



**FY20 Annual Results  
& Year In Review  
Presentation**

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## PRESENTATION OF INFORMATION

All currency amounts in this presentation are in Australian dollars unless otherwise stated. "FY" refers to the full year to 30 June. Amounts in this document have been rounded and any differences between this document and COSOL's financial statements are due to rounding.

## AUTHORISATION

This presentation is dated 26 August 2020 and was authorised for release by the Board of COSOL.

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# Highlights – COSOL Limited



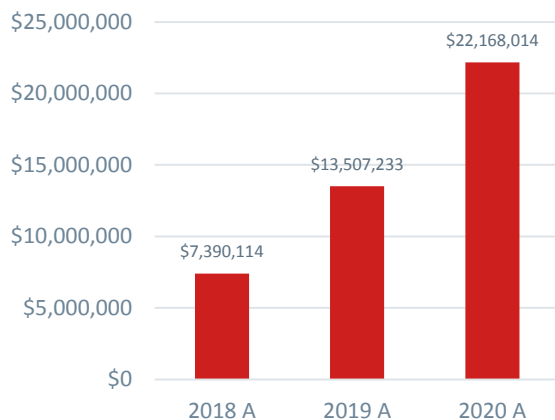
*COSOL Limited has had a very strong launch since its inception in August of 2019, exceeding expectations and forecasts culminating in a share price currently trading approximately 300% above its IPO offer price*

- ✓ **Successful IPO:** Successfully listed on the Australian Securities Exchange after raising \$12million. Capital raised funded major acquisition and provided ongoing working capital.
- ✓ **Establishment of an experienced Board:** Appointed Board of Directors all with a strong cross section of skills and has a proven track record in growing businesses and returning value to shareholders and stakeholders alike.
- ✓ **Acquisition of COSOL Australia:** Successfully acquired COSOL Australia Pty Ltd on 16 January 2020. COSOL Australia is a profitable Australian based solutions and digital transformation IT business with a focus on asset intensive industries including energy, utilities, mining, defence and public infrastructure, both in Australia and internationally.
- ✓ **COSOL Australia** uses its proprietary software and its service and project delivery capabilities in respect to Enterprise Asset Management software and systems to optimise the utilisation and cost efficiencies of its clients' assets.
- ✓ **Exceeded prospectus forecasts:** Exceeded the financial performance forecast in its IPO prospectus and are also above the profit guidance we announced to ASX on 26 June 2020

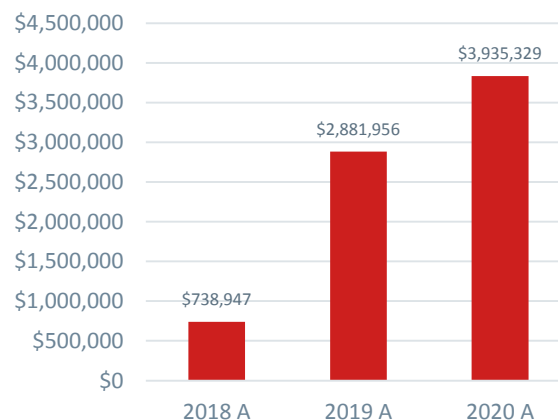
# Financial Summary

## Full Year Comparison – Proforma - FY2020 v FY2019

### Group Revenue



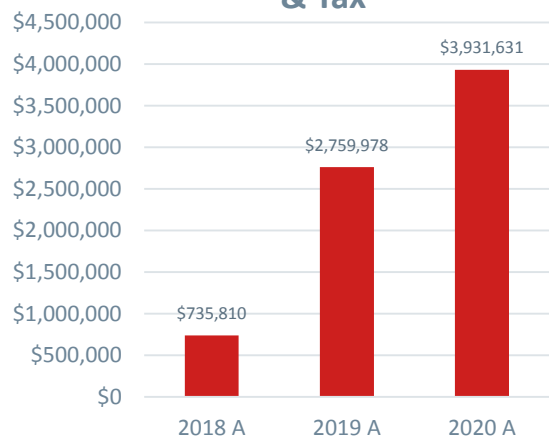
### Group Net Profit Before Tax



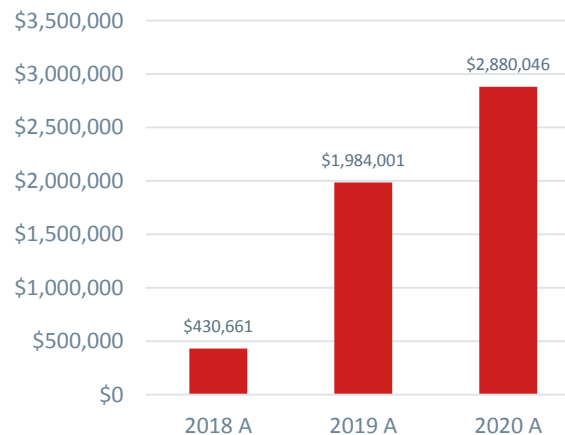
## Key Highlights

- **Group Revenue Up 64%**
- **Group EBIT up 42%**
- **Group NPBT Up 37%**
- **Group NPAT Up 45%**

### Group Earnings before Interest & Tax



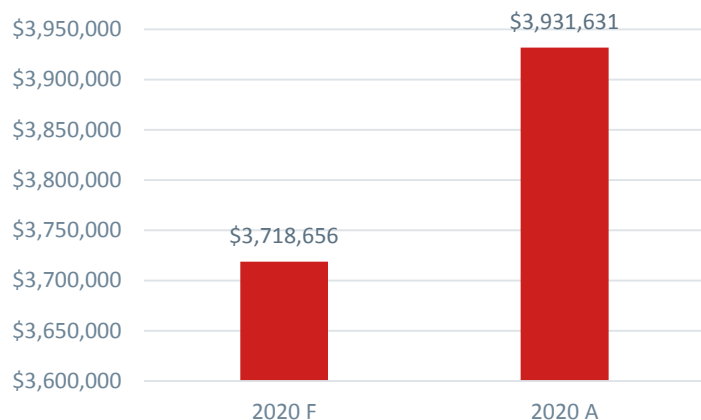
### Group Net Profit After Tax



# Financial Summary

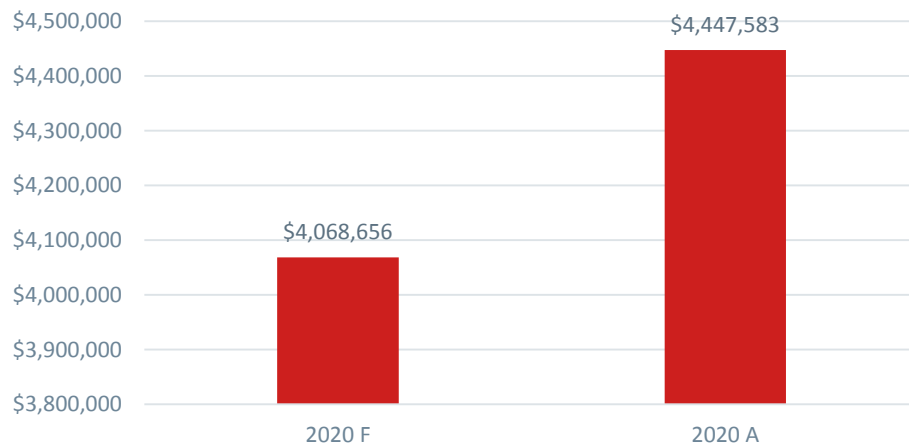
*Results exceed Prospectus Forecast (proforma) and Recent Guidance*

**Group EBIT Actual v Prospectus Forecast**



- ***Group EBIT Up 5.7% on Prospectus Forecast***

**Cosol Aust EBIT Actual v Prospectus Forecast**



- ***COSOL Australia (the Operating Business) Up 9.3% on Prospectus Forecast***

# Key Financial Highlights – Statutory results

*COSOL Limited has set a very strong financial foundation over the last six months to position itself well for challenges and opportunities in FY'21*

- Revenue of \$11.6 million for the 5.5 month period ending 30 June 2020
- Profit after tax of \$1.5 million for the period ending 30 June 2020
- Basic EPS of \$0.02 for period ending 30 June 2020
- Net post tax Cash flow from operations of \$2.9 million for the period ending 30 June 2020
- Reduction in debtor days - Pre acquisition from 99 days to 45 days at 30 June 2020 - leads to strong cash flows
- Cash balance of \$6.8 million and Net Debt of \$0.12 million at 30 June 2020
- Expensed all software development costs of \$1.6 million for full year to 30 June 2020. Resulted in significant enhancements to priority software products.
- Banking facility of \$6.5 million established post balance date – which is currently undrawn

# Coronavirus (COVID-19) Pandemic

*While we remain watchful and ready to adapt to new operating environments, to date we have not seen material impact from COVID 19*

- The group's financial results were not materially affected.
- We were not eligible for the Fed Gov's JobKeeper stimulus package
- Maintained high staff utilisation levels during the pandemic by adopting remote working procedures and technologies
- This practice results in:
  - Safe working practices for staff, contractors and clients
  - Improved productivity levels
  - Cost savings, through reductions in travel expenses etc
- These practices will be sustained throughout FY2021 as required

# COSOL Australia Operating Highlights



*COSOL Australia has had a very strong 12 months with topline revenue growth of 64% YOY*

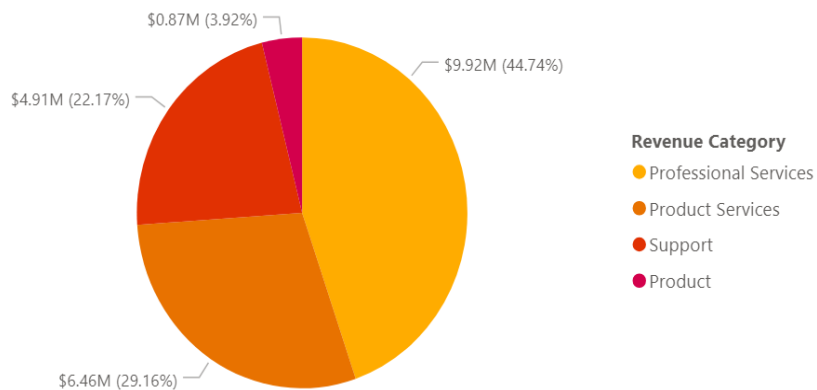
- ✓ **Major Client Wins** – New client contracts secured with
  - ✓ Australian Defence Force
  - ✓ CleanCo
  - ✓ Energy Queensland
  - ✓ Queensland Urban Utilities
  - ✓ Anglo American
  
- ✓ **Growth of digital platform RPConnect®** – RPConnect® has continued to position COSOL in sole sourced transformation engagements including CleanCo, Department of Defence and Anglo American.
  
- ✓ **Hitachi ABB Practice** - COSOL Australia has the largest ABB practice in the APAC region. This continues to position COSOL in sole sourced engagements due to our proprietary skillset including Department of Defence and Queensland Urban Utilities.
  
- ✓ **Increased Support and IP Based Revenue** - COSOL has increased its support and IP based (product and product services) revenue contribution to over 55% of total revenue.
  
- ✓ **Greater development in RPConnect® platform** -The RPConnect® platform has been enhanced to incorporate further functionality accelerating SAP ECC6 to SAP S/4 transformations. RPConnect®'s data management functionality was enhanced and deployed into Anglo American to provide a platform to drive data cleaning through data quality KPI's.
  
- ✓ **Opening of the Melbourne office** – Expanded the reach of COSOL within Australia with the opening of an office in Melbourne to service key clients, win new accounts and penetrate markets in the Southern and Western regions of Australia.



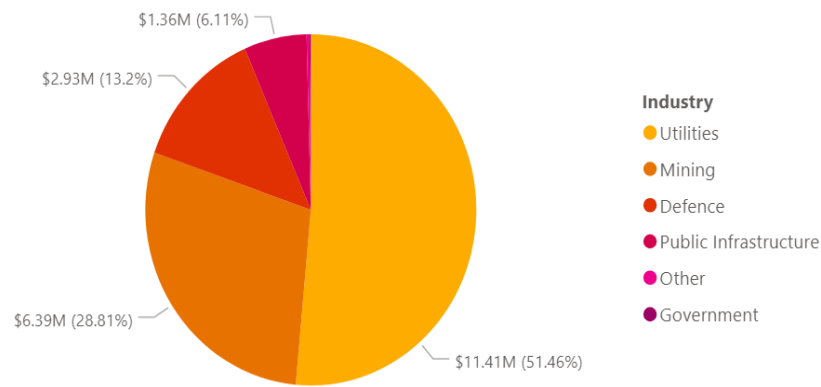
# Revenue Mix by Category and Industry

*Our Revenue is driven from Clients who provide essential services and are critical to the infrastructure and performance of the economy*

## Revenue by Category



## Revenue by Industry



# The Year Ahead

*We are optimistic for the year ahead given the strong foundations established during the previous twelve months and the strategic agenda we have developed*

- Strongly positioned to continue core operations and grow despite COVID-19 pandemic impact as our **clients are providers of critical services** such as water, mining, energy production, defence and public infrastructure.
- Continued growth organically through greater penetration of the market with **industry-leading proprietary software** RPCConnect® and BPCConnect® that allow us to generate premiums. We will continue investment.
- COSOL expects to further exploit its dominant position delivering propriety software and services to the EAM Ellipse software and services market. This was evident in the number of sole source contract wins in FY2020. COSOL will continue to develop this market opportunity in conjunction with its **partner Hitachi-ABB**.
- Leverage off our unique EAM capability in conjunction with our emerging **Partners - IFS and SAP**
- COSOL Limited will continue to search for the right strategic opportunities to **acquire complementary and synergistic companies**.
- **Disciplined financial management** will continue to be at the core of everything we do to ensure we deliver shareholder value.