

KORDIA GROUP LIMITED	
Results for announcement to the market	
Reporting Period	6 months to 31 December 2017
Previous Reporting Period	6 months to 31 December 2016

	6 months to 31 Dec 2017 (NZD'000)	6 months to 31 Dec 2016 (NZD'000)	Percentage change
Revenue from ordinary activities	109,896	101,550	8.2%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	11,755	7,095	6.6%
Profit (loss) after tax	1,608	(1,836)	187.6%

	Interim Dividend
Amount	1,000
Dividend Payment Date	31 March 2018

KORDIA GROUP HALF YEAR RESULTS

Specialist telecommunications, broadcast and cyber security business Kordia Group has reported a strong start to the year, delivering revenue of \$109.8m for the half year ended 31 December 2017 (up 8.2% on the previous year) and a profit after tax of \$1.6m.

EBITDA was boosted to \$11.8m, 6.6% higher than the previous year, and off the back of this positive result, the Group will pay an interim dividend of \$1m as it continues to improve its financial performance.



Kordia Group's net debt position was \$5.2m at the end of December 2017 and the balance sheet remains strong.

Kordia Group Chair, John Quirk, attributes the positive half year results to the strong growth experienced across all divisions of the business (Solutions, Cyber Security, Networks and Maritime) in both Australia and New Zealand.

"All areas of the business are performing well and with several large projects due to kick off in Australia and New Zealand during the second half of the year, we expect this growth to continue.

"In New Zealand, the Networks division performed particularly well, with the Media and Telco divisions contributing strongly to the Group's overachievement on both revenue and EBIT. Solid progress is also being made in the Internet of Things (IoT) space with Kordia being awarded the contract to build and operate Spark's nationwide LoRA IoT network," says Quirk.

Kordia's specialist cyber security division, Aura Information Security, continues to carve out a successful path for growth and is increasingly gaining recognition as a leading cyber security provider. The company won 'Best Security Company' at the 2017 iSANZ Awards and was also selected as a Primary Supplier across all five categories of the NZ Government Security and Related Services Panel.

"In Australia, the investment outlook continues to improve as network operators look to transition from legacy technology to 5G. The Solutions team also won several large project bids, positioning the business well for the future." adds Quirk.

Dividend

While no dividends were paid off the back of the Group's 2017 financial results, a dividend of \$1m will be paid off the back of the strong first half results.

"Last year we took significant steps to return Kordia Group to profitability – particularly in our Australian business where the completion of several key projects and delays in the commencement of new projects impacted on revenue.

"These steps have had a positive impact on our operations and Kordia Group has been able to start the current financial year on solid footing. All areas of the business are performing well – with substantial progress being made across the Tasman by our Solutions and Maritime businesses – and the Group has returned to profitability.



“The forecast for the second half of the year is looking positive and we’re confident our unique approach to customer service, combined with our focus on mission-critical technology solutions, will deliver a positive outcome for the shareholder,” concludes Quirk.

For the Board,
John Quirk
Chair
Kordia Group

