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ASX ANNOUNCEMENT

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BEYOND INTERNATIONAL LIMITED (ASX:BYI)

Managing Director's address to 2019 AGM: Trading Update

Beyond International Ltd (ASX:BYI) provides the following update on trading.

Television Production

Long running series provide the backbone of the production slate, with *Deadly Women* recently commissioned for its 14th season, and Foxtel commissioning *Selling Houses Australia* and *Love It Or List It Australia* in their 13th and 3rd seasons respectively. Beyond produced series *My Lottery Dream Home* has just commenced production on season 8 for HGTV in the USA.

New titles in production for 2020 include the 8-part drama series *Halifax Retribution* (Nine), *The Invisibles* (National Geographic), *The Secrets Of Beautiful Gardens* (Seven), *Holiday Gingerbread Showdown* and *Ultimate Cookies* (Food Network) and *Shark Island* and *White Hit Down Under* (Discovery).

Halifax Retribution stars Rebecca Gibney, Anthony LaPaglia and creator Roger Simpson will be attending C21 in London in December 2019 to showcase the series to international broadcasters.

A number of new projects have received development funding from broadcasters in the US and expectations are high that these projects will be commissioned for full series. There are also a number of titles that are currently in negotiation that are expected to commence production in the next six months.

The Production division also has a significant number of drama projects in the various stages of development that are projected to be produced in the 2021 financial year.

The strong production slate for the 2020 financial year is expected to improve the financial performance of the production segment in the current financial year.

International Distribution of Finished Programs

Executives from the Company attended the annual MIPCOM media market during October 2019. This market remains an important avenue for Beyond to showcase and license titles new to the international market.

Key programmes launched at MIPCOM 2019 include *Halifax Retribution*, *The Invisibles*, *The Secrets Of Beautiful Gardens* and children's programming including *Motown Magic*, *Dumbotz* and *Quimbo's Quest*.

A number of programme production initiatives are being developed in conjunction with third party producers to increase the number of titles available for distribution in FY 2021.

With the increased product pipeline for the 2020 year secured it is expected that the financial performance of the division will improve.

Home Entertainment

The Home Entertainment division (BHE) continues to face the challenge of a continued decline in the Australian physical media market. The Australian physical DVD market has declined by 23% in the 2019 calendar year to date, the rate of decline is significantly higher than predicted by the industry and by international accounting firms who report on the sector annually.

BHE has retained its position in the market with a 3% share.

The key franchises of Pokemon, AFL and NRL continue to sell well and the output supply agreement with A & E continues to provide unit volume and sales.

While revenues are expected to be below the prior year, it is expected that the full year trading position will be an improvement on FY2019.

Management and the Board are closely monitoring the performance of the business during the peak trading period leading into Christmas 2019 to assess the ongoing viability of the business.

Beyond D

The Digital Marketing division (Beyond D) continues to consolidate its market position in voice activation search and its relationship with Google.

Work is well underway on voice activated search for an American real estate franchise operator with over 3,000 offices in 49 countries, and other opportunities are opening up in the US which should benefit the second half of FY 2020.

The Australian and New Zealand markets are challenging due to a general slowdown in the economy which impacts the retail sector with key clients in this sector deferring decisions on new projects into the new year.

While Beyond D is well positioned to stay at the forefront of voice activated search, the slowdown in the local market will likely see the division underperform against the corresponding six- month period last year.

Conclusion

While the Company is expected to be cash flow positive in the 2020 financial year, management have conducted a comprehensive review of overheads across all areas of the business and have identified significant cost savings measures to be implemented over FY 2020 and FY 2021.

The Company will also continue to capitalise on its expertise and focus on the growing SVOD, AVOD and other “over the top” platforms to further enlarge and diversify its revenue base in the international sales and production segments.

The main objective of the above initiatives is to restore the long-term profitability and growth of the Company which is expected to take full effect from the 2021 financial year.

This announcement is made pursuant to Listing Rule 3.1.

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