

COMPANY ANNOUNCEMENT

05 June 2019

Reverse Corp Limited (ASX: REF) - Market Update

Reverse Corp Limited advises that based on interim unaudited management financial statements it expects EBITDA (earnings before interest, tax, depreciation & amortisation) of between \$100,000 and \$150,000 for the full year ending 30 June 2019.

The anticipated result reflects:

- 1800-Reverse call volumes declining as forecast. This business will close on 1 July 2019 as previously advised
- The combined online contact lenses business increasing revenue to over \$5m for the year with the EBITDA loss expected to reduce to \$100k from a loss of \$566k last year

As previously advised, the company has agreed the conditional sale of its online contact lenses business to Coastal Contacts (Aus) Pty Ltd for \$2,853,208, subject to customary adjustment mechanisms.

An Extraordinary General Meeting (EGM) will be held on 14 June 2019 seeking shareholder approval for the transaction with the Notice of Meeting sent to shareholders on 15 May 2019.

The company has also determined closure and run out costs of approximately \$762,000, primarily comprising redundancy and termination costs for employees as at 28 June 2019. This estimate is exclusive of the costs associated with the sale of the online contact lenses business of \$175,000 comprising legal fees and staff redundancies, as advised in the Notice of Meeting for the EGM.

Following the finalisation of these costs and expected completion of the online contact lenses business sale on 1 July 2019, the company now anticipates the fully franked special dividend, as proposed in the EGM Notice of Meeting, to be 2.9c per share.

The company continues to explore opportunities to sell the shell of the listed company that will have no operating businesses from 1 July 2019. The company will retain an estimated \$3m in franking credits after the anticipated special dividend is paid in July 2019.

By Order of the Board

Dion Soich
Company Secretary