

ASX Release  
11 August 2016



## INVESTOR UPDATE *NeolCP Full Year Results*

### HIGHLIGHTS

- **60.95% increase in NPAT result for NeolCP in FY16**
- **29.17% increase in EBITDA results for NeolCP in FY16**
- **18.81% increase in Revenue for NeolCP in FY16**
- **11.28% increase in Net Assets for NeolCP in FY16**
- **US\$60,000 dividend payment to Stargroup from NeolCP**

Financial Technology and ATM machine company Stargroup Limited (**ASX : STL**) is pleased to announce that NeolCP Korea Inc. (**NeolCP**), a private South Korean Company that Stargroup owns 11.28% of the issued capital of, have released their full year results in South Korea.

The NeolCP full year revenues were up 18.81% to AUD \$25,405,356 (FY15 : \$21,381,436).

The NeolCP full year results show a net profit after tax result of AUD\$1,605,898 (FY15 : \$997,750) which is a 60.95% improvement.

NeolCP also posted an EBITDA result of AUD\$2,319,015 (FY15 : \$1,795,362) which was also a 29.17% improvement on the prior year result.

The book value of NeolCP's net assets were reported at AUD\$17,292,198 at 30 June 2016 which was also a further 11.28% increase on the FY15 result of \$15,538,187.

As previously advised to the market on 2 February 2016, there is a dividend policy in place as between NeolCP and Stargroup and accordingly NeolCP will be declaring a dividend in relation to the year ended 30 June 2016 and have advised the Stargroup Board that this will be approximately USD\$60,000.

Mr Todd Zani, Stargroup's CEO and Executive Chairman said "The Board of NeolCP have had an excellent result for FY16. These results have significantly outperformed the FY15 results and our expectations for FY16. We continue to believe that our investment is undervalued in our own books and whilst we

**All NeolCP Key  
Financial Metrics  
are Significantly  
up on FY15  
Results**

**NeolCP to pay  
Dividend to  
Stargroup**

did make an upward revaluation in the half year result from \$938,368 to \$1,524,597. NeolCP recently acquired and built an impressive new headquarters and manufacturing plant in South Korea and the improved net assets of the business do not take into account the market value of these premises. Given this result and dividend payment, we will give due consideration to again revaluing this investment.

The dividend payment is larger than expected and NeolCP have had an excellent year where they have consolidated the distribution of their products throughout the Asia Pacific region and we understand that there are intentions to list NeolCP on the Korean exchange.

In particular, NeolCP have made significant progress with their cash redemption terminals in China, Sri Lanka, Malaysia, Cambodia, Turkey and also South Africa and we are working closely with credit unions and banks in Australia to roll out some of these technologies in Australia.

The reciprocal shareholdings between Stargroup and NeolCP sets us apart in the ATM market place. NeolCP recently participated in the rights issue and currently own a 5.23% interest in STL. Our joint ownership of each other means that we have an edge over our competitors and we work very closely with NeolCP to customize solutions for our clients in Australia.

The Korean Board of NeolCP will be in Western Australia next week as part of our ongoing commitment to further customize our technologies to suit our customer needs in this region. and a combined commitment to become the Number 1 ATM and financial technology company in Australia", said Mr Zani,

## **FURTHER INFORMATION**

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### **About Stargroup**

Financial technology company Stargroup Limited is the only ASX listed company deploying ATM machines in Australia and importantly, the only listed ATM company having a direct ownership interest in the manufacturer of its ATM technologies, namely NeolCP, a south Korean private company.

Stargroup Limited merged with iCash Payment Systems Limited (ASX:ICP) on 7 August 2015 and as part of the acquisition became the exclusive distributor of the cashPod ATM range including the recycler ATM, back office and payment technologies in Australia for the next 5 years.

Stargroup Limited, via its wholly owned subsidiary, StarPOS, is also an EFTPOS and payWave technologies provider via its leveraged wholesale Visa and Mastercard agreement and the launch of StarPOS occurred on 1 October 2015.

### **About NeolCP**

Stargroup Limited owns 11.28% of NeolCP Korea Inc, a South Korean private company that provides integrated and innovative self-service solutions to the banking and retail market.

NeolCP has brought together a combination of innovation, expertise and quality service to become a global leader in the ATM manufacturing industry and a technology leader in cash management and cash handling solutions.

As at 31 December 2015, NeolCP had \$18.3 million in net assets and there is a three year dividend policy in place between NeolCP and Stargroup Limited.

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