

Quarterly Review

Quarter Highlights

- Agreement to deploy the Lenovo Entertainment Hub and Upscaling technology with Lenovo nearing conclusion
- Launch of the Lenovo Entertainment Hub (LEH), a product developed and managed by Beyond Media
- In the first week of January, Beyond Media demonstrated its Virtual Reality (VR) Upscaling technology at CES
- Gophr produced a record quarter for revenue and job numbers
- Boppl's December quarter was a record quarter for live venues and new users

Press Coverage

During the period, the portfolio companies of Yonder & Beyond continued to generate positive press coverage within mainstream and technology focused media outlets including Sydney Morning Herald, Windows Central and Digital Trends to name a few. Links to these articles can be found on the Yonder & Beyond web site.

Beyond Media

Significant progress with LEH and Upscaling nearing commercial agreement

Beyond Media achieved significant progress with the finalisation and launch of the Lenovo Entertainment Hub, a product developed and managed by Beyond Media. Importantly, the company also developed and successfully demonstrated its Virtual Reality (VR) Upscaling technology and is in the process of deploying it together with Lenovo on VR ready machines.

Beyond Media received increasing interest and enquiry from global electronic manufacturers during the quarter, which the company is currently progressing to potential licensing agreements.

The company also closed two content partnerships over the period, one with Green Man Gaming who will provide access to their large catalogue of games and also with Instant Sponsor who will launch its Success Series through the Y-Hub platform.

Lenovo Entertainment Hub and Upscaling Launched at CES

Following the quarter end in the first week of January, Beyond Media and Lenovo showcased the Lenovo Entertainment Hub and the integrated Virtual Reality Upscaling technology at the world's largest Consumer Electronics Convention (CES).

The demonstration took place over 4 days as a part of Lenovo's exhibit, and was highly successful, resulting in significant attention and interest from media and industry with several of the world's largest electronics manufacturers expressing significant interest in undertaking commercialisation partnerships using Beyond Media's technology.

In addition to exhibiting the content delivery platform, Beyond Media and Lenovo also unveiled the Beyond Media Virtual Reality Upscaling technology, a piece of software that enables consumers to play any game built in a 3D environment in VR. The goal is to have the technology embedded in the Lenovo Entertainment Hub on Lenovo Virtual Reality ready devices, and ensure that consumers have access to a substantial library of Virtual Reality content through Lenovo Entertainment Hub, creating a unique selling point both for the Hub and the Lenovo hardware in the rapidly growing VR segment of the market.

Positive reception from the media included coverage and articles in the Sydney Morning Herald, TechRadar, LaptopMag and Windows Central.

The company is in advanced talks with potential deployment clients, in regards to both existing software and services as well as other bespoke solutions covering content distribution, management, security, and compression technologies. Potential clients include some of the largest Electronics Manufacturers, Operators, and Content distributors in the world.

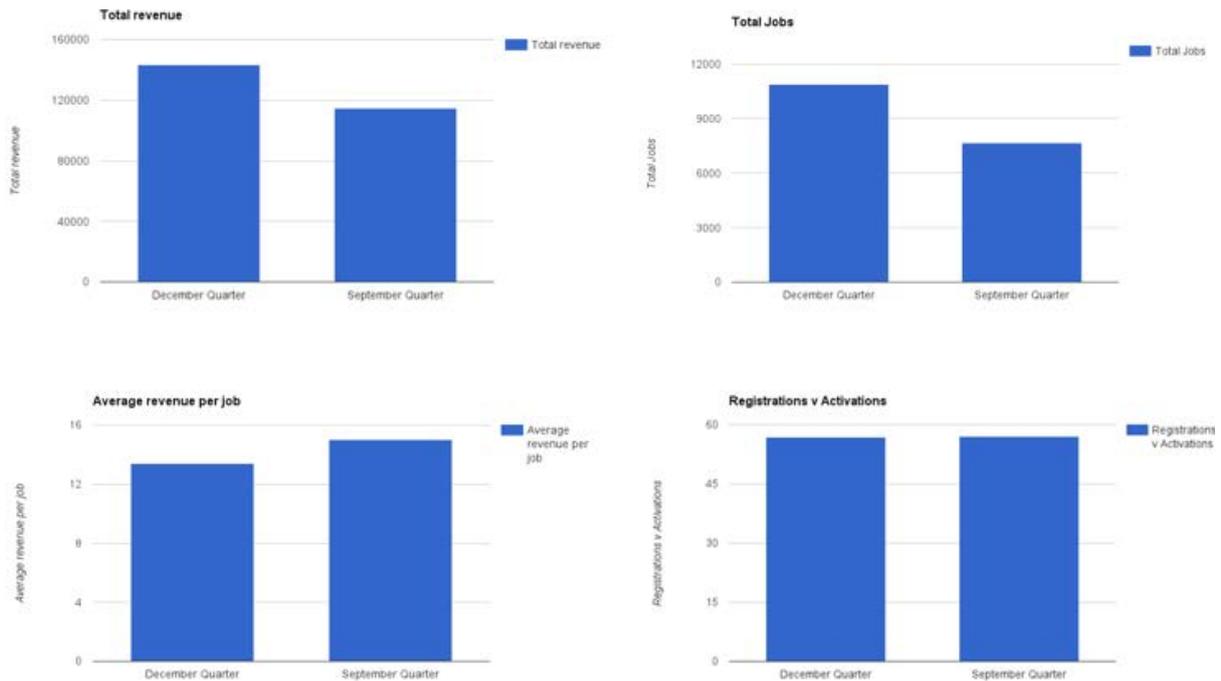
Looking forward:

In the current quarter the company expects, together with Lenovo, to deploy the Lenovo Entertainment Hub and the VR Upscaling technology both in the US and other territories. Deployment is planned through near term shipments of Lenovo computers, as well as making the software available for download on existing consumer devices. Beyond Media will continue to expand the content library available on the Hub with ongoing discussions with some of the world's largest publishers.

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GOPHR

Strong Revenue and job volume growth



During the December quarter, Gophr maintained its strong quarter on quarter increase in both revenue and job numbers, with a 25% and 41% increase respectively when compared to the previous quarter. This result was largely attributable to the partnerships secured over the period, which included Abellio, Orckestro, Lineten and Trybe.

The significant increase in job volumes was achieved with a lower average revenue per job when compared to previous periods. This high volume of work has contributed to getting more couriers on the road and a broader exposure to new customers.

Gophr maintained its commitment to customer satisfaction, releasing a major new feature during the quarter. Expanding on the development of its multi drops API released last quarter, Gophr made this multi-drop feature available directly to customers on the booking engine. The completion of this feature now enables Gophr to match and exceed all the services a traditional courier company offers at the point of booking. This has generated many new opportunities for potential partnerships with well-known fashion brands and high street stores.

Gophr continues to receive very positive reviews on Trustpilot, Google Reviews and through Net Promoter Score.

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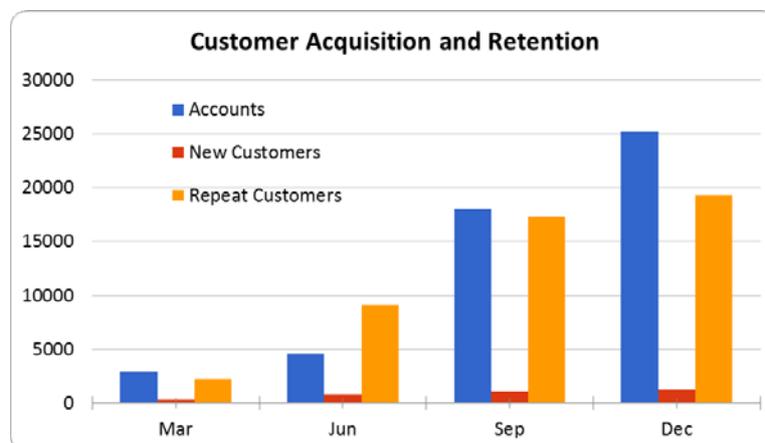
Boppl

Record growth in order volume and mobile transactions

Boppl achieved strong growth during the quarter across all key metrics for order volume and mobile transactions. The company brought on several new customers and the number of customers trialling Boppl increased significantly.

The platform's core customer base continues to grow, with more than 25,000 new users joining since October 2015. During the quarter, Boppl's customer retention remained very high at 94%. This highlights consumer preference for Boppl's mobile ordering and payments utility for on-demand, local food and drink.

Transaction volume increased by 15% in Q2 2017, while \$175,000 of transaction volume was processed.



Other key highlights include:

- Roll out of a successful pilot in the US with Larry's Giant Subs chain and Elevate Coffee Company.
- Agreement of partnership with leading point-of-sale system Clover (First Data Corporation), providing the integrated mobile ordering and payments platform to point-of-sale devices – 500,000+ globally today.
- New development was required to support delivery and order personalisation with integrated point-of-sale systems
- Growing franchise and chain deployment across popular brands such as including Coco Bliss, Pineapple Express Cafes, Acai Brothers and Corbett & Claude group.

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Prism Digital

During the quarter Prism Digital generated revenue of \$493k. Other achievements included a one percent increase in the average permanent placement fee over the previous quarter and recent new hires who began delivering revenue for the company.

The company's list of clients grew substantially during this period to include Claranet, one of Europe's largest privately owned Managed Hosting Service Providers, and WorldRemit one of the UK's leading Fintech businesses. Prism Digital also signed a contract to supply one of the UK's largest retailers, Sainsburys Argos. Several clients were also gained in regional England.

Prism Digital exhibited at the DevOps World conference in London over the period, which was partnered with CHEF, Leankit and LogicMonitor, who are the industry leaders in the DevOps space. The 2016 calendar year was Prism Digital's most successful year to date and has established a very strong base for further success in 2017.

Other

YNB has been as yet unable to secure a new 4G mobile partner and has determined that it will not pursue the virtual mobile network operator market following the voluntary creditors liquidation of MeU.

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Yonder & Beyond portfolio of technology assets and applications include:

 <p>Interest: 70% Website: beyond.media</p>	<ul style="list-style-type: none"> YB Advanced virtual reality and content platform YB Creating state of the art virtual reality and multimedia solutions YB Delivers 'cutting edge' VR and entertainment platforms for OEMs, operators & content owners YB Leading team who have vast experience working for Saffron Digital & HTC
 <p>Interest: 75% Website: www.gophr.com</p>	<ul style="list-style-type: none"> YB Making deliveries quick and simple for everyone. Order your courier from your mobile. YB Disruptive technology gaining momentum and a significant customer base. YB Outstanding growth in sales, revenue and customers during 2016 YB Send or pick up deliveries with a single tap
 <p>Interest: 72% Website: www.boppl.me</p>	<ul style="list-style-type: none"> YB Leading mobile ordering and payment app YB Pre-order and pay for food and beverages, before you arrive or at the venue YB Potential for multiple revenue streams and insightful customer metrics for every Boppl venue YB Currently deploying in Australia, UK & USA YB Winner of the UK Mobile & Apps Design Award in 2014, named App of the Day by Mobile Entertainment, Top 50 Mobile Innovator 2013, Anthill SMART 100 Index 2016 and Anthill Reader's Choice Awards 2016
 <p>Interest: 60% Website: http://www.prism-digital.com/</p>	<ul style="list-style-type: none"> YB Nominated for "Best New Agency 2016" in The Recruiter Awards YB Cash generative business with increasing pipeline of sales, revenue and clients YB High profile clients, including Rackspace, Boticca.com, Moo.com, Ogilvy, WPP, Salesforce.com YB Host of high-profile London technology events in conjunction with Facebook and Microsoft

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

YONDER & BEYOND GROUP LIMITED (ASX:YNB)

ABN

76 149 278 759

Quarter ended (Current quarter)

31 December 2016

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 Months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	960	2,167
1.2 Payments for:	-	-
(a) research and development	-	-
(b) product manufacturing and operating costs	(484)	(1,020)
(c) advertising and marketing	(159)	(195)
(d) leased assets	-	-
(e) staff costs	(667)	(1,345)
(f) administration and corporate costs	(312)	(685)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	(1)
1.6 Income taxes (paid) / refunded	-	4
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material):	-	-
1.9 Net cash from / (used in) operating activities	(662)	(1,075)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	(2)
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	1
(b) businesses (see item 10)	-	-
(c) investments	-	167
(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	-	166

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 Months) \$A'000
3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	809	809
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	(42)	(42)
3.5 Proceeds from borrowings	63	71
3.6 Repayment of borrowings	-	(6)
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	830	832
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	98	364
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(662)	(1,075)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	166
4.4 Net cash from / (used in) financing activities (item 3.10 above)	830	832
4.5 Effect of movement in exchange rates on cash held	(15)	(36)
4.6 Cash and cash equivalents at end of quarter	251	251
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	251	98
5.2 Call deposits	-	-
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)	251	98
6. Payments to directors of the entity and their associates		Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2		54
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	Payments made in respect to director consulting fees	
7. Payments to related entities of the entity and their associates		Current quarter \$A'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	Nil	

8. Financing facilities available Add notes as necessary for an understanding of the position	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	46	17
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)		
(a) Director and other party loans	N/A	300
(b) Director debt facility	1,000	-
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.		

- a. Borrowings with financial institutions are an unsecured loan with HSBC UK at an interest rate of 3.97% p.a. over the Bank of England base rate. The principal and interest is repaid monthly over a period of 2 years from the initial draw down.
- b. All Director-related loans are repayable at 31 December 2017, extended by mutual agreement. They are unsecured with 0% interest.
- c. The current terms of the director debt facility are (i) 0% interest rate; (ii) expire 30 June 2017; and (iii) conversion price of \$0.08 (subject to shareholder agreement).

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	(535)
9.3 Advertising and marketing	(35)
9.4 Leased assets	-
9.5 Staff costs	(675)
9.6 Administration and corporate costs	(375)
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	(1,620)

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 / (deficiency)	-	-
10.5 Nature of business	-	-

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.



Signed: _____ Dated: Tuesday, 31 January 2017

Company Secretary
Print name: Jay Stephenson

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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 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.

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