

ASX RELEASE – IVE GROUP LIMITED (ASX:IGL)

24 February 2025

Financial results for the Six Months to 31 December 2024

IVE Group Limited is pleased to announce its financial results for the six months to 31 December 2024.

The Group delivered a strong first half performance with revenue, EBITDA and margins up again on a record prior corresponding period (pcp).

IFRS NPAT more than doubled to \$27.1m from \$13.0m pcp, reflecting the strong uplift in underlying profitability coupled with a significant reduction in non-operating items.

Key underlying¹ financial performance indicators for the half include:

- Revenue \$507.8m, up 0.4% from \$506.0m pcp
- Material gross profit margin of 48.5%, up from 46.2% pcp
- EBITDA \$74.1m, up 12.6% from \$65.8m pcp
- EBIT \$51.4m, up 23.4% from \$41.7m pcp
- NPAT \$29.3m, up 29.1% from \$22.7m pcp
- EPS (NPAT) 19.0¢ps, up 28.1% from 14.8¢ps pcp
- EPS (NPATA) 20.1¢ps, up 26.7% from 15.9¢ps pcp
- Ovato cost synergies fully realised
- JacPak cost synergies fully realised and available revenue capacity committed
- Operating cash conversion to EBITDA of 92.0%, up from 84.0% pcp
- Net debt \$121.4m, down from \$131.0m at 30 June 2024, reflecting continued strong operating cash conversion and greatly reduced restructuring costs, partially offset by peak working capital seasonality and capex associated with the packaging capacity build-out
- Fully franked interim dividend of 9.5¢ps, unchanged from 9.5¢ps pcp, consistent with guidance indicating a stable dividend for the foreseeable future

Commenting on IVE Group's FY25 H1 performance, Managing Director, Matt Aitken said:

"Given continued economic uncertainty and persistent inflation, I am extremely pleased with the first half result which was up materially relative to the prior period. In addition to a strong underlying performance, the half included a full run-rate of Ovato and JacPak (cost) synergies, with JacPak's \$15m of available revenue capacity now committed as per the acquisition business case."

1 The underlying results are on a non-IFRS basis, exclude various non-operating items (as reconciled in the Appendix 4D and the Investor Presentation) and are not audited or reviewed.

FY25 outlook and guidance

Reflecting a strong start to the year and sound new business prospects, the Group has revised its FY25 underlying NPAT guidance range to \$47m-\$50m (from \$45m-\$50m previously).

Non-operating items excluded from guidance and underlying earnings include:

- Lasoo operating loss similar to FY24; and
- Restructuring and other costs of around \$3.5m.

Capital expenditure is now expected to be around \$32m, including \$18m relating to the packaging capacity build-out (net of disposal proceeds), the increase reflecting the bringing forward of additional packaging equipment purchases (for Phase 1 expansion).

As foreshadowed with the release of the FY24 result and reiterated at the 2024 AGM, IVE's annual dividend is expected to be held steady at 18.0¢ps for the foreseeable future:

- Reflecting the already substantial dividend yield; and
- To preserve cash to pay down senior debt, fund future growth initiatives and/or for other capital management options.

Net debt at 30 June 2025 is expected to be below the Group's internal benchmark of 1.5x pre-AASB 16 EBITDA (less than 1.0x post-AASB 16 EBITDA).

Considering this and the Group's consistently strong financial performance, the Board and management view IGL's share price as offering significant value at current levels and accordingly has initiated an on-market share buyback of up to \$10m.

The Company may vary, suspend or terminate the on-market buyback based on its view of prevailing market conditions, IVE's capital management requirements, and other factors that may affect shareholder interests.

Matt Aitken

Managing Director

This announcement has been approved for release by the IVE Group Board.



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Results briefing

Investors and analysts are invited to join a Zoom briefing hosted by Matt Aitken (Managing Director) and Darren Dunkley (CFO) which will be held at 11:00AM Australian Eastern Daylight Savings Time today.

Participants must pre-register for the briefing at least 30 minutes before the scheduled start. To receive a unique and necessary access code, please follow the link [here](#).

The financial accounts and presentation slides are available on IVE Group's [website](#).

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