

## ASX RELEASE

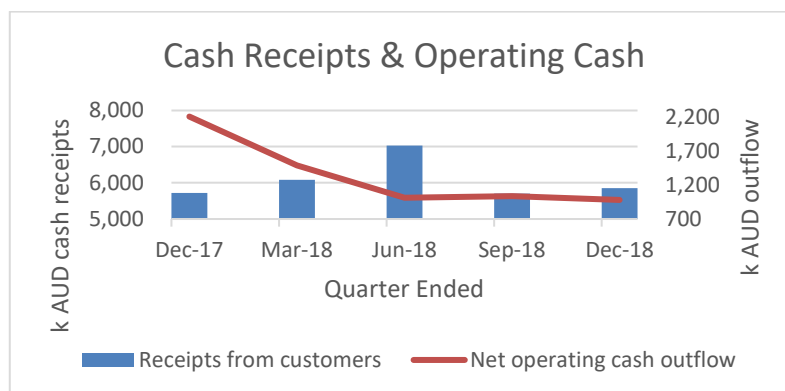
25 February 2019

### Appendix 4C – December Quarter amended

SECOS Group Limited (ASX: SES), wishes to provide the attached amended Appendix 4C.

Following completion of the half yearly audit review and lodgment of Appendix 4D, Half Yearly Report, it has become apparent that the previously reported Appendix 4C had understated 31 December closing cash by \$132,000 and had an incorrect classification of financing and operating cash.

A revised chart for cash receipts and operating cash outflow below depicts SECOS' considerable and ongoing efforts to reduce costs and address underperforming parts of the Company.



*Note: new Malaysian bioplastics plant launched in August 2018*

The attached amended December 2018 Appendix 4C is in line with audited Half-yearly Report lodged on 22 February 2019.

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## About SECOS Group Limited

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SECOS Group Limited (ASX: SES) is a leading developer and manufacturer of sustainable packaging materials. Based in Melbourne, Australia, SECOS supplies its proprietary biodegradable resins, packaging products and high-quality cast films to a blue-chip global customer base.

SECOS holds a strong patent portfolio and the global trend toward sustainable packaging is fueling the Company's growth.

The Company's headquarters and Global Application Development Centre are based in Melbourne, Australia. SECOS has a Product Development Centre and manufacturing plant for resins and finished products in Nanjing, China, with manufacturing plants for high quality cast films in Melbourne and Kuala Lumpur, Malaysia.

SECOS has sales offices in Australia, Malaysia, China and the US, with a network of leading distributors across the Americas, Europe, Asia, the Middle East, Africa and India.

## 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**

**SECOS GROUP LIMITED**

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

**ABN 89 064 755 237**

**31 December 2018**

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 Months) \$A'000</b>
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	5,854	11,558
1.2	Payments for	-	-
	(a) research and development	(70)	(140)
	(b) product manufacturing and operating costs	(4,490)	(9,237)
	(c) advertising and marketing	(188)	(379)
	(d) leased assets	(472)	(754)
	(e) staff costs	(1,139)	(2,218)
	(f) administration and corporate costs	(366)	(615)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(111)	(234)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(981)</b>	<b>(2,017)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(309)	(590)
	(b) businesses (see item 10)		
	(c) investments	-	-
	(d) intellectual property		
	(e) other non-current assets		
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)		-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(309)</b>	<b>(590)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	1,802	1,952
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		
3.6	Repayment of borrowings	(173)	(418)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid		
3.9	Other (provide details if material)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,629</b>	<b>1,534</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>	<b>339</b>	<b>(1,073)</b>
4.1	Cash and cash equivalents at beginning of quarter/year to date		
4.2	Net cash from / (used in) operating activities (item 1.9 above)	<b>(981)</b>	<b>(2,017)</b>
4.3	Net cash from / (used in) investing activities (item 2.6 above)	<b>(309)</b>	<b>(590)</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	<b>1,629</b>	<b>1,534</b>
4.5	Effect of movement in exchange rates on cash held		
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>865</b>	<b>865</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	810	471
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)		
	Funds in Transit	-	-
	Deposits against Bank Guarantee Issued	55	55
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>865</b>	<b>526</b>

<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	<b>87</b>
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	

<b>7.</b>	<b>Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
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	
<b>8.</b>	<b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>
8.1	Loan facilities	173
8.2	Credit standby arrangements	-
8.3	Other (please specify)	4,152
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 or are proposed to be entered into after quarter end, include details of those facilities as well.	

Facility and lender	Interest Rate	Secured/ Unsecured	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
Term Loan National Australia Bank	8.36%	Secured	173	173
<b>Loan facilities</b>			<b>173</b>	<b>173</b>
Multi Option Line Facility CIMB Bank, Malaysia	8.85%	Secured	1,052	1,052
Debtor Finance Facility Timelio Pty Ltd	9.50%	Secured against invoices	204	204
Unsecured Loan	10.0%	Unsecured	328	328
Convertible Notes	10.0%	Unsecured	2,568	2,568
<b>Other Facilities</b>			<b>4,152</b>	<b>4,152</b>
<b>Total</b>			<b>4,325</b>	<b>4,325</b>

<b>9.</b>	<b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1	Research and development	100
9.2	Product manufacturing and operating costs	5,000
9.3	Advertising and marketing	300
9.4	Leased assets	600
9.5	Staff costs	1,000
9.6	Administration and corporate costs	300
9.7	Other (provide details if material)	-
<b>9.8</b>	<b>Total estimated cash outflows</b>	<b>7,300</b>

<b>10.</b>	<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: [sent electronically without signature] Date: **25 February 2019**  
Print name: **Edmond Tern** (Director/Company Secretary)

#### 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.