

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

SPRINTEX LIMITED

ABN

38 106 337 599

Quarter ended ("current quarter")

30 June 2019

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	434	2,036
1.2 Payments for		
(a) research and development	(245)	(785)
(b) product manufacturing and operating costs	(552)	(962)
(c) advertising and marketing	(28)	(118)
(d) leased assets	(15)	(69)
(e) staff costs	(418)	(1,373)
(f) administration and corporate costs	(479)	(1,089)
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		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(1,302)	(2,359)

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

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
(d) intellectual property		
(e) other non-current assets		
2.2 Proceeds from disposal of:		
(a) property, plant and equipment		248
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets		
2.3 Cash flows from loans to other entities	(351)	(843)
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
2.6 Net cash from / (used in) investing activities	(353)	(597)

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*	59	3,662
3.6 Repayment of borrowings**	(175)	(175)
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	(116)	3,487

Note - *. On 23 April 2019 the Company announced that it had reached agreement with relevant stakeholders to recapitalise and restructure the Sprintex group. This recapitalisation plan includes New loans from existing investors, China Automotive Holdings Limited ("CAHL") of US\$1,525,000 (equivalent to approx. AUD2,128,400) and Wilson's Pipe Fabrication Pty Ltd ("WPF") of US\$450,000 (equivalent to approx. AUD628,000) are made in favour of the Company. CAHL, a substantial shareholder of the Company, is a related party of the Company by virtue of CAHL being an entity controlled by Mr. Richard Siemens, the non-executive Chairman of the Company. WPF is a related party of the Company by virtue of WPF being an entity controlled by Mr. Michael Wilson, a substantial shareholder and a non-executive Director of the Company. As part of the recapitalisation and restructure plan, the Company has agreed with AutoV Corporation Sdn. Bhd. to acquire their 50% interest in the Malaysian joint venture, Proreka Sprintex Sdn. Bhd. Completion of this plan is now expected to be completed by 30 September 2019.

Note - **. The amount of AUD175k owed under the R&D loan agreement with New York-based Innovation Structured Finance (ISF), which was facilitated by Perth-based Radium Capital, was repaid in full on 3 April 2019.

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 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	2,377	75
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,302)	(2,359)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(353)	(597)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(116)	3,487
4.5 Effect of movement in exchange rates on cash held		
4.6 Cash and cash equivalents at end of quarter	606	606

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	606	2,377
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)	606	2,377

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	
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	
Directors 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. 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*	5,052	5,052
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.		

* see Note 3 above. Loan facilities represent amounts from Ganado Investments Corporation Ltd. (AUD1,574k), China Automotive Holdings Limited (AUD2,743k), Wilson's Pipe Fabrication Pty Ltd (AUD735k).


9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	150
9.2 Product manufacturing and operating costs	75
9.3 Advertising and marketing	60
9.4 Leased assets	15
9.5 Staff costs	320
9.6 Administration and corporate costs	125
9.7 Other (provide details if material)	
9.8 Total estimated cash outflows	745

Note: Outflows include payments required to normalise creditors to acceptable levels.

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		

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:  Date: 31 July 2019.....
(Director/Company Secretary)

Print name: Robert Molkenthin.....

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.