

ENERGYMAD



## APPENDIX 1 RELEASE

30 May 2018

This document covers Energy Mad Limited's un-audited financial results for the year ended 31 March 2018.

## ENERGY MAD LIMITED RESULTS FOR ANNOUNCEMENT TO THE MARKET

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Reporting Period	12 months to 31 March 2018
Previous Reporting Period	12 months to 31 March 2017

	Amount (000s)	Percentage Change
Revenue from ordinary activities	\$NZ 663	(88%)
Profit / (loss) from continuing activities attributable to security holders	\$NZ (993)	75%
Net profit / (loss) attributable to security holders	\$NZ (993)	75%
Net Tangible Asset per security holder	31 March 2018	(2.8) cents
	31 March 2017	(2.1) cents

<b>Interim Final Dividend</b>	<b>Amount per Security</b>	<b>Imputed amount per Security</b>
No dividend is proposed	Not Applicable	Not Applicable

Record Date	Not Applicable
Dividend Payable Date	Not Applicable

Audit	The financial statements have not been audited.
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## Commentary

The results reflect the decision to conduct an orderly wind down of the business and sale of Energy Mad's residual assets.

### *Income Statement*

- Operating revenue was \$663,069 for the year ended 31 March 2018 compared to \$5,327,270 for the previous year (ignoring other income). The substantial decrease reflects the disposal of inventory without replenishment.
- Gross profit was a loss of \$82,104 for the year ended 31 March 2018 compared with a profit of \$1,865,955 for the previous year. Inventory is being liquidated in a difficult market, with realisations net of holding costs less than estimated as at 31 March 2017.
- Administration and general expenses of \$237,861 for the year ended 31 March 2018 (2017: \$2,183,405) are after the utilisation of \$250,000 in exit costs provided for in the prior year. There are no remaining staff, with resources contracted on an as required basis, and the group's offices have now been closed.
- Selling and distribution expenses stand at \$220,647 for the year ended 31 March 2018 (2017: \$263,694), being primarily agency fees paid to Ecobulb Limited as part of the agreement entered into on 8 May 2017.
- Net finance costs are \$470,702 for the year ended 31 March 2018 compared to \$604,480 for the prior period. The reduction is due to the conversion of interest bearing convertible notes to shares in the previous year.

### *Statement of Cash Flows and Financial Position*

- There was a net cash inflow from operating activities of \$324,171 compared to an outflow of \$1,351,529 the previous year. Cash generated from the sale of inventory and the realisation of receivables was used to reduce outstanding payables and debtor factoring facilities.
- The Group's assets have decreased by \$1,275,055 from \$1,747,768 to \$472,713. The reduction reflects:
  - Lower receivables due to ongoing collection and the decrease in revenue.
  - The sale of inventory without replenishment.
  - An increase in balance date cash holdings.
- The Group's liabilities have decreased by \$275,101 from \$4,911,642 to \$4,636,542. The decrease reflects:
  - A reduction in trade and other payables, employee entitlements, short term advances (debtor factoring facilities) and provisions
  - An increase in borrowings (term loans and convertible notes), due to interest accrued but unpaid. Borrowings also include a \$100,000 short term loan to fund the transaction costs associated with the proposed acquisition of PaySauce Limited.

Please refer to the accompanying Market Release and Consolidated Financial Statements.

***For more information, contact***

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