

Print Mail Logistics Limited - NSX Code PNT

Q1 2015-2016 Results

Commentary

PML today announced a Statutory profit after tax of \$5,959 for the 3 months ended 30 September 2015 (Q1 2014-2015 Statutory loss after tax of \$12,941).

Mr Elias said the Group is focused on continuing its turnaround by investing in technology that improves the overall value of its service offering to customers in key market segments throughout Australia.

For further information please contact Nigel Elias, Managing Director (email: nelias@pml.com.au / tel. no.: (03) 6220 8444).

Dated: 28 October 2015.

Performance summary

Revenue (<i>item 1.1</i>)	up/down	\$85,711 4.79%	to	\$1,876,728
Profit (loss) for the period (<i>item 1.9</i>)	up/down	\$26,850 143.39%	to	\$8,125
Profit (loss) for the period attributable to members of the parent (<i>item 1.11</i>)	up/down	\$18,900 146.05%	to	\$5,959

Consolidated income statement

	1 July 2015 – 30 September 2015 \$A	1 July 2014 – 30 September 2014 \$A
1.1 Revenues (<i>item 7.1</i>)	1,876,728	1,791,017
1.2 Expenses, excluding finance costs (<i>item 7.2</i>)	(1,792,954)	(1,801,156)
1.3 Finance costs	(72,914)	(39,845)
1.4 Share of net profits (losses) of associates and joint ventures (<i>item 15.7</i>)	-	-
1.5 Profit (loss) before income tax	10,860	(49,984)
1.6 Income tax (expense)/benefit (<i>see note 4</i>)	(2,735)	31,259
1.7 Profit (loss) from continuing operations	8,125	(18,725)
1.8 Profit (loss) from discontinued operations (<i>item 13.3</i>)	-	-
1.9 Profit (loss) for the period	8,125	(18,725)
1.10 Profit (loss) attributable to minority interests	2,166	(5,784)
1.11 Profit (loss) attributable to members of the parent	5,959	(12,941)

Consolidated balance sheet

Current assets		30 September 2015	30 June 2015
		\$A	\$A
3.1	Cash and cash equivalents	33,994	37,159
3.2	Trade and other receivables	509,199	433,134
3.3	Inventories	139,662	139,662
3.4	Other current assets (provide details if material)	155,827	147,396
3.5	Total current assets	838,683	757,351
Non-current assets			
3.6	Available for sale investments	-	-
3.7	Other financial assets	-	-
3.8	Investments in associates	-	-
3.9	Deferred tax assets	1,352,614	1,355,350
3.10	Exploration and evaluation expenditure capitalised (see para. 71 of AASB 1022 – new standard not yet finalised)	-	-
3.11	Development properties (mining entities)	-	-
3.12	Property, plant and equipment (net)	2,573,953	2,673,476
3.13	Investment properties	-	-
3.14	Goodwill	-	-
3.15	Other intangible assets	223,562	216,188
3.16	Other (provide details if material)	-	-
3.17	Total non-current assets	4,150,129	4,245,014
3.18	Total assets	4,988,812	5,002,365
Current liabilities			
3.19	Trade and other payables	896,248	1,598,636
3.20	Short term borrowings	2,015,028	1,093,324
3.21	Current tax payable	-	-
3.22	Short term provisions	292,642	270,830
3.23	Current portion of long term borrowings	125,671	125,309
3.24	Other current liabilities (provide details if material)	-	-
		3,329,589	3,088,099
3.25	Liabilities directly associated with non-current assets classified as held for sale (para 38 of AASB 5)	-	-
3.26	Total current liabilities	3,329,589	3,088,099

Consolidated balance sheet (continued)

Non-current liabilities		30 September 2015	30 June 2015
		\$A	\$A
3.27	Long-term borrowings	1,526,898	1,559,294
3.28	Deferred tax liabilities	3,366	3,366
3.29	Long term provisions	26,637	19,295
3.30	Other (provide details if material)	-	-
3.31	Total non-current liabilities	1,556,901	1,581,955
3.32	Total liabilities	4,886,490	4,670,054
3.33	Net assets	102,322	332,313
Equity			
3.34	Share capital	8,619,121	8,619,121
3.35	Other reserves	-	-
3.36	Retained earnings	(8,326,615)	(8,334,740)
	Amounts recognised directly in equity relating to non-current assets classified as held for sale	-	-
3.37	Parent interest	292,506	284,381
3.38	Minority interest	190,184	47,932
3.39	Total equity	102,322	332,313

Consolidated statement of changes in equity

	1 July 2015 – 30 September 2015 \$A	1 July 2014 – 30 September 2014 \$A
Revenues recognised directly in equity:	-	-
Expenses recognised directly in equity:	-	-
4.1 Net income recognised directly in equity	-	-
4.2 Profit (loss) for the period	8,125	(18,725)
4.3 Total recognised income and expense for the period		
Attributable to:		
4.4 Members of the parent	5,959	(12,941)
4.5 Minority interest	2,166	(5,784)
Effect of changes in accounting policy (<i>as per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors</i>):		
4.6 Members of the parent entity	-	-
4.7 Minority interest	-	-

Consolidated statement of cash flows

	1 July 2015 – 30 September 2015 \$A	1 July 2014 – 30 September 2014 \$A
Cash flows related to operating activities		
5.1 Receipts from customers	1,951,622	2,130,530
5.2 Payments to suppliers and employees	(2,482,311)	(1,500,970)
5.3 Interest and other costs of finance paid	(72,914)	(39,845)
5.4 Interest received	920	-
Net cash from (used in) operating activities	(602,683)	589,715
Cash flows related to investing activities		
5.5 Payments for purchases of property, plant and equipment	(16,778)	(300,417)
5.6 Proceeds from sale of property, plant and equipment	-	2,000
5.7 Purchase of equity investments	(236,000)	-
5.8 Loans to related parties	-	-
5.9 Loans repaid by related parties	767,019	-
5.10 Other (provide details if material)	-	-
- Development costs – intangible assets	(7,374)	-
5.11 Net cash from (used in) investing activities	506,867	(298,417)
Cash flows related to financing activities		
5.12 Proceeds from issues of securities (shares, options, etc.)	-	-
Share buy-back payment	-	-
Transaction costs	-	-
5.13 Proceeds from borrowings	420,000	410,000
5.14 Repayment of borrowings	(297,349)	(516,934)
5.15 Dividends paid	-	-
5.16 Non-trade debtors	(30,000)	(65,342)
5.17 Net cash from (used in) financing activities	92,651	(172,276)
Net increase (decrease) in cash and cash equivalents	(3,165)	119,022
5.17 Cash at beginning of period (see Reconciliations of cash)	37,159	20,501
5.18 Exchange rate adjustments to item 5.23	-	-
5.19 Cash at end of period (see Reconciliation of cash)	33,994	139,523

Reconciliation of cash provided by operating activities to profit or loss

	1 July 2015 – 30 September 2015 \$A	1 July 2014 – 30 September 2014 \$A
6.1 Profit/(loss) (item 1.9)	8,125	(18,725)
Adjustments for:		
6.2 Depreciation	115,754	124,961
6.3 Gain (loss) on foreign currency translation	-	-
6.4 Impairment of property, plant & equipment	-	-
6.5 (Gain) loss on sale of equipment	-	(2,000)
6.6 Gain on sale of investments	-	-
6.7 Share of net (profit) loss of Associate	-	-
6.8 (Increase)/decrease in trade and other receivables	(76,065)	(38,672)
6.9 (Increase)/decrease in other current assets	(8,431)	(35,843)
6.10 (Increase)/decrease in inventories	-	(2,237)
6.11 (Increase)/decrease in deferred tax	2,736	(31,259)
6.12 Increase/(decrease) in trade and sundry creditors	(666,613)	571,644
6.13 Increase/(decrease) in provisions	21,812	21,846
6.10 Net cash from (used in) operating activities <i>(item 5.6)</i>	(602,683)	589,716

Notes to the financial statements

Details of revenues and expenses		1 July 2015 – 30 September 2015 \$A	1 July 2014 – 30 September 2014 \$A
Revenue			
Revenue from rendering of services		1,818,786	1,708,922
Interest received		920	-
Gain on disposal of investments		-	-
Gain (loss) on disposal of plant and equipment		-	2,000
Other income		57,023	80,095
7.1	Total Revenue	1,876,728	1,791,017
Expenses			
Change in inventories of finished goods & WIP		-	-
Raw materials and consumables used		(824,249)	(684,392)
Employee benefits expense		(568,776)	(610,165)
Finance costs		(72,914)	(39,845)
Depreciation and amortisation expense		(115,754)	(124,961)
Other expenses		(284,175)	(381,638)
Share of net profits/(loss) of associates		-	-
7.2	Total Expenses	(1,865,868)	(1,841,001)
Profit (loss) before tax		10,860	(49,984)

Basis of accounts preparation

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible). In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations (*as per paragraphs 16(b), 16(b) and Aus 16.1 of AASB 134: Interim Financial Reporting*).

These general purpose financial statements for the 3 month reporting period ended 30 September 2015 have been prepared in accordance with accounting policies that comply with accounting standards as defined in the *Corporations Act* including Australian Accounting Standards and were authorised for issue by the Board of directors on 27 October 2015. The Board has the power to amend or reissue the statements after issuance.

These general purpose financial statements are intended to provide users with an update on the latest annual financial statements of Print Mail Logistics Limited and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the 3 month reporting period within the Group.

It is recommended that these general purpose financial statements be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2015 together with any other public announcements.

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange (see note 13).

Identify other standards used

Nil

2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.
3. This statement gives a true and fair view of the matters disclosed (see note 2).
4. This statement is based on financial statements to which one of the following applies:
- | | |
|---|---|
| <input type="checkbox"/> The financial statements have been audited. | <input type="checkbox"/> The financial statements have been subject to review by a registered auditor (or overseas equivalent). |
| <input type="checkbox"/> The financial statements are in the process of being audited or subject to review. | <input checked="" type="checkbox"/> The financial statements have <i>not</i> been audited or reviewed. |
5. ~~If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/will follow immediately they are available* (delete one). (Half yearly statement only the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.)~~
6. The *issuer* has a formally constituted audit committee.



Sign here: Nigel B Elias

Date: 28 October 2015
(Director)

Print name: Nigel B Elias

Notes

1. **For announcement to the market** The percentage changes referred to in this section are the percentage changes calculated by comparing the current period's figures with those for the previous corresponding period. Do not show percentage changes if the change is from profit to loss or loss to profit, but still show the amount of the change up or down. If changes in accounting policies or procedures have had a material effect on reported figures, do not show either directional or percentage changes in profits. Explain the reason for the omissions in the note at the end of the announcement section. *Issuers* are encouraged to attach notes or fuller explanations of any significant changes to any of the items in page 1. The area at the end of the announcement section can be used to provide a cross reference to any such attachment.

2. **True and fair view** If this statement does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the *issuer* must attach a note providing additional information and explanations to give a true and fair view.

3. **Consolidated statement of financial performance**

Item 1.1 The definition of "revenue" is set out in *AASB 118: Revenue*

Item 1.6 This item refers to the total tax attributable to the amount shown in *item 1.5*. Tax includes income tax and capital gains tax (if any) but excludes taxes treated as expenses from ordinary activities (eg. fringe benefits tax).

4. **Income tax** If the amount provided for income tax in this statement differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the issuer must explain in a note the major items responsible for the difference and their amounts. The rate of tax applicable to the franking amount per dividend should be inserted in the heading for the column "Franking rate applicable" for items in *section 9*.

5. **Consolidated statement of financial position**

Format The format of the consolidated statement of financial position should be followed as closely as possible. However, additional items may be added if greater clarity of exposition will be achieved, provided the disclosure still meets the requirements of *AASB 134: Interim Financial Reporting*, and *AASB 101: Presentation of Financial Statements*. Banking institutions, trusts and financial institutions may substitute a clear liquidity ranking for the Current/Non-Current classification.

Basis of revaluation If there has been a material revaluation of non-current assets (including investments) since the last annual report, the *issuer* must describe the basis of revaluation adopted. The description must meet the requirements of *AASB 116: Property, Plant and Equipment*. If the *issuer* has adopted a procedure of regular revaluation, the basis for which has been disclosed and has not changed, no additional disclosure is required.

6. **Consolidated statement of cash flows** For definitions of "cash" and other terms used in this statement see *AASB 107: Cash Flow Statements*. *Issuers* should follow the form as closely as possible, but variations are permitted if the *directors* (in the case of a trust, the management company) believe that this presentation is inappropriate. However, the presentation adopted must meet the requirements of *AASB 107*.

7. **Net tangible asset backing** Net tangible assets are determined by deducting from total tangible assets all claims on those assets ranking ahead of the ordinary *securities* (i.e. all liabilities, preference shares, outside equity interests, etc). Mining *issuers* are *not* required to state a net tangible asset backing per ordinary *security*.
8. **Gain and loss of control over entities** The gain or loss must be disclosed if it has a material effect on the consolidated financial statements. Details must include the contribution for each gain or loss that increased or decreased the *issuer's* consolidated operating profit (loss) after tax by more than 5% compared to the previous corresponding period.
9. **Equity accounting** If an *issuer* adopts equity accounting, no comparative equity accounting figures are required in the first period following its adoption.
10. **Rounding of figures** This statement anticipates that the information required is given to the nearest \$1,000. However, an *issuer* may report exact figures, if the \$A'000 headings are amended. If an *issuer* qualifies under ASIC Class Order 98/0100 dated 15 July 2004, it may report to the nearest million dollars, or to the nearest \$100,000, if the \$A'000 headings are amended.
11. **Comparative figures** Comparative figures are to be presented in accordance with *AASB 101: Presentation of Financial Statements* or *AASB 134: Interim Financial Reporting* as appropriate and are the unadjusted figures from the last annual or half year report as appropriate. However, if the previously reported figures are adjusted to achieve greater comparability, in accordance with an accounting standard or other reason, a note explaining the adjustment must be included with this statement. If no adjustment is made despite a lack of comparability, a note explaining the position should be attached.
12. **Additional information** An *issuer* may disclose additional information about any matter, and must do so if the information is material to an understanding of the financial statements. The information may be an expansion of the material contained in this statement, or contained in a note attached to the statement. The requirement under the listing rules for an *issuer* to complete this statement does not prevent the *issuer* issuing statements more frequently. Additional material lodged with the ASIC under the *Corporations Act* must also be given to the *Exchange*. For example, a *directors'* report and declaration, if lodged with the ASIC, must be given to the *Exchange*.
13. **Accounting Standards** the *Exchange* will accept, for example, the use of International Accounting Standards for *foreign issuers*. If the standards used do not address a topic, the Australian standard on that topic (if one exists) must be complied with.
14. **Borrowing corporations** This statement may be able to be used by an *issuer* required to comply with the *Corporations Act* as part of its half yearly financial statements if prepared in accordance with Australian Accounting Standards.

15. **Details of expenses** *AASB 101: Presentation of Financial Statements* requires disclosure of expenses according to either their nature or function. For foreign entities, there are similar requirements in other accounting standards accepted by the *Exchange*. *Issuers* must disclose details of expenses using the layout (by nature or function) employed in their accounts.

The information in *items 7.1 - 7.2* may be provided in an attachment to Appendix 3

Relevant items *AASB 101: Presentation of Financial Statements* requires the separate disclosure of specific revenues and expenses which are of a size, nature or incidence that disclosure is *relevant*, as defined in *AASB 101*, in explaining the financial performance of the *issuer*. There is an equivalent requirement in *AASB 134: Interim Financial Reporting*. For foreign entities, there are similar requirements in other accounting standards accepted by the *Exchange*.

16. **Dollars** If reporting is not in A\$, all references to \$A must be changed to the reporting currency. If reporting is not in thousands of dollars, all references to “000” must be changed to the reporting value.

17. **Discontinuing operations**

Entities must either provide a description of any significant activities or events relating to discontinuing operations equivalent to that required by *paragraph 7.5 (g) of AASB 134: Interim Financial Reporting*, or, the details of discontinuing operations they are required to disclose in their accounts in accordance with *AASB 5: Non-current Assets for Sale and Discontinued Operations*

In any case, the information may be provided as an attachment to this Appendix 3.