



ASX Release  
8th July 2021

## COMPANY UPDATE

FOS Capital Ltd (ASX:FOS) is pleased to provide the following update, after our ASX listing on 7 June 2021, having completed our initial public offering (IPO), that raised \$3 million.

### Highlights of FY21

- Sales increased 47%, to \$8.1 million
- Profit before tax (excluding IPO costs) approximately \$1 million
- Order book increased 164%, to \$3.8 million
- Active quotes increased 147%, to \$42million
- Employee numbers rose 92%, to 50, including five new senior sales executives
- Completed the JSB restructure, and its integration into FOS
- Reduced the JSB cost base by \$2.2 million
- Cash position at 30 June was \$3 million
- Appointed the exclusive distributor of Pixon Technology X series LED Display screens

### Snapshot

Our second year has been both exciting and productive with the acquisition of JSB Lighting and our listing on the **Australian Securities Exchange (ASX) in June 2021**. FOS has now created a national business, with 50 staff and 14 product ranges, three of which are Australian manufactured in our Brisbane facility. Sales have increased from \$4.2M (FY19) to \$5.5M (FY20) and \$8.1M (FY21). The company's profit before tax will be approximately \$1 million (excluding IPO costs), a figure that includes the contribution of JSB from 1 February, when FOS took full ownership. Our order book is at a record high, with current orders on hand of \$3.8 million, which represents a 164% increase from the same time last year. With a strong debt-free balance sheet, the building blocks are now in place to scale the business to the next level. The final results are subject to audit.

Over the course of the year the company has won a number of major projects including:

• Ritz Carlton (VIC)	• Netwealth Offices (VIC)
• Prince of Wales Hospital (NSW)	• Vic Pride (VIC)
• ANZ offices (VIC)	• Charter Hall (VIC)
• V-Line (VIC)	• Yatala Prison (SA)
• Cardijn College (SA)	• Foxwell State College (QLD)

### IPO

The company undertook an IPO to list on the ASX, that raised \$3 million at 25 cents per share. The offer was well-supported resulting in early closure and the scale-back of oversubscriptions. We welcomed more than 400 new shareholders, who have joined us on this exciting growth journey. Given the demand shown through the capital raising we were surprised and disappointed to see the share price trade below the 25c issue price. We can assure shareholders that business outlook is positive and we will be fighting to build value over the coming period. The funds raised will be used to grow both organically and by acquisition.

### JSB Lighting

The second half of the year has seen the completion of the integration of JSB Lighting into FOS as we now operate as one entity resulting in additional efficiencies. Total annualised costs that have been removed now exceed \$2.2 million. The restructuring has included moving the JSB Brisbane factory into the FOS manufacturing facility in Brisbane, the relocation of another three sales offices and warehouses, the merging and upgrading of IT systems, internalizing the marketing functions, rationalizing product ranges, and reducing staff numbers.

### Pixon

We are very pleased to announce FOS has been appointed the exclusive distributor of Pixon's Premium X series LED display screens. Pixon is well-known for its broad range of high-quality LED screens for use in both indoor and outdoor signage applications. The addition of this product range adds a new vertical and expands FOS's product offering beyond LED lighting; the Pixon range is well-suited to the project specification market in which FOS specialises.

### Outlook

With an experienced management team in place and an increasing pipeline of projects the company is in a strong position to leverage-off increased spending from government infrastructure projects and a generally strong commercial construction industry.

With our ASX listing bedded-down, JSB fully integrated and our financial metrics all heading in the right direction, we believe that FOS is very well-placed to build on all of these strengths. We intend to acquire more businesses that can deliver synergies to our company, and that can, in turn, deliver EPS growth and compelling returns to FOS shareholders.

Further Information:

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