



COSOL Limited
Half Year Results
FY'21

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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 to the nearest \$0.1m, any differences between this document and COSOL's financial statements are due to rounding.

AUTHORISATION

This presentation was authorised for release by the Board of COSOL.

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COSOL Limited Half Year Financial Highlights

1st half results have shown strong growth across all operating entities and have exceeded guidance provided at last year's AGM and in its first 12 months will pay a fully franked interim dividend of 0.5 cents per share.

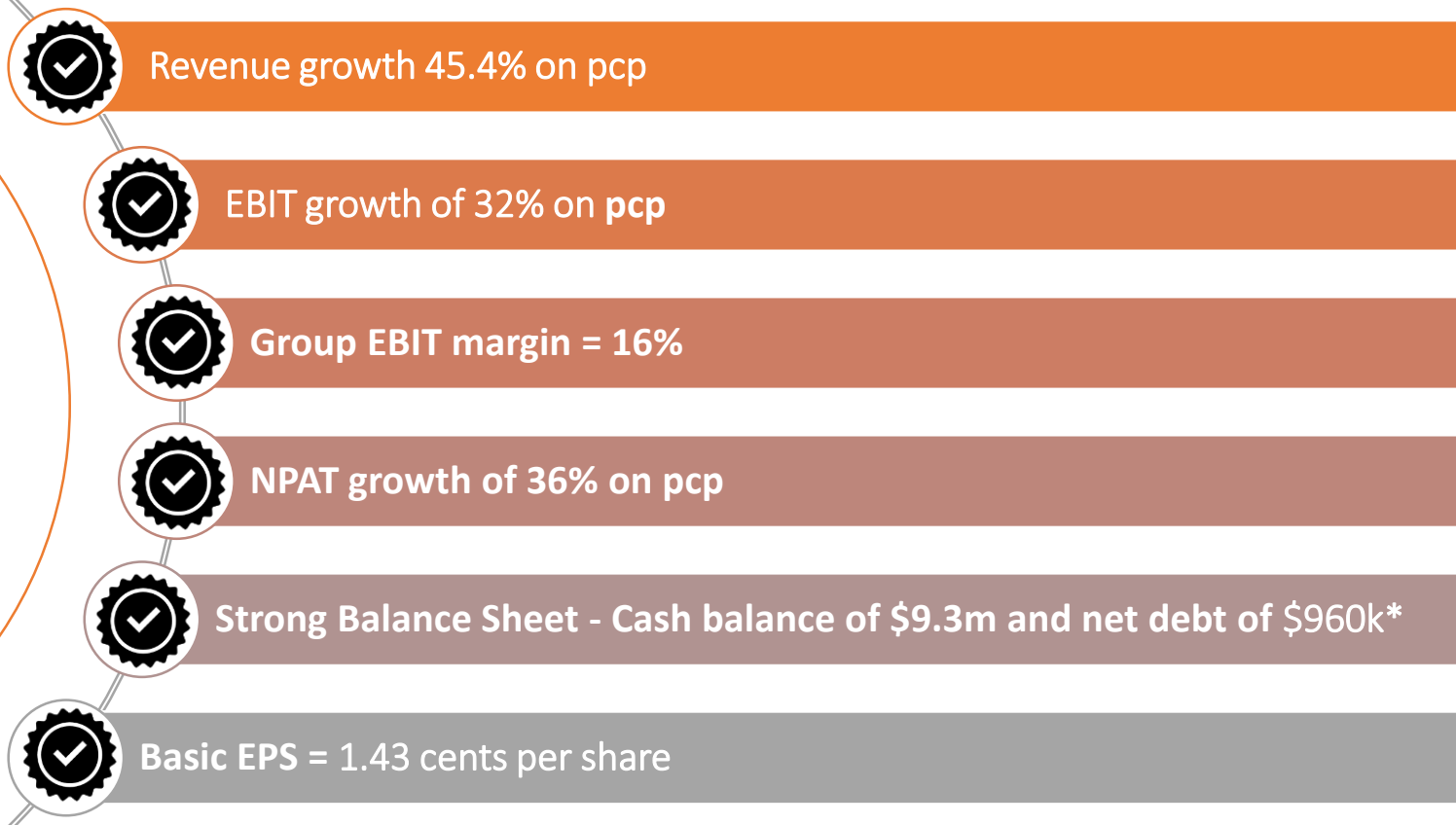
Group Results

Revenue = \$15.6m

EBIT = \$2.56m

NPAT = \$1.85m

**Dividend = 0.5 cents
/share fully franked**



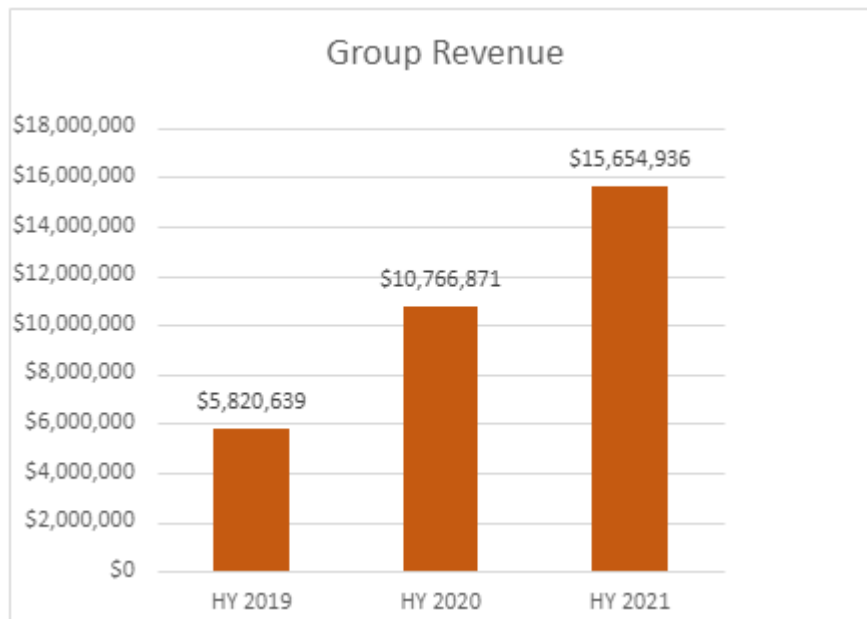
* Comprises: Cash \$9.36m, less Client Advances \$3.65m, less Term Loans \$2.75m, less Deferred consideration (cash component) \$3.92m = Net Debt \$960k

H1 FY'21 Financial Performance

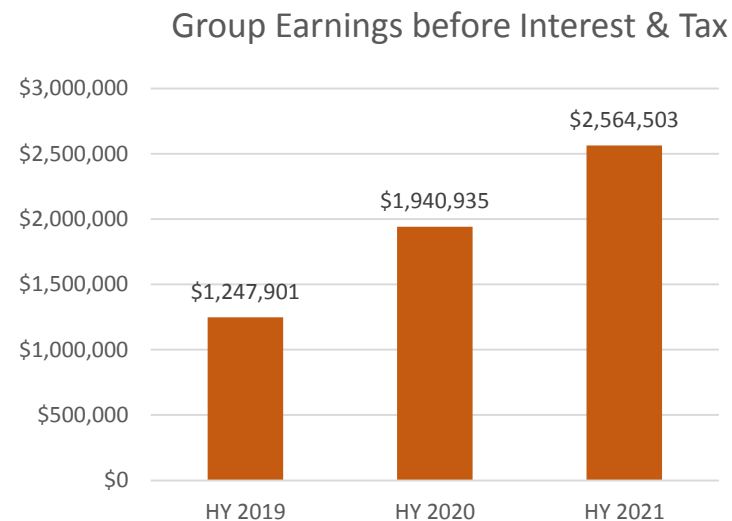
	Proforma Change %	\$000's	Highlights
Total Revenue	Up 45.4%	\$15,655	Exceeds revenue guidance \$15.25m- \$15.5m COSOL Australia organic revenue growth of 22%, exceeded guidance of 20% Addons consolidated from 1 Sept 20 with revenue & EBIT performance exceeding expectations.
Gross Profit		\$5,698	
Gross Profit Margin		36.4%	
EBITDA		\$2,834	Software product development costs of \$600k expensed.
EBITDA Margin		18.1%	Share based payment expense of \$218K
Depreciation & Amortisation		-\$269	The group was not eligible for Jobkeeper - received no financial assistance from this scheme
EBIT	Up 32.0%	\$2,565	
EBIT Margin		16.4%	Exceeds EBIT guidance of 16%
Finance costs		-\$47	COSOL Australia EBIT growth of 28%, exceeds guidance of 25%
NPBT	Up 30.6%	\$2,518	
Tax		-\$673	
NPAT	Up 35.3%	\$1,845	
EPS (cents)		1.43	
Dividend (cents)		0.50	Declared interim fully franked dividend

Financial performance continued...

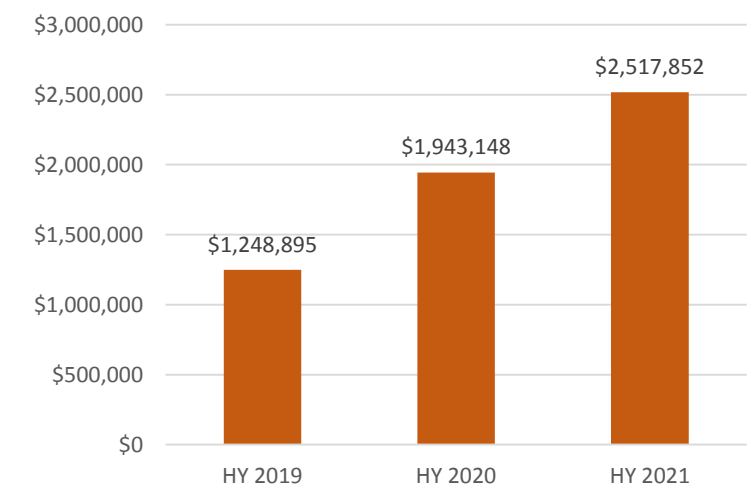
Strong financial performance continued in HY'21 – N.B. HY'20 Group results are proforma



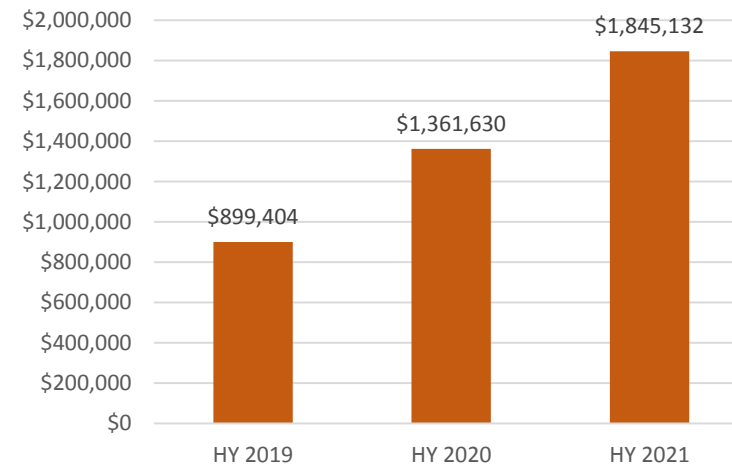
Revenue Growth of 45.4%



EBIT up 32%



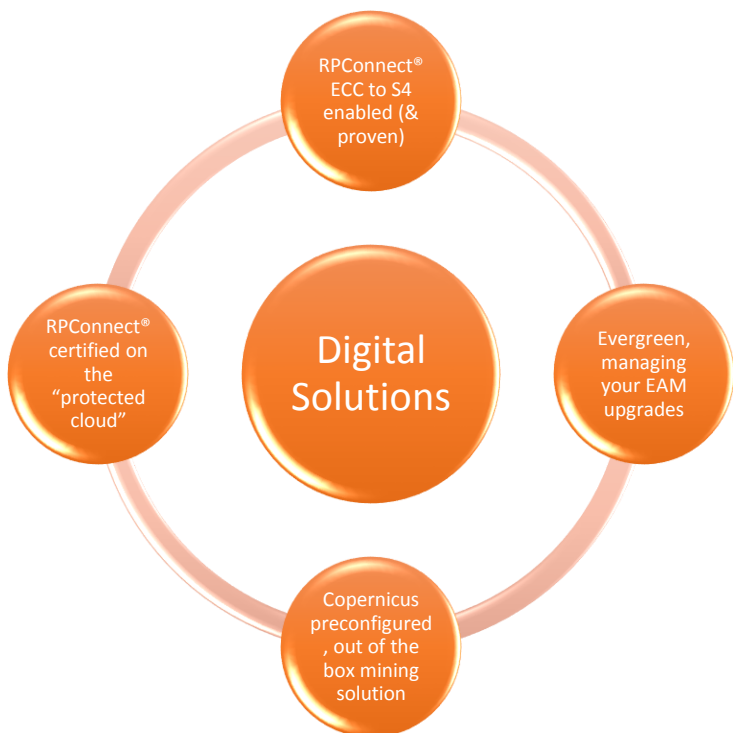
NPBT up 30.6%



NPAT up 35.3%

1st Half Operating Highlights

During the six months to December, we expanded our IP and proprietary digital solutions which enabled major client wins and through the acquisition of AddOns Inc in October created a platform for deployment into North America.



Proven digital solutions



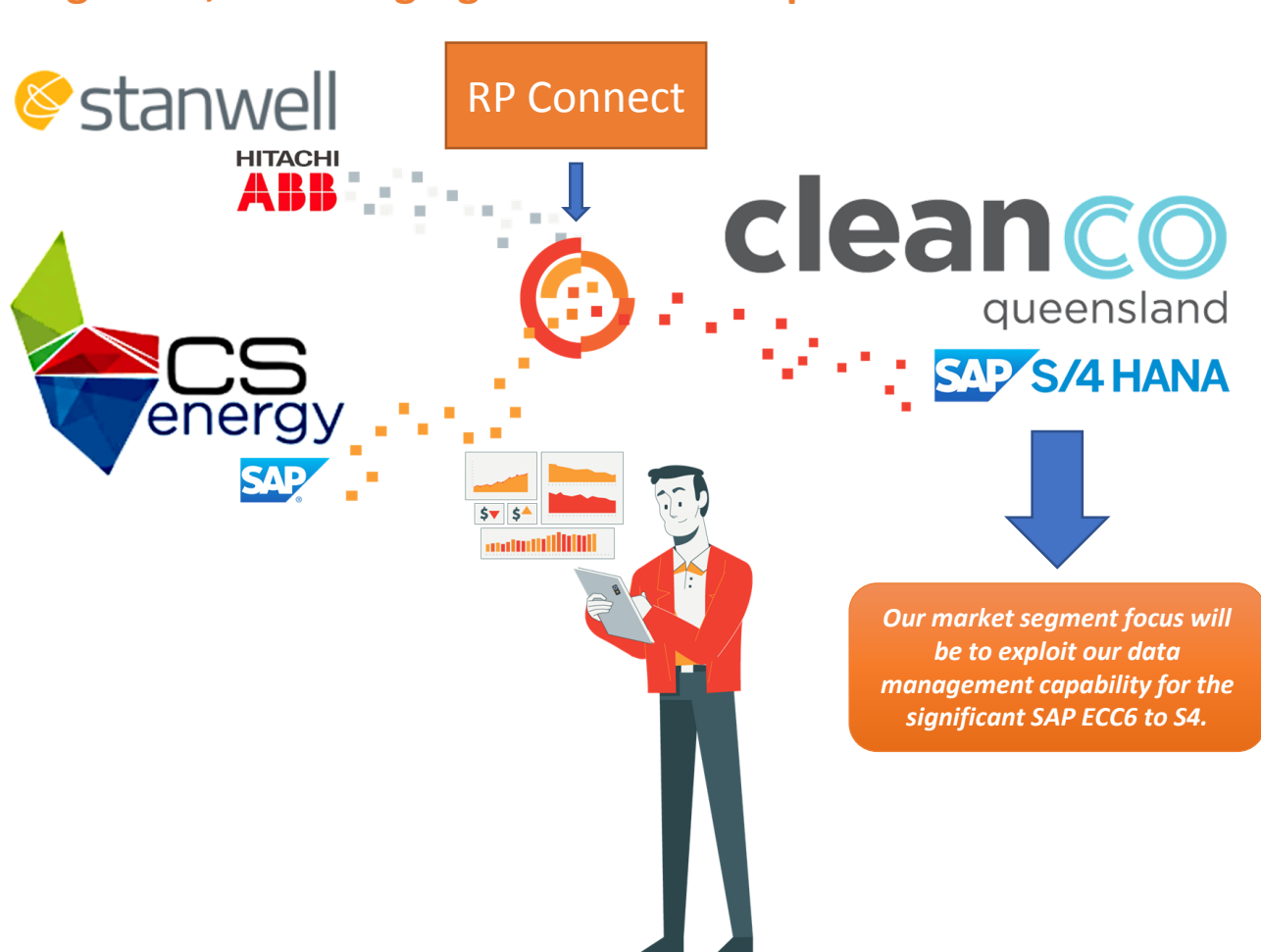
Enabling Client Wins



Supporting Sustainable Growth

CleanCo – Quality data supporting a sustainable future

COSOL delivered an award winning data migration project for CleanCo, Queensland’s clean energy provider, utilising its Proprietary Digital Solution RPConnect® and proprietary services and proving our capability to deliver SAP to S4 data migration, unlocking significant market potential.



“We trusted COSOL to get this unusually complex project delivered, and have been consistently pleased throughout to see you continue to deliver every step of the way. I am certain that CleanCo’s journey to migrate our data from Stanwell and CS Energy would have been more stressful without COSOL.”

Graham Yerbury
General Manager – Performance, Risk & Finance

Looking ahead

We are optimistic about the six months ahead and confident we have an extended platform to operate from and a more expansive product offering to take to the market. H2 Revenue growth is expected to be 23-25% above H1 FY'21*.



- High % contracted and committed revenue.
- Focused growth within existing client base
- Large cross sell / up-sell opportunities have been identified through the Addons acquisition
- Established global strategic sales team to drive large scale deal outcomes across multiple territories

- Product sales contributing to highly profitable engagements
- RPCConnect® continues to position COSOL as a sole source provider
- Evergreen provides COSOL with a competitive advantage in the EAM Managed Services market
- Copernicus enables COSOL an first mover advantage by lowering the barrier to entry

- OneCOSOL brand launch March 2021
- Centralised solution & business development function enabling cross sell / upsell across geographies
- Centralised shared service capability driving cost synergies

- Clear targets identified that are synergistic businesses which focus on:
 - IP and product
 - Industry relevance
 - Sector Prominence
 - Geography
 - Capability
 - Earnings accretive

* Based on AUD/USD fx rate of .77