



Quotable Value Limited 2019-2020 Audited Results

Quotable Value Limited		
	Preliminary Announcement to the Market 30 October 2020	Audited Results for
Reporting Period	30 June 2020	(12 months)
Previous reporting period	30 June 2019	(12 months)
	30 June 2020	30 June 2019
Trading Revenue from ordinary activities	\$NZ36.85m	\$NZ 34.17m
EBITDA & impairment	\$NZ 6.22m	\$NZ 1.41m
Impairment (Darroch goodwill)	NIL	\$NZ 0.49m
Profit (loss) before tax	\$NZ 3.98m	\$NZ (0.58)m
Profit (loss) from ordinary activities after tax	\$NZ 2.87m	\$NZ (0.56)m
Net profit (loss) after tax	\$NZ 2.87m	\$NZ (0.56)m
Dividends paid	\$NZ 0.24m	NIL
Dividend payment date(s)	July 2019	NIL

Commentary

QV has had an excellent year, with the financial results exceeding expectations in a particularly challenging environment.

All units across the business were performing extremely well up to March 2020, including Darroch following significant challenges in previous years. The COVID-19 pandemic, however, created a new environment for QV, particularly during the Alert Level 4 Lockdown. Our cost optimisation project, the ability of our people to be flexible in their work and our agility in meeting customer requirements were instrumental in being able to exceed budget this financial year and improve on last year's performance. Of particular note was the increase in our company valuation by 14% on last year – a fantastic achievement in the current environment.

Earnings before interest, tax, depreciation & amortisation, and impairment was \$6.2m against last year's \$1.4m. Revenue increased to \$36.9m compared to last year's \$34.2, driven by higher Rating services revenues. Operating expenses of \$30.7m, compared to last year's \$34.7m, resulted from a sustainable reduction in our cost base and the adoption from 1 July 2019 of IFRS16, the accounting standard for leases.

This year's results have highlighted how resilient and robust our business is. In particular, the benefits of our long term statutory valuation and property management contracts allowed this revenue to be largely unaffected by the issues of the COVID-19 environment. In comparison, our market valuation business units were severely impacted by the circumstances of the Alert Level 4 Lockdown. However, we were fortunate that this Lockdown period was relatively short, with the business recovering well and working hard to complete the backlog of work for our customers.

Our strong commercial approach in planning for the impacts of COVID-19, while undertaking an agile business response has resulted in our outstanding year-end financial result. New Zealand is passionate about property and we will continue to provide property intelligence in the property sector through our trusted brand.