

## ComOps Releases Appendix 4C Cash Flow Report for the Period Ended 30 June 2017 (Q2 2017)

**Sydney, 31 July 2017** - ComOps Limited ("ComOps") is pleased to release its Appendix 4C Quarterly Cash Flow Report for Q2 of the 2017 Financial Year as required by LR 4.7B.

### Highlights

- The appointment of Mr Chris Fydler as ComOps' new CEO
- Positive operating cash flows of \$0.05m for the quarter, which is an improvement of \$.68m from the March quarter
- Cash balances maintained at over \$0.35m
- Cash receipts were significantly higher in the June quarter (\$2.9m) when compared to the March quarter (\$2.1m)
- The Group's R&D expenditure associated with the continued fast tracked development of ComOps' new WFM solution for the quarter was \$0.63m compared with \$0.67m in the March quarter and is expected to continue at this level for the remainder of FY 17
- Business continuing to gain positive momentum:
  - o \$1.8m+ new contracts signed (new and existing customers - up to 5 year terms)
  - o Successfully concluded contracts with new customers in 2 target verticals where growth is expected to continue in the next 12 months:
    - Community Services / Aged Care
    - Hospitality
  - o A major Retail client has successfully completed the 500+ store national roll out of the ComOps WFM solution (3,500+ staff)
  - o Go-Live achieved at Dubai Airport. Our Rostima Aviation solution enables the world's busiest airport to manage its 1,200+ Security and Customer Service staff in real time and integrated with the Airport's Operational Flight Data Systems. The solution is accessed by users via PC, Tablet and Smartphone
  - o Fast tracked development of a new mobile App for Android and iOS. The App will integrate with both Microster and ComOps WFM, providing full self-service functionality for both solutions
- Implementation of the new ComOps WFM – Ports solution at a major Middle Eastern port continues to progress well:
  - o Stage 4 Go-Live is scheduled for late August.
  - o Stage 5-6 Go-Live is scheduled end of September.

Over the last few months ComOps has been assessing its options with regards to capital management and M&A opportunities, with investment bankers North Ridge Partners appointed during the quarter. Progress has been made on a number of these opportunities and announcements will be made as appropriate in the coming months.

Regarding capital management, both cash resources and the balance sheet are being tightly managed and though positive business momentum continues to be achieved (new customers and development milestones), the timing of revenues and cash receipts have been pushed out in the current year. As foreshadowed earlier in the year, ComOps' growth opportunities may require new capital in the second half of the year. Should new capital be required it would be to bolster the balance sheet, provide new and existing customers with increased comfort and fund the drive to profitability. Importantly, it may not result in any equity raising.

Looking forward, the recent appointment of Chris Fydler as CEO, further enhancement of senior management capability and the delivery of development and customer milestones augurs well for ComOps' drive towards a significant lift in revenue, cash flows and achieving profitability.

The Appendix 4C quarterly report follows.

## About ComOps

ComOps, under the brand names ComOps WFM - Microster, e-Tivity, Rostima and Salvus, provides effective Workforce Management Solutions including Rostering & Scheduling, Award Interpretation, Labour Cost Management, Fatigue Risk Management, Leave Management, Time & Attendance, Employee Self-Service Portals, Risk Management & Safety Compliance and Workforce Analytics.

ComOps delivers substantial financial and operation advantage by aligning people, productivity and performance, making workforces more productive, reducing fixed & variable overheads, and increasing profitability.

ComOps Workforce Management has clients in global Ports, Aviation, Security, Transportation, Health, Mining, Government, Retail and Hospitality.

ComOps is a Microsoft Gold Partner and has ISO 9001 Accreditation.

### Enquiries/Additional Information:

ComOps Limited

Niall Cairns, Non-Executive Chairman

Chris Fydler, Chief Executive Officer

Christopher Brooke, Company Secretary

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## 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**

**COMOPS LIMITED**

**ABN**

**79 000 648 082**

**Quarter ended ("current quarter")**

**30 June 2017**

<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	2,888	5,016
1.2 Payments for		
(a) research and development	(630)	(1,304)
(b) product manufacturing and operating costs	(1,071)	(2,071)
(c) advertising and marketing	(58)	(64)
(d) leased assets	-	-
(e) staff costs	(1,298)	(2,443)
(f) administration and corporate costs	(23)	(40)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	(31)	(45)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	8	10
1.8 Other (Refund of Rental incentive)	273	273
<b>1.9 Net cash from / (used in) operating activities</b>	<b>58</b>	<b>(667)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(5)	(8)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(d) intellectual property	-	-
	(e) other non-current assets	(97)	(151)
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 (provide details if material)	-	-
2.6	<b>Net cash from / (used in) investing activities</b>	<b>(102)</b>	<b>(159)</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	-	-
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	433	814
3.6	Repayment of borrowings	(633)	(822)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	<b>Net cash from / (used in) financing activities</b>	<b>(200)</b>	<b>(8)</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	599	1,196
4.2	Net cash from / (used in) operating activities (item 1.9 above)	58	(667)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(102)	(159)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(200)	(8)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	3	(4)
4.6	<b>Cash and cash equivalents at end of quarter</b>	<b>358</b>	<b>358</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	358	599
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>358</b>	<b>599</b>

## 6. Payments to directors of the entity and their associates

- 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

Current quarter  
\$A'000

57

N/A

	\$A'000
Directors remuneration	57
Directors Interest payment	0

## 7. Payments to related entities of the entity and their associates

- 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

Current quarter  
\$A'000

8. Financing facilities available		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
Add notes as necessary for an understanding of the position			
8.1	Loan facilities	1,500	102
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.		

9.	<b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1	Research and development	(500)
9.2	Product manufacturing and operating costs	(1,228)
9.3	Advertising and marketing	(40)
9.4	Leased assets	-
9.5	Staff costs	(1,611)
9.6	Administration and corporate costs	(40)
9.7	Other (provide details if material)	-
9.8	<b>Total estimated cash outflows</b>	<b>(3,419)</b>

10.	<b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	<b>Acquisitions</b>	<b>Disposals</b>
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:



Company secretary

Date: 31 July 2017

Print name: Christopher Brooke

## 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.