

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

Bulletproof Group Limited

ABN

80 148 142 634

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from customers (note 1)	9,750	9,750
1.2 Payments for (a) staff costs (note 2)	(3,427)	(3,427)
(b) advertising and marketing	(225)	(225)
(c) research and development	(295)	(295)
(d) leased assets	-	-
(e) other working capital (note 3)	(4,348)	(4,348)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	6	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes received	151	151
1.7 Others	-	-
Net operating cash flows	1,612	1,612

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		Current quarter	Year to date
		\$A'000	(3 months) \$A'000
1.8	Net operating cash flows (carried forward)	1,612	1,612
	Cash flows related to investing activities		
1.9	Payment for acquisition of:		
	(a) businesses	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets (note 4)	(357)	(357)
	(e) other non-current assets (note 5)	(927)	(927)
1.10	Proceeds from disposal of:		
	(a) businesses	-	-
	(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)	-	-
	Net investing cash flows	(1,284)	(1,284)
1.14	Total operating and investing cash flows	328	328
	Cash flows related to financing activities		
1.15	Proceeds from acquisition of business	-	-
1.16	Proceeds from issue of shares (note 6)	3,800	3,800
1.17	Proceeds from borrowings	-	-
1.18	Repayment of Hire Purchases	(419)	(419)
1.19	Dividends paid	-	-
1.20	Other - Capital Raising Cost (note 6)	(251)	(251)
	Net financing cash flows	3,130	3,130
	Net increase(decrease) in cash held	3,458	3,458
1.21	Cash at beginning of quarter/year to date	3,363	3,363
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	Cash at end of quarter	6,821	6,821

+ 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 \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	28
1.25	Aggregate amount of loans to the parties included in item 1.11	
1.26	Explanation necessary for an understanding of the transactions	
	Director Fees and Superannuation	

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. (See AASB 1026 paragraph 12.2).

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities (Hire Purchase)	2,037	1,880
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 \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	1,821	2,107
4.2	Deposits at call	3,750	7
4.3	Term deposits	1,250	1,250
4.4	Bank overdraft	-	-
Total: cash at end of quarter (item 1.23)		6,821	3,364

Additional Notes

1. Receipts from customers
Current quarter receipts increased \$414k on Q4 FY15, consistent with ongoing recurring revenue growth across the business.
2. Payment for staff costs
Current quarter spend of \$3.4m is in line with previous staff on boarded in Q4 to support growth within the Managed Cloud and Professional Services business.
3. Payment for other working capital
Working capital in the current quarter consists of \$1.2m payments to Amazon Web Services (associated with the managed cloud platform) with a further \$1.5m paid to other service providers for managed hosting platform costs. Statutory, Administration and office expenses make up the remainder of the cost for this quarter.
4. Physical non-current assets
Bulletproof established a new office in Melbourne to better support and further expand its services to the Southern Region, with fit out costs of \$180k capitalised over the 3 year term of the lease. The remainder related to the purchase of servers to cater for growth of the private cloud platform.
5. Other non-current assets
Current quarter includes \$560k of Amazon Web Services Reserved Instances (AWS RIs), purchased in Q4 to support existing customers; to be amortised over a three year period. This forward commitment ensures available capacity and assists to maintain Bulletproof's gross margin on Managed Cloud services.

From 1 July 2015, Bulletproof adopted a change in accounting policy that will see future investment into AWS RIs no longer being capitalised on the balance sheet as an asset, instead electing to treat the upfront component of AWS RIs as a prepayment.

The remaining relates to Bulletproof's continued investment in product development, to bring highly automated, customer oriented application platform products to market. Costs will be amortised over an average two year period commencing when products are ready for sale.

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6. Proceeds from Issue of Shares

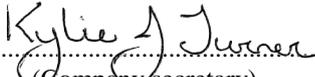
Proceeds from Institutional Placement announced on 16 September and completed on 23 September 2015. 15,200,000 fully paid ordinary shares in the capital of the company issued at a price of 25c per share.

The placement shares represented 12.6% of the Company's issued share capital, and was within the 15% placement capacity allowed under Listing Rule 7.1. Capital raising costs associated with the placement amounted to \$251k.

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 give a true and fair view of the matters disclosed.

Sign here:


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(Company Secretary)

Date: 19 October 2015

Print name:

Kylie Turner

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