

## ASX RELEASE – IVE GROUP LIMITED (ASX:IGL)

25 August 2022

### Financial Results for the Year Ending 30 June 2022

IVE Group Limited (IVE or the Company) is pleased to announce its financial results for the 12 months ended 30 June 2022, where the financial performance was consistent with earnings guidance provided with the release of the Group's 2022 interim result.

The operational performance and significant uplift in earnings over the prior corresponding period (PCP) once again demonstrate IVE's underlying solid fundamentals and growth potential.

#### Financial Performance<sup>1</sup>

- Revenue \$759.0m +15.6% on PCP
- EBITDA \$96.6m +13.3% on PCP
- NPAT \$33.1m +66.1% on PCP
- EPS 23.1 cents per share +71.1% on PCP
- Operating cash conversion to EBITDA 95%
- Net debt \$76.8m
- Cash on hand \$67.0m
- Final dividend 8.0 cents per share fully franked

Commenting on IVE Group's FY22 performance, CEO Matt Aitken said:

"We enter FY23 with a strong balance sheet having already funded a precautionary but material increase in inventories and having repaid a significant amount of debt over the past two years. We were encouraged by the uplift in revenue during FY22, and while the macroeconomic environment remains somewhat uncertain, I am optimistic about the year ahead given our demonstrated track record, business fundamentals and strong market position. My thanks to our Board and the entire IVE team for their skill and ongoing commitment throughout a year of volatility and uncertainty."

<sup>1</sup> The underlying results are on a non-IFRS basis and are not audited or reviewed. They are presented on a continuing operations basis and exclude non-operating items (refer Investor Presentation – Appendix A), while FY21 comparables exclude net JobKeeper receipts.

## Lasoo replatformed and relaunched

Despite limited functionality, IVE's digital catalogue aggregation platform, Lasoo, retains significant and loyal consumer and retailer support, as evidenced by impressive and regular site traffic.

In order to commercialise and grow Lasoo's consumer and retailer activity, in FY22 the Group invested \$4.7m to replatform Lasoo with a game changing upgrade of functionality and revenue generating capability. In mid-September 2022, Lasoo will launch as a fully e-commerce enabled marketplace for retailers' specials that enables consumers to discover, compare and purchase specials from multiple retailers on the one platform in a single transaction.

In FY23, the Group will invest a further \$3.3m after-tax primarily representing the cost of the consumer go-to-market campaign and team buildout.

An overview of the new Lasoo e-Commerce marketplace, go-to-market campaign and illustrative revenue model is provided on pages 16-21 of the FY22 results presentation.

## Implementation Deed for prospective Ovato asset acquisition

On 10 August 2022, IVE announced it had entered into an implementation deed (**Implementation Deed**) with Ovato Limited (Administrators Appointed) (**Ovato**) and the Ovato Administrators (defined below) under which the parties agree to progress good faith negotiations for signing of an asset sale agreement pursuant to which IVE would acquire all or substantially all, or a material part or parts of, the business or assets of Ovato and its subsidiaries (**Proposed Transaction**).

On 21 July 2022, Christopher Clarke Hill, Ross Andrew Blakeley and Ben Peter Campbell of FTI Consulting (**Ovato Administrators**) were appointed as joint and several administrators of Ovato and the other members of the Ovato company group.

IVE noted that clearance from the Australian Competition and Consumer Commission (**ACCC**) will be required in order for the Proposed Transaction to proceed.

## FY23 outlook and guidance<sup>1</sup>

- Underlying EBITDA of \$105m excluding Lasoo as noted below
- Underlying NPAT of \$36m excluding Lasoo as noted below
- The Company's dividend policy remains unchanged, targeting a full year payout ratio of 65-75% of underlying NPAT
- Restructure and acquisition costs expected to be significantly less than FY22
- Capital expenditure expected to be \$14m

<sup>1</sup> FY23 underlying EBITDA and NPAT guidance excludes an expected \$3.3m after-tax loss associated with Lasoo's consumer go-to-market campaign and team buildout, and exclude any impact of the potential Ovato transaction.



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## Results Briefing

A briefing for investors and analysts will be held at 11:00am Australian Eastern Standard Time today.

Pre-registration for the briefing is essential. Please follow the link and pre-register at least 30 minutes before the scheduled start. [REGISTER](#)

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

This announcement has been approved by the IVE Group Board.

**Geoff Selig**  
Executive Chairman

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