

Monday, 30<sup>th</sup> May 2022

## Plexure Group FY22 Results Update

- **Group revenue of NZD\$32.6m**
  - Includes \$6.4m contribution from TASK (6 months contribution)
  - Group recurring revenue of \$24.8m (same 6 months TASK contribution)
- **TASK**
  - 30% increase in SaaS AMRR<sup>1</sup> (based on March 2022 versus prior year period) to \$7.7m, with a further 32% SaaS AMRR growth already contracted for FY23<sup>2</sup>
  - TASK positive EBITDA contribution in FY22
- **Plexure Division**
  - Platform running at record levels (323m users, 28% increase in customer activity)
  - Salary and wage costs were reduced by 40% (Q4 vs. Q3 FY22), saving over \$8.0 million on an annualised basis
- **Group**
  - EBITDA level loss of \$15.6m and net loss after tax of \$24.1m, reflecting Plexure Division operations prior to FY22 restructuring
  - Management committed to ensuring that the Plexure Division operations are cash positive in FY23
  - \$13.9m net cash as at 31 March, 2022

**Auckland, New Zealand, May 30, 2022** - Plexure Group Limited (NZX/ASX:PX1) announces a 12% increase in revenue to NZD\$32.6m for financial year ending 31

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<sup>1</sup> AMRR is Annualised Monthly Recurring Revenue representing SaaS revenue for the month of March 2022, multiplied by 12. It provides a 12-month forward view of SaaS revenue, assuming factors such as customers, pricing and foreign exchange remain unchanged. SaaS revenue represents 76% of total recurring revenue for TASK.

<sup>2</sup> \$0.2m in additional monthly SaaS revenue is contracted with customers and will be recognised across the year as each project is implemented.

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March 2022. This captures a full 12 months of Plexure Division, as well as 6 months of the TASK business. Recurring Revenue for the combined group at end March 2022 was \$24.8m.

### ***TASK Results<sup>3</sup>***

TASK continues to grow strongly and profitably. TASK grew SaaS Annualised Monthly Recurring Revenue (AMRR) as at March 2022 by 30% to \$7.7m over the same prior year period. In addition, an incremental 32% increase in AMRR (versus March 2022) is already locked in through signed contracts at the start of FY23<sup>1</sup>.

TASK contributed a positive EBITDA to the Group.

To support short-medium term growth, TASK made a number of targeted investments in the final quarter of FY23, including a 178% increase in the Polish software development team headcount versus the prior quarter and the recruitment of an experienced QSR professional to lead the expansion of the TASK North American operations.

As previously reported, the continued global hardware supply chain issues resulted in hardware sales not being realised as planned. However, the customer appetite for hardware purchases remains (albeit delayed), with significant sales of >\$3m already contracted in FY23 and more in the pipeline, with revenue being recognised as the hardware is installed.

### ***Plexure Division Results***

Plexure's recurring revenue increased 11% year on year to \$20.4m, reflecting the continued global growth of the Division's largest customer, McDonald's, where it supports 66 markets and ~10,900 restaurants globally. This support of McDonald's global digital and loyalty-led strategy has led to significant platform usage increases year on year, including a 44% increase in end-users to 323 million and a 28% increase in customer activity, with 147 million actions being made every day of the year. This level of platform usage growth has historically resulted in significant cost increases within Plexure – for example, IT and Technology costs associated with delivering this significant scale increase have grown \$2.4m (25% versus last year). To date, revenue increases have not matched pace with these costs due to the legacy contracts with McDonald's.

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<sup>3</sup> TASK was acquired on 1 October 2021. Comparative analysis is provided for information only, as the business was not part of Plexure Group.



At the Half Year results, the Group announced a significant restructure and cost reduction focus in the Plexure Division, which is delivering results in Q4FY22. Salary and wage costs (staff and contractor) were 40% lower in Q4FY22 compared to the prior quarter, saving over \$8.0 million on an annualised basis. The significant restructure has not limited the Division's ability to support continued growth in transactions and better service to its largest customer.

Management will take all steps required to ensure that the Plexure Division will be cash positive in FY23.

### **Group Results**

The Group posted an EBITDA level loss of \$15.6m (which included a \$9.2m EBITDA loss in the second half of the year).

The net loss after tax for the full year was \$24.1m – reflecting several one-off and in some cases non-cash costs including:

- Amortisation costs in relation to software, customer relationships and brand recognised on the acquisition of TASK and amortised over five years (\$5.7m non-cash).
- Impairment charges recognised in respect of a right of use asset (\$0.7m non-cash) and disposal of intangible assets (\$0.7m non-cash);
- Provisions for doubtful debts in relation to two markets impacted by the war in Ukraine (\$0.3m);
- Restructuring costs to refresh senior leadership team and transform the Plexure Division (\$1.6m);
- Non-cash charges in relation to awards made under employee share schemes amounting to \$2.5m;
- Foreign exchange movements resulting from a weakening New Zealand dollar (\$0.2m);

The Group ends the financial year with net cash of NZD\$13.9m.

Daniel Houden, CEO of Plexure Group, stated, "We're delighted to see the continued profitable growth of TASK which is accelerating, reflecting the continued support of our outstanding client base, recent new client wins and a strong demand for our platform. With new hires in the US and the strength of our software platform, we are incredibly excited by the opportunities ahead for TASK."

"The legacy structure of the Plexure Division has resulted in an unacceptable loss for the year. However, I am very pleased with the decisive actions we took to transform this business and the great results this is achieving for its major customer. We have supported McDonald's with better customer service, spending money where

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necessary to support record levels of platform usage; all achieved with fewer resources. I will not accept the lack of profitability of this division and am actively addressing this.”

“We look forward confidently to the profitable and strong growth of the combined business this financial year.”

## Results summary

Income Statement	2022	2021	Variance	
	\$'000s	\$'000s	\$'000s	%
Total Income <sup>4</sup>	32,759	29,276	3,483	12%
Operating expenses	(48,407)	(34,343)	(14,064)	(41%)
<b>EBITDA</b>	<b>(15,648)</b>	<b>(5,067)</b>	<b>(10,581)</b>	<b>(209%)</b>
Depreciation & Amortisation	(9,203)	(2,592)	(6,611)	(255%)
<b>EBIT</b>	<b>(24,851)</b>	<b>(7,659)</b>	<b>(17,192)</b>	<b>(224%)</b>
Net Interest & Income Tax	800	(271)	1,071	395%
<b>Net Loss after Tax</b>	<b>(24,051)</b>	<b>(7,930)</b>	<b>(16,121)</b>	<b>(203%)</b>

## Revenue from Customers

Revenue	2022	2021	Growth	
	\$'000s	\$'000s	\$'000s	%
<u>Plexure Division</u>				
Recurring	20,357	18,315	2,042	11%
Non-Recurring	5,800	10,835	(5,035)	(46%)
<b>Total Revenue from Customers</b>	<b>26,157</b>	<b>29,150</b>	<b>(2,993)</b>	<b>(10%)</b>
<u>TASK</u>				
Recurring	4,434		4,434	-
Non-Recurring	1,967		1,967	-
<b>Total Revenue from Customers</b>	<b>6,401</b>		<b>6,401</b>	<b>-</b>
<u>Group</u>				
Total Recurring	24,791	18,315	6,476	35%
Total Non-Recurring	7,767	10,835	(3,068)	(28%)
<b>Total Revenue from Customers</b>	<b>32,558</b>	<b>29,150</b>	<b>3,408</b>	<b>12%</b>

<sup>4</sup> Total Income excludes Interest Income for purposes of EBITDA calculation.



**ENDS**

**Approved for release by the Board of Plexure Group Limited.**

For more information, visit [www.plexure.com](http://www.plexure.com) and [www.TASKsoftware.com](http://www.TASKsoftware.com) or contact:

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