

2019

Annual General Meeting

12 November 2019

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Chairman's Speech

John Mackay

commschoice
cloud communications for business

Managing Director & CEO Speech

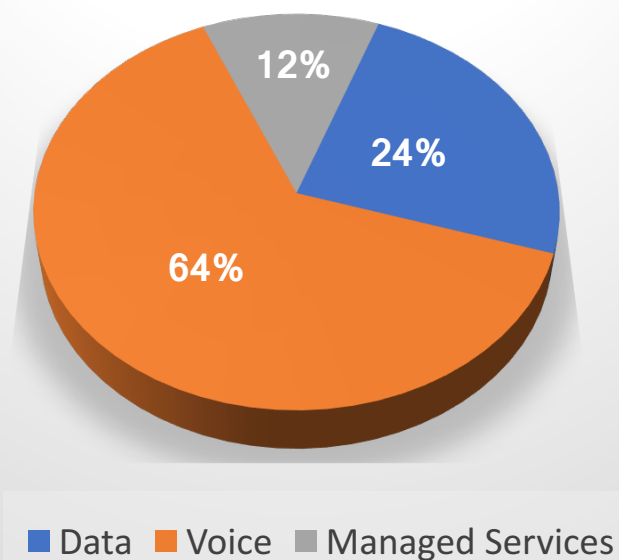
Peter McGrath



Financial Performance 18/19

\$M	FY19	FY18 (6.5mths)
Revenue	21.0	10.5
Cost of Sales	(12.0)	(5.8)
Gross Margin	9.0	4.7
Opex	(8.7)	(4.4)
Underlying EBITDA*	0.3	0.3
Restructuring Costs	(19.0)	(4.1)
EBITDA	(18.7)	(3.8)

Revenue Breakdown FY19



* EBITDA (underlying) excludes net interest, share issue and non-cash LTIP costs, depreciation and amortization and excludes restructuring charges mentioned in this presentation.

Balance Sheet 30 June 2019

\$m Group	30 June 2019	30 June 2018
Cash	0.4	1.7
Total assets	17.1	34.9
Borrowings	-	-
Total liabilities	(6.3)	(6.4)
Net assets	10.8	28.5
Equity attributable to members of the parent	10.8	28.5

Key Highlights

- Strong balance sheet – debt free
- Net cash/deposits of \$1.5m as at 31 Oct
- Adequately funded to support organic growth



Key Achievements – Last 6 Months

**Business
Restructure -
Announced June
2019**

Complete

**Cost Savings of
Circa \$2M
Implemented**

Achieved

**Greater Focus on
Indirect/
Channel Sales**

Strong Q1 sales
performance \$52k
MRR signed

**Development of
Ecommerce/
Online Ordering
Capability**

Phase 1 almost
complete –
Launch date Dec 2019

**Return Business
to Profitability**

Trading at EBITDA
positive level YTD in
line with
expectations

4 Pillar Growth Strategy

Strategy	Segments	Key Offerings
C Domestic Growth	SME Corporate Mid Market	Cloud business phone, MS Teams calling and SD-WAN offerings
C Wholesale Partners	Contact centre and IT service provider	SIP services, CTS and cloud business phone & MS Teams calling
C Overseas Growth	Corporate Multi-national	Global cloud business phone and MS Teams calling offerings to multi-site global customers
C Strategic Acquisitions	SME Corporate	SME telco services SD WAN & Managed IT services

Outlook

- ✓ Strong start to FY20 with new sales and monthly profit performance
- ✓ Continued positive EBITDA performance on monthly basis.
- ✓ Reaffirming FY20 guidance of EBITDA \$1.8m to \$2.2m.
- ✓ Cash at bank / deposits of \$1.5m at 31 Oct
- ✓ Majority of restructuring payments now finalised with circa \$0.6mil restructuring costs remaining

CCG Investor Metrics



Metric as as 8 November 2019	Value
Number of shares	190.4m
Share Price	\$0.066
Market capitalization	\$12.6m
Net (debt) / cash (31 Oct 19)	\$1.5m cash
Enterprise Value	\$11.1m
Performance Rights on Issue - 50% vesting at 12.5c per share - 50% vesting at 20c per share	17.6m

[illegible]