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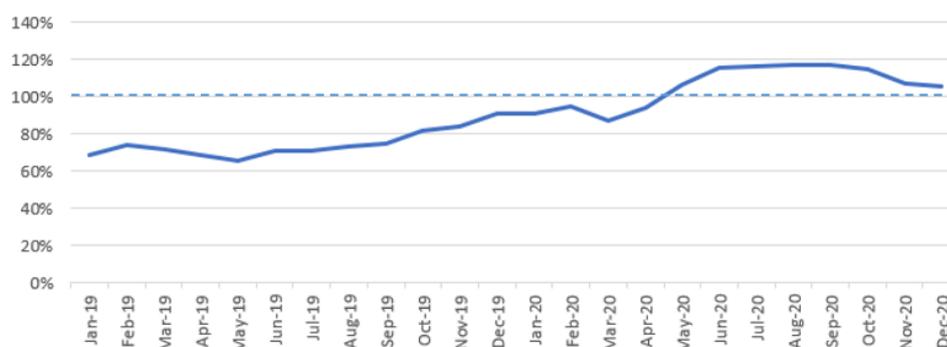
H1 FY21 Interim Financial Report and Appendix 4D

Sports, leisure and hospitality SaaS technology provider MSL Solutions Limited (ASX: MSL, “MSL” or “the Company”) is pleased to provide its Interim Financial Report for the six months ending 31 December 2020.

Highlights

- Earnings growth continued in H1 FY21: EBITDA inclusive of Government COVID-19 relief during the period was \$1.683 million, a \$2.844 million improvement from H1 FY20
- MSL achieved \$0.719 million in EBITDA excluding Government COVID-19 relief during the period (an improvement of \$1.880 million from H1 FY20)
- SwiftPOS acquisition completed and achieving stronger than expected financial performance, contributing EBITDA of \$240k from acquisition date in mid November 2020 to 31 December 2020 (extrapolating to a \$1.8 million annual EBITDA run rate). Leveraging the established SwiftPOS reseller network creates strong opportunity for increased sales of MSL products without increasing operational costs
- Improvement in MSL's key metric of recurring revenue to operating expense to 105% on a 3-month trailing basis as at 31 December 2020, reflecting the resilience of MSL’s Golf business and recovery in Venues
- Australia and Denmark (‘Golfbox’) have both rebounded well reporting growth in earnings, with Golfbox revenue up 10.6% from the previous corresponding period and APAC sales pipeline continuing to strengthen. UK results remain subdued but new opportunities are emerging with increasing confidence in the UK with vaccine roll out
- End-to-end technology ownership, continued improvement in financial performance and a stronger balance sheet (with \$2.81 million cash at 31 December 2020) have all enabled MSL to improve its pipeline and strategically position itself for larger enterprise opportunities

3 Month Trailing Recurring Revenue to OPEX



Note: supported by Australian government subsidies from April – September 2020

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Financial and operational performance

In H1 FY21, MSL continued to deliver strong earnings growth both inclusive and exclusive of COVID-19 related government support. The Company achieved EBITDA of \$1.683 million for the half year, including \$964k in Government subsidies.

These results reflect the benefit of decisions made in FY20 to reset the cost base with a 22% decrease in period-on-period operating expenses. Whilst COVID-19 did impact revenue generation, especially in the UK, the result reflects continued delivery of the Company's strategy to achieve operational and financial efficiencies. The year-on-year improvement of \$1.880 million in half-yearly EBITDA before government subsidies provides a new platform to achieve sales growth and build the pipeline.

MSL continued to achieve improvement in the key success metric of recurring revenue to operating expenses as shown in the above chart, with early signs of growth in markets offering new sales opportunities and new sales channels.

Recurring revenue for the 6 months ended 31 December 2020 is \$8.441 million, representing a small decrease during the period driven by the discontinuation of less profitable products, a decreased focus on low margin hardware sales, exposure to UK stadium closures due to COVID-19 conditions and some fee relief support to MSL's affected customers in Asia Pacific. MSL's Golf business has remained resilient throughout CY20 and into CY21.

The Company is expecting recurring revenue to increase in CY21 in addition to the positive contribution of the SwiftPOS acquisition. SwiftPOS contributed \$397k of revenue, of which \$278k is recurring, and \$240k of EBITDA for the 7 weeks to 31 December 2020.

The Company had a closing cash position of \$2.814 million as at 31 December 2020, with undrawn standby facilities available of \$1.505 million.

Strategy delivery

While MSL continued to focus on right-sizing the business in H1 FY21 to return the Company to consistent profitability and positive operating cashflow, management also focused on acquisition and collaboration opportunities during the period to position MSL well to succeed in its chosen markets.

MSL's acquisition of SwiftPOS is a key step in establishing a strong platform for growth within the Company. SwiftPOS has enhanced MSL's financial fundamentals and also brought a stronger technology roadmap, significantly enlarged customer base and broader reach through an extensive reseller network.

Importantly, the SwiftPOS acquisition has also helped to position MSL to compete for enterprise customers, a factor which the Company expects to enhance the size and ease of completing larger deals. It has also provided MSL with a significantly stronger platform through which to engage in partnerships across Golf and Venues, in line with the Company's growth strategy.

The Company augmented this acquisition with several collaboration and integration deals signed during the period, including with mobile ordering and payment app Me&U and 'buy now pay later' (BNPL) payment solution provider Openpay Group Ltd (ASX: OPY), and is in collaboration discussions with additional POS app integration platform providers.

MSL Solutions CEO, Pat Howard, said:

"We continued to deliver against our strategic and operational objectives in H1 FY21, culminating in a significant improvement in earnings performance. Our portfolio approach, with brands such as

Golfbox, Verteda and SwiftPOS, create diversity in our operations across Golf and Venues in targeted geographies, adding value to our business.

"The initial signs of the SwiftPOS acquisition have surpassed our expectations in terms of strategic fit, ease of integration and financial contribution. This acquisition has been critical in helping to position MSL to compete for larger enterprise venue and stadium customers. Owning our own IP from end to end empowers us to pitch the MSL solution to a broader set of higher-value customers. The five-year deal we signed in September to deliver POS solutions into RAC Arena in Perth is an encouraging indicator of the market in which we can now complete strongly.

"Looking ahead, we expect to drive continued growth in profitability through our focus on more effective marketing, product rationalisation, utilisation of the reseller network and further potential strategic acquisitions. MSL's advanced software, strong customer base and multiple points of contact with our customers all underpin our strong confidence in delivering value for customers, staff and shareholders in 2021."

Approved for distribution by the Board of Directors of MSL Solutions Limited

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About MSL Solutions Limited

MSL Solutions Limited (ASX: MSL) is a leading SaaS technology provider to the sports, leisure and hospitality sectors. We help some of the world's most iconic venues around the world - stadiums & arenas, pubs & member clubs, sporting associations, golf federations and more – to deliver outstanding customer experiences during every engagement.

MSL develops and delivers fully integrated and modular systems that connect customers to venues through mobile and contactless entry, ordering and payment solutions. We seamlessly connect front-of-house to back-office, offering an end-to-end guest engagement platform which provides actionable insights on key success metrics to venues of all sizes.

MSL Solutions has over 5,000 customers with offices in Australia, UK and Denmark. To discover more about MSL, please visit www.mslsolutions.com.

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