



Empired Ltd

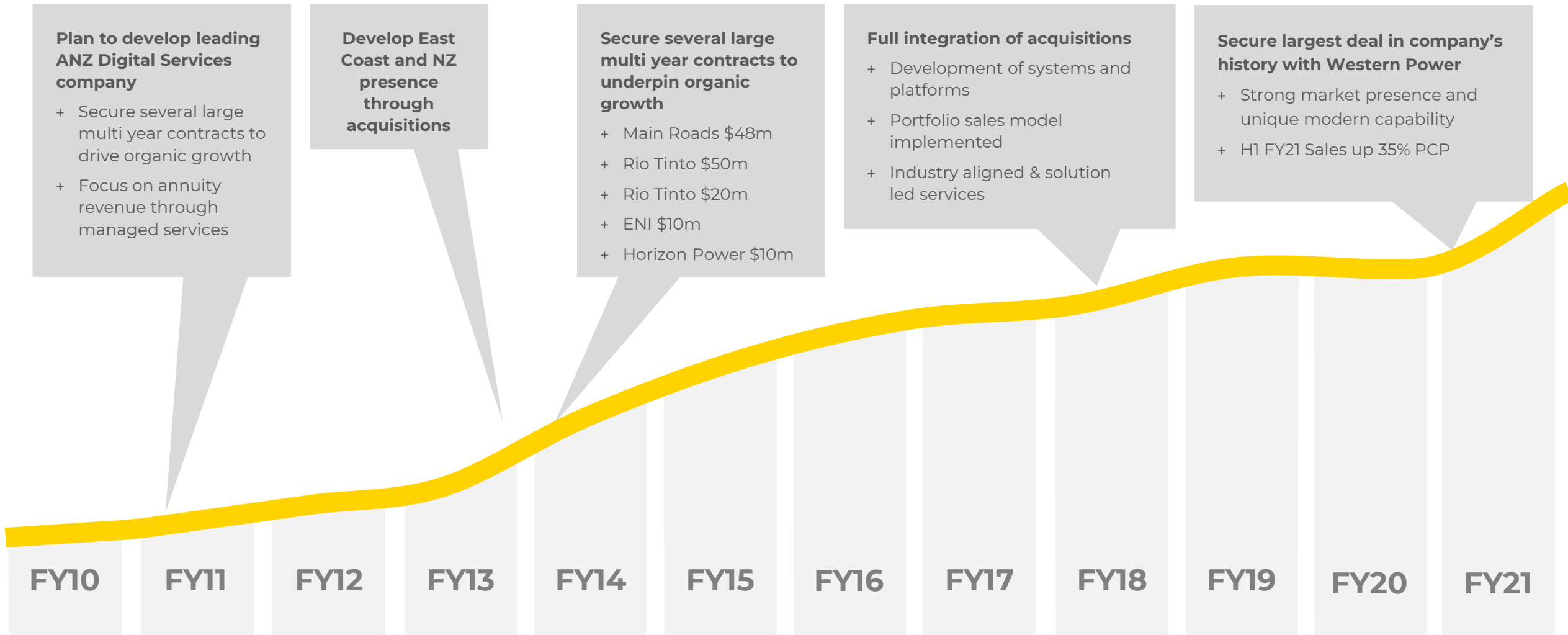
A Focus on Growth

COFFEE 
MICROCAPS

Further information contact – Russell Baskerville MD & CEO | This document has been approved by the Board of Directors

 **empired**

A History of Growth





ANZ Digital Powerhouse



Empired (ASX:EPD)

Modern
Workplace &
Security

Digital & Data

Business
Applications

Cloud Platforms

**Leveraged to
growth segments
of the market**

Competitive Advantage

Digital Transformation
to Digital Operations

Industry based
software & solution
accelerators

Deep end-end
Microsoft Expertise

**Unique
differentiation**

International Reach

~1,000 people

Australia

New Zealand

USA

**Scalable
platform**

Sticky Predictable Revenue

Multi-year services
contracts

High repeat revenue
from long term clients

Recurring Software as
a Service (SaaS)
Revenue

**Long term
value drivers**

Strong Growth Platform

Attractive market
thematic

\$30B+ market

Extensive capability

Scalable platform

**Double digit
EPS growth FY21**

Delivering on Performance

H1 FY21 Results

- + Revenue of \$90.3m, up 7%
- + EBITDA of \$16.2m, up 107%
- + EBITDA⁽¹⁾_(ex JK) 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

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

(2) Net Cash and Net Debt excludes AASB16 Leases

**H1 Revenue of
\$90.3m**

up 7%

**H1 Net profit after
tax of \$7.7m**

up 284%

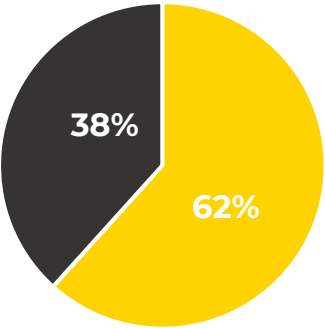
**H1 Operating cash
flow of \$17.5m**

up 59.3%

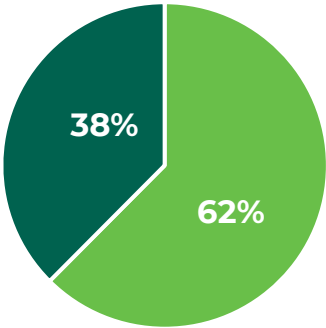
Revenue Breakdown

H1 FY21

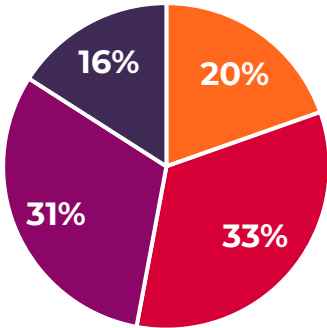
Country



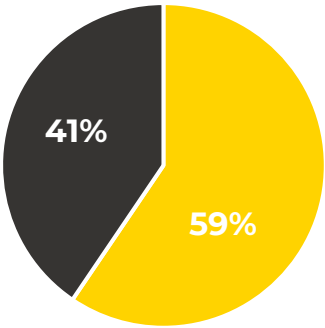
Services/Operations



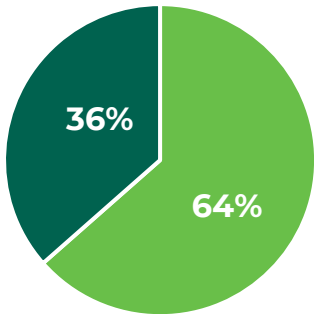
Business Unit



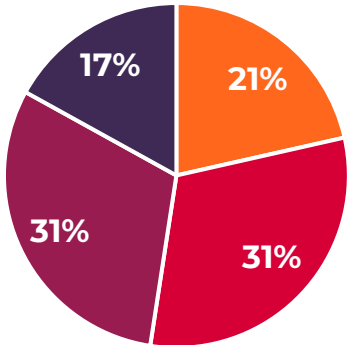
H1 FY20



■ New Zealand ■ Australia



■ Operations ■ Services



■ Platforms ■ Modern Workplace & Security
■ Digital, Data & AI ■ Business Apps



Strategic 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 accounts on track to contribute > \$50m in FY21 and growing
- + H1 actual sales up 34% pcp
- + Sales Pipeline up 45% pcp



Microsoft

A Huge Growth Opportunity

A powerful partner

Microsoft is the largest software company in the world with a market cap of circa US\$1.7 Trillion

Generating US\$143 Billion in Revenue up 15%

Supporting tens of millions of clients globally transition to the intelligent cloud



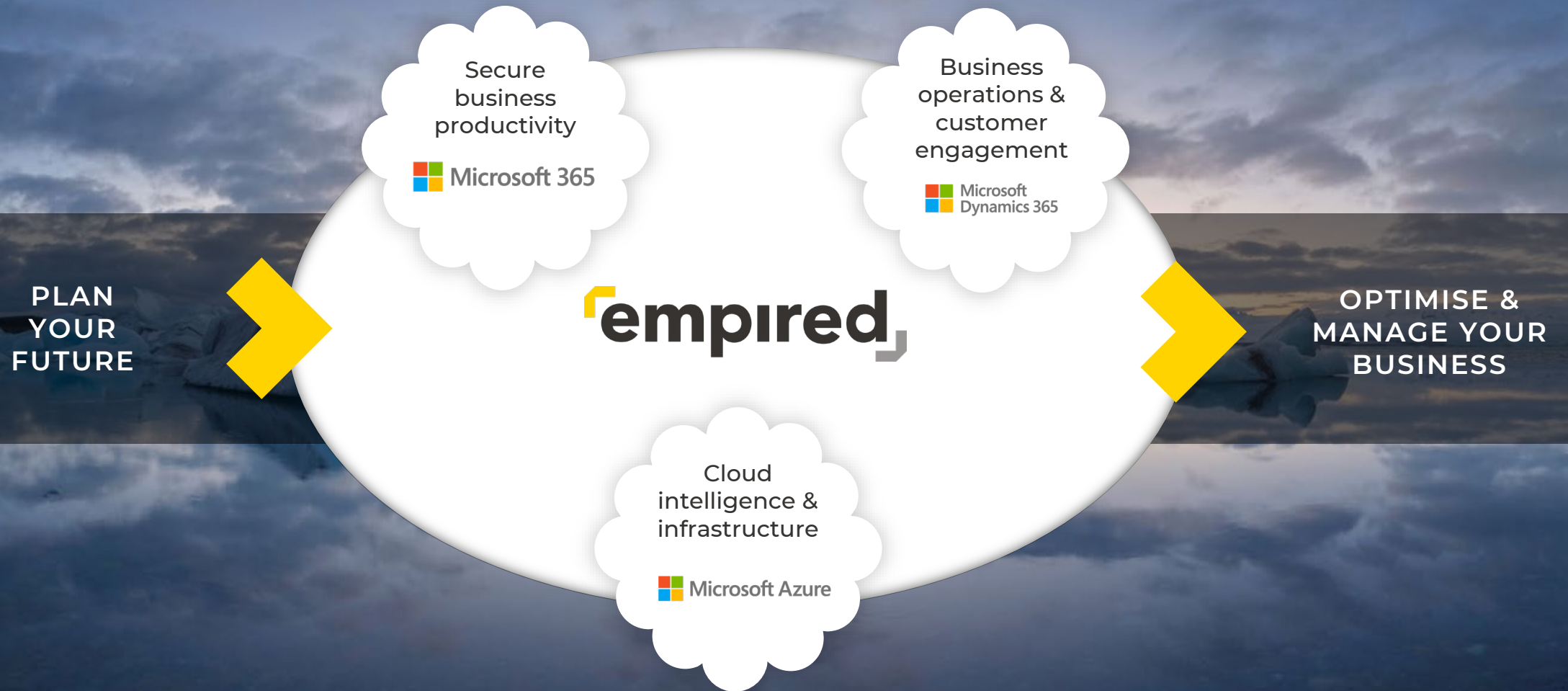
Empired's unique position

Local market expertise & agility

Deep capability across the entire Microsoft platform

Extensive capacity c1,000 MS cloud professionals

The connected clouds



BRINGING THE CONNECTED MICROSOFT CLOUDS TOGETHER TO HELP YOU CREATE BETTER BUSINESS

Our Microsoft credentials

Gold
Microsoft
Partner

Azure
Expert
MSP

WE BUILD CONTINUOUS VALUE,
IN THE **CONNECTED CLOUD**

Microsoft 365

Microsoft
Dynamics 365

Microsoft Azure

WE EARN OUR
EXPERT STATUS

Through our expertise,
insight and innovation, we
create the best outcomes
for our customers.



Microsoft
Partner

Gold Cloud Platform
Gold Enterprise Mobility Management
Gold Windows and Devices
Gold Security

Microsoft

Content Services
Partner Program
Charter Member

Microsoft
Partner

Gold Messaging
Gold Communications
Gold Collaboration and Content
Gold Cloud Productivity

Microsoft
Partner

Gold DevOps
Gold Application Development
Gold Application Integration

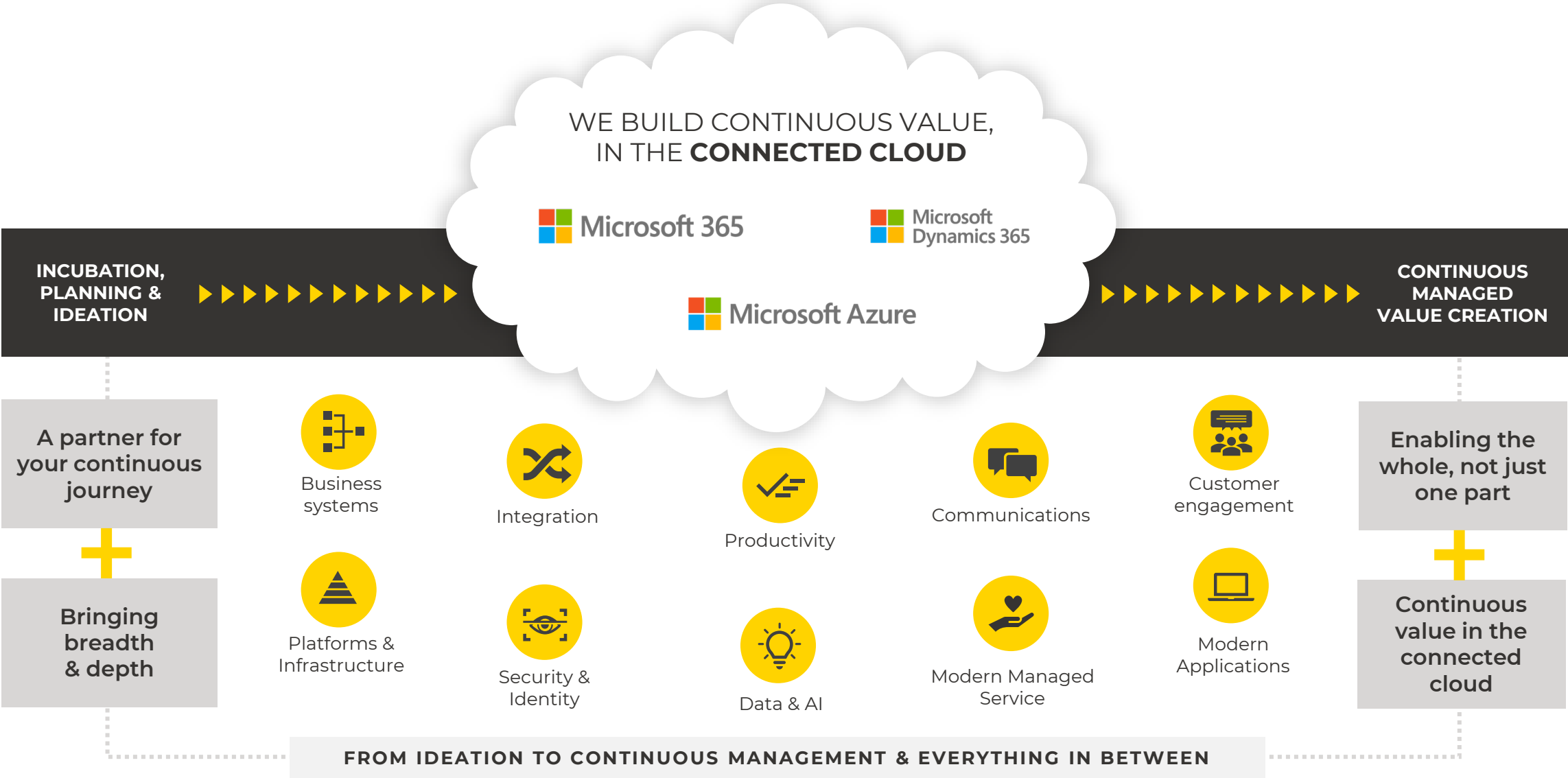
Microsoft
Partner

Gold Enterprise Resource Planning
Gold Project and Portfolio Management
Gold Small and Midmarket Cloud Solutions
Gold Cloud Business Applications

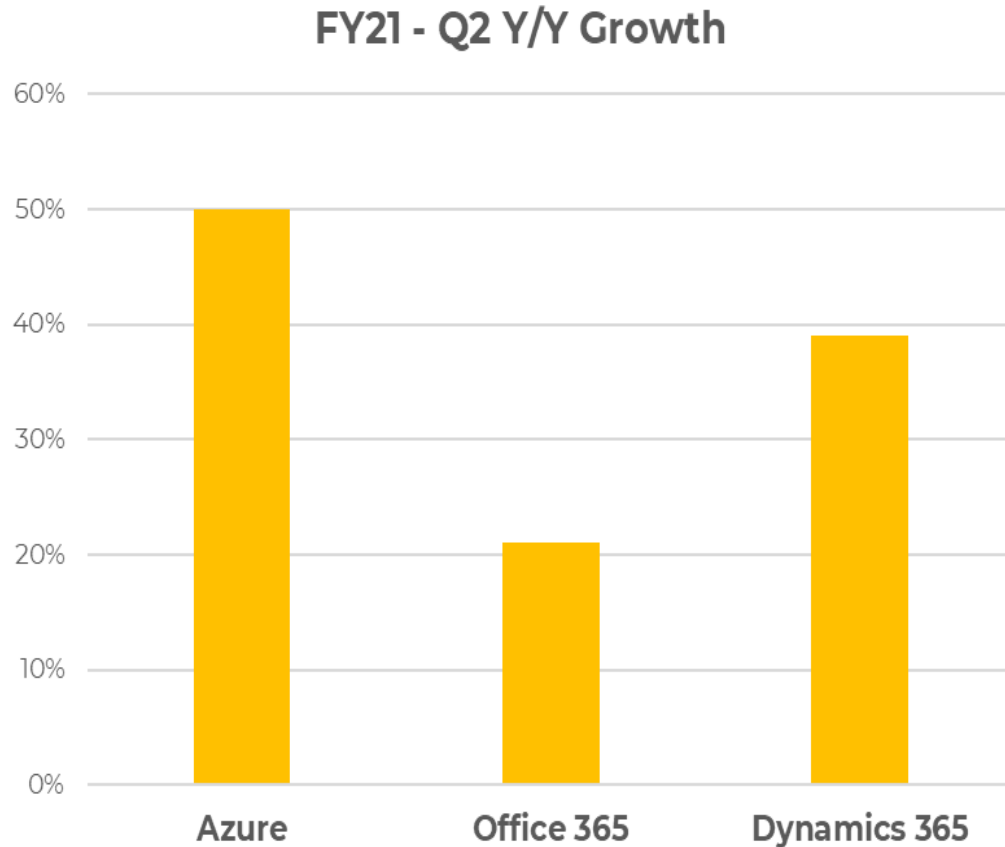
Microsoft
Partner

Gold Data Analytics
Gold Data Platform
Gold Datacenter

Our value proposition across the connected clouds



Connected Clouds driving Microsoft's performance

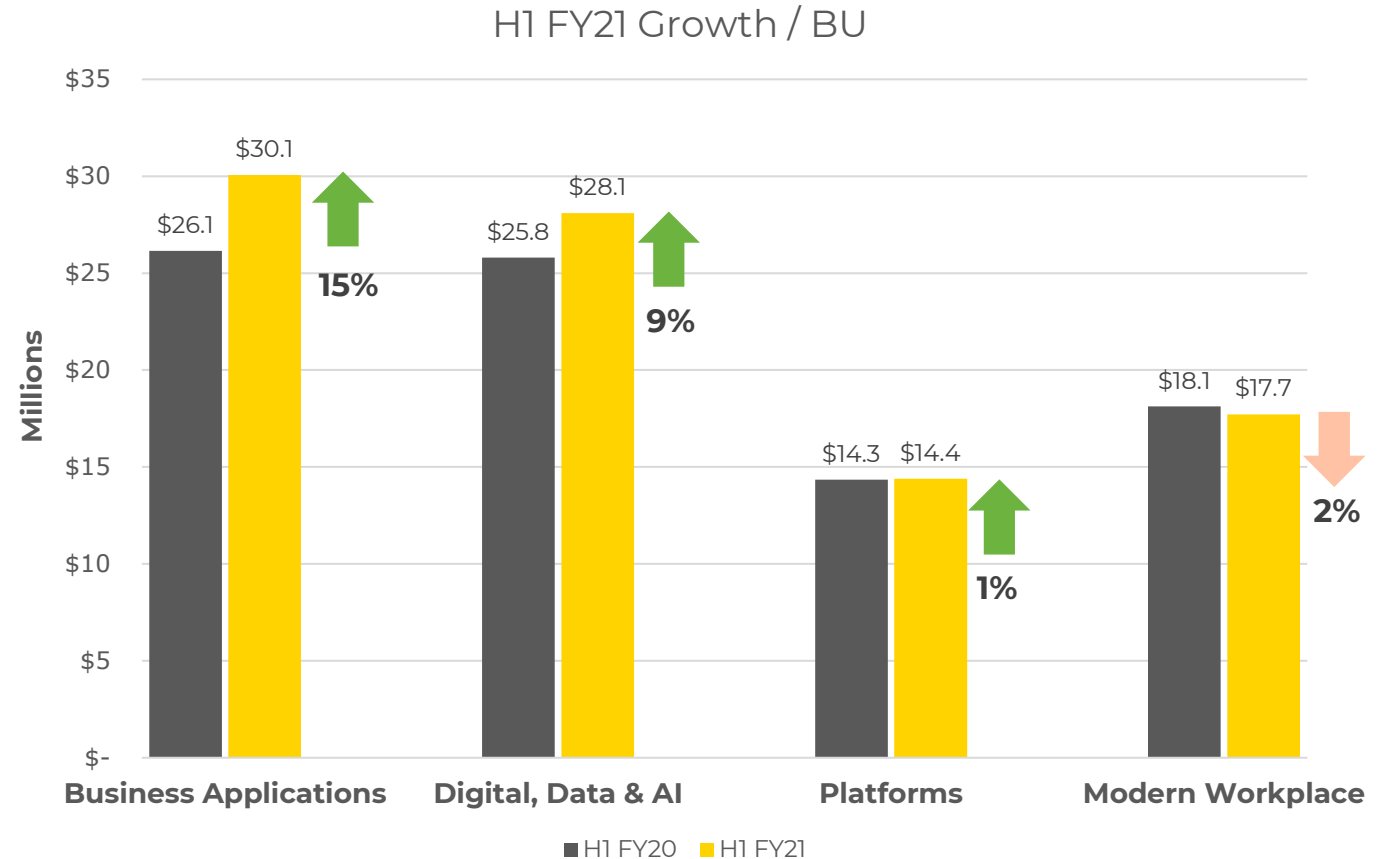


- + Microsoft is consistently delivering sustainable year on year growth across its core cloud offerings
- + The adoption of these products and services is generating material long-term demand for Microsoft services partners and systems integrators
- + With over a 1,000 Microsoft professionals Empired is uniquely positioned across the three Microsoft connected clouds to capture significant revenue growth across the ANZ region
- + Building Microsoft capabilities remains a key growth strategy for many of the large global systems integrators

H1 FY21 Microsoft Performance and Results <https://www.microsoft.com/en-us/Investor/earnings/FY-2021-Q2/press-release-webcast>

Translating into growth for Empired

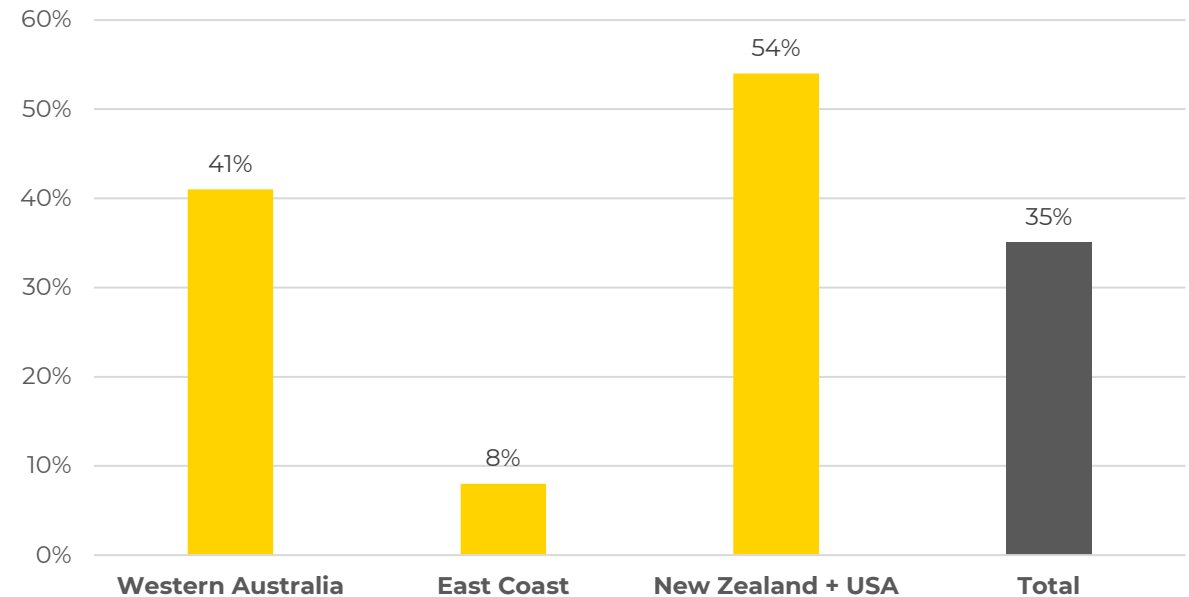
- + Strong Business Applications growth forecast to further strengthen in H2 with an outstanding pipeline of material contract opportunities and an increasing team size
- + Digital, Data & AI growth forecast to increase into H2 with the new Western Power SI contract announced November 20 commencing ramp up in H2 (no contribution H1)
- + Platforms growth will accelerate in H2 as Western Power managed services contract further expands
- + Modern Workplace forecast to remain flat in H2



Combined with strong sales

- + Record sales results in H1 with 35% growth on PCP
- + Outstanding performance across Western Australia and NZ driven through demand for Business Applications and Digital Solutions
- + Strong demand being generated from our strategic and government clients
- + Australian East Coast had a number of key deals slip in Q2 and is forecasting a record Q3 and H2 sales result
- + ***Australian East Coast Sales pipeline up 116% on PCP***

Sales - PCP Growth

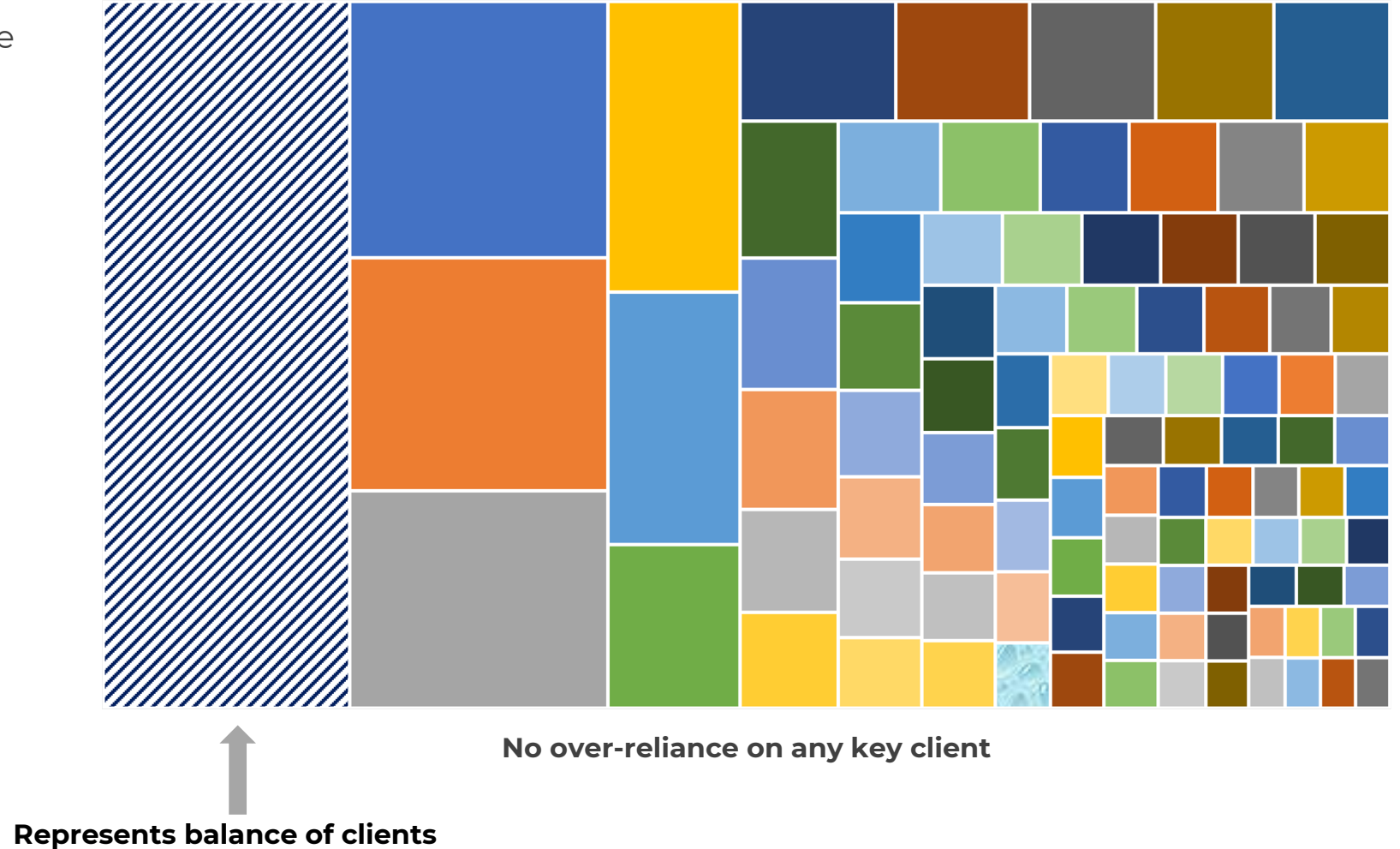


Sales are the first 12 months revenue of a sales order received in the reported period

Plus enviable client growth opportunity

Revenue diversity – balance of clients

- + Top 4 clients on track to contribute approximately \$50m in FY21
- + Excellent client diversity with a large number of multi-million dollar clients below our top 4
- + Key clients continuing to grow with Empired through expanded services
- + Latest Client Net Promoter Score (NPS) of +43



Outlook & Forecasts

- + Demand for digital solutions accelerating
- + Tightening labour market
- + Technology industry consolidation happening at pace
- + Clients seeking long-term full-service partners

MARKET

- + Focus on client partnerships
- + Leverage our breadth of service capability and solution IP
- + Invest in our people ensuring high levels of retention and engagement
- + Capitalise on unique growth opportunity

RESPONSE

- + Full year revenue growth to be stronger than H1 revenue growth
- + H2 EBITDA forecast to be greater than H1 ex JK
- + Strong full year EBITDA to operating cash flow conversion
- + Increase in Net Cash
- + Expect to declare a final dividend
- + Dividend policy to pay out 30% to 40%, moving to a pay-out ratio in excess of 50% in the medium term

RESULTS

THANK
you

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