



ICSGLOBAL LIMITED

ICS ASX RELEASE – 7th July 2020

Trading Update

On April 21 2020, ICS withdrew its guidance for the financial year ending 30th June 2020 (“FY 2020”) due to the uncertainty arising from the COVID 19 pandemic.

As reported in ICS’s H1 2020, trading pre-COVID 19 was consistent with the upper end of guidance which was a net profit after tax (“NPAT”) of between \$1.4 and \$1.7 million. However, due to the pandemic, as advised in the April update, Medical Billing and Collection (“MBC”) in the UK has experienced highly variable trading conditions during the last quarter of FY 2020. These trading conditions have seen a lower overall revenue, however, due to the prompt management response, including appropriate expense control, the MBC business has continued to trade profitably in the last quarter at a lower rate than the first 3 quarters.

ICS intends to release its audited FY 2020 accounts at the end of August 2020.

Subject to review and audit, the Board expects the FY 2020 NPAT to be approximately \$1.2 million, which is a 22% increase on FY 2019.

The Board is pleased to advise that in the month of June 2020, revenue levels have begun to improve, however, given the on-going uncertainty arising from the pandemic, ICS is not able to provide guidance for FY 2021 at this time. The Board will provide a further update on trading with the release of the FY 2020 result.

The Board wishes to acknowledge the efforts of MBC’s leadership and staff during this unprecedented period. They have responded quickly and constructively to the changing conditions.

ICS’s priority has, at all times, been the safety of the team and to date this objective has been achieved. All staff were transitioned to secure “working from home” arrangements. Where the staff qualified for the UK government furlough assistance MBC put furloughs in place. The staff are now being brought back to the office on a carefully controlled basis with a continuing focus on safety.



Notwithstanding the difficult trading environment, new customers continued to be added to MBC's book over the period and MBC is now hiring additional staff. Whilst hopeful that the uncertainties created by the pandemic are easing, the Board and management remain vigilant and ready to take appropriate action in response to the evolving situation.

Throughout this period, ICS has continued to maintain a strong balance sheet and cash position.

A handwritten signature in black ink, appearing to be "G. Quirk", written in a cursive style.

Greg Quirk
Company Secretary
For and on behalf of the Board of ICSGlobal Ltd.