

**MYKRIS LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 31 MARCH 2013**

|  | <b>2013</b><br><b>12 months</b><br><b>Audit in</b><br><b>progress</b> | <b>2012</b><br><b>6 months</b><br><br><b>Audited</b> |
|--|---|--|
| Operating revenue  | 8,878,771   | 1,455,043  |
| Other Cost of sales  | (3,661,239)   | (523,169)  |
| Amortisation of development expenditure  | (173,774)   | (58,611)   |
| <b>Gross Profit</b>  | <u>5,043,758</u>  | <u>873,263</u>                                       |
| Other revenue  | 42,380  | 2,453  |
| <b>Less: expenses</b>  |   |  |
| Selling and distribution expenses  | 418,412   | 76,941   |
| Administration expenses  | 2,312,573   | 1,140,909  |
| Amortisation of intangible assets  | 902,440   | 226,933  |
| Other expenses   | 371,231   | 69,025   |
|  | <u>4,004,656</u>  | <u>1,513,808</u>                                     |
| <b>Operating profit / (loss) before financing costs and taxation benefit</b>                     | <b>1,081,482</b>  | <b>(638,092)</b>                                     |
| Finance income   | (1,118)   | (5,799)  |
| Finance expense  | 8,661   | 4,663  |
| <b>Net finance income</b>  | <u>7,543</u>  | <u>(1,136)</u>                                       |
| <b>Net profit / (loss) before income taxation benefit</b>  | <b>1,073,939</b>  | <b>(636,956)</b>                                     |
| Taxation benefit   | 212,783   | 275,870  |
| <b>Net profit / (loss) after taxation benefit for the period</b>                                 | <u><b>1,286,722</b></u>   | <u><b>(361,086)</b></u>                              |
| <b>Other comprehensive income</b>  |   |  |
| Movement in foreign currency translation reserve   | (152,295)   | (177)  |
| Other comprehensive income / (loss) for the period   | (152,295)   | (177)  |
| <b>Total comprehensive income / (loss) for the period</b>  | <u><b>\$ 1,134,427</b></u>  | <u><b>\$ (361,263)</b></u>                           |
| Earnings per share for loss attributable to the equity holders of the Company during the period: |   |  |
| - Earnings per share (\$ per share)  | 0.02  | (0.01)   |
| - Diluted earnings per share (\$ per share)  | 0.02  | (0.01)   |

**MYKRIS LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF CHANGES IN EQUITY**

**FOR THE PERIOD ENDED 31 MARCH 2013**

|  | <u>Share<br/>Capital</u> | <u>Retained<br/>Earnings</u> | <u>Foreign<br/>Currency<br/>Other<br/>Reserves</u> | <u>Total</u>         |
|--|--------------------------|------------------------------|--|----------------------|
| Balance at 30 September 2011                     |                          |                              |  |                      |
| <b>Comprehensive income</b>                      |                          |                              |  |                      |
| Net loss for the period                          | -                        | 361,086                      | -  | 361,086              |
| <b>Other comprehensive income</b>                |                          |                              |  |                      |
| Movement in foreign currency translation reserve | -                        | -                            | (177)  | (177)                |
| <b>Total comprehensive income</b>                | -                        | (361,086)                    | (177)  | (361,263)            |
| <b>Transactions with owners</b>                  |                          |                              |  |                      |
| Issue of share capital                           | 15,000,000               | -                            | -  | 15,000,000           |
| <b>Total transactions with owners</b>            | 15,000,000               | -                            | -  | 15,000,000           |
| <b>Balance at 31 March 2012</b>                  | <b>\$ 15,000,000</b>     | <b>\$ (361,086)</b>          | <b>\$ (177)</b>                                    | <b>\$ 14,638,737</b> |

|  | <u>Share<br/>Capital</u> | <u>Retained<br/>Earnings</u> | <u>Foreign<br/>Currency<br/>Translation<br/>Reserve</u> | <u>Total</u>         |
|--|--------------------------|------------------------------|---|----------------------|
| Balance at 1 April 2012                          | 15,000,000               | (361,086)                    | (177)   | 14,638,737           |
| <b>Comprehensive income</b>                      |                          |                              |   |                      |
| Net profit for the year                          | -                        | 1,286,722                    | -   | 1,286,722            |
| <b>Other comprehensive income</b>                |                          |                              |   |                      |
| Movement in foreign currency translation reserve | -                        | -                            | (152,295)   | (152,295)            |
| <b>Total comprehensive income</b>                | -                        | 1,286,722                    | (152,295)   | 1,134,427            |
| <b>Transactions with owners</b>                  |                          |                              |   |                      |
| Dividends paid                                   | -                        | (419,441)                    | -   | (419,441)            |
| <b>Total transactions with owners</b>            | -                        | (419,441)                    | -   | (419,441)            |
| <b>Balance at 31 March 2013</b>                  | <b>\$ 15,000,000</b>     | <b>\$ 506,195</b>            | <b>\$ (152,472)</b>                                     | <b>\$ 15,353,723</b> |

**MYKRIS LIMITED AND ITS SUBSIDIARIES****STATEMENTS OF FINANCIAL POSITION****AS AT 31 MARCH 2013**

|  | <b>2013</b><br><b>Audit in</b><br><b>progress</b> | <b>2012</b><br><b>Audited</b> |
|--|---|-------------------------------|
| <b>Shareholders equity</b>                     |   |                               |
| Share capital                                  | 15,000,000  | 15,000,000                    |
| Retained earnings                              | 506,195   | (361,086)                     |
| Foreign currency translation reserve           | (152,472)   | (177)                         |
| <b>Total shareholders equity</b>               | <b>\$ 15,353,723</b>                              | <b>\$ 14,638,737</b>          |
| <b>Current assets</b>                          |   |                               |
| Cash and cash equivalents                      | 1,747,956   | 1,336,724                     |
| Trade receivables                              | 1,867,094   | 1,009,630                     |
| Prepayments and other current assets           | 1,197,208   | 901,466                       |
| Taxation receivable                            | -   | 49,529                        |
| Related party receivables                      | 135,688   | 7,696                         |
| Deferred tax assets - current portion          | 42,911  | 38,732                        |
| Total current assets                           | 4,990,857   | 3,343,777                     |
| <b>Non current assets</b>                      |   |                               |
| Property, plant and equipment                  | 1,386,738   | 1,245,326                     |
| Intangible assets and goodwill                 | 12,932,563  | 14,015,737                    |
| Investments in subsidiaries                    | -   | -                             |
| Total non current assets                       | 14,319,301  | 15,261,063                    |
| <b>Total assets</b>                            | <b>19,310,158</b>                                 | <b>18,604,840</b>             |
| <b>Current liabilities</b>                     |   |                               |
| Trade and other payables                       | 540,467   | 486,270                       |
| Deferred Sales                                 | 741,566   | 727,832                       |
| Related party payables                         | 272,405   | 26,969                        |
| Term borrowings - current portion              | 30,642  | 55,288                        |
| Taxation payable                               | 10,203  | -                             |
| Deferred tax liabilities - current portion     | 351,332   | 333,661                       |
| Total current liabilities                      | 1,946,615   | 1,630,020                     |
| <b>Non current liabilities</b>                 |   |                               |
| Term borrowings - non current portion          | 88,676  | 123,516                       |
| Deferred tax liabilities - non current portion | 1,921,144   | 2,212,567                     |
| Total non current liabilities                  | 2,009,820   | 2,336,083                     |
| <b>Total liabilities</b>                       | <b>3,956,435</b>                                  | <b>3,966,103</b>              |
| <b>Total net assets</b>                        | <b>\$ 15,353,723</b>                              | <b>\$ 14,638,737</b>          |
| Net tangible assets per share (\$ per share)   | 0.04  | 0.01                          |

**MYKRIS LIMITED AND ITS SUBSIDIARIES**

**STATEMENT OF CASH FLOWS**

**FOR THE PERIOD ENDED 31 MARCH 2013**

|  | <u>Group</u>               |                            |
|--|----------------------------|----------------------------|
|  | <b>2013</b>                | <b>2012</b>                |
|  | <b>12 months</b>           | <b>6 months</b>            |
|  | <b>Audit in</b>            | <b>Audited</b>             |
|  | <b>progress</b>            |                            |
| <b>Cashflows from operating activities</b>                     |                            |                            |
| <i>Cash was provided from:</i>                                 |                            |                            |
| Cash receipts from customers                                   | 7,688,196                  | 2,860,972                  |
| Interest received  | 1,118                      | 5,870                      |
| Other cash receipts  | 42,380                     | -                          |
| <i>Cash was applied to:</i>                                    |                            |                            |
| Cash payments to suppliers and employees                       | (6,267,656)                | (1,758,207)                |
| Income tax paid  | (5,417)                    | -                          |
| Interest paid  | (8,661)                    | (4,572)                    |
| Net cashflows from operating activities                        | <b><u>1,449,960</u></b>    | <b><u>1,104,063</u></b>    |
| <b>Cashflows from investing activities</b>                     |                            |                            |
| <i>Cash was applied to:</i>                                    |                            |                            |
| Purchase of property, plant and equipment                      | (664,376)                  | (233,639)                  |
| Purchase of intangible assets                                  | (12,870)                   | -                          |
| Development expenditure  | -                          | (133,281)                  |
| Payment of NZAX listing deposit                                | -                          | (20,000)                   |
| Net cash flows from investing activities                       | <b><u>(677,246)</u></b>    | <b><u>(386,920)</u></b>    |
| <b>Cashflows from financing activities</b>                     |                            |                            |
| <i>Cash was provided from:</i>                                 |                            |                            |
| Related party payables   | 245,436                    | 43,600                     |
| Proceeds from borrowings                                       | -                          | 118,318                    |
| <i>Cash was applied to:</i>                                    |                            |                            |
| Related party receivables                                      | (127,992)                  | -                          |
| Repayment of borrowings  | (59,485)                   | -                          |
| Dividends paid of the owners of the company                    | (419,441)                  | -                          |
| Net cashflows from financing activities                        | <b><u>(361,482)</u></b>    | <b><u>161,918</u></b>      |
| Net cash flows   | <b>411,232</b>             | <b>879,061</b>             |
| Cash and cash equivalents at the beginning of the period       | <b>1,336,724</b>           | -                          |
| Cash and cash equivalents acquired on purchase of subsidiaries | -                          | <b>457,663</b>             |
| Cash and cash equivalents at the end of the period             | <b><u>\$ 1,747,956</u></b> | <b><u>\$ 1,336,724</u></b> |



