

## 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**

MSL Solutions Limited

**ABN**

96 120 815 778

**Quarter ended ("current quarter")**

30 June 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>YTD (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	8,262	32,942
1.2 Payments for		
(a) research and development	548	(4,015)
(b) direct costs of sales	(2,911)	(8,349)
(c) sales, advertising and marketing	(1,441)	(6,302)
(d) customer and technical services	(2,162)	(7,749)
(e) general and administration	(1,868)	(6,099)
(f) other working capital costs	(1,239)	(4,913)
1.3 Dividends received (see note 3)		
1.4 Interest received	0	10
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)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(811)</b>	<b>(4,475)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(13)	(114)
(b) businesses (see item 10)		(3,827)
(c) investments		

Consolidated statement of cash flows		Current quarter \$A'000	YTD (12 months) \$A'000
	(d) intellectual property	(2,100)	(2,100)
	(e) other non-current assets		
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	11	11
	(b) businesses (see item 10)		
	(c) investments	1,788	4,562
	(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	<b>Net cash from / (used in) investing activities</b>	<b>(314)</b>	<b>(1,468)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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	0	1,594
3.6	Repayment of borrowings	(87)	(112)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	<b>Net cash from / (used in) financing activities</b>	<b>(87)</b>	<b>1,482</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	3,367	6,647
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(811)	(4,475)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(314)	(1,468)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(87)	1,482

Consolidated statement of cash flows		Current quarter \$A'000	YTD (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(25)	(56)
4.6	<b>Cash and cash equivalents at end of quarter</b>	<b>2,130</b>	<b>2,130</b>

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	1,809	3,060
5.2	Call deposits	3	3
5.3	Bank overdrafts		
5.4	Other (provide details) – Deposits & guarantees	304	304
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,130</b>	<b>3,367</b>

**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

\$124

Fees and salaries paid to Directors and the Managing Director.

**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

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A	Amount drawn at quarter end \$A
8.1 Loan facilities	\$1,580,797	\$1,580,797
8.2 Credit standby arrangements		
8.3 Other (please specify)		
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 Company put in place a \$2m facility with Westpac in October 2018, with an indicative interest rate of 6.6% and amortisation of the limit over 36 months. There are no financial covenants, and the facility is secured by a GSA over the Australian entities of the MSL Group.

9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	1,500
9.2 Direct costs of sales	2,400
9.3 Sales, advertising and marketing	1,500
9.4 Customer and technical services	1,900
9.6 General and administration	1,700
9.7 Other working capital	500
<b>9.8 Total estimated cash outflows</b>	<b>9,500</b>

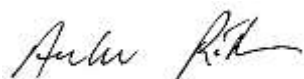
10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
10.1 Name of entity	Rockit Pty Ltd	
10.2 Place of incorporation or registration	Australia	
10.3 Consideration for acquisition (earnout and deferred payment)	\$75,000	
10.4 Total net assets	\$279,049	
10.5 Nature of business	IT infrastructure sales and support and computer hardware sales.	
10.1 Name of entity	Xcite Media Pty Ltd	
10.2 Place of incorporation or registration	Australia	
10.3 Consideration for acquisition (earnout and deferred payment)	\$100,000	
10.4 Total net assets	\$475,000	
10.5 Nature of business	IT infrastructure sales and support and computer hardware sales.	

10.1	Name of entity	Pallister Games	
10.2	Place of incorporation or registration	Australia	
10.3	Consideration for acquisition (earnout and deferred payment)	\$337,300	
10.4	Total net assets	(\$61,059)	
10.5	Nature of business	IT infrastructure sales and support and computer hardware sales.	
10.1	Name of entity	Pricap Services Pty Ltd	
10.2	Place of incorporation or registration	Australia	
10.3	Consideration for acquisition (earnout & deferred instalment)	\$790,000	
10.4	Total net assets	\$100,000	
10.5	Nature of business	Software provider to venues in the Sports, Leisure and Hospitality market, mostly in the Australian golf sector.	
10.1	Name of entity	GolfBox A/S	
10.2	Place of incorporation or registration	Denmark	
10.3	Consideration for acquisition (earnout and deferred instalment)	\$2,525,264	
10.4	Total net assets	\$5,649,000	
10.5	Nature of business	IT infrastructure sales and support and computer hardware sales.	

### **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:



Company Secretary (By order of the Board)

Date: 15 July 2019

Print name: Andrew Ritter

### **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.