

## 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")**

31 December 2016

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	2,538	5,140
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(15)	(24)
(d) leased assets	-	-
(e) staff costs	(683)	(1,298)
(f) administration and corporate costs	(784)	(1,520)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	29	33
1.5 Interest and other costs of finance paid	(4)	(4)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (short term loans to third parties)	(238)	(688)
1.8 Other (disbursement funding division reports)	(2,431)	(4,565)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,588)</b>	<b>(2,926)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(78)	(184)
(b) businesses (see item 10)	-	(2,500)
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
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)	(3,080)	(6,399)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(3,158)</b>	<b>(9,083)</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	-	5,000
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(163)	(506)
3.5 (a)	Proceeds from borrowings (Disbursement funding division)	2,800	6,260
3.5 (b)	Proceeds from borrowings (Corporate)	3,000	3,000
3.6	Repayment of borrowings (Disbursement funding division)	(2,163)	(4,451)
3.7	Transaction costs related to loans and borrowings	(616)	(991)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>2,858</b>	<b>8,312</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	3,758	5,567
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,588)	(2,926)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3,158)	(9,083)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,858	8,312
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of quarter</b>	<b>1,870</b>	<b>1,870</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	1,715	3,603
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (term deposits for Bank Guarantees)	155	155
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,870</b>	<b>3,758</b>

**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	230
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	

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**

	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. <b>Financing facilities available</b> <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	25,000	15,208
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.		

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 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 13.5% per annum. These are expensed as incurred.

The facility is repayable on 22 January 2019.

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. This facility is repayable on 8 November 2017.

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% per annum. These are expensed as incurred.


9. <b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
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	(683)
9.6 Administration and corporate costs	(785)
9.7* Other (payments for disbursement reports)	(2,369)
9.7* Other (case investments)	(1,567)
<b>9.8 Total estimated cash outflows</b>	<b>(5,429)</b>

\* 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: .....  
(Director/Company secretary)

Date: 31 January 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.