



ASX ANNOUNCEMENT, 31 July 2017

APPENDIX 4C QUARTERLY CASH FLOW REPORT

- **\$1.0m cash receipts from customers**
- **Net operating cash outflow \$1.7m**
- **Short term debt facility repaid**
- **Cash on hand of \$1.5 million at end of quarter**

Vivid Technology Limited (ASX: VIV) attaches its Appendix 4C (cash flow report) for the quarter ended 30 June 2017.

Cash receipts of \$1.0m for the quarter took the total for the financial year to \$4.7m (up 22% compared to the previous financial year). Receipts for the quarter were from a mixture of new and repeat business, as customers recognise the benefits of our intelligent lighting systems and the energy savings that they enable.

Net operating cash outflows were \$1.7m, with \$1.5m cash on hand at the end of the quarter.

In June, Vivid Technology announced a capital strategy involving a \$5m equity raising (comprising a \$3.1m share placement and a \$1.9m entitlement offer), and term sheets for short term revolving working capital facilities totalling up to \$6.0m (based on customer account activity). This capital strategy is designed to support a range of working capital and ongoing innovation initiatives, assisting the company's continued growth both domestically and internationally. In particular, the capital strategy will allow Vivid Technology to focus on leveraging and converting current and new identified opportunities as well as providing the capability to develop additional revenue streams from new product and services.

During the quarter, the Company repaid \$0.75m of short term debt, in preparation for utilisation of the new short term revolving working capital facilities.

Operating cash outflows during the quarter also reflected preparations for supply and installation of lighting upgrades under current customer orders. Vivid Technology finished the quarter with a strong order book reflecting blue-chip customers, especially in the Retail and Facilities Management sectors. A combination of new customers and repeat business reflects the company's ability to deliver tangible cost and energy savings through a differentiated product and service approach to customers.

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About Vivid Technology

Vivid Technology Limited is a diversified Australian-based company with interests in technology focused solutions in the industrial energy efficiency and CO₂-to-fuel conversion markets.

Vivid Technology - <http://www.vividtechnology.com.au>

About Vivid Industrial

Vivid Industrial is a subsidiary of Vivid Technology, providing customised, intelligent and energy efficient cloud based solutions for our growing industrial and infrastructure client base. The "internet of lights" and "cloud based monitoring" delivers quantifiable efficiencies and significant cost savings with environmentally sustainable benefits for our customers.

The business' core technologies are designed for application in warehouses, distribution centres, cold storage facilities, ports, stadiums, car parks, roads and tunnels. Vivid Industrial is a trusted partner to our customer base of blue chip, industrial companies.

During the 2016 financial year Vivid Industrial acquired Vivid Illumalite, a business specialising in creating highly effective, energy-saving lighting solutions predominantly for commercial and government clients that generate significant cost savings and reduce environmental impact.

Vivid Industrial - <http://www.vividindustrial.com>

Vivid Illumalite - <http://www.vividillumalite.com>

About NewCO₂Fuels

NewCO₂Fuels (NCF) is an Israeli start-up company which was formed in 2011 by a group of scientists and entrepreneurs with the support of Vivid Technology and the Erdi Group.

NCF was formed to develop and commercialise an innovative system to profitably produce fuels from CO₂ and water, using renewable high temperature heat from solar or excess heat from industry. The system is based on a technology previously developed at the Weizmann Institute of Science and exclusively licensed to NCF.

NCF won the World Technology Network award for Energy in November 2014, and has received numerous grants and accolades from governments around the world. Its technology has also been independently validated by several major international engineering and technology consultancy firms.

Vivid Technology's 33.33% effective economic interest in NCF is represented by its 50% ownership of NCF Global, a company that owns 66.67% of NCF. The other 50% of NCF Global is owned by the Erdi Group, which is also a shareholder in Vivid Technology.

NewCO₂Fuels Website - <http://newco2fuels.co.il/>

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

VIVID TECHNOLOGY LIMITED

ABN

60 120 710 625

Quarter ended ("current quarter")

30 June 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	962	4,712
1.2 Payments for		
(a) research and development	(38)	(253)
(b) product manufacturing and operating costs	(1,052)	(3,912)
(c) advertising and marketing	(4)	(117)
(d) leased assets	-	-
(e) staff costs	(1,096)	(3,941)
(f) administration and corporate costs	(415)	(1,416)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	9
1.5 Interest and other costs of finance paid	(93)	(116)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	627
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,735)	(4,407)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(6)	(33)
(b) businesses (see item 10)	-	(964)
(c) investments	(54)	(54)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	76	76
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	(93)	(567)
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(77)	(1,542)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	3,150	6,965
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	(155)	(361)
3.5 Proceeds from borrowings	-	1,150
3.6 Repayment of borrowings	(753)	(1,616)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	2,242	6,138

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	1,084	1,325
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,735)	(4,407)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(77)	(1,542)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,242	6,138
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	1,514	1,514

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 \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,514	789
5.2	Call deposits	-	295
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)	1,514	1,084

Note: Subsequent to the end of the quarter, the entity concluded a share entitlement offer resulting in proceeds of \$1.95m before costs (as announced on 11 July 2017).

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
151
-

Directors' salaries (executive) \$87,417
Directors' fees (non-executive) \$63,936

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
93

Loans advanced to NCF Global Pty Ltd \$93,435.

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
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.		

In June, Vivid Technology announced that it has entered into term sheets for short-term revolving working capital facilities with accessible limits driven by the level of customer account activity from time to time, with the maximum limits available under full use scenario being \$6.0m. During the quarter, the previous short term debt was repaid in full in preparation for activating the new facilities.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	106
9.2 Product manufacturing and operating costs	1,110
9.3 Advertising and marketing	8
9.4 Leased assets	-
9.5 Staff costs	1,023
9.6 Administration and corporate costs	486
9.7 Other	122
9.8 Total estimated cash outflows	2,855*

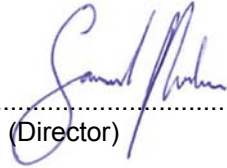
* The company is an operating business that generates cash inflows each quarter, including receipts from customers. Estimated cash outflows are based on certain assumptions including the level of estimated inflows. The above summary of estimated cash outflows does not reflect the anticipated net cash flows for the following quarter, as it excludes cash inflows (such as receipts from customers).

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	Not applicable	Not applicable
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

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:
(Director)



Date: 31 July 2017

Print name: Samuel Marks

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.