

COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by AX Group p.l.c. pursuant to the Listing Rules, as issued by the Listing Authority:

Quote

Update - Approved final Audited Annual Accounts – YE 2019

On 13th February 2020, the Board of Directors of AX Group p.l.c. (the "Company") reported a profit for the reporting year amounting to €4.9 million, being €7.4 million (or 60%) lower than the forecast profit of €12.3 million reported in the Financial Analysis Report dated 22nd November 2019 ("FAS").

AX Group p.l.c.

Selected Financial Information (FY2019)

	Actual	Forecast	Variance
	€'000	€'000	€'000
Profit before tax	6,710	7,351	(641)
Taxation	(1,831)	4,929	(6,760)
Profit after tax	4,879	12,280	(7,401)

As shown above, the said variance is due to an adverse movement in taxation. In the FAS, the forecast financial information assumed a tax credit of €4.9 million primarily on account of the recognition of a deferred tax asset on investment tax credit relating to the Group's retirement home. Due to the losses incurred in FY2019 by the relevant subsidiary company, the stated deferred tax asset was not recognised, but will be accounted for once the said subsidiary company's financial performance improves to a sustainable profitable level.

Unquote



Dr. Edmond Zammit Laferla
Company Secretary

26th February 2020

Company Announcement
AXG07/2020

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