

DECEMBER 2021 QUARTERLY ACTIVITIES REPORT: RECORD CASH RECEIPTS, CONTINUED GROWTH EXPECTED

Key Highlights

- **Highest quarterly cash receipts in company history** with approx. \$5.95m
- **Total annual customer cash receipts of approx. \$19.8m**, approx. 24% growth over CY 2020
- **Strong growth momentum**, with 11 successive quarters of cash receipts growth vs prior corresponding periods (pcp)
- **Cash receipts from high-margin recurring revenue segments up by 81% vs. pcp, to approx. 73% of total cash receipts**
- **Significantly reduced operating cash outflows** with approx. \$-308,000, including an amount of approx. \$-130,000 in spending related to membrane technology development and the corresponding manufacturing scale up
- **Strong balance sheet** with approx. \$8.6m in cash supports strong growth prospects, in particular further Build, Own, Operate opportunities, deploying De.mem's advanced membrane solutions
- **New Build, Own, Monitoring, Transfer contract for waste water treatment with Australian ski resort announced**
- **Recently acquired Capic business in Western Australia exceeding expectations**
- **Outstanding acquisition track record with all three bolt-on acquisitions since 2019 achieving significant growth**
- **Strong outlook for further growth in CY 2022**

25 January 2022: Water and wastewater treatment company De.mem Limited (ASX: DEM) ("De.mem" or "the Company") is pleased to report strong December Quarter 2021 results.

Record Quarterly Cash Receipts

De.mem is delighted to report highest-ever customer cash receipts of approx. \$5.95m in the December Quarter 2021.

December Quarter 2021 cash receipts are:

- approx. 6% above prior corresponding period ("pcp"; December Quarter 2020), and
- approx. 80% up vs. approx. \$3.3m in total cash receipts recorded in the December Quarter 2019 (see "Quarterly Activities Report and Appendix 4C, released to the ASX on 30 January 2020). This is equivalent to a CAGR (compound annual growth rate) of approx. 34% over a two-year period.

The result is remarkable as in the reporting period, 73% of total cash receipts were generated by the Company's recurring revenue segments; whereas in the pcp, only 44% of total cash receipts resulted from the recurring revenue segments (for further details please see section below, "Growing Revenue Quality as Recurring Revenue Segments Continue to Drive Top-line and Margin Growth").

For the full CY 2021, total annual customer cash receipts were approx. \$19.8m, approx. 24% above CY 2020 customer cash receipts.

Strong Growth Momentum

With the record cash receipts, De.mem continues its exceptional track record of top line growth.

De.mem has now recorded 11 consecutive quarters of cash receipts growth vs. pcp – despite the extremely challenging macroeconomic environment due to the Covid-19 pandemic.

Since the beginning of CY 2020, the group's accumulated quarterly cash receipts have grown by approx. 29% over the pcp*. Quarterly growth rates vs. pcp are summarised in Table 1 below.

TABLE 1: QUARTERLY CASH RECEIPTS GROWTH

Quarter ended	Cash receipts growth (% vs pcp)
31 December 2021	6%
30 September 2021	40%
30 June 2021	53%
31 March 2021	5%
31 December 2020	69%
30 September 2020	7%
30 June 2020	14%
31 March 2020	63%
Total (8 quarters since 1 January 2020)*	29%*

**Based on the accumulated cash receipts during the 8 quarters mentioned, relative to accumulated cash receipts for the prior corresponding 8 quarters*

Strong Organic Growth vs. Industry Average

Since the beginning of CY 2020, which also marked the beginning of the Covid-19 pandemic, De.mem has delivered strong organic growth well above industry average.

The organic growth over a 2-year period is approx. 23%, which is calculated as follows:

- December Quarter 2021 cash receipts of approx. \$5.95m, less the contribution of the recently acquired Capic business (= Capic's pre-acquisition / stand-alone cash receipts of approx. \$0.9m per quarter); divided by
- \$3.3m in cash receipts recorded by the Company in the December Quarter 2019;
- calculated / discounted as the CAGR over the 2-year period.

The 23% organic growth rate is more than three times higher than the average annual growth rate of 7% for the overall global water and waste water treatment market, forecasted for the period from 2021-2028; following a temporary decline of -7% in CY 2020 due to the Covid-19 pandemic (*source: Fortune Business Insights, "Water and Wastewater Treatment Market Size, Share & Covid-19 Impact Analysis", published in June 2021*).

Growing Revenue Quality as Recurring Revenue Segments Continue to Drive Top-line and Margin Growth

In line with the strategy communicated to the Company's shareholders, growth initiatives have focused on De.mem's recurring revenue segments.

Recurring revenues segments include:

- Build, Own, Operate ("BOO") and Operations & Maintenance contracts.
- Regular maintenance work on water treatment equipment.
- Membrane replacement sales into existing facilities.
- Specialty chemicals sales through the De.mem-Capic and De.mem-Geutec subsidiaries.
- Sales of pumps and related services through the De.mem-Pumptech subsidiary.
- Sales of small equipment and consumables.

De.mem advises that while the Company's recurring revenue segments generate repeat orders, some minor seasonality may apply in between individual quarters subject to, for example, the timing/receipt of single payments, payment terms with individual customers and/or holiday periods.

Recurring cash receipts in the December Quarter 2021 were approx. \$4.35m, or approx. 73% of total cash receipts. This implies 81% growth of the cash receipts from recurring revenue segments vs. the \$2.4m in recurring receipts recorded in the December Quarter 2020.

For the full calendar year, recurring cash receipts were approx. \$13.8m, or approx. 70% of total cash receipts.

De.mem has successfully upgraded its business model over the past three years, by growing the share of cash receipts from recurring revenue segments vs. total cash receipts generated from 38% in CY 2018 to approx. 70% in CY 2021.

The growing share of recurring revenues / cash receipts underlines the high quality and value of the De.mem revenue mix and the stability of the Company's business model. Along with the strong growth of recurring revenue segments, margins have improved significantly as well. Gross margins have steadily increased from 25% in CY 2018 to 34% in H1 2021 (see ASX release dated 30 August 2021, "Record Growth in H1 2021").

Chart 1 illustrates the strong growth of cash receipts from recurring revenue segments since 2018.

CHART 1: RECURRING CASH RECEIPTS IN \$ MILLION

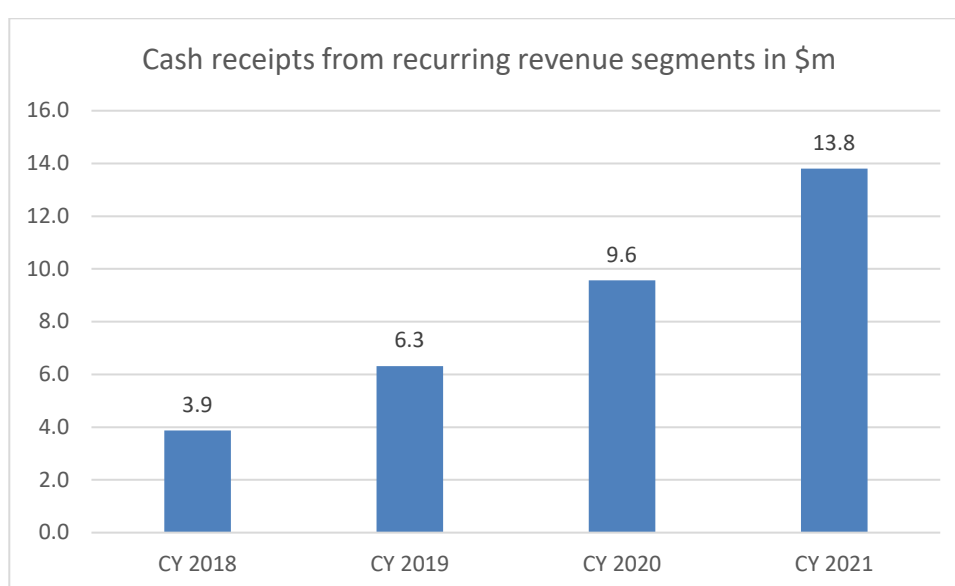
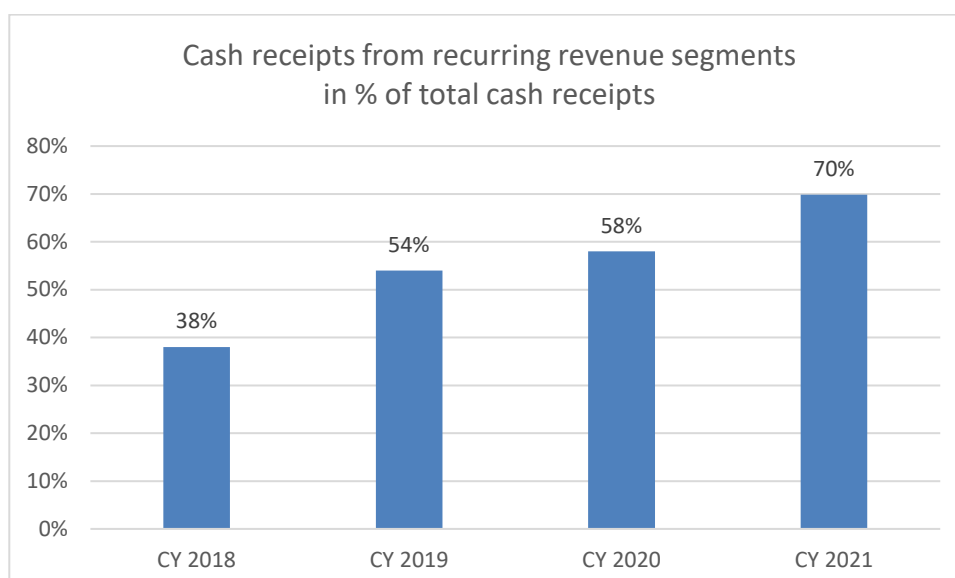


Chart 2 illustrates growing recurring cash receipts in % of total.

CHART 2: RECURRING CASH RECEIPTS VS. TOTAL CASH RECEIPTS



Substantially Reduced Operating Cash Outflows with Focus Shifting Towards Sustainable Operating Cash Flow Break Even

Net Operating cash outflows were reduced substantially in the December Quarter to approx. \$-308,000. This amount includes approx. \$-130,000 related to the funding of membrane technology research & development and the corresponding manufacturing scale up in Singapore (included in lines 1.2e and 1.2f of Appendix 4C). A summary of expenditure incurred on business activities is set out in item 1.2 of the attached Appendix 4C.

Strong Balance Sheet Supports Growth

De.mem received approx. \$0.9m in net proceeds during the December Quarter 2021 from the exercise of stock options which had been issued to a consultant. The amount adds to the Company's record cash balance, which is approx. \$8.6m in cash as at 31 December 2021.

The Company's strong balance sheet supports the prospects for future growth as it enables it to provide larger Build, Own, Operate ("BOO") contracts to its enterprise level clients, including the customers of the recently acquired Capic business.

World Leading Membrane Technology Provides Strong Competitive Advantage

De.mem has a unique competitive advantage of proprietary and/or patented technology, underpinning the Company's unique portfolio of hollow fibre Microfiltration, Ultrafiltration and Nanofiltration membranes.

De.mem commercializes its membranes as the key component of its integrated water and waste water treatment systems or its Build, Own, Operate and service contracts, and in combination with the Company's wide range of specialty chemicals, pumps and consumables that are typically required by clients during operations of membrane based water treatment plants.

A detailed overview of De.mem's technology portfolio and capabilities can be found in the presentation released to the ASX on 7 September 2021 "Technology Presentation – Advanced Membrane Technologies for Water and Waste Water Filtration".

On 7 September 2021, De.mem also presented its "next-gen" membrane technology, based on Graphene Oxide ("GO") enhanced polymer membranes, with substantially improved membrane characteristics such as 20-40% higher water flux (throughput), leading to significantly reduced operating cost for the water treatment process.

Build, Own, Operate with Industrial Clients as Unique Service Offering

Under a Build, Own, Operate ("BOO") scheme, De.mem rents out water treatment equipment, typically based on the Company's proprietary membrane technology as the key technological feature, to a client. Following the commissioning of the plant, De.mem then operates and maintains the equipment on behalf of the client, also providing all required replacement membranes, chemicals and consumables.

The BOO contracts typically come with a fixed term of several years. The offering enables the Company to generate stable, recurring revenues streams from a reputable client base, and to build strong customer relationships.

The BOO offering combines De.mem's extended range of capabilities, from its advanced, proprietary membrane technology to the provision of operations & maintenance services and the supply of in-house Australian-manufactured anti-scalants and membrane chemicals required during operations.

BOO services require some upfront capital to finance equipment leasing. The projects can be funded through the issuance of debt instruments.

New Contract With Australian Ski Resort Announced

De.mem announced an important new contract award during the December Quarter 2021, further highlighting the Company's move towards stable, recurring revenues. Detailed information about the new contract can be found in the ASX release dated 8 December 2021, "First water treatment contract with Australian snow resort".

Under the Build, Own, Monitor & Transfer (“BOMT”) contract, which is a variation of the Company’s BOO offering, De.mem will treat the waste water from an Australian snow resort. The treatment process is based on a Membrane Bioreactor (MBR) process incorporating hollow fibre membrane technology. The treated water is of high quality and can be re-used/recycled by the customer. De.mem will remotely monitor the performance of the plant using the Company’s advanced monitoring platform and provide support to the customer’s local operations team.

The contract has a term of 5 years with a total value of approx. \$1,000,000 in revenues. It is expected to start generating cash receipts from the end of the June Quarter 2022.

The waste water treatment plant will be deployed at the Selwyn Snow Resort in the northern part of the Kosciuszko National Park, a day visitor snow resort with easy access from Canberra and New South Wales. The Selwyn Snow Resort is currently preparing for its planned re-opening on 11 June 2022.

In addition to the above, De.mem is also proceeding with the manufacturing of a waste water treatment plant under another Build, Own, Operate and Transfer (“BOOT”) contract which was announced to the ASX on 15 September 2021 (see ASX release, “New contracts in move to service-based business model”). This contract is worth approx. \$400,000 in revenues per annum and is expected to generate cash receipts beginning from the June Quarter 2022. The treatment plant incorporates De.mem’s Ultrafiltration membrane technology as its key treatment process.



Containerized Waste Water Treatment Plant for Australian BOO Project in Manufacturing



De.mem Ultrafiltration membranes as the key component of treatment process

Further Orders Received During the Quarter Underpin Growing Pipeline and Expected Recovery From Covid-19

During the quarter, the Company received further important orders:

- The award of a \$370,000 contract for the supply of chemical dosing equipment to a Western Australian customer from the lithium mining industry. The project is important as it provides further opportunity for the sale of specialty chemicals to the same customer by De.mem’s Western Australian subsidiary, De.mem-Capic Pty Ltd.
- The award of a \$270,000 trial for the supply of anti-scalants to a Western Australian customer from the resources industry to De.mem-Capic, with the potential for regular follow-on orders if the trial phase is successful.
- A purchase order for the supply of water treatment filtration equipment worth approx. \$120,000 to a leading mining customer from Papua New Guinea.
- A purchase order for the supply of waste water treatment equipment worth approx. \$100,000 to a customer from Queensland.

The awards support De.mem’s expectation that incoming orders for the Company’s projects & equipment business will substantially increase in CY 2022, facilitated by the easing of Covid-19 lockdowns and restrictions in Australia and internationally.

Strong Performance of Capic in 3rd Quarter Since Acquisition

On 16 March 2021, De.mem announced its acquisition of the assets of Capic, a Perth-based supplier of high value-add specialty chemicals to blue chip mining clients. See ASX release, “*De.mem announces strategic acquisition in Western Australia*”, dated 16 March 2021. The “asset acquisition” was formally completed

(became legally effective) on 1 April 2021, with a new subsidiary, De.mem-Capic Pty Ltd, continuing Capic's business via the new entity and brand. Commercial integration, including sales pipeline development, commenced thereafter.

The key rationale for the Capic acquisition is the substantial revenue growth opportunity provided by:

- Cross-sell of Capic's specialty chemicals products, such as anti-scalants and membrane chemicals, into De.mem's existing customer base.
- Cross-sell of De.mem's advanced membrane products into Capic's West Australian customer base, including the opportunity to offer Build, Own, Operate and service contracts.

De.mem has already delivered on the cross-selling opportunity, as evidenced by the recent awards from Western Australian customers (see more details in the section above, "Further Orders Received During the Quarter Underpin Growing Pipeline and Expected Recovery From Covid-19").

De.mem-Capic closed the CY 2021 with a strong financial performance, generating approx. \$1.4m in revenues (unaudited) during the 3-month period of the December Quarter 2021.

Annualized, based on the December quarter results, De.mem-Capic already tracks approx. 70% above its historic 3-year average revenue of ~\$3.3m per annum (see ASX release, "Investor Presentation", dated 16 March 2021, page 8).

Outstanding Acquisition Track Record with All Acquisitions Since 2019 Achieving Substantial Growth

De.mem acquired three companies since 2019 – two in key Australian locations and one in Germany. All three companies acquired by De.mem since 2019 earn stable, recurring revenues, in line with the Company's strategy to focus its expansion on the recurring revenue segments. All three companies have achieved significant growth since the acquisition, in spite of a challenging environment due to Covid-19.

The three acquisitions are as follows:

- Capic, Perth/Western Australia, which already tracks approx. 70% above its historic 3-year average revenue (please see the section above for further details).
- Geutec Industrie- und Abwassertechnik GmbH, Germany („Geutec"; renamed into De.mem-Geutec): De.mem acquired Geutec effective 23 October 2019 with the intention to enter the German and European market and to cross-sell its sophisticated membrane technology into Geutec's German industrial customer base. Geutec recorded approx. \$0.9m in revenues (unaudited) in the December Quarter 2021, which is annualized approx. 100% above the \$1.8m in annual revenues prior to the acquisition (see ASX release "Acquisition Overview" dated 23 October 2019).
- Pumptech Tasmania Pty Ltd, Launceston/Tasmania ("Pumptech"; renamed into De.mem-Pumptech): De.mem acquired Pumptech effective 7 August 2019 with the intention to enter the Tasmanian market and to cross-sell the Company's wider range of membrane-based water treatment products into Pumptech's well established customer base from the food & beverage and agricultural industries. Pumptech recorded approx. \$1.0m in revenues (unaudited) in the December Quarter 2021, which is annualized approx. 60% above the \$2.5m in annual revenues prior to the acquisition (see ASX release "De.mem announces strategic acquisition in Tasmania" dated 29 July 2019).

De.mem has built a track record of successful and well-integrated acquisitions, by achieving substantial post-acquisition revenue growth in particular through cross-selling and offering its wider product range around its innovative membrane technology.

Strong Outlook for 2022 with Further Growth Expected

De.mem has positioned itself uniquely as a provider of comprehensive water treatment solutions to industrial customers. The Company's growth strategy will continue to focus on its recurring revenue segments and in particular on Build, Own, Operate and service contract opportunities, and the supply of its high-margin membrane products and specialty chemicals. The company expects the strong growth of recurring revenue segments to continue.

De.mem will advise on the expected cash receipts / revenues for the full CY 2022 in due course. Based on the Company's strong recurring revenue base, and a significant and growing pipeline for its products and services, continued significant growth is expected.

In case the Covid-19 situation should deteriorate further, and new lockdowns and/or state border closures should be imposed, this may impact the Company's projects business, particularly the ability to generate cash receipts from contracted projects according to schedule; and the ability to close new projects.

CEO Commentary

De.mem Chief Executive Officer Andreas Kroell said:

"I am delighted to report the best ever quarterly and annual cash receipts of our Company, with key milestones achieved during the previous Calendar Year 2021.

Our track record of top-line growth is outstanding. With our strategic focus on our high value and high margin recurring revenue segments, which are now contributing about three quarters of our revenues, we have significantly enhanced the quality of our revenue and business model. The recently acquired businesses have been integrated successfully, with outstanding growth rates being accomplished.

Our growth is driven by our advanced membrane technology and comprehensive product and service offering in particular for blue chip industrial clients. Key projects such as the recent contract with an Australian snow resort underpin our attractive offering for our customers.

We expect the growth to continue with the expected easing of Covid-19 restrictions in Australia, and with a continued focus on our recurring revenue segments. Along with the successful growth of our business, our strategic focus will shift towards sustainable operating cash flow break even.

We look forward to delivering for our customers and shareholders in 2022."

Payments to related parties included in Appendix 4C

The payments to related parties of De.mem disclosed in item 6.1 of the Appendix 4C for the quarter, accompanying this quarterly activities report, were payments of directors' fees and salaries.

This release was authorized by the Company's CEO, Andreas Kroell, on behalf of the board.

-ENDS-

For further information, please contact:

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De.mem Limited (ASX:DEM) is an Australian-Singaporean decentralised water and wastewater treatment business that designs, builds, owns and operates turnkey water and wastewater treatment systems for some of the world's largest companies in the mining, electronics, chemical, oil & gas, and food & beverage industries. Its systems also provide municipalities, residential developments and hotels/resorts across the Asia Pacific with a reliable supply of clean drinking water.

De.mem's technology to treat water and wastewater is among the most advanced globally. The Company has commercialised an array of innovative proprietary technologies from its research and development partner, Nanyang Technological University (NTU) in Singapore, a world leader in membrane and water research. Technologies exclusively licensed from NTU include a revolutionary low-pressure hollow fibre nanofiltration membrane that uses less electricity and is cheaper to operate than conventional systems, as well as a new Forward Osmosis membrane deployed in de-watering applications or the concentration of liquids.

To learn more, please visit: www.demembranes.com

Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices or potential growth of De.mem Limited, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.

Appendix 4C

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

Name of entity

De.mem Limited

ABN

12 614 756 642

Quarter ended ("current quarter")

31 December 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	5,945	19,766
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(3,629)	(13,297)
(c) advertising and marketing	(6)	(13)
(d) leased assets	(11)	(71)
(e) staff costs	(1,761)	(6,015)
(f) administration and corporate costs	(822)	(3,172)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	7
1.5 Interest and other costs of finance paid	(36)	(100)
1.6 Income taxes paid	(30)	(57)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	41	342
1.9 Net cash from / (used in) operating activities	(308)	(2,610)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	(3,579)
(c) property, plant and equipment	(293)	(836)
(d) investments	-	(133)
(e) intellectual property	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
(f) other non-current assets	-	(6)
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	24
(d) investments	146	179
(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	(147)	(4,351)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	980	11,600
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(17)	(758)
3.5 Proceeds from borrowings	-	136
3.6 Repayment of borrowings	(239)	(296)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	(168)
3.10 Net cash from / (used in) financing activities	724	10,514

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	8,341	5,040
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(307)	(2,609)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(147)	(4,351)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	725	10,515
4.5	Effect of movement in exchange rates on cash held	(12)	5
4.6	Cash and cash equivalents at end of period	8,600	8,600

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	3,970	3,712
5.2	Call deposits	4,630	4,629
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)	8,600	8,341

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(100)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>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.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)		
Bank overdraft	200	-
7.4 Total financing facilities	200	-
7.5 Unused financing facilities available at quarter end		200
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.		
Standard bank overdraft account held with ANZ Bank		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(308)
8.2 Cash and cash equivalents at quarter end (item 4.6)	8,600
8.3 Unused finance facilities available at quarter end (item 7.5)	200
8.4 Total available funding (item 8.2 + item 8.3)	8,800
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	29
<i>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.</i>	
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?	
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?	
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?	
N/A	
<i>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.</i>	

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: 25 January 2022

Authorised by: Andreas Kroell
Chief Executive Officer

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.