



ASX RELEASE

CABCHARGE DELIVERS 1H18 RESULTS

- Fare turnover returns to growth
- Fleet size increases by 1,352 cars through Yellow Cabs Queensland acquisition and organic growth
- Significant technology initiatives successfully implemented throughout the half
- Yellow Cabs is delivering to expectations and providing further growth opportunities
- Directors declare a fully franked dividend of 4 cents per share

27 February 2018 - Cabcharge Australia Limited (Cabcharge, ASX:CAB) today announced results for the half year ended 31 December 2017 (1H18) and reported revenue of \$90 million, underlying EBITDA of \$18 million and underlying NPAT of \$7.2 million. On a statutory basis, Cabcharge reported a net loss after tax of \$5.1 million including a non-cash impairment charge of \$12.3 million on Taxi licence plates.

Cabcharge has followed through on its commitment to increase investment in marketing and technology in pursuit of its strategy to be Australia's leader in the growing market for personal transport. There are compelling signs the increased investment is delivering, with Cabcharge commencing the second half by achieving double-digit growth in fares processed from bank issued and third party cards compared to the prior corresponding period.

Commenting on Cabcharge's 1H18 result, Andrew Skelton, Cabcharge Managing Director and CEO, said: *"Focus, energy and investment are paying off at Cabcharge. With recent strong gains in payment turnover and the expansion of our fleet, the Company is positioned for growth."*

\$515 million in total fares were processed in 1H18, signalling a return to growth in this key metric. Spotto and Giraffe handheld terminals are driving growth in New South Wales and Victoria. Spotto terminals have now been released in Queensland and South Australia. In January 2018 we had deployed 5,252 handheld terminals and are targeting 8,000 of our handheld terminals to be in the market by June 2018.

Cabcharge's Taxi network business is growing substantially, with affiliated fleet size increasing by 1,352 cars in 1H18 to 8,729 cars, representing an 18.3% increase since June 2017. The acquisition of Yellow Cabs Queensland (completed on 31 July 2017) broadened the network's footprint and is performing to expectations contributing \$15.5 million in revenue so far.

Fleet growth is also being achieved organically where regulatory conditions permit. Affiliated fleet in Victoria increased by 383 cars in 1H18 which represents 12.1% growth since June 2017. In Sydney during 1H18, 32 licenses were released with all new cars expected to join the 13CABS network. Our network offering is winning customers as we continue to strengthen the value proposition for Drivers and Taxi Operators.

Cabcharge's increased investment in technology capabilities and software development is having an impact in the field. In the last half year, the Company released 53 new software versions for its payment devices, as well as delivering a number of successful technology initiatives including:

- Upgrades to 13CABS app functionality (contributing to a 4.7 star rating in Apple's App Store)
- Cabcharge and Alipay payment solutions
- A new voice recognition system for bookings which incorporates vehicle tracking technology



- CabAccess, a web portal designed for Taxi Operators to support their fleet management via access to booking information, Driver communications, fleet movements and trip metrics

CEO, Andrew Skelton, added: *“Our business is more tightly focused on customers in the personal transport industry and we are demonstrating a renewed commitment to technology and marketing. We have a business that is profitable, is generating cash, carries no debt, has an EBITDA margin of 20% and is now delivering growth in its key metrics of payment turnover and fleet affiliation.”*

Cabcharge’s marketing activities are supporting its core revenue streams of payments and network affiliation fees and were an important factor in delivering year-on-year growth in total bookings.

CEO, Andrew Skelton, said: *“The most pleasing aspect of our accelerating growth in payment turnover is that it is multifaceted. Our balanced payment strategies are delivering in multiple jurisdictions, even in states where we are not yet active in the handheld terminal distribution channel (such as Western Australia). We continue to extend the Spotto rollout with pleasing results and recently announced a partnership with Alipay to enable Drivers to offer an additional payment choice to Passengers.*

“We have negotiated a class-leading fuel discount for the 13CABS affiliated fleet which once formalised will provide significant value to Drivers and Taxi Operators. Together with our payments technology, branding, booking infrastructure, fleet management tools and increasing engagement with Drivers we have created a compelling value proposition for participants in the Taxi sector.”

OUTLOOK

The strategic investments Cabcharge is making in its business, particularly in Technology and Marketing, are impacting both the top and bottom lines.

Cabcharge’s strategy is being validated by accelerating positive momentum in payment turnover and by strong fleet growth where regulatory conditions permit. The favourable trends from 1H18 have extended into 2H18.

We are continuing to deliver enhancements to the value proposition for Passengers, Drivers, Taxi Operators and our Merchant Partners.

Cabcharge is taking a disciplined approach to examining its core and adjacent markets for opportunities to leverage its strengths and accelerate growth.

“Cabcharge is now emerging from its transformation program with accelerating momentum. The additional investments we are making in our world-class technology and marketing capabilities are improving our engagement with Passengers, Drivers and Operators,” continued Andrew Skelton.

“We are encouraged by the positive signs in our key metrics in both our payment turnover and Taxi network affiliations. Our operations now benefit from a deeper spread of activities across the value chain, no debt, and stronger effectiveness in technology and marketing. Our strategic investments are generating green shoots and we can see that the strategies they support are working to deliver sustained revenue growth.”

ENDS

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