

ASX RELEASE

15 AUGUST 2019

OVER THE WIRE HOLDINGS LIMITED
FULL YEAR RESULTS TO 30 JUNE 2019

FY19 Highlights

- Total Revenue up 49% to \$79.6m
- EBITDA up 64% to \$20.1m
- NPATA up 91% to \$13.1m
- NPAT up 83% to \$10.1m
- Acquisition of Access Digital Networks completed
- Acquisition of Comlinx completed
- Final dividend of 2.00 cps declared (full year dividend of 3.25 cps)
- EPS up 64% to 20.7 cps

Over the Wire Holdings Limited (ASX:OTW) is pleased to announce its financial results for the year ended 30 June 2019 (FY19). Key financial highlights from the results include:

	FY19	FY18	% Change
Total Revenue	\$79.6m	\$53.6m	49%
EBITDA	\$20.1m	\$12.3m	64%
NPATA	\$13.1m	\$6.8m	91%
NPAT	\$10.1m	\$5.5m	83%

Commenting on the FY19 results, Managing Director Michael Omeros said, "We are delighted to deliver another positive result in FY19. We remain focused on delivering organic growth through geographic expansion and market penetration, complemented by quality acquisitions. Industry tailwinds in SD-WAN, Hosted Voice and Cyber Security provide a positive outlook for future growth and Over the Wire is well positioned to take advantage. We are excited by the potential opportunities for growth and remain committed to delivering on our strategy."

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Business Performance

Total revenue from ordinary activities for the year was \$79.6m (FY18: \$53.6m), representing an increase of 49% on the previous year. The result demonstrates demand from customers across all four product lines including:

	FY19	FY18	% Change
Data Networks	\$37.0m	\$29.4m	26%
Voice	\$16.4m	\$14.1m	17%
Cloud / Managed Services	\$23.0m	\$7.3m	217%
Co-location	\$3.2m	\$2.9m	11%

The Group continued to build upon its geographic expansion strategy. Strong growth was achieved across all states with an office presence, both organically and through acquisition:

	Organic Growth	Statutory Growth
Queensland	17%	56%
New South Wales	14%	31%
Victoria	11%	18%
South Australia	13%	230%

The Group delivered EBITDA of \$20.1m (FY18: \$12.3m), representing an increase of 64% on the previous year. NPAT was \$10.1m (FY18: \$5.5m), representing an increase of 83% on the previous year.

The Group continues to remain a strong converter of EBITDA into positive operating cashflows, and with \$10.3m in cash and cash equivalents at year end, Free Cash Flow of around \$8m, and very low gearing ratios, the balance sheet is strong and ready to deliver the Group's growth strategy.

Dividends

The total dividend for the full year has increased to 3.25 cents per share fully franked, with the Board declaring a final dividend for 30 June 2019 of 2.00 cents per share fully franked, to be paid in October 2019.

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 growth in FY20 and continue to deliver sustainable profit growth for shareholders.

ENDS

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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, VPN Solutions, Access Digital Networks and Comlinx.

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