



**PocketMail™**

**POCKETMAIL GROUP LIMITED**  
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23 July 2003

**AUSTRALIAN STOCK EXCHANGE LIMITED**

**Electronic lodgement**

Dear Sir / Madam

**APPENDIX 4C – QUARTER ENDED 30 JUNE 2003**

**PocketMail reports another quarter of strong financial results**

- EBITDA positive for fourth successive quarter;
- Trade and other creditors reduced by more than \$A0.2 million;
- Net operating cash flow surplus of \$A 0.1 million before net reduction of creditors.

**Sydney, Wednesday 23 April 2003** - PocketMail Group Limited (ASX: PKT), a leading provider of value-priced mobile e-mail services, today released its Statement of Cash Flows for the Quarter ended 30 June 2003.

**Statement of Cash Flows**

Total receipts from customers for the quarter was \$A 1.7 million.

Before net reduction of creditors of \$A 0.2 million, the Company generated a net operating cash flow surplus of \$A 0.1 million.

After net reduction of creditors, there was a small net operating cash flow deficit of \$A 0.1 million (March surplus, \$A 0.3 million)

**Other Financial Results**

Earnings before interest, tax, amortisation and depreciation (EBITDA) were \$A 0.2 million (March quarter \$A 0.2 million). This was the company's fourth successive quarter of EBITDA profitability.

## **Comments**

PKT Chief Executive, David Marchant, commented:

“We have now been trading profitably at the EBITDA level for four successive quarters. This continues the steady progress that we are making throughout the business. Our goal now is sustainable and increased profitability through revenue growth.”

## **About PocketMail**

PocketMail Group Limited (ASX:PKT) is a leading provider of value-priced, world-wide mobile e-mail services. The company's services are available locally throughout the United States, Canada, Western Europe and Australia, and internationally from every other country in the world. PocketMail has operations in Sydney, Australia in addition to its US operations in San Jose, California. For more information about PocketMail and its mobile e-mail services, please visit [www.pocketmail.com](http://www.pocketmail.com)

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# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

PocketMail Group Limited

ABN

008 719 015

Quarter ended ("current quarter")

30 June 2003

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from customers	1,682	9,589
1.2 Payments for		
(a) staff costs	(866)	(3,539)
(b) advertising and marketing	(87)	(470)
(c) research and development		
(d) leased assets	(72)	(302)
(e) other working capital	(737)	(5,286)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	1	2
1.5 Interest and other costs of finance paid	(9)	(92)
1.6 Income taxes paid		
1.7 Other (provide details if material)		
<b>Net operating cash flows</b>	<b>(88)</b>	<b>(98)</b>

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date ( 12 months) \$A'000
1.8 Net operating cash flows (carried forward)	<b>(88)</b>	<b>(98)</b>
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	(19)	(58)
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
	<b>(19)</b>	<b>(58)</b>
<b>Net investing cash flows</b>		
<b>1.14 Total operating and investing cash flows</b>	<b>(107)</b>	<b>(156)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.		
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings	374	574
1.18 Repayment of borrowings	(62)	(884)
1.19 Dividends paid		
1.20 Other (provide details if material)		
	<b>312</b>	<b>(310)</b>
<b>Net financing cash flows</b>		
<b>Net increase (decrease) in cash held</b>	<b>205</b>	<b>(466)</b>
1.21 Cash at beginning of quarter/year to date	189	803
1.22 Exchange rate adjustments to item 1.20	45	102
	<b>439</b>	<b>439</b>
<b>1.23 Cash at end of quarter</b>		

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	107
1.25	Aggregate amount of loans to the parties included in item 1.11	
1.26	Explanation necessary for an understanding of the transactions	

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

**Financing facilities available**

*Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities – related parties & shareholders	2,397	2,397
	- Hire Purchase facility	170	170
	- non related loan facilities	373	373
3.2	Credit standby arrangements	2,940	2,940

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**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	437	189
4.2 Deposits at call		
4.3 Bank overdraft		
4.4 Other (provide details)		
<b>Total: cash at end of quarter (item 1.22)</b>	437	189

**Acquisitions and disposals of business entities**

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity		
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:   
Print name: David McArthur  
Company Secretary

Date: 23 July 2003

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## 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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
  - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
  - 9.2 - itemised disclosure relating to acquisitions
  - 9.4 - itemised disclosure relating to disposals
  - 12.1(a) - policy for classification of cash items
  - 12.3 - disclosure of restrictions on use of cash
  - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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