

22 February 2021

ASX Announcement – H1 FY21 Results

Results

- Revenue of \$90.3m, up 7%
- EBITDA of \$16.2m, up 107%
- EBITDA⁽¹⁾ ex JobKeeper of \$11.3m, up 43%
- NPAT of \$7.7m, up 284%
- Operating cash flow of \$17.5m, up 59.3%
- Net Cash (Debt)⁽²⁾ \$6.9m, up from \$(4.4)m at 30 June 20
- 1.5 cents unfranked interim dividend payable 15 March 2021

Highlights

- Successfully transitioned in \$60m+ Western Power Infrastructure Managed Services contract, expect increased H2 contribution
- Secured Western Power Systems Integrator contract with no contribution in H1 ramping up in H2
- Empired top 4 clients on track to contribute > \$50m in FY21 and growing
- Sales Pipeline up 45% pc
- H1 actual sales⁽³⁾ up 34% pc

Outlook

- Full year revenue growth to be stronger than H1 revenue growth
- H2 EBITDA forecast to be greater than H1 ex JobKeeper
- Strong full year EBITDA to operating cash flow conversion
- Further increase in Net Cash and expect to declare a final dividend in line with our stated dividend guidance

(1) EBITDA excludes \$4.9m in government Job Keeper subsidy

(2) Net Cash and Net Debt excludes AASB16 Leases

(3) Sales are the first 12 months revenue of a sales order received in the reported period



Media Release

22 February 2021

Empired powers past COVID -19 with solid return to growth, indicates more to follow

Empired today released its first half FY21 results, announcing EBITDA of \$16.2m, Net profit after tax of \$7.7m and operating cash flow of \$17.5m. As a result, Empired has reported a Net Cash position of \$6.9m and declared a 1.5 cent interim dividend.

Russell Baskerville, Empired Managing Director and CEO, commented, "Our focus has been highly centered around partnering with our clients for success through an uncertain period whilst maintaining a disciplined focus across all levels of management on financial performance."

"We are delighted that this client centered focus has been valued by our clients and is evidenced through our rapid return to growth, the performance of our major clients continuing to expand services with us and a material jump in our client net promoter score over the last 12 months."

At the full year the company outlined a clear growth agenda on the back of a number of new client contracts and investments across the East Coast of Australia.

Commenting Mr Baskerville said "I am encouraged by the key indicators we are seeing across our East Coast operations with revenue up 9%, sales up 8% and our sales pipeline currently up some 117%. Equally as important are a number of key contract wins with new large clients that present incredible growth opportunities for the company across the East Coast of Australia."

"During the half we also seamlessly transitioned in the \$65m+ Western Power Infrastructure Managed services contract and secured a new material systems integration contract with Western Power. I would expect both contracts to underpin revenue growth in the second half."

The company has indicated a strong outlook with the overall sales pipeline up 45% and actual first half sales results up by 34% on the prior corresponding period.

Mr Baskerville said "We are seeing solid demand across all markets and key service lines and with a renewed focus and prioritisation on digital initiatives by our clients we anticipate this will continue for some time."

In closing Mr Baskerville said "I would like to thank all of our stakeholders for their genuine support, I am not only encouraged but excited by the future of our industry and look forward to achieving great success together."

ENDS

This document has been approved by the Board of Directors

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About Empired Limited

Empired Limited is an international IT Services Provider with a broad range of capabilities and a reputation for delivering enterprise class IT services and solutions. Established in 1999, Empired is a publicly listed company (ASX: EPD) formed in Western Australia.

With a team of over 1,000 people located throughout Australia, New Zealand, North America and Asia, Empired has built a reputation for service excellence and is a leading provider of business technology solutions to both government and private sectors. We work with clients, leveraging technology solutions to deliver their organisations improved efficiency, productivity and competitive advantage.

Empired provides a broad range of services enabling 'end-to-end' advice and solutions assisting our clients through their digital transformation journey and ensuring robust ongoing lifecycle management.

Our flexible service delivery approach and “can do” attitude has enabled Empired to secure clients that range from medium size entities through to some of the world’s largest long standing enterprise’s accounts with services delivered across Australia, New Zealand, South East Asia and beyond.

Important notice re forward looking statements

Certain statements made in this communication, may contain or comprise certain forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, and business and operational risk management. The Company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today’s date or to reflect the occurrence of unanticipated events.