

28 August 2024

ASX Release

Austco Healthcare Delivers Record Breaking FY24 Results: Revenues grew by 39% to \$58.2 Million and Profits by 213% to \$7.1 million NPAT

- **Revenue from customers up 39% to a record high \$58.2 million**
- **EBITDA grew by 126% to \$8.1 million, more than doubling last year's performance**
- **Net Profit After Tax (NPAT) increased \$4.7 million to a record high of \$7.1 million**
- **Unfilled Contracted Orders grew to a record high of \$50.3 Million**

Austco Healthcare Limited (**ASX:AHC**) (**Austco**), a global leader in clinical communications solutions, announces a 39% increase in revenue from customers over the prior comparative period (pcp) to \$58.2 million for FY24.

The revenue growth of \$16.2 million was driven by a combination of organic growth from existing operations of \$7.0 million or 17% growth, together with revenues from the two acquisitions made through the year, being Teknocorp (purchased 27 November 2023) with \$6.5 million revenue and Amentco (purchased 1 May 2024) with \$2.7 million revenue.

The combination of double digit organic revenue growth and the successful integration of the two acquired businesses into the group provides for record FY24 results and sets a platform for future growth and success.

Software and SMA revenues were up 9% or \$0.8 million to \$9.3 million. Although this growth wasn't directly influenced by the recent acquisitions, it presents a key opportunity to integrate and expand software and SMA revenues within the acquired businesses.

The Gross Margin for FY24 was \$30.7 million, an increase of 37% or \$8.2 million from FY23. The increase was driven by increased top line revenues. The Gross Margin percentage declined slightly from 53.4% to 52.7% for FY24 as a result of acquiring the two lower margin businesses through the year; however, we expect that our strategic initiatives, including those that relate to the acquisitions, will bolster margins over the medium term.

Overhead expenses increased by \$4.3 million to \$25.0 million in FY24. The two acquired businesses represented \$2.1 million of that increase and one-off M&A costs were \$0.5 million for FY24.

EBITDA was \$8.1 million, exceeding the top end of our guidance announced to the ASX in early July. EBITDA was up 126% as compared to the \$3.6 million reported in FY23.

Demonstrating strong operating leverage, we were able to convert strong revenue growth into robust growth in reported NPBT of 211%, which is a record for the Company. NPBT was up \$3.9m from \$1.8 million in FY23 to \$5.7 million in FY24.

NPAT also increased significantly to \$7.1 million in FY24, which is a record for the company, which is \$4.8 million or 213% above FY23. Income tax expense was more than offset by bringing to account the last of the unrecognised income tax losses and offsets held in the group.

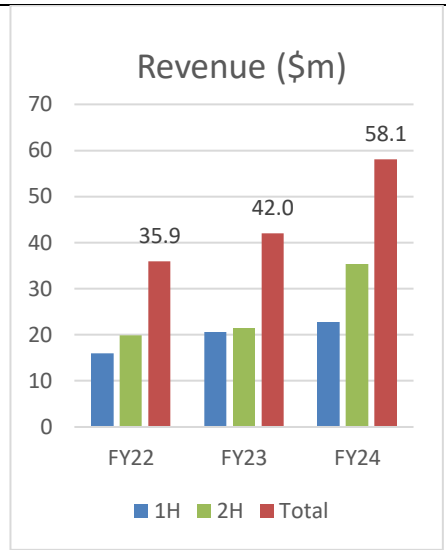
Our investments in talent, infrastructure, and innovation over the past few years have positioned Austco Healthcare to achieve this record result, laying a strong foundation for future success for both our customers and shareholders.

Revenues from customers

Total FY24 revenues of \$58.2 million were up \$16.2 million or 39% on FY23. This is the highest reported revenue over the last 11 years.

Revenue growth was driven by a combination of organic growth from existing operations of \$7.0 million or 17% growth, together with additional revenue from the acquisitions through the year being Teknocorp (purchased 27 November 2023) with \$6.5 million revenue and Amentco (purchased 1 May 2024) with \$2.7 million revenue.

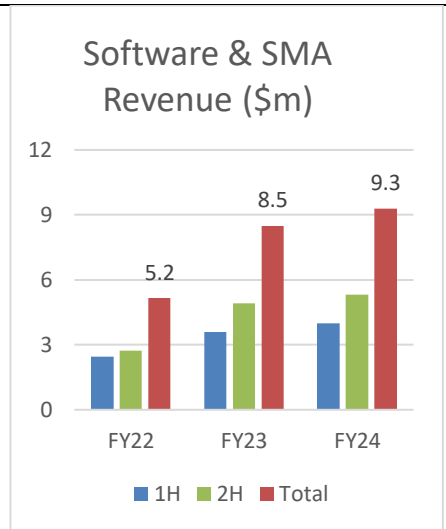
Organic revenue growth was driven by the North American and Asia markets. Australia and NZ made up 35% of group revenues in FY24 and we expect this to increase as the full year impact of the acquisition comes to account in FY25.



Software and SMA revenues from customers

Software and SMA revenues were up 9% or \$0.8 million to \$9.3 million.

Although this growth wasn't directly influenced by the recent acquisitions, it presents a key opportunity to integrate and expand software and SMA revenues within the acquired businesses.



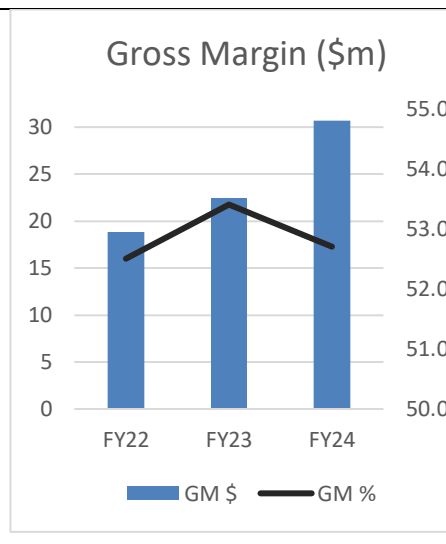
Gross Margins on revenues from customers

The Gross Margin for FY24 was \$30.7 million, an increase of 37% or \$8.2 million from FY23.

The increase was driven by increased top line revenues.

Gross Margin percentage declined slightly from 53.4% to 52.7% for FY24 as a result of acquiring the two lower margin businesses through the year; however, we expect that our strategic initiatives, including those that relate to the acquisitions, will bolster margins over the medium term.

In 2HFY24, we saw relief in the cost of manufacturing, both in the costs of raw materials and freight, which will assist in gross margin gains in the future.

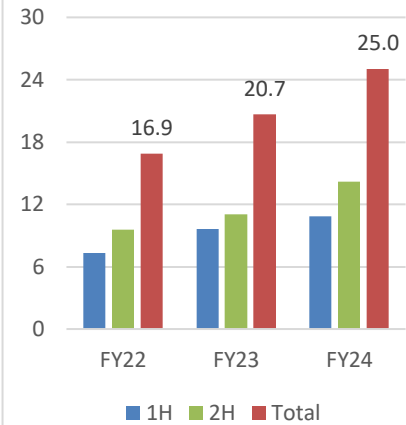


Indirect Cost Base

Austco's overhead expenses increased by \$4.3 million to \$25.0 million in FY24. The two acquired businesses represented \$2.1 million of that increase and one off M&A costs were \$0.5 million for FY24.

Our investment in Research and Development remains consistent at \$4.5 million in FY24 (compared to \$4.6 million in FY23), with \$1.7 million being capitalised in FY24 and \$1.5 million of R&D amortisation expense in FY24.

Cost Base (\$m)



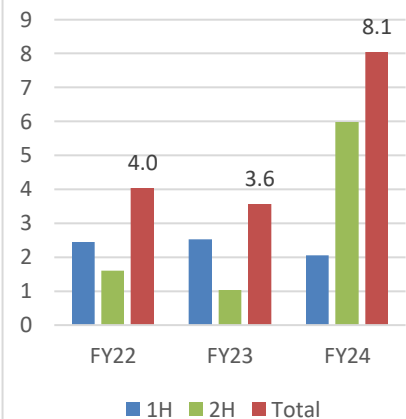
EBITDA

EBITDA of \$8.1 million in FY24 was 126% up on the \$3.6 million reported in FY23.

This exceeded the top end of our \$7.5 million to \$8.0 million guidance announced to the ASX in early July 2024.

Of the \$4.5m increased EBITDA in FY24 \$3.3 million arose from the growing organic business whilst the two acquired businesses contributed \$1.2 million of the increased EBITDA.

EBITDA (\$m)



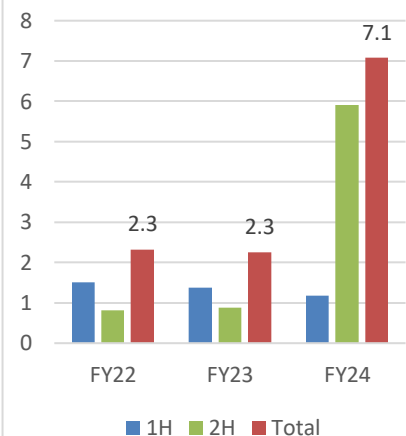
Statutory Net Profit after Tax

Demonstrating strong operating leverage, we were able to convert strong revenue growth into robust growth of 213% in reported NPAT.

Reported NPAT of \$7.1 million in FY24 is \$4.8 million above FY23.

NPAT also increased significantly as income tax expense was more than offset by the bringing to account of the last of the unrecognised income tax losses and offsets as held in the group.

NPAT (\$m)



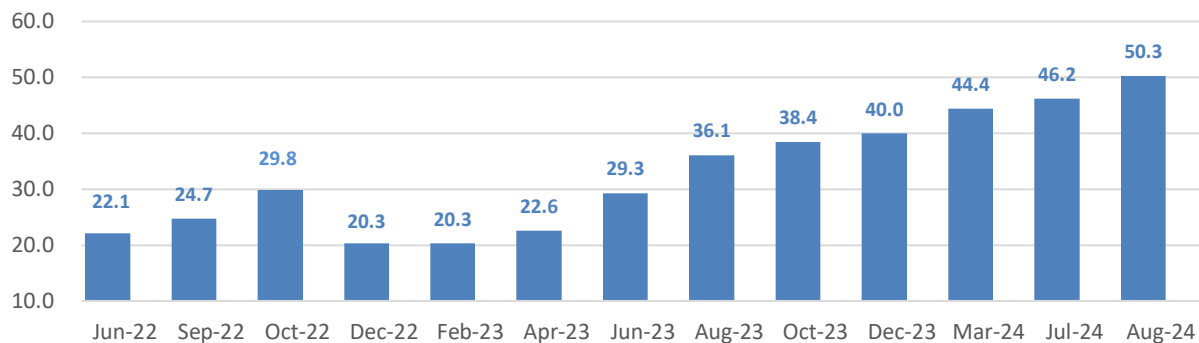
Unfiled Contracted Revenue

Recent large contract wins in Canada and Singapore and growth in most other regions across the group have contributed to the continued growth of Austco’s Unfiled Contracted Revenue (UCR). Our UCR book now stands at \$50.3 million at 15 August 2024, up from \$29.3 million or 72% at 30 June 2023.

UCRs represent confirmed contracted orders from customers that have not yet been fulfilled and, as such, no revenue recognised.

Despite record revenues being delivered in FY24, our new sales wins have outpaced revenue delivery, which has given rise to our consistent growth in UCR.

Unfiled Contracted Revenue (\$m)



Cash and Working Capital Position

Cash on hand was \$13.6 at 30 June 2024, up from \$4.7 million at June 2023. Cash generated from operating activities of \$11.3 million reflected underlying profitability and decreases in our working capital needs, mainly inventory and receivables, despite absorbing two new businesses. The operating cashflow and proceeds from capital raises of \$9.6 million funded the two business acquisitions and continued investment in R&D.

Dividend

No dividend has been declared, to allow the funding of organic and inorganic growth and the acquisition earn out payments.

Research & Development

In the reporting period, the Company invested \$4.5 million (FY23; \$4.6 million), of which \$2.3 million was capitalised (FY23; \$1.4 million) in the development of its innovative nurse call and clinical communications platform, Tacera. Austco involves healthcare staff of all levels in the design process, ensuring our products meet the requirements of nurses, patients and healthcare administrators.

The profit and loss impact of capitalising \$2.3 million of the FY24 R&D investment is partly offset by \$1.5 million of R&D amortisation expense in FY24.

Our latest major product release, Touchpoint, is a versatile compact touchscreen that can be customized as a Room Information Board, Workflow Terminal, or Active Alarms Display. It offers tones and visuals for remote locations, supports two-way VOIP calling, and runs our entire Pulse suite of applications.



By utilising Austco’s state-of-the-art Real-time Locating Technology, caregivers can streamline their workflows with greater efficiency. This includes automating essential tasks such as automatic presence tracking, alarm cancellation, and detailed logging of completed rounds. Moreover, our one-touch mobile assistance feature enables caregivers to receive precise location notifications instantly on their iPhone and Android devices via Austco's innovative Pulse Mobile platform.

Globally, our Tacera and Pulse brands are recognised as top-tier solutions for healthcare communications and clinical workflow.

Outlook

Austco Healthcare is well-positioned for continued growth and success in the coming years. The Company has strategically enhanced its sales and marketing capabilities, particularly in high-growth markets, to capitalize on the new opportunities within the healthcare technology sector. These investments in sales resources and product development are expected to be significant drivers of sustained growth.

The Company’s strategic roadmap focuses on launching innovative products, forming strategic partnerships, and exploring potential mergers and acquisitions. These initiatives are expected to further strengthen the Company's market position and contribute to long-term growth and profitability.

The fulfillment of the Company's highest ever order backlog, currently at \$50.3 million, will allow us to maintain momentum and drive further revenue growth. Austco Healthcare is dedicated to pursuing its growth-focused strategies, ensuring the Company continues its growth trajectory well into the future.

This announcement was approved for release to the ASX by the board.

~ Ends ~



Further Information

Clayton Astles
Chief Executive Officer
Telephone AUS: +61 411 531 170
Telephone US: +1 416 565 7457
Email: clayton.astles@austco.com

Brendan Maher
Chief Financial Officer and Company Secretary
Telephone AUS: +61 439 369 551
Email: brendan.maher@austco.com

About Austco Healthcare Limited (ASX Code – AHC)

Austco Healthcare Limited is an international provider of healthcare communication and clinical workflow management solutions. Headquartered in Australia, the company has subsidiaries in six countries and supports healthcare facilities through its global reseller network, which includes growing markets in health, aged care and acute care. Austco Healthcare services markets including Australia, New Zealand, Canada, UK, USA, Asia and the Middle East. For further information, please refer to the Company's website, www.austcohealthcare.com.