



17 July 2018

Manager of Company Announcements
ASX Limited
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By E-Lodgement

Company Update

- **Preliminary FY2018 unaudited results at the top end of the revised guidance range following a strong June quarter of ERP renewals and project delivery**
- **JCS generated positive operating cash flows of \$1.6 million in FY2018 with a 30 June 2018 cash balance of \$4.5 million**
- **We continue to investigate M&A opportunities which will deliver long term shareholder benefits**

Preliminary FY2018 unaudited results

JCurve Solutions Limited (ASX : JCS, The Company) is pleased to provide its preliminary sales, revenue, EBITDA and NPBT results for the year ending 30 June 2018 (FY2018). Final audited results will be reported by JCS in late August 2018.

MEASURE	FY2018 GUIDANCE (*)	FY2018 PRELIMINARY UNAUDITED RESULT (**)(***)
Sales Income (**)	Range: \$12.0m - \$13.0m	\$12.6m
Revenue	Range: \$11m - \$12.0m	\$12.0m
EBITDA (****)	Range: \$0.6m to \$0.7m	\$0.7m
NPBT (****)	Range: \$0.5m - \$0.6m	\$0.6m

(*) Revised guidance issued 20 April 2018

(**) Not revenue as per the accounting standards and not reported in the statutory financial results

(***) The preliminary results outlined above are still subject to year-end audit.

(****) R&D is expensed as incurred under the Company's accounting policies. The above results include \$0.6m of expensed R&D (\$0.6m included in the revised guidance).

The Company has been consistently advising the market that our revenue profile for the growing ERP division is strongly skewed towards the second half of each year, particularly the June quarter (Q4). The Q4 result was at the top end of the forecast range with strong success with ERP customer renewals (particularly multi year



renewals) and more customer implementations completed by the end of the year than forecast with customers seeking to be go live ready for the start of the new financial year.

While achieving a successful June quarter project delivery result, the Company's deferred revenue balance still grew by \$0.5 million in FY2018, to \$2.7 million as at 30 June 2018. The deferred revenue balance reflects future revenue which will be recognised as ERP projects are delivered and Telecommunication Expense Management contracts expire and renew.

FY2018 Cash Flow Position and Performance

JCS was \$1.6 million operating cash flow positive in FY2018. The Company's 30 June 2018 cash position is \$4.5 million, a significant increase on the \$3.5 million reported in June 2017 and the \$2.7 million reported in December 2017.

The Company is pleased with the net \$1 million increase in cash in FY2018, particularly as it remains debt free. The net \$1.0 million increase in cash includes \$0.6 million which was paid for the acquisition of the Riyo software business in May 2018.

Since completing the acquisition of Riyo on the 31st of May 2018, the JCS team has focused on defining the go to market plan for the Riyo solution offering, building a team to launch and support the solution and re-engaging with two pre-acquisition enterprise trial customers. At this stage we expect the Riyo acquisition to be EPS accretive in 2HY2019.

With a strong balance sheet and operating fundamentals, JCS continues to assess acquisition opportunities locally and in Asia. Further information on the status of specific M&A opportunities will be provided at a time when JCS has advanced the opportunities to a stage where they are of a binding nature.

We will provide financial guidance for FY2019 after the release of the full year audited FY2018 results in late August 2018.

About JCurve Solutions:

JCurve Solutions is a trusted Australian technology solutions partner, listed on the ASX (JCS). The team at JCS utilise the power of the cloud to help customers make lasting, substantial improvements to their performance and grow into great businesses. Learn more: www.jcurvesolutions.com