



FINANCIAL INFORMATION

For the year ended
31 December 2017

Provided To ASX Under Listing Rule 4.3a



Appendix 4E Preliminary Final Report

Name of entity

TEMPO AUSTRALIA LIMITED AND CONTROLLED ENTITIES	
ABN or equivalent company reference:	51 000 689 725

1. Reporting period

Report for the financial year ended	31 December 2017
Previous corresponding period is the financial year ended	31 December 2016

2. Results for announcement to the market

Revenues from ordinary activities	Down	76%	to	\$19,616,639
Loss from ordinary activities after tax attributable to members	Down	>100%	to	\$ 1,047,007
Net Loss for the period attributable to members	Down	>100%	to	\$ 1,047,007
Dividends	Amount per security	Franked amount per security		
Interim dividend	Nil	Nil		
Final dividend	Nil	Nil		
Record date for determining entitlements to the dividend	NA			

3. Net tangible assets per security

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	5.5c	10.1c

Commentary on the Results for the Period

During the year, Tempo was impacted by deferrals of expenditure from the resources sector. However, the acquisition of national maintenance service provider, KP Electric (Australia) Pty Ltd, has reduced the Company's dependency on resources based construction work and cushioned the impact of deferrals in resources maintenance spend. This acquisition, along with the acquisition of Cablelogic in the prior year, has seen Tempo be successful in expanding its client and partner networks. The financial results and cash position are also reflective of the Company's heavy tendering effort, acquisition expenses, acquisition of automated construction equipment, project deferrals and impairment of a client debt.

Audit

The financial report is in the process of being audited by Ernst & Young. The financial report is not likely to be the subject of dispute or qualification.

4. Details of entities over which control has been gained or lost during the period:

Control gained over entities

Name of entity	KP Electric Australia Limited
Date(s) of gain of control	1 July 2017
Contribution to consolidated profit (loss) from ordinary activities after tax by the controlled entity since the date(s) in the current period on which control was acquired	\$625,807
Profit (loss) from ordinary activities after tax of the controlled entity for the whole of the previous corresponding period	\$1,385,330

Loss of control of entities

Name of entities	NA
Date(s) of loss of control	NA
Contribution to consolidated profit (loss) from ordinary activities after tax by the controlled entities to the date(s) in the current period when control was lost.	Nil
Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period	Nil

Sign here: 
 (CFO and Company Secretary)

Date: 28 February 2018

Print name: Michael West

TEMPO AUSTRALIA LTD AND CONTROLLED ENTITIES

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2017

	Consolidated entity	
	2017 \$	2016 \$
Revenue	18,113,770	81,142,374
Other income	1,521,137	227,965
Revenue and Other income	19,634,907	81,370,339
Employee and director benefits expense	12,717,463	66,341,992
Administration costs	714,177	557,808
Occupancy costs	529,271	289,254
Depreciation and amortisation	471,484	191,915
Other expenses	6,361,151	6,884,467
Listing and other statutory charges	57,193	58,256
Interest and finance charges	261,526	212,186
Other professional expenses	787,683	711,187
Total expenses	21,899,948	75,247,065
Profit (loss) before income tax expense	(2,265,041)	6,123,274
Income tax benefit (expense)	1,218,034	(668,576)
Profit (loss) attributable to the members of the parent	(1,047,007)	5,454,698
Other comprehensive income		
Total comprehensive income	(1,047,007)	5,454,698
Net profit attributable to members of the parent entity	(1,047,007)	5,454,698
Earnings per share		
Basic earnings (loss) – cents per share	(0.435)	2.713
Diluted earnings (loss) – cents per share	(0.435)	2.713

TEMPO AUSTRALIA LTD AND CONTROLLED ENTITIES

STATEMENT OF FINANCIAL POSITION

As at 31 December 2017

	Consolidated entity	
	2017 \$	2016 \$
CURRENT ASSETS		
Cash and cash equivalents	11,017,288	25,711,347
Trade and other receivables	6,145,872	5,779,937
Inventories	1,215,704	93,403
Other assets	1,088,481	592,886
Total current assets	19,467,345	32,177,573
NON-CURRENT ASSETS		
Plant and equipment	1,539,318	892,417
Goodwill	11,426,317	3,118,087
Intangibles	504,079	-
Deferred tax assets	4,694,037	2,827,617
Total non-current assets	18,163,751	6,838,121
Total assets	37,631,096	39,015,694
CURRENT LIABILITIES		
Trade and other payables	2,598,720	2,536,269
Borrowing	163,907	690,083
Provisions (including employee benefits)	1,762,611	5,231,145
Total current liabilities	4,525,238	8,457,497
NON-CURRENT LIABILITIES		
Borrowings	24,772	44,518
Deferred considerations	3,053,845	-
Provisions (including employee benefits)	112,338	45,198
Total non-current liabilities	3,190,955	89,716
Total liabilities	7,716,193	8,547,213
Net assets	29,914,903	30,468,481
EQUITY		
Contributed equity	79,892,904	80,075,545
Share based payment reserve	2,009,542	1,333,472
Accumulated losses	(51,987,543)	(50,940,536)
Total equity	29,914,903	30,468,481

TEMPO AUSTRALIA LTD AND CONTROLLED ENTITIES

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2017

Consolidated	Contributed equity	Accumulated losses	Share-based payments reserve	Total equity
	\$	\$	\$	\$
At 1 January 2016	70,153,493	(56,395,234)	182,682	13,940,941
Profit	-	5,454,698	-	5,454,698
Other comprehensive income	-	-	-	-
Total comprehensive income	-	5,454,698	-	5,454,698
Share issues	11,548,409	-	-	11,548,409
Share based payments	-	-	480,340	480,340
Options exercised	842,100	-	-	842,100
Treasury shares	(19,125)	-	-	(19,125)
Transaction costs	(214,204)	-	-	(214,204)
Acquisition of treasury shares	(2,247,981)	-	-	(2,247,981)
Tax effect relating to share based payment	-	-	670,450	670,450
Tax effect relating to share issue cost	12,853	-	-	12,853
At 31 December 2016	80,075,545	(50,940,536)	1,333,472	30,468,481
At 1 January 2017	80,075,545	(50,940,536)	1,333,472	30,468,481
Profit	-	(1,047,007)	-	(1,047,007)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	(1,047,007)	-	(1,047,007)
Share based payments	-	-	520,104	520,104
Reversal of Un-Vested Options	-	-	(23,847)	(23,847)
Options exercised	505,000	-	-	505,000
Treasury shares	(7,212)	-	-	(7,212)
Acquisition of treasury shares	(706,134)	-	-	(706,134)
Tax effect relating to share based payment	-	-	179,813	179,813
Tax effect relating to share issue cost	25,704	-	-	25,704
At 31 December 2017	79,892,904	(51,987,543)	2,009,542	29,914,903

TEMPO AUSTRALIA LTD AND CONTROLLED ENTITIES

STATEMENT OF CASH FLOWS

For the year ended 31 December 2017

	Consolidated Entity	
	2017 \$	2016 \$
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from customers	20,451,801	96,339,903
Payments to suppliers, employees and transfers to administrator	(27,398,772)	(87,131,577)
Interest and finance charges paid	(103,211)	(245,686)
Interest received	393,152	170,677
Income tax paid	(210,882)	-
Net cash provided by operating activities	(6,867,912)	9,133,317
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for acquisition of business	(6,326,329)	(605,159)
Cash acquired from the acquisition of business	576,310	-
Proceeds from sale of property, plant and equipment	91,455	-
Payments for property plant and equipment	(341,884)	(247,570)
Net cash (used in) investing activities	(6,000,448)	(852,729)
CASH FLOW FROM FINANCING ACTIVITIES		
Payment for shares acquired by Employee Share Trust	(708,530)	(409,121)
Proceeds from issue of equity instruments	505,000	10,342,100
Equity issue transaction cost	-	(24,204)
Proceeds from borrowings	186,927	1,967,725
Loan repayment	(1,809,096)	(1,872,553)
Net cash provided by (used in) financing activities	(1,825,669)	10,003,947
Net increase in cash and cash equivalents	(14,694,059)	18,284,535
Cash and cash equivalents at beginning of year	25,711,347	7,426,812
Total cash and cash equivalents at the end of the year	11,017,288	25,711,347