



# MILLENNIUM INVESTOR PRESENTATION

## FY16 Half Year Results Investor Presentation

Mark Baldwin CEO  
Richard Forster CFO

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# AGENDA

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# 1. MILLENNIUM TODAY

Millennium is a cleaning, security and integrated services specialist operating in Australia and NZ. Millennium provides its services to the retail shopping centre and commercial property sectors including Commonwealth and State Governments.



## 2. HIGHLIGHTS

### 1H16 Results Summary

- Normalised operating revenue of **\$76.3m (Actual \$24.6m)**.
- Normalised EBITDA of **\$5.2m (Actual \$1.6m)**.
- Operating cash in line with expectations.
- Business is trading well.
- We expect full year prospectus EBITDA forecast to be achieved.
- Successful integration of ACS business post-IPO.
- Acquisition of National Cleaning Services Australia as at 1 February 2016 increasing share of Commonwealth Government contracts.
- Expansion in NZ progressing.
- Finalisation of debt facility of \$26.6m securing capacity for growth.

\*Actual 2 months November 15 – December 15

# 3. BALANCE SHEET

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<b>Consolidated Balance Sheet</b>	<b>Dec 15 A\$'000</b>
Cash	2,773
Receivables	8,466
Other	1,255
<b>Total current assets</b>	<b>12,494</b>
Property, plant and equipment	6,160
Intangibles	10,689
Other	615
Deferred tax	3,678
<b>Total assets</b>	<b>33,636</b>
Trade and other payables	6,815
Borrowings	1,047
Income tax	851
Employee benefits	5,649
Deferred consideration	4,725
Other	2,464
<b>Total current liabilities</b>	<b>21,551</b>
Borrowings	1,740
Employee benefits	1,100
Deferred tax	2
<b>Total liabilities</b>	<b>24,393</b>
Equity	9,243

- Initial purchase consideration for the acquisition of the ACS business paid in cash (\$7m).
- Investment made in ACS working capital.
- Intangibles are primarily goodwill and intangible assets acquired on the purchase of the ACS business.
- Deferred consideration on the purchase of the ACS business based on forecast EBITDA achievement to November 2016 to be funded from operating cash, debt or scrip at the company's discretion.
- Loan facility of \$26.6m, \$25.9 undrawn as at 31 December.
- Other borrowings are hire purchase agreements for operational assets.



## 4. OUTLOOK

- We expect strong EBITDA performance in the second half.
- New long term contract wins improving EBITDA in 2H16 and beyond.
- Delayed start of some forecast contract wins will impact FY16 revenue - offset by lower than forecast costs, due to the rationalisation from national buying power. No impact on normalised EBITDA.
- Benefit from NCSA acquisition adding to earnings outlook.
- The company is in the process of determining the value of customer contracts acquired which will then be amortised. This is a non-cash expense.
- Current tender pipeline submitted of approximately \$40 million per annum.
- We are pursuing a number of acquisition opportunities in line with our growth strategy, to expand our sector and geographic footprint.

## 5. DISCLAIMER

- The material in this presentation is a summary of the results of Millennium Services Group Limited (Millennium) for half year ended 31 December 2015 together with an update on Millennium's activities and is current at the date of preparation. Further details are provided in the Company's half year results announcement released on 25 of February 2016.
- This presentation includes forward looking statements, opinions and estimates that are based on information, assumptions and contingencies which by their nature are subject to change, as are statements about market and industry trends, which are based on interpretations of current market conditions. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, their forward looking statements. Such forward looking statements, opinions and estimates are not guarantees of future performance. They involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Millennium, and which may cause actual results to differ materially from those expressed or implied in this presentation.
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- This presentation should be read in conjunction with other publically available material. Further information including historical results and a description of the activities of Millennium is available on our website, [www.millenniumsg.com](http://www.millenniumsg.com)

## 6. CONTACT DETAILS

### **Millennium Services Group**

Level 1, TOK H Corporate Centre

459 Toorak Road

Toorak VIC 3142

(03) 9296 2095

[www.millenniumsg.com](http://www.millenniumsg.com)

Mark Baldwin

**Chief Executive Officer**

Richard Forster

**Chief Financial Officer**

