

SOCO Corporation Ltd (ASX:SOC)
Preliminary Unaudited FY23 Results

UNAUDITED FY23 HIGHLIGHTS

- Unaudited FY23 revenue of \$19.8M, up 47.5% on the prior corresponding period (pcp) and \$1.3M ahead of prospectus forecast
- Unaudited statutory FY23 Operating EBIT¹ of \$3.4M up 34.2% on the pcp
- Unaudited pro forma FY23 EBIT (including public company costs) of \$2.7M, lower than prospectus pro forma forecast of \$3.0M
- Unaudited statutory FY23 NPAT of \$1.5M is 3.4% ahead of prospectus forecast of \$1.4M
- Strong cash conversion of 108% (before IPO cash expenses)
- Cash on hand of \$6.4M, 13.2% higher than prospectus forecast
- Expanding client base with 4 new state government clients, and 3 new federal government organisations added
- Exceptional “Great Place to Work” score of 97% achieved in June 2023, an improvement of 300 basis points over June 2022
- Sales pipeline remains strong, now with an expanded offering that includes security and AI

SOCO Corporation Ltd (“Company” or “SOCO”), a leading Australian information technology services consultancy, is pleased to provide a trading update on its preliminary unaudited financial results for FY23.

FINANCIAL PERFORMANCE

Preliminary unaudited FY23 revenue of \$19.8M representing organic growth of 47.5% over FY22, and a 7.1% increase over the prospectus forecast of \$18.5M. This marks another record year of revenue for the Company.

Preliminary unaudited Operating EBIT¹ of \$3.4M represents growth of 34.2% over pcp despite some additional one-off costs incurred during the financial year.

1. Operating EBIT is a non-IFRS metric and is calculated as net profit before interest, IPO expense, public company cost, share-based remuneration, and taxes. These measures, which are unaudited, are important to management as an additional way to evaluate the Company's performance.

The Company's preliminary unaudited statutory FY23 NPAT of \$1.5M is 3.4% ahead of the prospectus forecast.

The Company has a strong cash balance of \$6.4M and reaffirms its dividend policy as stated in its IPO prospectus.

SOCO CEO, Simon Forth said *"We are delighted with the record revenue of \$19.8M, a 47.5% increase on the prior financial year and \$1.3M ahead of prospectus forecasts."*

2H FY23 OPERATIONAL UPDATE

In 2H FY23 SOCO's client base expanded in-line with expectations, including 4 new state government clients along with 3 new federal government organisations.

During this period the Company achieved a Great Place to Work score of 97%, an increase of 300 basis points.

With Microsoft's AI offering, Copilot currently in beta testing, SOCO has begun to expand its offering to include AI consulting. SOCO CEO, Simon Forth said *"Our expanded service offerings in the areas of Azure AI and information security have been extremely well received by our government clients. We expect our corporate sector clients will also take advantage of our wider range of services."*

OUTLOOK

The Company intends to build on a successful FY23 and continue to grow the SOCO team and operations across the country. In particular, SOCO will look for opportunities to expand in Melbourne, Sydney, and Perth.

The sales pipeline is consistently strong across all categories, especially in government.

SOCO continues to explore targeted merger and acquisition opportunities.

The Company expects to announce its FY23 full year audited results to the market on 24 August 2023.

This announcement has been authorised for release by the Board of SOCO Corporation Ltd.

FOR ENQUIRIES CONTACT

Simon Forth
Chief Executive Officer
simon.forth@soco.com.au

Steve Parks
Chief Financial Officer
steve.parks@soco.com.au

For media enquiries contact:
Grace Tiong
grace.tiong@soco.com.au

ABOUT SOCO

SOCO (ASX:SOC) is one of Australia's fastest-growing IT consultancies. SOCO's consulting teams solve business problems by applying and modernising IT systems to improve business processes - digitally transformational outcomes. Key to SOCO's success is the 4D methodology (Discover, Design, Deliver, Drive®), designed to place clients at the heart of the business, creating a genuine partnership every step of the way. SOCO's target markets include federal government, local and state government, along with large corporates. As a people business, SOCO seeks to maintain competitive advantage by creating exceptional employment experiences for our team.