



ASX Announcement

28 January 2020

Trading Update

Beacon Lighting Group Limited (ASX: BLX) wishes to provide the market with a trading update.

The Beacon Lighting Group has achieved a statutory Net Profit After Tax result of \$12.7 million in H1 FY2020 compared to \$11.6 million in H1 FY2019. The Group Net Debt has reduced to \$7.7 million at the end of H1 FY2020 from \$32.6 million at the end of FY2019.

The H1 FY2020 statutory result benefited from the profit recognised on the sale and leaseback of the Parkinson Distribution Centre (\$5.4 million profit after tax) and to a lesser extent, by the implementation of AASB 16 Lease Accounting (\$0.5 million profit after tax). These gains were partially offset by losses incurred relating to the closure of Beacon Energy Solutions (with a H1 FY2020 loss of \$2.3 million after tax compared to a H1 FY2019 profit of \$0.1 million after tax).

Excluding the impact of the Parkinson Distribution Centre sale, AASB 16 Lease Accounting and the closure of Beacon Energy Solutions, the Beacon Lighting Group has achieved the following underlying trading results in H1 FY2020:

- Group sales were \$123.1 million in H1 FY2020 compared to \$122.8 million in H1 FY2019
- Group gross profit margins were 64.7% in H1 FY2020 compared to 66.7% in H1 FY2019
- Group Net Profit After Tax was \$9.0 million in H1 FY2020 compared to \$11.5 million in H1 FY2019

The reduction in the underlying Group Net Profit After Tax was predominately caused by the movement in the AUD to the USD and the inability to immediately adjust prices to our customers during a period of soft consumer confidence. In addition, the relative underperformance of the Emerging Businesses also impacted upon the H1 FY2020 result.

Please note that the H1 FY2020 result is subject to review by the Group's auditors.

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Trading conditions have shown some improvement in FY2020 however continue to be inconsistent due to:

- Subdued consumer confidence
- Our customers in many states being affected by bush fires and varied weather conditions
- Slow but improving housing conditions

The Beacon Lighting Group continues to hold the dominant position in the Australian Lighting Market and is well placed to benefit from improved housing conditions in H2 FY2020.

Further Information

For further information please contact:

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(The person who authorised the release of this announcement was Glen Robinson).