



ASX Announcement
25th March 2020

CROWD MEDIA CONTINUES FINANCIAL TURNAROUND IN Q3 FY2020

Despite what has been a turbulent period with the ongoing spread of the COVID-19 virus, the Board is proud to report that Crowd Media Holdings Limited (ASX: CM8 & FWB: CM3) (“Crowd” or “Company”) continues to perform in-line with expectations during the March Quarter FY2020.

Continuing on from its financial turnaround reported for the Half Year FY2020, Crowd Media is expected to deliver underlying EBITDA of circa \$60k for the March Quarter FY2020, following a near breakeven underlying EBITDA performance (unaudited) for H1 FY2020. Critically each month – January, February, and March of 2020 – has had a positive underlying EBITDA.

Importantly, Crowd Media is in a strong position financially to weather the current COVID-19 crisis with \$1 million cash at bank as at the end of this quarter. Revenue streams from the mobile division (Q&A and subscriptions tech platforms) are showing growth as a result of more digital entertainment being consumed by people staying home due to self-isolation.

In light of the highly warranted media focus on COVID-19, it is very difficult to draw attention to new branded consumer goods, especially in the luxury beauty space. Accordingly, the Company has opted to temporarily put its direct-to-consumer (DTC) initiatives on hold - specifically the selling of London Labs (www.thelondonlabs.com) and I am Kamu (www.iamkamu.de) brands - both of which were earmarked for February 2020.

We are exploring other verticals where we are seeing growth, particularly in the digital space. We believe there will be a tectonic shift from conventional retail (i.e. bricks and mortar) to digital during this crisis, and that once it is over it is unlikely that the pendulum will swing back to its original position. In the interim, as more people stay at home and access digital entertainment, and spend more time on social media, we are well positioned to take advantage of the consumption shift.

While the majority of Crowd Media staff are now working from home, loss of productivity is not anticipated as the Company is used to operating as a virtual organisation using all the latest technologies to maintain business continuity.

The Company is also taking advantage of the opportunity to further streamline operations and complete another round of cost-cutting. I want to assure Shareholders that I am committed to the financial turnaround of this Company. Results for the year to date are most encouraging. I am confident that we have, or will have, the right products. We are in a healthy financial position with cash in the bank. Our 3-yr plan is on time and on track. Finally, we have many years of experience in dealing with the unexpected; combined with our innate agility, we will ride out this global economic rollercoaster.

I would like to reiterate that Crowd Media has evolved into a business run (and part owned) by entrepreneurs. We look for (and dream up) great ideas, and then execute with vision, capital and passion. Within this pandemic we see a silver lining: there is a commercial opportunity buried in this disaster and we believe we know how to flush it out before it becomes obvious. Having invested in this Company, putting our own money on the line, we will do everything we can to continue building on Crowd Media’s success to the benefit of all Shareholders.

Crowd Media will provide further updates over the coming months.

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Chairman

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This announcement has been authorised for release to the ASX by the Board of Directors of CM8.

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ABOUT CROWD MEDIA

Crowd Media Holdings Limited (ASX:CM8 & FWB:CM3) is a global media and marketing company. Crowd Media has two divisions: a Mobile division built upon its Q&A and Subscription tech platforms to produce and deliver content including apps, games and music, and a Digital Marketing division which works with brands and digital influencers to deliver branded content primarily to the fast-growing Millennial and Gen Z markets.

Crowd Media's networks are strengthened by its partnerships with hundreds of mobile carriers internationally and some of the world's largest agencies, brands and media companies. The mobile division operates in more than 50 countries and 30 languages and the media division has worked with more than 10,000 digital influencers worldwide.