

**ASX/Media Release**

**4 August 2015**

**ASX code: SOO**

## **Quarterly Business Update – Appendix 4C**

Solco Limited (ASX: SOO) (**Solco**, the Company) is pleased to provide the following commentary in support of its Quarterly Cash flow Statement for the three month period to 30 June 2015.

The June 2015 quarter was largely a positive period for Solco. In addition to strong customer receipts in the quarter, the Company focused heavily on achieving its ASX re-listing. These efforts will result in Solco's successful re-listing on the ASX, on 5 August, 2015.

Notwithstanding the focus on the re-listing, the underlying business performed well, with customer receipts of \$17.5 million, up from \$13.0 million in the previous quarter.

Net operating cash flows were impacted by working capital expenditure of \$16.1 million in the quarter, which included the business' commitment to investing in its systems and sales capability. With the capital expended during the year, the business is well placed to benefit in future quarters.

Solco also advises that the purchase of the GO energy Group has been treated as a reverse acquisition in the preparation of its June 2015 quarter Appendix 4C. This accounting treatment has significantly impacted on the treatment of its cash receipts and operating cash flow for the year until the acquisition of GO energy group in February 2015.

Specifically, cash receipts of approximately \$49.8 million and net positive cash flow of \$1.5 million from the Company's CO2markets business (for the period 1 July 2014 to 23 February 2015) that were previously included in the March 2015 quarter Appendix 4C, have now been excluded from the year to date figures under this approach.

The June 2015 4C statement also includes adjustment to the presentation of cash flows from equity raised under an entitlement offer prospectus and expenditure related to the acquisition of the GO energy Group.

A clearer picture of the Company's financial position will be provided in its annual financial report to be released later this month.

**ENDS**

**Solco Limited**

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## About Solco

Solco Limited (ASX: SOO) is an independent, ASX-listed clean tech energy retailer and financier. Holding energy retail licenses in New South Wales, Victoria and Queensland, Solco provides business customers with an innovative approach to reduce energy costs through a combination of solar based power purchase agreements, energy efficiency products and grid energy solutions.

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# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

SOLCO LIMITED

ABN

27 084 656 691

Quarter ended ("current quarter")

30 June 2015

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter (3 months) \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from customers	17,485	23,462
1.2	Payments for		
	(a) staff costs	(1,385)	(4,152)
	(b) advertising and marketing	(160)	(359)
	(c) research and development		-
	(d) leased assets	(34)	(167)
	(e) other working capital	(16,185)	(24,461)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	4	20
1.5	Interest and other costs of finance paid	(47)	(66)
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
<b>Net operating cash flows</b>		<b>(322)</b>	<b>(5,723)</b>

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter (3 months) \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	<b>(322)</b>	<b>(5,723)</b>
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	(250)	(754)
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	(55)	(179)
(e) other non-current assets	(243)	(879)
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
- Proceeds from the acquisition of subsidiary	-	1,829
<b>Net investing cash flows</b>	<b>(548)</b>	<b>17</b>
<b>1.14 Total operating and investing cash flows</b>	<b>(870)</b>	<b>(5,707)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options	-	1,643
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings – related party	(184)	3,392
Proceeds from borrowings – related party	1,044	1,044
1.18 Repayment of borrowings – leases	(29)	(181)
Repayment/(proceeds) of borrowings - other	(303)	871
1.19 Dividends paid		
1.20 Other – costs of capital raising	(240)	(240)
<b>Net financing cash flows</b>	<b>288</b>	<b>6,530</b>
<b>Net increase (decrease) in cash held</b>	<b>(582)</b>	<b>823</b>
1.21 Cash at beginning of quarter/year to date	1,624	219
1.22 Exchange rate adjustments to item 1.20	-	-
<b>1.23 Cash at end of quarter/year</b>	<b>1,042</b>	<b>1,042</b>

+ See chapter 19 for defined terms.

## Payments to directors of the entity and associates of the directors

### Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.24 Aggregate amount of payments to the parties included in item 1.2	49
1.25 Aggregate amount of loans to the parties included in item 1.11	
1.26 Explanation necessary for an understanding of the transactions	
Amounts paid for directors fees of Solco Limited. Excludes salary paid to CEO.	

## Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil
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- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Nil
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## Financing facilities available

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities Greenbook facility \$5 million total facility, which can be drawn to level of renewable energy certificates provided as security.	5,000	817
3.2 Credit standby arrangements Cash-backed bank guarantee facility	3,022	42

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+ See chapter 19 for defined terms.

## Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	1,000	1,248
4.2 Deposits at call	42	376
4.3 Bank overdraft		
4.4 Other (provide details)		
<b>Total: cash at end of quarter</b> (item 1.23)	1,042	1,624
Cash at end of quarter includes cash held on deposit of \$210,000 (March: \$376,000) held as security for bank guarantees issued.		

## Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity		-
5.2 Place of incorporation or registration		-
5.3 Consideration for acquisition or disposal		-
5.4 Total net assets		-
5.5 Nature of business		-

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: ....  ..... Date: 4 August 2015

Print name: Warren Kember  
Company Secretary