



**MARTIN
JETPACK**

39 BALLARAT WAY, WIGRAM
CHRISTCHURCH 8042
NEW ZEALAND

T +64 3 377 8584
F +64 3 982 4614

enquiries@martinaircraft.co.nz
www.martinjetpack.com

Lodged by MJP

31 January 2017

Dear Sir/Madam

Appendix 4C Cash report – 31 December 2016

Please find attached for immediate release to the market the Appendix 4C Cash Report for the quarter ended 31 December 2016.

As previously noted KuangChi Martin Jetpack Limited is now a subsidiary of Martin Aircraft Company Limited. Accordingly, HK \$24.60 million (NZ \$4.56 million) of cash held by KuangChi Martin Jetpack Limited is consolidated into Martin Aircraft Company Limited financial statements and is included in the Appendix 4C Consolidated Cash Flow Quarterly Report.

Please note development expenditure has been capitalised as an intangible asset in the period.

Cash on hand at 31 December 2016 is NZD 17.0 million.

Yours sincerely

James West
CEO

For personal use only

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Name of entity

Martin Aircraft Company Limited

NZ Company number /ARBN

901393 / 601 582 638

Quarter ended ("current quarter")

31 December 2016

Consolidated statement of cash flows	Current quarter \$NZ'000	Year to date (6 months) \$NZ'000
1. Cash flows from operating activities		
1.1 Receipts from customers	0.5	4.5
1.2 Payments for		
(a) research and development	(43)	(43)
(b) product manufacturing and operating costs	(103)	(103)
(c) advertising and marketing	(79)	(177)
(d) leased assets	(105)	(237)
(e) staff costs	(930)	(2,624)
(f) administration and corporate costs/other working capital	(670)	(3,476)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	130	444
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes refunded/(paid)	100	(35)
1.7 Other (provide details if material)	7.5	7.5
1.8 Net cash from / (used in) operating activities	(1,692)	(6,239)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(1,004)	(1,086)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	(40)	(57)
(e) other non-current assets	(2,738)	(5,338)

Consolidated statement of cash flows	Current quarter	Year to date (6 months)
	\$NZ'000	\$NZ'000
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(3,782)	(6,481)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
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	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
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	-	-
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	22,274	29,631
4.2 Net cash from / (used in) operating activities (item 1.8 above)	(1,692)	(6,239)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(3,782)	(6,481)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows	Current quarter	Year to date (6 months)
	\$NZ'000	\$NZ'000
4.5 Effect of movement in exchange rates on cash held	205	94
4.6 Cash and cash equivalents at end of quarter	17,005	17,005

Notes:

2.1 (e) Cash expenditure on “other non-current assets” includes \$1,065k of staff costs capitalised as development costs.

5. Reconciliation of cash and cash equivalents	Current quarter	Previous quarter
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	\$NZ'000	\$NZ'000
5.1 Bank balances	2,150	1,503
5.2 Call deposits	14,855	20,771
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)	17,005	22,274

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

\$NZ'000

26

-

For personal use only

7.	Payments to related entities of the entity and their associates	Current quarter \$NZ'000
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	

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

9.	Estimated cash outflows for next quarter	\$NZ'000
9.1	Research and development	47
9.2	Product manufacturing and operating costs	333
9.3	Advertising and marketing	179
9.4	Leased assets	117
9.5	Staff costs	791
9.6	Administration and corporate costs	602
9.7	Other (provide details if material)	232
9.8	Capitalised Development	2,436
9.10	Total estimated cash outflows	4,737

For personal use only

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity		
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: *James West* Date: *31/01/2017*
 (CEO)

Print name: *James West*

For personal use only