
August 27th, 2020

Bendigo Telco Group FY20 Financial Results – A Year of Challenge

Bendigo Telco (NSX: BCT) today announced its results for the year ended 30th June 2020.

Highlights

- Underlying Profit After Tax for the year of \$1,787,942 – Underlying Profit After Tax represents results excluding non-cash impairments to intangible assets.
- Statutory Profit After Tax for the year of \$1,064,822
- EPS on Underlying Profit After Tax of 23.0 cents
- Gross Revenue decreased 8.9% from prior year to \$33,367,674
- Gross Profit Margin decreased 0.4% from prior year to \$16,714,972
- EBITDA increased 263.3% from prior year to \$4,647,404
- Strong cash flows from operating activities of \$5,902,307, an increase of 69.4% from prior year.

Reflecting on the past year, Bendigo Telco Board Chairman, Rob Hunt stated, “This year has been extremely challenging for all Australians. With drought still affecting many areas, the devastating bushfires and the onset of the COVID-19 pandemic, people, businesses, communities and the economy have all been significantly impacted”.

Mr. Hunt commented on the changing telecommunications industry.

“Our business was formed by locals 21 years ago to overcome shortcomings in the availability, pricing, adequacy and commitment from the major telecommunication providers to our local market and its businesses. Over the years, we have provided genuine competition, improved technical outcomes for local businesses and genuine pricing or access improvements by leveraging our combined buying base and partnering commitment”.

“Our focus today remains to provide improved outcomes for our customers and each of the communities we currently have the privilege to serve. We have successfully achieved our original objectives, while producing solid annual shareholder returns”.

“There clearly remains opportunities for us to add value at both the Regional customer level, and in Regional economic market outcomes. We will focus on areas where we can add strategic value and vital technical support across these markets, which, as stated are not prioritised by the major telco players”.

Mr. Hunt went on to explain the need for the Group to stay relevant and connected to its customers and communities.

“The business will continue to ensure that its vision, purpose and strategy remain relevant and aligned with our key focuses of investing in our team, ensuring a quality customer experience, committing to the success of our communities, streamlining our business operations and building financial strength for all our stakeholders”.

100 Gig City

The Group has undertaken a significant investment in uplifting its network between Bendigo and Melbourne with ultra-high-speed, high-performance fibre-optic infrastructure.

Mr. Hunt advised that “the commissioning of this 100Gbps connection will enable Bendigo to become a ‘One Hundred Gigabit City’ marking a transformational opportunity to enable digital connectivity which will drive innovation, attract new business across industry and support our community”.

This unprecedented work is well underway and will result in the City of Bendigo being the first regional centre with a local circular digital economy.

Following the successful implementation, our business will review future partnership opportunities for expansion into other regional centres.

Dividend

The Bendigo Telco Board has decided to declare a final dividend for the year of 9.5c. “This decision is reflective of our need to continue to foster a sustainable business model with a focus on long term prosperity for all our stakeholders,” Mr Hunt said.

For Further information please contact:

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About Bendigo Telco (NSX: BCT) Bendigo Telco, formed in year 2000, was established by a group of prominent Bendigo based businesses who wanted better access to competitive pricing and telecommunications technology. These businesses identified the disadvantages (market failure) that they as regional businesses faced when compared with their metropolitan competitors. Early analysis identified the need to create a locally owned and focused organisation to improve the telecommunications services, in terms of price, priority, competition, and access to essential infrastructure.

Now in its 21st year of operation, Bendigo Telco has played a major role in addressing these shortcomings as well as promoting a more competitive and responsive telco market in all the communities that we now support. The company continues to provide a broad range of telecommunications services to enterprise, business, and consumer customers across these Australian markets.