

# 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

World.Net Services Limited

ABN

77 072 392 673

Quarter ended ("current quarter")

31 December 2015

### Consolidated statement of cash flows

| Cash flows related to operating activities |                                                       | Current quarter | Year to date          |
|--------------------------------------------|-------------------------------------------------------|-----------------|-----------------------|
|                                            |                                                       | \$A'000         | (6 months)<br>\$A'000 |
| 1.1                                        | Receipts from customers                               | 113             | 199                   |
| 1.2                                        | Payments for                                          |                 |                       |
|                                            | (a) staff costs                                       | (121)           | (209)                 |
|                                            | (b) advertising and marketing                         | (2)             | (2)                   |
|                                            | (c) research and development                          |                 |                       |
|                                            | (d) leased assets                                     |                 |                       |
|                                            | (e) other working capital                             | (102)           | (123)                 |
| 1.3                                        | Dividends received                                    |                 |                       |
| 1.4                                        | Interest and other items of a similar nature received |                 |                       |
| 1.5                                        | Interest and other costs of finance paid              |                 |                       |
| 1.6                                        | Income taxes paid                                     |                 |                       |
| 1.7                                        | Other (provide details if material)                   |                 |                       |
| <b>Net operating cash flows</b>            |                                                       | <b>(112)</b>    | <b>(135)</b>          |

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|                                                        | Current quarter<br>\$A'000 | Year to date<br>(6 months)<br>\$A'000 |
|--------------------------------------------------------|----------------------------|---------------------------------------|
| 1.8 Net operating cash flows (carried forward)         | (112)                      | (135)                                 |
| 1.9 <b>Cash flows related to investing activities</b>  |                            |                                       |
| Payment for acquisition of:                            |                            |                                       |
| (a) businesses (item 5)                                |                            |                                       |
| (b) equity investments                                 |                            |                                       |
| (c) intellectual property                              |                            |                                       |
| (d) physical non-current assets                        |                            |                                       |
| (e) other non-current assets                           |                            |                                       |
| 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)               |                            |                                       |
| <b>Net investing cash flows</b>                        | -                          | -                                     |
| 1.14 <b>Total operating and investing cash flows</b>   | (112)                      | (135)                                 |
| 1.15 <b>Cash flows related to financing activities</b> |                            |                                       |
| Proceeds from issues of shares, options, etc.          |                            |                                       |
| 1.16 Proceeds from sale of forfeited shares            |                            |                                       |
| 1.17 Proceeds from borrowings                          | 110                        | 110                                   |
| 1.18 Repayment of borrowings                           |                            |                                       |
| 1.19 Dividends paid                                    |                            |                                       |
| 1.20 Other (provide details if material)               |                            |                                       |
| <b>Net financing cash flows</b>                        | 110                        | 110                                   |
| <b>Net increase (decrease) in cash held</b>            | (2)                        | (25)                                  |
| 1.21 Cash at beginning of quarter/year to date         | 3                          | 26                                    |
| 1.22 Exchange rate adjustments to item 1.20            |                            |                                       |
| 1.23 <b>Cash at end of quarter</b>                     | 1                          | 1                                     |

+ 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<br>\$A'000 |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| 1.24 | Aggregate amount of payments to the parties included in item 1.2                                                                                                                                                                                                     | 38                         |
| 1.25 | Aggregate amount of loans to the parties included in item 1.11                                                                                                                                                                                                       |                            |
| 1.26 | Explanation necessary for an understanding of the transactions<br><div style="border: 1px solid black; padding: 5px; margin-top: 5px;">             Item 1.24 comprises payments to directors and their associates for salaries and consulting fees           </div> |                            |

**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

N/A

- 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

N/A

**Financing facilities available**

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

|     | Amount available<br>\$A'000 | Amount used<br>\$A'000 |
|-----|-----------------------------|------------------------|
| 3.1 | Loan facilities             |                        |
| 3.2 | Credit standby arrangements | -                      |

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**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<br>\$A'000 | Previous quarter<br>\$A'000 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-----------------------------|
| 4.1 Cash on hand and at bank                                                                                                                                | 1                          | 3                           |
| 4.2 Deposits at call                                                                                                                                        |                            |                             |
| 4.3 Bank overdraft                                                                                                                                          |                            |                             |
| 4.4 Other (provide details)                                                                                                                                 |                            |                             |
| <b>Total: cash at end of quarter</b> (item 1.23)                                                                                                            | 1                          | 3                           |

**Acquisitions and disposals of business entities**

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

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does ~~does not~~\* (delete one) give a true and fair view of the matters disclosed.



Sign here: ..... Date: .....  
 (Director/Company secretary)

Print name: Ernst M R van Oeveren  
 .....

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## 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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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**Notes to be read in conjunction with the Appendix 4C**  
**for the quarter ended 31 December 2015**

**Factors to Consider in Assessing the Company's Cash Position**

There are a number of factors that should be taken into account in assessing the Company's cash position, the main factors being:

***Operating Cost Base and Anticipated Growth***

The Company has adjusted its operating cost base, to ensure that it can effectively continue to deliver services, and is well positioned to benefit from anticipated growth.

***PYOTravel and Recurring Revenues***

The Company is progressively increasing its recurring revenue base from PYOTravel, which has now become the Company's primary focus. World.Net is confident that the transaction business will realise improved booking volumes.

***Continued Financial Support from Directors and Major Shareholders***

Over the past few years, the Company's directors and major shareholders have continued to fund anticipated cash shortfalls. The directors and major shareholders have undertaken to continue to provide financial support to the Company if required.

In taking the above factors into consideration, the Company is confident that it will have sufficient cash to fund its business activities going forward.

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