

COSOL delivers further strong growth in revenue and earnings, continued growth in H2 FY23

Highlights

- **Continued strong growth in revenue and earnings**
- **Robust operating margins despite once off transformation costs**
- **Group revenue of \$34.7m, up 54% on pcip**
- **Group EBIT up 40% on pcip to \$4.8m**
- **Group NPAT up 22% on pcip to \$3.2m**
- **Basic EPS of 2.15 cents, up 11% on pcip and fully franked interim dividend of 1 cent**
- **First contributions and revenue synergies from acquisition of Work Management Solutions**
- **Platform established for strong growth in H2, FY23 and beyond.**

COSOL Limited (COSOL, ASX: COS) is pleased to announce continued strong growth in revenue and earnings for the six months to 31 December 2022, setting a platform for a record operational result in the full financial year.

Driving the growth were strong performances from both the Australia and US divisions, and first revenue synergies from the acquisition of Workplace Management Solutions (WMS) in August 2022.

Revenue rose 54% to \$34.7 million and earnings before interest and tax (EBIT) were 40% higher than pcip at \$4.8m, despite once off investments in transformation and integration costs in core operating capability.

Net profit after tax was \$3.2m (up 22% on pcip) and basic earnings per share rose 11% on pcip to 2.15cents after allowing for moving to a higher tax rate of 30% and the integration of WMS.

The directors have declared an interim dividend of 1.00 cents per share (0.92 cents pcip).

COSOL CEO Scott McGowan said the result was pleasing, achieving strong growth while investing heavily in capability, honing the service offer to customers around OneCOSOL and launching a new strategic capability in Asset Management as a Service (AMaaS).

“COSOL is all about profitable growth and delivering returns for our shareholders, principles that shape how we manage the business and focus our acquisitive growth program,” said Mr McGowan.

“We’re after growth that makes sense to COSOL and to our shareholders. Building out our enterprise asset management platform, under the banner OneCOSOL, is proving to be our best pathway.

“Reaction to our proprietary software and solutions offerings has been extremely positive and continues to provide abundant opportunities in heavy asset industries, notably in critical infrastructure sectors of natural resources, energy and public infrastructure.

Major Highlights for the Half included:

- **Acquisition of WMS:** underpinning the ability of COSOL to build out AMaaS capability and providing access to unique IP and blue-chip clients.
- **\$8.2m Department of Defence contract extension:** utilising COSOL's proprietary RP Connect software, COSOL extended the agreement to support the Department's data migration program as part of its Enterprise Resource Planning Program.
- **Strong results in North America:** a number of key agreements were signed that demonstrated the ability to cross sell services and IP from Australia into North America, notably with Arch Resources, SSR Mining and DeBeers.
- **Expanded COSOL's proprietary Enterprise Asset Management as a Service (EAMaaS) solution:** through the renewal of a number of significant customers including Pacific National and securing a number of new customers in both Australia and North America as we continued to grow our EAMaaS footprint.
- **Revenue Synergies.** a number of revenue synergies were delivered through the up-selling and cross-selling of acquired capability into the company's existing client base and delivered its managed services across the Australian segment through a unified support centre.

Mr McGowan said COSOL had started the second half strongly, with expectations of continued growth in revenue and earnings.

"Our operational focus will be on taking the AMaaS offer to more of our valued customers, and beyond that to the broader market," he said.

"Corporately, we continue to explore acquisitive growth opportunities that will add to COSOL's customer offer and integrate well with our existing platform."

Areas of major focus for COSOL in H2 will continue to be:

- **Driving IP and annuity revenue growth:** off the back of COSOL's proprietary software and solutions with a focus on RP Connect, EAMaaS, Asset Management Learning Academy (AMLA), and the new strategic capability providing remote asset management solutions, AMaaS
- **Continuing to grow North America;** especially through exploiting COSOL's unique position in the EAM market through, RP Connect, and EAMaaS.
- **Expanding through acquisition:** continue to pursue COSOL's strategic plan to target earnings accretive opportunities, that deliver regional expansion, new capability and adding to the Company's proprietary software and I.P suite.
- **Growing OneCOSOL:** allowing efficient and rapid integration of new acquisitions and a more efficient centralised operating platform.

This announcement was authorised for release by the Board of COSOL Limited.

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ABOUT COSOL

COSOL is a global Enterprise Asset Management technology-enabled solution provider that optimises operations in asset-intensive industries such as natural resources, energy and water utilities, public infrastructure and defence.

COSOL continuously invests in its ecosystem of software and services to help large-scale asset owners get more from their networks and to capture quantifiable business improvements measured in sustainability, efficiencies and profitability.

Our mission is to help our customers achieve zero waste in their operations and supply chains using COSOL's creative leadership and passion for enterprise asset management innovation.

Since listing in January 2020, COSOL has delivered profitable growth, strong operating cashflows and successful strategic acquisitions.