

ASX RELEASE – IVE GROUP LIMITED (ASX:IGL)

26 August 2024

Financial results for the Year Ending 30 June 2024

IVE Group Limited is pleased to announce its financial results for the year ended 30 June 2024 (FY24).

Excluding non-operating items, the Group's underlying result was consistent with guidance with all key profit metrics up on a strong prior corresponding period (pcp).

Key underlying¹ financial performance indicators for the year include:

- Revenue \$969.9m, up 0.3% from \$967.4m pcp
- Material gross profit margin, 46.7% up from 45.1% pcp
- EBITDA \$127.8m, up 7.5% from \$119.0m pcp
- NPAT \$43.0m, up 8.4% from \$39.7m pcp, impacted by higher net finance costs
- EPS (NPAT) 28.0¢ps, up 5.8% from 26.4¢ps pcp
- EPS (NPATA) 30.2¢ps, up 6.1% from 28.5¢ps pcp
- Operating cash conversion to EBITDA 114.0%, up from 65.7% pcp
- Net debt \$131.0m, up modestly from \$124.2m at 30 June 2023, primarily reflecting funding of the JacPak acquisition (\$28m) largely offset by the strong increase in operating cash flow
- Stable fully franked final dividend of 8.5¢ps (FY24 dividend of 18.0¢ps, stable on pcp)

IFRS NPAT was \$27.6m, up 61.0% from \$17.1m pcp.

Commenting on IVE Group's FY24 performance, IVE Group's Managing Director, Matt Aitken said:

"Given an increasingly difficult economic landscape, I am very pleased with the FY24 result which was consistent with the targets we set at the beginning of FY24. In addition to completing the Ovato acquisition ahead of schedule and reaffirming the integration synergies, we completed the acquisition of JacPak which is performing in accordance with expectations with cost and revenue synergy expectations unchanged. Lasoo's continued strong outperformance of its original business case is particularly encouraging and warrants ongoing investment that is expected to deliver a material increase in platform scale and value."

1 The underlying results are on a non-IFRS basis, exclude various non-operating items (as reconciled in the Appendix 4D and the Investor Presentation) and are not audited or reviewed.

2 NPATA – NPAT excluding amortisation of acquired customer contracts.

FY25 outlook and guidance

Underpinned by the diversity of the business, the expected emergence of the full run-rate of Ovato synergies and an incremental contribution from JacPak, the Group's FY25 underlying earnings guidance range is as follows:

- NPAT \$45m-\$50m

Significant items excluded from guidance and underlying earnings include the following:

- Lasoo operating loss similar to FY24; and
- Restructure and integration costs of around \$2.5m.

As part of a continual review of capital management options, the Group's dividend is expected to be held steady at 18.0 cents per share in the short-to-medium-term:

- Reflecting the already substantial dividend payout/yield; and
- To preserve cash to pay down senior debt and/or other capital management initiatives.

While diversification (typically through acquisition) remains a core element of IVE's growth strategy, there is presently nothing on the Group's radar with senior debt expected to reduce in FY25.

With a strong balance sheet and numerous organic growth initiatives in-train, the business is well positioned for continued profitable growth.

Notwithstanding macroeconomic headwinds, FY25 trading has commenced strongly.

Results briefing

Investors and analysts are invited to join a Zoom briefing hosted by Matt Aitken (Managing Director) and Darren Dunkley (CFO) which will be held at 11:00AM Australian Eastern Time today.

Participants must pre-register for the briefing at least 30 minutes before the scheduled start. To receive a unique and necessary access code, please follow the link [here](#).

The financial accounts and presentation slides are available on IVE Group's [website](#).

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