

# SKS Technologies Reports Record Net Profit Growth of 104% for 1H FY22

**SKS Technologies Group Limited (ASX: SKS)** is a leading supplier of audio-visual / IT, electrical and communication networking solutions, and operates as the only ASX listed company providing a fully integrated end to end technology offering nationally.

SKS Technologies is pleased to announce its results for the six months ended 31 December 2021 ("1H FY22"). This period was highlighted by strong revenue performance and organic growth momentum, supported by the appointment of seasoned industry professionals over the past 6 months.

## Key Highlights

- Total revenue from operations increased 102% to \$28m, in line with guidance;
- Net profit (after tax) was \$1.35m, an increase of 104% from the pcp;
- Cash receipts up 96% to \$31m;
- Record order book achieved with work in hand now in excess of \$45m;
- On track to deliver FY22 guidance of \$60m revenue;
- Expected revenue run rate of \$80m by June 2022

**Matthew Jinks, CEO, commented:** "We are pleased to deliver another record result on the back of particularly strong revenue growth across our key industry profile. This gives us a great deal of confidence to execute on our strategy in line with our guidance previously outlined. The increased work in hand, robust pipeline of strong opportunities and continued focus on team expansion sets precedence for the Company to continue delivering strong organic revenue growth."

## Financial Overview

Following a resilient performance in FY21, SKS Technologies has continued to deliver strong growth momentum as seen in the first half of FY22, with record revenue growing by 102% from the prior year to \$28m, in line with the forecasted revenue guidance highlighted in November 2021.



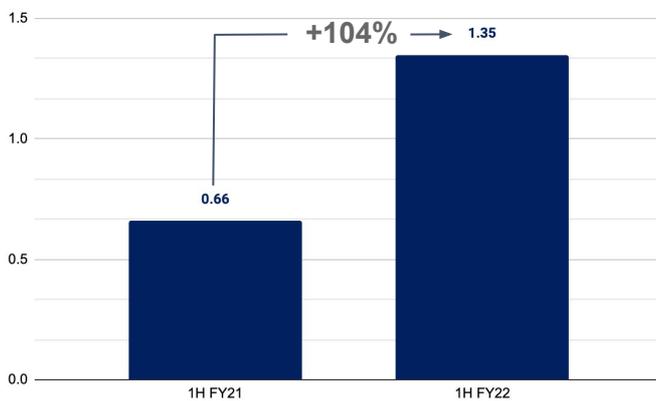
Figures above are compared to the previous corresponding period.

## Financial Overview Continued

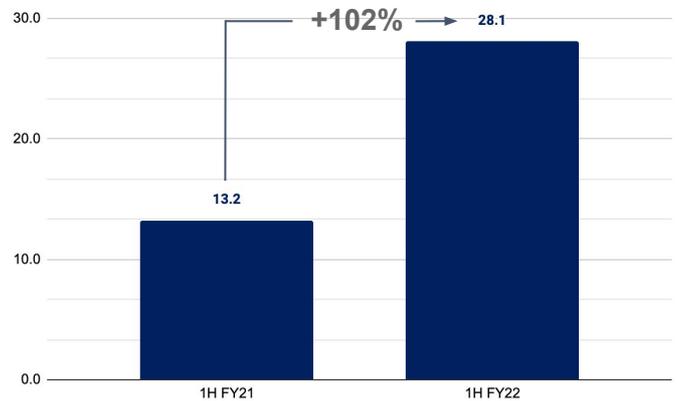
The strategic organic growth and expansion of our technologies offering has enabled us to grow the order book by 450% compared with the previous corresponding period. This has been largely driven by significant contract wins, including key blue chip clientele, as a result of our increased scale and resource capabilities off the back of the APEC Technologies acquisition (completed in April 2021). Our robust pipeline for new business across a range of sectors, nationally, has been expedited due to Covid-19 and allows us to capitalise on the market shift for digital transformation.

We are pleased to report a net profit after tax growth of 104% to \$1.35m from \$0.66m the previous corresponding period for continuing operations.

### Net Profit After Tax (\$M)



### Sales Revenue (\$M)



## Operational Overview

SKS Technologies is well positioned to leverage this new pipeline of work via the additional internal resourcing made over the past six months. Key industry hires were made in Western Australia, New South Wales, Queensland, alongside continued expansion into the Northern Territory growing our service offering into other vertical markets.

Previously announced updates during the first half of 2022 included the formal acceptance of approximately \$10 million to design, supply and install the Audio Visual package related to the Private Public Partnership for the New Footscray Hospital, Melbourne.

The Company has decided not to proceed at this time with its indicative proposal to acquire Queensland based technology company, Integrated Solutions. SKS Technologies continues to see Integrated Solutions as a highly prospective business and will continue to pursue future opportunities together.

## Outlook

The Company is in a good position to accelerate its growth through organic operations in the second half of the 2022 financial year as the Company remains focused on becoming a market leader in providing a fully integrated end to end technology offering.

The Company is on track to deliver an annualised revenue run rate of \$80m by June 2022 and remains focused on its strategy of investing for future growth through:

- Scaling nationally;
- Diversifying our services and market verticals; and
- Growing our direct to end user customer base, driving recurring revenue and higher margins.

~ ENDS ~

Approved for release by the Board of SKS Technologies Group Limited.

### Further Information

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### About SKS Technologies Group Limited (ASX: SKS)

SKS Technologies delivers advanced technology through digital transformation via creative design and installation of converged AV/IT, electrical and communication networking solutions nationally.