

Techniche Limited

Techniche Limited (ABN 83 010 506 162) and its Controlled Entities

28 February 2017

MARKET UPDATE

The company advises that it has revised its full year guidance and expects the profit after tax from operations (NOPAT) to be between \$1.2m and \$1.4m.

This result is mainly due to a subdued performance from the 50% owned investment in Statseeker and a flat to slightly lower level of project work from subsidiary company ERST. While the Board remains confident in the future prospects for Statseeker, in the short term its profit is being influenced by a slower half of new business sales and higher costs from increased level of marketing and attendance at trade shows. Subsidiary company Urgent Technology expects to return to profits in the second half as a result of recent new business sales, a seasonally stronger period from existing customers and the benefits from recent structural cost reductions.

Furthermore, there remain a number of prospects that the Company and its subsidiaries are working on that may improve the full year result, however the timing and outcome of these prospects remain uncertain and the Company will give a further update should these projects become more advanced.

The Board remains confident in the overall strategy of the Company and expects FY2018 will see improved results from both Statseeker and Urgent Technology. Techniche continues to assess its overall portfolio including potential acquisitions and expects progress to be reported to shareholders during the 2017 calendar year.

URGENT TECHNOLOGY AWARDED NEW CONTRACT VIA PARTNERSHIP AGREEMENT

Urgent Technology, a wholly owned subsidiary of Techniche Limited, has been awarded a new multi-year contract by a leading South African petroleum retailing brand¹ as part of a joint proposal with a strategic partner². This is the maiden contract secured under the cooperation agreement and is an endorsement of the active business development programme undertaken in the past year. With a growing pipeline of joint opportunities we now expect this partnership to flourish as we move forward and expect to make more details public in due course. This contract is not expected to make a material contribution to group earnings in the current fiscal year.

The partnership offers companies operating retail networks of any kind at regional, country, continental or multi-country level a powerful joint maintenance management solution. It incorporates our partner's international network capacity and experience in the management of capex and opex projects worldwide and the powerful eMaintenance+ platform from Urgent Technology. From call handling to full management of the maintenance process, the model delivers efficiency and cost savings and is ideal for companies considering outsourcing maintenance management services at any geographical level.

This cooperation agreement considerably strengthens the capabilities of both companies by combining the recognized management expertise of our partner's teams in multi-site projects, its geographical coverage and capacity to operate worldwide, and the power of Urgent's web-based user friendly model that makes maintenance planning and implementation of multiple sites networks efficient and straightforward.

¹ Name withheld due to confidentiality reasons.

² Name withheld due to confidentiality reasons.

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John Lemon
Company Secretary

About Techniche

Techniche Limited (ASX: TCN) is a listed investment company headquartered in Brisbane, Australia. We acquire, manage and build niche business-to-business (B2B) software & services companies. These businesses develop and deliver proprietary software solutions that serve critical needs in the day-to-day operations of our customers. Techniche employs an active management approach by working with and incentivizing management, to successfully grow our businesses in Australia and around the world both organically and via strategic acquisitions.

Contact

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