



26 August 2019

Manager of Company Announcements
 ASX Limited
 Level 6, 20 Bridge Street
 SYDNEY NSW 2000

By E-Lodgment

JCurve Solutions' Annual Financial Results

Results for Announcement to the Market

The operating results for the year to 30 June 2019 are shown with comparisons to the previous corresponding period, being the year ended 30 June 2018.

	Year ended 30 June 2019	Year ended 30 June 2018	Percentage increase / (decrease) over previous corresponding period
	\$	\$	
Revenue	12,579,475	11,945,625	5% increase *
Earnings before interest, taxation, depreciation and amortisation (EBITDA)	852,589	979,931	13% decrease *
Net profit before tax	604,387	895,372	32% decrease *
Net profit after tax	338,114	847,267	60% decrease *
Profit from ordinary activities after tax attributable to members	338,114	847,267	60% decrease *
Net profit for the period attributable to members	338,114	847,267	60% decrease *

(*) improvement on prior period (relative movement)

Dividends

No dividends were paid during the financial year. The Board advises that it does not intend to declare a final dividend for the financial year, and it will consider reinstating the dividend policy in the future once expansion opportunities have been formally evaluated.

Net Tangible Assets / Earnings Per Share

	30 June 2019	30 June 2018
Net tangible assets per ordinary share for continuing operations	0.56 cents	0.61 cents
Basic profit per ordinary share for continuing operations	0.10 cents	0.26 cents

Independent Audit Report

The information outlined above is presented in accordance with ASX Listing Rule 4.3A and the *Corporations Act 2001 (Corporations Act)*. The Appendix 4E is based on the audited Annual Financial Report for the year ended 30 June 2019. The Independent Audit Report is included in the Annual Financial Report.

Accounting Policies, Estimation Methods and Measurements

All accounting policies, estimation methods and measurement bases used in the Appendix 4E are the same as those used in the previous annual report and half-year report.

Explanation of Result

Revenue increased 5% to \$12.6 million compared to \$11.9 million in the previous corresponding period. Revenue is in line with the updated guidance that was provided to the market in January 2019. The revenue result is in line with that reported in the July 2019 preliminary unaudited result.

The growth in revenue achieved by JCurve Solutions in FY2019 was through a combination of organic growth (2.3%) and growth following the acquisition of the Spectrum business (3%). JCurve Solutions was able to achieve 7% growth from the Australian NetSuite ERP division by minimising churn and maximising revenue through renewals and upsells. We continue to see a stabilisation of TEMS customer churn (15% overall decrease in TEMS revenue in FY2019) while a small amount of revenue was recognized from MYOB Advanced projects.

	Year ended 30 June 2019 \$	Year ended 30 June 2018 \$
Revenue	12,579,475	11,945,625
Net profit before tax (NPBT)	604,387	895,372
Earnings before interest, tax, depreciation and amortisation (EBITDA)	852,589	979,931
Net profit after tax (NPAT)	338,114	847,267

The financial performance for the year was an improvement on the corresponding comparative period with Revenue and a decrease from a NPBT, EBITDA and NPAT perspective.



Furthermore, the Group was \$0.3 million cash flow positive in FY2019, which was after \$0.3 million was paid to acquire the Spectrum Business in December 2018 and \$0.1 million paid to acquire an E-Commerce connector which has been capitalised in intangible assets. The closing 30 June 2019 cash balance was \$4.8 million. Having significant cash reserves while remaining debt free ensures that JCurve Solutions is well positioned to explore acquisition opportunities, the exploration of which remains ongoing.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Bruce Hatchman', with a horizontal line underneath.

Bruce Hatchman
Chairman