+Rule 4.7B

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

PIXIE GROUP LIMITED

ABN	**Quarter ended ("current quarter")**
126 494 880	30 September 2016

Consolidated statement of cash flows		**Current quarter SGD**	**Year to date (9 months) SGD**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	233,379	638,355
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(111,826)	(514,633)
	(c) advertising and marketing	-	(417)
	(d) leased assets	-	-
	(e) staff costs	(265,471)	(809,214)
	(f) administration and corporate costs	(66,383)	(621,194)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	1,595
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	(8,272)	(77,928)
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	(19,389)
1.9	**Net cash from / (used in) operating activities**	**(218,573)**	**(1,402,825)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(22,248)	(81,475)
	(b) businesses (see item 10)	-	-
	(c) investments	-	-

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Consolidated statement of cash flows		**Current quarter SGD**	**Year to date (9 months) SGD**
	(d) intellectual property	-	-
	(e) other non-current assets	-	(402,140)
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	34,090
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	(112,100)	(23,905)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	24,858	24,858
2.6	**Net cash from / (used in) investing activities**	**(109,490)**	**(448,572)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	141,575	457,315
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(70,785)	(967,637)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – proceeds from capital placement where shares have not been issued yet	200,000	200,000
3.10	**Net cash from / (used in) financing activities**	**270,790**	**(310,322)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of quarter/year to date	105,598	2,210,044
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(218,573)	(1,402,825)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(109,490)	(448,572)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	270,790	(310,322)

Consolidated statement of cash flows		Current quarter SGD	Year to date (9 months) SGD
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of quarter**	**48,325**	**48,325**

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 SGD	Previous quarter SGD
5.1	Bank balances	48,325	105,598
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**48,325**	**105,598**

6.	**Payments to directors of the entity and their associates**	Current quarter SGD
6.1	Aggregate amount of payments to these parties included in item 1.2	(17,594)
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Salaries to directors.

7.	**Payments to related entities of the entity and their associates**	Current quarter SGD
7.1	Aggregate amount of payments to these parties included in item 1.2	Nil
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

NA

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8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end SGD**	**Amount drawn at quarter end SGD**
8.1	Loan facilities	707,315	707,315
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.

Convertible Notes ("Notes") issued from 23 March 2016 to 15 July 2016 totalling SGD457,315 with interest rate ranging from 10% to 12.5% per annum over a five year period. The Notes are unsecured and redeemable and/or convertible on any anniversary date of the respective Notes' issued date, up to five years from issue.

Unsecured term loan of SGD250,000 with interest rate of 12% per annum obtained from an individual lender on 7 July 2013.

9.	**Estimated cash outflows for next quarter**	**SGD'000**
9.1	Research and development	-
9.2	Product manufacturing and operating costs	(150)
9.3	Advertising and marketing	(10)
9.4	Leased assets	-
9.5	Staff costs	(270)
9.6	Administration and corporate costs	(80)
9.7	Other (provide details if material)	-
9.8	**Total estimated cash outflows**	**(510)**

10.	**Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)**	**Acquisitions**	**Disposals**
10.1	Name of entity	Nil	Nil
10.2	Place of incorporation or registration	Nil	Nil
10.3	Consideration for acquisition or disposal	Nil	Nil
10.4	Total net assets	Nil	Nil
10.5	Nature of business	Nil	Nil

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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: ..... Date: 31 Oct 2016
Director

Print name: TIN YU JIANN

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.

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