

1 August 2022

Business Update – Strong Financial Results Across All Key Financial Measures

Summary

- ✓ Record \$16.1m of sales (39% increase on the FY2021 result)
- ✓ Statutory revenue recognised of \$15.3m (44% increase on the FY2021 result)
- ✓ \$1.5m EBITDA (23% increase on the FY2021 result) noting that \$1.9m EBITDA would be the outcome without expensing the Rapid Thailand acquisition payment
- ✓ \$0.4m statutory profit before tax (40% increase on the FY2021 result) noting that \$0.8m statutory profit before tax would be the outcome without expensing the Rapid Thailand acquisition payment
- ✓ Unearned income of \$4.0m which increased by \$1.2m over FY2022
- ✓ Cash balance of \$5.1m as at 30 June 2022 with Jcurve cash flow positive for FY2022

JCURVE SOLUTIONS LIMITED (ASX: JCS) (Jcurve), the business transformation technology company, today reported a strong FY2022 trading result with the release of its preliminary unaudited results for the year ending 30 June 2022 (FY2022).

Our FY2022 preliminary unaudited results with a comparison between key reporting measures and the comparative FY2021 period is outlined below:

Measure	FY2022 Preliminary Unaudited Result	FY2021 Actual Result	Percentage increase/(decrease)
Sales income (*)	\$16.1m	\$11.5m	39%
Revenue (**)	\$15.3m	\$10.6m	44%
Unearned income	\$4.0m	\$2.8m	41%
EBITDA (***) (****)	\$1.5m	\$1.2m	23%
Net profit before tax (**)	\$0.4m	\$0.3m	40%
Cash Balance (**)	\$5.1m	\$5.1m	0%

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

(**) The turnover number reported in the statutory financial results

(***) Earnings Before Interest, Taxation, Depreciation and Amortisation

(****) Includes \$0.4m expense for the acquisition of Rapid Thailand

Final EBITDA at \$1.5m fell outside of our previously advised range due to the accounting treatment of the deferred acquisition payment to the Rapid Thailand seller during the financial year for the acquisition. Rather than being capitalised on the balance sheet and then amortised, accounting rules required us to expense the payment over the sellers consultancy period. As such, a \$0.4m net expense reduced both the EBITDA and net profit by this amount. Adding back this \$0.4m one off impact would have seen EBITDA within our advised range.

Pleasingly the key financial measures of success (sales, revenue, EBITDA and net profit before tax (NPBT) all increased significantly against the results achieved in the comparative FY2021 period highlighting Jcurve's transformation over the past year. The company remains debt free and continues to hold strong cash reserves, with a cash balance of \$5.1m as of 30 June 2022. The company was cash flow positive in FY2022, including the effect of paying cash for acquisitions and product development, and has increasing levels of unearned income (\$4.0m as of 30 June 2022) which will be released as projects and support are delivered.

The full-year audited results including detailed commentary on the results will be released in late August 2022.

This announcement has been authorised for release by the Board of JCurve Solutions Limited.

About Jcurve

Jcurve works collaboratively with ambitious organisations to drive growth through the effective use of technology. Serving as a trusted guide in an on-demand world, Jcurve helps build growing and resilient organisations to withstand market disruption.

From business management solutions and consulting services to field service management and digital marketing services – Jcurve is uniquely positioned to help organisations on their business transformation journey.

For more information, please visit www.jcurvesolutions.com.