Updated guidance

20 Feb 2017

Blis Technologies reports that it now does not expect to meet its previous guidance of net profit before tax in excess of $700,000. However, the company does expect to record a maiden profit for the year to 31 March 2017.

Forecast total trading revenue has reduced significantly in the months of February and March. The reduction is due to changes in buying patterns by three major customers to reduce their product inventory compared with what had been forecast. For two cases, this is a result of change of ownership. It is important to note that the changes do not reflect any change in underlying customer demand but instead reflect changes in timing of purchases by these customers.

The company now expects trading revenue to be around $6.5m for the year to 31 March 2017.

Recognition of tax asset based on the move to profitability

To date the company has not recognised deferred income tax assets. A decision has been taken to recognise a portion of these tax assets in the current financial year reflecting the company’s transition to profitable operations. The tax asset will be recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised and that shareholder continuity requirements are met. Accordingly, a tax asset of approximately $1.3m is expected to be recognised.

Brian Watson
Chief Executive

Blis Technologies Limited.
10 Birch Street, Dunedin 9016. New Zealand. info@blis.co.nz www.blis.co.nz