotiated an increase in this facility to \$25 million, with the facility repayable on 1 June 2020.

On 27 September 2017, the Group announced that they had successfully negotiated an increase in this facility to \$35 million, with the facility now repayable on 30 September 2020.

The fees payable under the increased facility still include a mixture of interest charges for amounts draw-down under the facility, line fees and management fees, which has reduced from the original 13.5% per annum down to 8.95% per annum. These fees are expensed as incurred.

- On 27 September 2017, the Group also announced that they had successfully negotiated a new facility of \$5 million to cover short term loans, with this facility repayable on 30 September 2020.

The fees payable under this new \$5 million short term loan facility include a mixture of interest charges for amounts draw-down under the facility, line fees and management fees, at 13.8% per annum. These fees are expensed as incurred.

- On 16 November 2016, the Group announced to the market it had secured a one year \$5 million Loan Facility Agreement with Lucerne Composite Master Fund. As a result of recent negotiations, this facility is now repayable on 8 November 2018.

The fees payable under the facility include a mixture of interest charges for amounts draw-down under the facility, line fees and management fees, which total 16.75% (13.50% excluding establishment fee) per annum. These fees are expensed as incurred.

- On 31 March 2017, the Group announced to the market it had secured a one year \$7 million Loan Facility Agreement with Lucerne Composite Master Fund. This facility is repayable on 31 March 2018.

The fees payable under the facility include a mixture of interest charges for amounts draw-down under the facility, line fees and management fees, which total 16.75% (13.50% excluding establishment fee) per annum. These fees are expensed as incurred.

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Research and development	-
9.2	Product manufacturing and operating costs	-
9.3	Advertising and marketing	(25)
9.4	Leased assets	-
9.5	Staff costs	(696)
9.6	Administration and corporate costs	(690)
9.7	Other (Due diligence costs, transaction costs and interest relating to loans & borrowings)	(2,287)
9.7*	Other (payments for disbursement reports)	(3,924)
9.7	Other (case investments)	(586)
9.8	Total estimated cash outflows	(8,208)

* These estimated cash outflows will be made utilising the existing facilities available to the Group as detailed in Section 8.1.

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity		
10.2	Place of incorporation or registration		
10.3	Consideration for acquisition or disposal		
10.4	Total net assets		
10.5	Nature of business		
10.1	Name of entity		
10.2	Place of incorporation or registration		
10.3	Consideration for acquisition or disposal		
10.4	Total net assets		
10.5	Nature of business		

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:
Chief Executive Officer

Date: 31 October 2017

Print name: Diane Jones

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.