

APPENDIX 4E

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

The following sets out the requirements of Appendix 4E with the stipulated information provided here.

1. COMPANY DETAILS

CommsChoice Group Limited and its controlled entities
("the Group") ACN 619 196 539
Reporting period: 30 June 2020
Previous corresponding reporting period: 30 June 2019

2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

	FY19 \$'000	Increase/ (Decrease)	Change %	FY20 \$'000
Revenue from continuing operations	20,984	(1,644)	(7.8)	19,340
Profit (loss) from ordinary activities after tax attributable to members	(19,448)	22,023	113.2	2,575
Net Profit (loss) for the period attributable to members	(19,448)	22,037	113.3	2,589

Dividend

No dividend has been declared.

Operating and Financial Review

The Group's Net profit after tax of \$2.6m has increased significantly from the loss of \$19.4m recorded in the prior year. Whilst the prior year included a significant write down of Intangible assets, at an underlying level the result has improved as a result of the restructuring completed during the year and further cost saving initiatives undertaken during the year.

Group Result

Total revenue for the year ended 30 June 2020 is \$19.3m, Underlying EBITDA is \$2.3m is at the upper end of guidance of \$1.8m to \$2.2m.

A reconciliation of Underlying EBITDA from continuing operations to the reported profit before tax from continuing operations in the consolidated statement of comprehensive income is tabled below:

	FY20 \$M	FY19 \$M
Revenue	19.1	21.0
Reported profit (loss) before tax	1.3	(20.7)
Add: net finance costs	0.1	-
Add: depreciation and amortization	0.8	2.0
Add: impairment of intangibles	-	16.3
EBITDA	2.2	(2.4)
Add: share based payments	0.1	-
Add: Restructuring costs	0.2	2.7
Less: property rent as paid	(0.2)	- ¹
Underlying EBITDA	2.3	0.3
Underlying EBITDA excluding rent as paid	2.5	0.6

1. FY19 rent as paid \$0.3m included in FY19 EBITDA loss of \$2.4m

Earnings per share

Earnings per share for the period is as follows:

	2020	2019
Net profit (loss) after tax (\$m)	2.59	(19.45)
Earnings (loss) per share (cents)	1.39	(17.26)
Diluted earnings (loss) per share (cents)	1.39	(17.26)

3. NET TANGIBLE ASSET PER SECURITY

Net tangible assets per ordinary share: 1.04 cents per share. The Group has positive net tangible assets as at 30 June 2020.

4. ENTITIES OVER WHICH CONTROL HAS BEEN GAINED DURING THE PERIOD

None

5. ANY OTHER SIGNIFICANT INFORMATION NEEDED BY AN INVESTOR TO MAKE AN INFORMED ASSESSMENT OF THE GROUP'S FINANCIAL PERFORMANCE AND FINANCIAL POSITION

None

6. FOR FOREIGN ENTITIES, WHICH SET OF ACCOUNTING STANDARDS IS USED IN COMPILING THE REPORT

Not applicable.

7. COMMENTARY ON THE RESULTS

Refer to the financial report for CommsChoice Group Limited and its controlled entities for the year ended 30 June 2020.

8. STATUS OF AUDIT

The financial statements have been audited.

9. DISPUTE OR QUALIFICATION IF NOT YET AUDITED

Not applicable.

10. DISPUTE OR QUALIFICATION IF AUDITED

None.