



GENUSPLUS GROUP – FINANCIAL RESULTS FOR HY2022

HIGHLIGHTS:

- Revenue of \$216 million – up 57% on PCP of \$138 million
- Statutory EBITDA of \$18.5 million – up 42% on PCP of \$13.0 million
- Normalised EBITDA of \$19.3 million – up 14% on PCP of \$16.9 million
- Normalised NPAT of \$9.7 million – up 5% on PCP of \$9.2 million
- Normalised ROCE (Return on Capital Employed) of 43%
- Normalised Cash inflow from Operations of \$13.3 million up 156% on PCP of \$5.2 million.
- Cash balance of \$27.1 million and net cash of \$5.5 million (excluding right of use lease liabilities)
- Strong orderbook of \$401 million comprised of \$169 million for FY2022 and \$232 million for FY2023
- Re-affirms FY2022 forecast revenue of circa \$400m, and EBITDA of \$34-38 million on an organic basis (excludes contribution of PFA acquisition)
- Tendered pipeline strong at \$762 million with budgets and opportunities growing past \$2 billion

GENUSPLUS GROUP HY2022 RESULTS

National essential power and communications infrastructure provider GenusPlus Group Ltd (ASX: GNP) (GenusPlus or the Company) today reported a normalised EBITDA of \$19.3 million for HY2022.

	HY2021 A\$M	HY2022 A\$M	Change %
Revenue	138.1	216.6	57%
Statutory EBITDA ¹	13.0	18.5	
EBITDA Normalised²	16.9	19.3	14%
Statutory EBIT ¹	9.6	12.9	
EBIT Normalised²	13.5	13.5	2%
Statutory NPAT	5.7	9.2	
NPAT Normalised²	9.2	9.7	5%

\$M unless otherwise stated.

1. These are non-IFRS measures that are unaudited but derived from auditor reviewed HY22 Financial Statements. These measures are presented to provide further insight into GenusPlus Group's performance.

2. HY 2022 EBITDA / EBIT / NPAT excluding Acquisition costs of \$0.4 million, Restructuring costs \$0.3 million and ECM Claim costs of \$0.1 million.

HY 2021 Normalised EBITDA / EBIT / NPAT excluding Listing costs of \$2.7 million, ECM Claim costs of \$1.2 million, Director & employee share issue costs of \$0.4 million and Mark to market revaluation increase of investment of (\$0.5) million.

The Group has maintained a strong liquidity position with cash balance of \$27.1 million, net cash of \$5.5 million and \$19.2 million available in the performance bond facilities.

Further details of the half year result can be found in the Appendix 4D and the half year accounts released today.

COMMENTARY AND OUTLOOK

Commenting on the performance of the business, David Riches, GenusPlus Managing Director said:

"I would like to recognise the significant contribution made by the workforce in delivering these results. The workforce across Australia is to be commended for delivering record revenue and earnings whilst adapting to the changing environment in the face of COVID-19.

Revenue from expected recurring revenue continues to grow and is now at an annualised \$122 million. This is a pleasing result as it provides the foundation for the future growth of the Genus group."

OUTLOOK

The Group continues to achieve significant growth in its business underpinned by existing contracted work, revenue from recurring clients, and anticipated revenue from its existing tender pipeline of works.

The Group reaffirms the previous guidance announced on 30 August 2021 of FY2022 revenue expected to be circa \$400m with FY2022 EBITDA expected to be in the range of \$34-38 million on an organic basis (excludes the contribution of the Pole Foundations Australia acquisition).

During the period the Group acquired selected key contracts, intellectual property, IT systems, plant & equipment and employee contracts of Tandem Corp Pty Ltd (In Liquidation) to expand the capability of the Group's communications division and the relationship with Telstra which provides a national presence in the communications sector. This acquisition incurred a loss of \$1.7 million EBITDA from acquisition date (6 August 2021) as 140 staff were retained from the business to streamline the integration and pursue new works. Recent Telstra and HyperOne contract wins (see ASX announcements 13 January 2022 and 17 January 2022) in relation to our communications division, provides confidence in improved performance across future reporting periods.

We have experienced some project delays due to Covid-19 on the east coast during H1 FY2022.

The Group derives a significant amount of its revenue from Western Australia so the impact from Covid-19 related matters has not been material to date. However, we expect some impact in H2 FY2022. Covid-19 impacts have been factored into the forecasts.

We have seen some impact from shortages of labour resource in electrical trades in our substation division which has been factored into the forecast.

Genus continues its rebranding and restructuring to make better use of the "Genus" name, branding and logo. This will simplify the offering to clients and enable better cross-selling of the Group's services.



GROWTH STRATEGY

The Group derives the majority of earnings from the core Powerlines Plus business in Western Australia. It continues to progress its growth strategy of expanding the Genus business into the much larger east coast markets.

During the half-year the company acquired selected key contracts, intellectual property, IT systems, plant and equipment and employee contracts of Tandem Corp Pty Ltd (Administrators Appointed). This acquisition greatly extends the capability of the Group's communications division, and significantly expands the Group's ongoing relationship with Telstra and provides a national presence in the communications sector.

On 17 February 2022, the Group announced a binding business purchase agreement to acquire 100% of Pole Foundations Australia (PFA). The purchase will be funded jointly through a \$16.5M cash payment and \$5.5M issue of new shares in GenusPlus Group Ltd. The acquisition is subject to a number of conditions precedent being satisfied including the completion of a capital raising by Genus to raise a minimum of \$20 million. The acquisition is immediately earnings accretive to Genus shareholders and is expected to provide a positive contribution to the Group's profit during H2 FY2022.

The Group is focused on replicating its Western Australian business model into the larger east coast market which is dependent on the Group's ability to continue to grow the new operations and execute its recent bolt-on acquisitions.

DIVIDENDS

The Directors have not declared a dividend for the half year ended 31 December 2021.

The Board of the Company has authorised the release of this announcement to the market.

For more information:

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ABOUT GENUSPLUS

GenusPlus Group Ltd is a national end-to-end specialist service provider for essential power and communications infrastructure. GenusPlus provides an integrated service offering to its customers in the resources, power, utilities and communications sectors across Australia.