

ASX RELEASE

22 August 2018

OVER THE WIRE HOLDINGS LIMITED FULL YEAR RESULTS TO 30 JUNE 2018

FY18 Highlights

- Total Revenue up 57% to \$53.56m
- Organic Revenue up 20%
- EBITDA up 66% to \$12.26m
- NPATA up 68% to \$6.84m
- NPAT up 54% to \$5.53m
- Acquisition of VPN Solutions completed
- Final dividend of 1.50 cps declared
- EPS up 53% to 12.63 cps

Over the Wire Holdings Limited (ASX:OTW) is pleased to announce its financial results for the year ended 30 June 2018 (FY18). Key financial highlights from the results include:

	FY18	FY17	% Change
Total Revenue	\$53.56m	\$34.22m	57%
EBITDA	\$12.26m	\$7.37m	66%
NPATA	\$6.84m	\$4.07m	68%
NPAT	\$5.53m	\$3.60m	54%

Commenting on the FY18 results, Managing Director Michael Omeros said, “We are delighted with our FY18 result. We have delivered strong results since the IPO and achieving over 50% EPS growth in the past 12 months endorses our strategy of delivering organic growth through geographic expansion complemented by quality acquisitions. We are pleased with the current position of the business and remain well positioned to continue to deliver on our strategy.”

Business Performance

Total revenue from ordinary activities for the year was \$53.56m (FY17: \$34.22m), representing an increase of 57% on the previous year. The result demonstrates demand from customers across all four product lines including:

	FY18	FY17	% Change
Data Networks	\$29.38m	\$15.92m	85%
Voice	\$14.06m	\$10.71m	31%
Cloud / Managed Services	\$7.26m	\$4.85m	50%
Co-location	\$2.86m	\$2.74m	4%

The Group continued to build upon its geographic expansion strategy. A primary focus was to deliver growth in the New South Wales and Victorian markets and this has been successfully achieved both organically and through acquisition:

	Organic Growth	Statutory Growth
Queensland	6%	23%
New South Wales	30%	60%
Victoria	153%	133%
Other	62%	276%

The Group delivered EBITDA of \$12.26m (FY17: \$7.37m), representing an increase of 66% on the previous year. NPAT was \$5.53m (FY17: \$3.60m), representing an increase of 54% on the previous year.

As at 30 June 2018 the Group had \$7.01m in cash and cash equivalents. The Group continues to remain a strong converter of EBITDA into positive operating cashflows, with Net Cashflow from Operating Activities (before Interest and Tax) for the 2018 year being \$13.02m (\$7.93m in FY17).

Dividends

The total dividends for the full year have increased to 2.50 cents per share fully franked, with the Board declaring a final dividend for 30 June 2018 of 1.50 cents per share fully franked, to be paid in October 2018.

Business Outlook

Our business performance is tracking well against our strategy and we continue to generate positive operational cash flow and maintain a strong balance sheet. We remain well positioned to continue to deliver organic growth and pursue further accretive acquisitions.

The company remains confident that it will achieve strong organic growth in FY19 and continue to deliver sustainable profit growth for shareholders.

ENDS

For further information, please contact:

Michael Omeros
Managing Director and CEO
+617 3847 9292
michael.omeross@overthewire.com.au

Mike Stabb
CFO and Company Secretary
+617 3847 9292
mike.stabb@overthewire.com.au

About Over the Wire Holdings Limited

Over the Wire Holdings Limited (ASX: OTW) is an ASX listed telecommunications, cloud and IT solutions provider that has a national network with points of presence in all major Australian capital cities and Auckland, NZ. The company offers an integrated suite of products and services to business customers including Data Networks and Internet, Voice, Data Centre co-location, Cloud and Managed Services.

Over the Wire Holdings Limited companies include Over the Wire, NetSIP, Faktortel, Sanity Technology, Telarus and VPN Solutions.