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ASX ANNOUNCEMENT

01 July 2021

BEYOND INTERNATIONAL LIMITED (ASX: BYI)

TRADING UPDATE

Beyond International Limited provides the following update to its projected financial result for the twelve months ended 30 June 2021.

Management is expecting to report a significant improvement in both operational EBITDA and EBIT for the twelve months ended 30 June 2021 compared to that reported for the prior corresponding period. The EBITDA is expected to be in the range of \$5.8m to \$6.0m compared with \$1.2m reported in the prior year, and EBIT is expected to be positive in the range of \$1.2m to \$1.4m compared with a loss of \$2.0m before non-operating items reported in the prior corresponding period.

Covid-19 continued to have an impact on Beyond's operating result through the second half of the 2021 financial year. Beyond qualified and received Job Keeper through to the end of the scheme which helped to mitigate the delays in production schedules, both for internally produced titles and acquired from third party producers, and a continued hesitancy by travel business clients, particularly in New Zealand to recommence online marketing activities.

A total of \$2.1m in Job Keeper was received by Beyond in the 2021 financial year. Beyond has reinstated a further 25% of the salary reduction introduced in April 2020 and is hopeful to reinstate the balance in the coming months provided trading conditions continue. The current lockdowns in Australia are having a minor impact on the production schedules of new projects being produced in Sydney and the Gold Coast.

EBITDA and EBIT has been affected by the volatility in the value of the US dollar against other key currencies including the Australian dollar, British pound, and Euro since 30 June 2020, with realised and unrealised foreign exchange losses of \$1.3m expected for the full year. This compares unfavourably to the gain of \$0.3m for the corresponding period last year.

The Production division excluding Copyright is estimated to report an EBIT in the range of \$4.3m to \$4.5m which is an improvement in EBIT in the twelve months to 30 June 2021 of \$2.5m to \$2.7m compared to the result for the corresponding prior period, despite a number of key shows being deferred by Covid-19 during the 2021 financial year. Shows impacted include Pooch Perfect US, Deadly Women series 14 and Love It Or List It Australia series 4. Production on these shows were able to commence and complete after lockdowns ended by ensuring that each production was certified as being Covid safe.

Copyright is estimated to be \$0.8m which is lower than the prior corresponding period by \$1.5m due to the receipt of music royalties in the period to 30 June 2020 that did not occur in the 2021

financial year. Sales of internally produced programming such as Mythbusters and Deadly Women were lower than the corresponding period in 2020.

The acquisition of TCB Media in April 2020 has strengthened the Distribution division and is expected to deliver a significant improvement in trading results over the corresponding period last year. Despite restructuring costs of \$0.6m the division is expected to report a contribution of between \$3.4m and \$3.6m compared to \$1.6m for the prior corresponding period (excluding impairments).

The digital marketing division continued to be impacted by the Covid-19 lockdowns in New Zealand and Australia, particularly Victoria in the second half of the 2021 financial year. There are a number of major clients that operate in the travel industry and work from these clients has remained on hold during the twelve months to 30 June 2021. The difficulties in arranging face to face meetings with clients due to lockdowns and social distancing requirements has also led to a slowdown in pitching for new work. It is expected that the division will report an operating loss of \$1.1m, in line with the operating loss reported for the corresponding period last year.

It is not currently possible to give guidance on net profit after tax due to the complex and multi-jurisdictional nature of the Group's businesses in determining income tax expense for the year.

This announcement has been authorised for release to ASX by the Board of Beyond International Limited.

This announcement is made pursuant to Listing Rule 3.1.

All enquiries should be directed to:

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