



ASX RELEASE – IVE GROUP LIMITED (ASX:IGL)

20 June 2024

IVE Group reaffirms FY24 guidance

IVE Group intended updating investors on its FY24 YTD performance at the recent Bell Potter Emerging Leaders Conference, however, due to the passing of the Group's then Executive Chairman, Geoff Selig, and pending finalisation of resultant changes to board composition, the Company withdrew from the conference.

Following finalisation of the aforementioned board changes, IVE Group is pleased to provide the following update:

IVE Group reaffirms FY24 guidance and improvement in YOY material gross margin

The Group's Brand Activations and 3PL businesses are performing strongly, and catalogue and magazine (including Ovato acquired) revenues are in-line with expectations, however, softer economic conditions have impacted data driven communication (DDC) and commercial printing revenues during the current half. Nevertheless, commercial initiatives coupled with ongoing operating efficiencies are expected to contribute to a further uplift in FY24 material gross margin and EBITDA margin relative to FY23.

The Group reaffirms its FY24 guidance of EBITDA \$127m-\$132m, EBIT \$77m-\$82m, and NPAT of \$41m-\$44m, as outlined at the 1H FY24 results announcement.

Lasoo remains on-track to report a post-tax loss of \$4m, reflecting a near 20% annualised improvement in EBITDA relative to FY23, with annualised GTV run-rate revenue surpassing \$15m this month.

Net debt is expected to be around 1.5x pre-AASB 16 EBITDA (or circa 1.2x post-AASB 16 EBITDA) at 30 June 2024, consistent with the Group's previous communication.

Content creation expansion

As earlier foreshadowed (AGM 2023) in the Group's strategic growth initiatives, IVE has furthered the Group's ambition to expand its content creation offering and create a truly omni-channel value proposition, through the recent acquisition of Elastic Group, an independent creative agency employing 35 staff in NSW and Victoria. The business while strategically significant, has been acquired for a modest upfront contribution with the principals subject to an earn-out.

Elastic specialises in marketing strategy, creative and production, including TV commercials, video and motion content for digital and social channels as well as docu-series and has strong experience spanning the automotive, liquor, FMCG, property and tourism sectors with major clients including KIA, Dakin, Qantas, Ladbrokes, NSW Government and REA.



IVE Group Limited
ABN 62 606 252 644
Level 3
35 Clarence Street
Sydney NSW 2000
P+61 2 9089 8550
ivegroup.com.au

Premiums and merchandising - corporate uniforms

IVE's corporate uniforms business continues to demonstrate sound long term growth prospects. Recent high profile account wins include Reece, Queensland Government, and the Group is currently live-trialling IVE designed and procured uniforms for a major international food retailer with more than 100,000 employees.

IVE Group's Managing Director, Matt Aitken, stated: "Given an increasingly difficult economic landscape, I am pleased with the Group's YTD performance against the challenging financial targets we set at the beginning of FY24. In addition to completing the Ovato integration (ahead of schedule and on budget) and reaffirming the integration synergies, we completed the cornerstone acquisition of JacPak which I am pleased to advise is performing in accordance with expectations with cost and revenue synergy expectations unchanged. The recent acquisition of Elastic Group adds an important element to our Group offer that (along with data) will help us support our client's marketing mix - both offline and online - delivering a true omni-channel value proposition. I look forward to updating the market more fully on these and other initiatives when we report our FY24 result."

IVE Group intends reporting its FY24 result on Monday, August 26.

Matt Aitken
Managing Director

This announcement has been approved for release by the IVE Group Board.

Contact: **Tony Jackson, Investor Relations**

+612 9089 8548
+ 61 410 499 043

investors@ivegroup.com.au