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| **Company:** | hipages Group Holdings Ltd |
| **Title:** | H1 FY21 Result |
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**Start of Transcript**

Operator: Thank you for standing by and welcome to the hipages Group Holdings Limited first half FY21 investor briefing. All participants are in a listen-only mode. There will be a presentation followed by a question-and-answer session. If you wish to ask a question, you will need to press the star key followed by the number 1 on your telephone keypad. I would now like to hand the conference over to Mr Roby Sharon-Zipser, Co-Founder and CEO. Please go ahead.

Roby Sharon-Zipser: Good morning, everyone, and thank you for joining us for the presentation of our first half year result as a listed company. My name is Roby Sharon-Zipser and I am the CEO and Co-Founder of hipages. With me on today's call is Melissa Fahey, our Chief Finance and Operations officer. As a recap, hipages is Australia's largest online tradie platform and SaaS provider, connecting tradies with residential and commercial consumers.

I'll begin this morning with a summary of our results before providing an overview of the hipages business. I'll then hand over to Melissa, who will take you through the financials in more detail. I will then cover strategy and outlook before opening it up for Q&A.

Turning to an overview of the results, on slide 5. Monthly recurring revenue as at December increased by 31% to $4.6 million. H1 reported recurring revenue at $25.3 million, up 26%. Our gross margin was 87% compared to 77% in the previous corresponding period. Pro forma EBITDA of $6.9 million was a $7 million improvement on PCP. Pro forma net profit after tax was $1.5 million, up from a $5.3 million loss in H1 of last year. Finally, our key growth drivers: total tradie ARPU, subscription tradies and job volumes all recorded significant increases with jobs from repeat customers representing 64% of total jobs.

Slide 6 provides a snapshot of our business highlights for the half. The strong performance across all our key metrics demonstrates the merits of our subscription-only model and enhanced subscription product offering. The result also reflects a buoyant home improvement market as structural shifts towards online and more flexible work arrangements continue.

Building brand awareness remained a priority and we implemented a number of marketing initiatives, including a second season on the block that reinforced our brand leadership and drove growth in jobs from repeat customers and unpaid channels. Following the IPO in November, we are in a strong financial position, with cash and funds on deposit of $31.5 million and no debt, which gives us the flexibility to execute our strategic roadmap.

I wanted to take a moment to talk a little more about hipages. We are Australia's largest online tradie platform. We have the largest network of tradies that will be connected with over 1.5 million jobs this financial year. Marketplaces are really hard to build and they are even harder to replicate.

As the marketplace flywheel effect starts to strengthen, the value and opportunity inherent in these sorts of marketplaces starts to become clearer. I believe we are moving into this place now. We [have been] building this virtual cycle for some years now and the power to generate economies of scale with financial outcomes demonstrated in these latest set of results is becoming clear.

The business has also shown that our model is resilient, scalable, and diversifying, with new products coming to market in the second half. This means that hipages is ready to invest in the next phase of growth. We are confident in the business strategy, subscription model, and the opportunity in front of us, and confident to invest in all aspects of the marketplace that will generate strong growth over the medium to long term.

The importance of the flywheel to our business can't be overstated. The strong results of the half were only possible due to the strength of both sides of the marketplace really working. These are so important. The flywheel creates a cycle with more tradies entering the marketplace and our branding activity attracting more consumers. More consumers creates more jobs that get responded to and done. This in turns brings back more repeat consumers and with that, more tradies that are looking for good, repeat work.

Slide 7 shows that hipages continued to drive sustainable profit growth and expand operating margins in the first half. It also highlights that we are on track to meet FY21 prospectus forecast for revenue and EBITDA.

For those of you that are new the hipages business, I wanted to talk you through what we do. Turning to slide 9, it begins with a consumer and a job that requires a tradie. This job is logged on our website or app and our algorithms connect the consumer with up to three trades. The consumer can then view the tradie's profile and any ratings or recommendations to get a better idea of the business they have been connected with.

Slide 10 shows the tradie experience on the other side of the marketplace. Tradies register on our platform via comprehensive vetting process that includes licence and ABN checks. Once approved, tradies indicate the type of work they want and where they want to work. Jobs are then sent to them via the app or desktop and the process of engaging with the consumer begins.

Slide 11 shows that our highly sophisticated algorithms use millions of datapoints to match consumers and tradies as fast as possible. If you're a consumer in a metro area, you are likely to be connected to your first tradie in as little as 10 minutes and up to three tradies within a couple of hours. The key factors we use to optimise the matching process include: the distance to the job; recently of tradie activity; customer tier; and tradie tenure.

Turning to slide 12. hipages is Australia's largest online platform in the on-demand tradie economy, with an estimated gross merchandise value or GMV of $1.9 billion, which means that our platform has fulfilled almost $2 billion in tradie service requests over the past 12 months to December. We also have the highest quality tradie network in Australia and $3.3 million users have posted jobs on the platform. During the half, we continued to invest in our brand marketing, building awareness to 56% at the end of 2020, up from 27% in July 2018.

Slide 13 provides an overview of the macro environment. There are approximately 9.9 million households in Australia that spend approximately $83 billion every year on home improvement services. We are the largest online trade platform with a large market opportunity. Based on our estimated GMV, we represent 2% plus of the overall market. There are 257,000 trade businesses that employ around 1.1 million tradies.

In terms of ad spend in the category, just under $1 billion was spent by tradies on advertising and marketing, which is forecast to grow strongly over the next few years. It is also worth noting that lead sourcing platforms like hipages have the highest return on investment, or ROI, for every dollar invested.

Turning to slide 14. We introduced a subscription option in 2014 and moved to a subscription-only model in November of 2019. At the same time, we offered a new version of the subscription package with new and improved features. Tradies sign up for six to 12-month contracts which ultimately and automatically renew for a further 12 months.

The decision to shift to a subscription-only model allows us to unlock more value per subscriber and ultimately transition to a software-as-a-service platform. The average revenue per tradie is higher and retention rates are better on the subscription product. Tradie ARPU for subscription tradies is around $1700 compared to only $300 for a transaction tradie. The subscription model will also enable us to bring more medium-to-large tradie businesses onto the platform as we expand our product offering, resulting in stickier customers and further ARPU upside.

Slide 15 highlights the ongoing growth in both sides of the marketplace. Subscription tradies increased by 12% to 28,800 subscribers, now representing 84% of the total tradie customer base. At the end of the first half of the financial year, we have now served a cumulative total of 3.3 million unique users posting a job, up 17% on PCP.

Slide 16 shows our partnerships across government and corporate sectors, which provide additional job channels for tradies. The rollout of our project with the Department of Education is progressing to plan, with over 1400 trade businesses onboarded to serve the 2000 public schools in New South Wales. We are very proud of these partnerships, which demonstrate the quality and depth of our tradie network and brand.

Turning to slide 17. Continuing to build brand awareness is a key focus for hipages. We have continued to invest in our marketing and have achieved real efficiencies through a reduction in our search engine marketing spend. In the first half, 79% of jobs were generated through unpaid channels, compared to 65% two years earlier. We are reinvesting SEM efficiencies in trade acquisition, and in January 2021 launched a brand campaign targeting tradies' businesses.

Marketing initiatives, including a second season as a platinum sponsor of *The Block* have reinforced hipages' brand leadership. In March 2021, we will also extend our TV presence as sponsor of *Better Homes and Gardens*. I will now hand over to Melissa.

Melissa Fahey: Thanks, Roby, and welcome everyone. As Roby mentioned, hipages delivered a strong revenue performance as tradies entered into six and 12-month contracts rather than paying on a transaction pay-per-lead basis. Monthly recurring revenue, which is the amount of monthly cash revenue that hipages receives from subscription-based agreements increased by 31% on PCP.

Total tradie ARPU was up 31% as new subscribers joined the platform at higher price points and existing subscribers upgraded to higher price tiers. hipages delivered positive operating leverage with OpEx reduction of 11% net of reinvestment in growth. We also had a strong EBITDA to operating cash flow conversion of 98%.

Finally, we reported a pro forma EBITDA before significant items of $6.9 million and pro forma operating cash flow of $6.7 million with profit margins continuing to expand. Our pro forma NPAT of $1.5 million is a turnaround of $6.8 million. We have a strong balance sheet with $31.5 million of cash and funds on deposit and no debts.

Turning to slide 20. Total revenue growth increased by 18% to $26.9 million with recurring revenue up 26%. This compares to full year FY21 prospective forecast for total revenue growth of 15% and recurring revenue growth of 20%. Recurring revenue represents 94% of total revenue.

First half revenue growth reflected a strong performance across our key growth drivers. Subscription tradies up 12% on PCP, total tradie ARPU up 31%, and job volumes up 14%. hipages was profitable at the operating and net profit level. Growth margin of 87% showed a marked improvement on 77% in PCP and the pro forma EBITDA margin was 26%.

Slide 21 shows that first half operating revenue increased by 19% as we continue to drive growth in higher-value subscription tradies. Our subscriptions tradies increased by 12% compared to a full year FY21 prospectus forecast of 7%.

Just to recap, we are not forecasting total tradie numbers to grow this financial year. We are focusing on quality versus quantity and targeting the higher-value tradie with a better ROI and retention metrics. In H1 we have seen a decline in total tradie as some lower-value transaction tradies leave the platform. We expect growth in total tradies in FY22.

Slide 22 shows our trailing 12-month subscription revenue bridge. TTM subscription revenue growth was driven by new subscribers coming onto the platform; net ascensions as tradies move to higher price tier subscription products, offset by churn and retention initiatives. Our monthly churn is at 3.5%, which is below our full-year FY21 prospectus forecast of 3.8%. in considering our tradie base, we continue to prioritise quality versus quantity, higher price point trade businesses which also have high retentions; focus on targeting subscription tradies on packages at $129 per month, with our average yield for our new subscribers in H1 at $126 per month.

Whilst on average, our monthly churn on our total customer base is 3.5%, tradies on packages above $129 per month have an average monthly churn of 2.6% and tradies on packages above $299 per month have an average monthly churn of 1.8%. It is also important to note that tradies on packages at $129 and above represent 41% of our tradie base, however 75% of H1 revenue on an MRR basis. Initiatives are in place to target medium and larger-size tradies.

Slide 23 shows that our LTV to CAC ratio is increasing as a result of our improved unit economics. Please note that H1 LTV versus CAC of 7.3 is deflated due to December being a seasonal low month for tradie registrations, which results in an inflated customer acquisition cost.

Turning to slide 24. The strong growth in MRR over the last two years reflects the flywheel effect of the double-sided marketplace as jobs and tradie numbers increase. Two key drivers of MRR growth are our subscription tradie base and total tradie ARPU.

Slide 25 shows that subscription tradies increased by 12% as the hipages platform represents a very attractive ROI for our tradie base. In the second half, we will continue with marketing initiatives to accelerate new tradie subscriptions.

Slide 26 shows that our total tradie ARPU of $1483 was up 31% as tradies opted for higher price-tier packages. We are also seeing existing transactional tradies moving onto the subscription product ahead of expectations. Our subscription tradie ARPU was $1700 versus transactional tradie ARPU of $300, with our subscription ARPU increasing 14% on PCP.

Turning to slide 27. The strong growth in jobs from repeat customers and unpaid channels reflects a strategic focus on brand marketing over the past couple of years. In the first half, 64% of jobs came from repeat customers compared to 57% in PCP. 79% of jobs were from unpaid channels compared to 67% in PCP.

On slide 28, we illustrate how our OpEx continues to fall as a percentage of our revenue as we realise ongoing efficiencies across the business. Our operating cost base reduced by 11% on PCP after investing in growth. We achieved further efficiencies in marketing as a result the effectiveness of our organic channels, brand awareness and reduced reliance on paid channels.

We continue to invest in our platform and development team to deliver growth. In the first half, employment costs in our development team increased by 800,000 or 22% on PCP. 81% of technology development costs were capitalised during the half and will be amortised over three years. We also continue to invest in our operational infrastructure to support growth and scale.

We have covered our operating performance on slide 29 already. However, I would once again like to highlight our positive operating leverage and margin improvement against the prior period. Pro forma EBITDA of $6.9 million also represented a $7 million turnaround on PCP.

Now turning to our cash flow on slide 30. Operating receipts were $29.5 million, up 18% on a pro forma basis, which is consistent with total revenue growth. Pro forma operating cash flow was strong at $6.7 million, with EBITDA to operating cash flow conversion of 98%. Our statutory net increase in cash for the first half was $20.4 million with IPO proceeds of $40.3 million used to pay total IPO transactional costs of $7.3 million (sic - $2.7 million, see slide 30) and $16 million in repayment of borrowings.

Slide 31 highlights the strength of our balance sheet. Our total equity position of $35 million was driven by an increase in total assets of almost $20 million, primarily due to the increase in cash balance, and reduction in total liabilities of $16 million due to the repayment of borrowings. Strong cash and funds on deposit of $31.5 million provides us the financial flexibility to execute our strategic plan.

Before I hand back to Roby, I will quickly run through our pro forma adjustments. Our statutory reported EBITDA was $1.4 million, which was before one-off transactional IPO costs of $4.8 million; non-recurring remuneration cost of $600,000; conversion loss on debt facilities retired on IPO; and an adjustment for public company costs as if incurred for the full reported period. There is also a reconciliation from statutory NPAT to pro forma NPAT with the same adjustments just described, plus an adjustment for interest and other gains and losses on the debt retired on IPO.

I will now hand back to Roby.

Roby Sharon-Zipser: Thanks, Melissa. Slide 34 shows our strategic roadmap. In early 2020, we acquired a field service software business which will be in market for commercialisation in the second half of FY21. This will allow us to provide tools such as scheduling, quoting, invoicing, and eventually business intelligence, which will increase customer stickiness, and improve business outcomes for tradies, which supports our central purpose as a business. Future growth will come from the expansion of the platform to cover the complete tradie ecosystem. These could include a variety of products from banking and lending solutions, insurance, and procurement.

Turning to slide 35. We are pleased with our transition to a subscription-only business, which is tracking ahead of expectations and our evolution to a SaaS platform is progressing to plan. We remain focused on increasing our brand authority and awareness and will reinvest SEM savings into tradie acquisition. Partnerships represent another growth avenue with opportunities for further partnerships in the future.

Slide 36 shows our tradie ecosystem as we transition from subscription model to full-service SaaS platform. Our platform is evolving and our investment in our products will mean our offering will be even better for both the consumer and tradie. We will continue to invest in the brand so Australians will know that hipages is the place to go for home improvements and home services. As I mentioned earlier, we are confident in our strategy and our ability to execute the strategy.

Turning to the FY21 outlook, on slide 37, we had a strong start to the second half with January revenue up 18%. We have not seen any adverse impact from recent COVID-19 outbreaks or lockdowns. We expect second half FY21 revenue growth to be in line for the first half on PCP. We will reinvest cost savings into brand marketing, tradie acquisition, technology, and product development to accelerate growth.

We will continue our evolution to a SaaS platform with the deployment of our field service software product in the second half. Finally, we will continue to optimise our job mix by geography and category and ensure that consumers have access to the highest quality tradie network in Australia.

I'll now hand back to the operator to open it up to questions.

Operator: Thank you. If you wish to ask a question, please press star 1 on your telephone and wait for your name to be announced. If you wish to cancel your request, please press star 2, and if you are on a speakerphone please pick up the handset to ask your question.

Your first question today comes from Ash Chandra with Goldman Sachs. Please go ahead.

Ash Chandra: (Goldman Sachs, Analyst) Thanks very much, Roby and Melissa, for taking the question. Just a couple from me to start if that's okay. The result is obviously very solid, and your revenue growth guidance is comfortably ahead of prospectus numbers, but you haven't revised EBITDA targets. Could you talk us through how you're balancing that operating leverage which is coming through really strongly with reinvesting for growth? It would be great to understand the reinvestment that you might be putting into the business in the second half in a bit more detail across the brand marketing and tradie acquisition and tech and product development that you talked to.

Melissa Fahey: Yes, sure. I can talk to that. As we mentioned, we are really pleased with the revenue performance of the business and in the first half we continued to drive operational efficiency and really manage costs tightly in light of the COVID environment but also ensuring that we were still investing in growth. What we are considering is reinvesting some of those cost savings in H2 and they will be to further strengthen our brand awareness and also in terms of acquiring new tradies and bringing more tradies onto the subscription product, also investing in our technology development team so we accelerate growth further, and also in our sales team.

We mentioned on the call that we're really focused on the quality versus quantity and targeting that higher price point tradie base across the medium to large-size tradie businesses. We will be investing in our sales team to be able to target that customer base and on that basis, we're comfortable with the prospectus forecasts and delivering on that forecast.

Ash Chandra: (Goldman Sachs, Analyst) Do you have any sort of medium-term targets for what you think the right balance is in terms of revenue growth versus margin? You've delivered 26% operating margin in this first half, which is obviously very, very solid. Do you have any sense of how you'd balance that out going forward against revenue growth?

Melissa Fahey: It is a strong margin growth performance in H1, and as I mentioned, we did deliver on a lot of the efficiencies in addition to expectation because of the management of our cost base and also the marketing efficiencies that we saw coming through. We are going to reinvest in the cost base to further accelerate growth through to FY22 and beyond, so we're wanting to take that step ahead to accelerate the growth for the year ahead. From that basis, we're focusing on both revenue growth and margin but reinvesting the cost base in H2.

Ash Chandra: (Goldman Sachs, Analyst) Okay, understood. With the marketing expense - if you don't mind, I'll just ask one more. With that marketing expense, the efficiency that you've got was really fantastic. Do you see this as a little bit onetime in nature for any particular reason or is this just now indicative of the platform having enough scale that these sorts of ratios are now sustainable? Because it's been ratcheting down every single period in terms of the sales and marketing spend per job listing and repeat usage, customers. So, just curious as to whether or not those ratios are sustainable at these levels, or could improve further?

Roby Sharon-Zipser: Yes, I'll take that one. We think they're sustainable. I think there's even further opportunity to improve on the efficiencies in our marketing. We're probably outperforming there and so what we want to do it put a lot more of that marketing back onto the tradie side to acquire more trades. The model is working so we see that as opportunity to accelerate the growth of the business in the future. The marketing and the brand awareness that we've been doing and the strategy that we put in place two years ago, particularly with TV and further above the line marketing, are really, really paying dividends, so we're just going to continue doing that because it's working.

Ash Chandra: (Goldman Sachs, Analyst) Okay, brilliant. Thank you, guys. I'll jump back in the queue.

Operator: Thank you. Once again, if you wish to ask a question, please press star 1 on your telephone and wait for your name to be announced. We will now pause briefly. Your next question is a follow-up question from Ash Chandra with Goldman Sachs. Please go ahead.

Ash Chandra: (Goldman Sachs, Analyst) Thank you. Do you mind elaborating a little bit more on the tradie acquisition strategy that you're looking to focus on? Obviously, like one of the slides talks about, you're increasing focus on medium to larger SMEs, which I assume come with potentially a higher cost of service but then with a much lower churn number and therefore the lifetime value is arguably significantly better. Do you mind expanding and elaborating a little bit on what it will take for you to scale it with tradies in this particular cohort, and any sort of specific strategies you think could be effective to engineer this.

Roby Sharon-Zipser: Yes, sure. With regards to historically where hipages has put a lot of focus on has been typically the smaller sole trader style businesses and small Pty Ltds. Over the years as our brand has lifted in the market, we definitely have been attracting larger small businesses and now more medium-size companies that are in the tradies sector. What we have clearly seen is that these types of businesses have far greater capacity to take on more and more work. It's that kind of capacity that we're looking to obtain.

When you start fulfilling that excess capacity that these trade businesses have, what we're finding is that they are seeing the ROI that we're providing to the businesses very, very clearly, have probably a little bit more sophisticated tools to monitor the ROIs, which we know we're providing to these businesses. As a result we've said that that's actually a really good, sweet spot for the business so we're putting more and more effort to acquire more of those trade businesses. Now, as you said, those types of businesses definitely have a much better retention rate and ultimately a much better LTV, which talks to the unit economics.

There are some really nice comparables that we've seen in the US where these strategies have definitely been effective and fuelled significant growth for those organisations. Effectively, what we're seeing is a replication of what's happened overseas in our business in Australia. In terms of implementing that, yes, it does require additional account management and sales investments, which is what Melissa referred to. As we expand further into that in future periods, we'll probably be looking for further technology APIs to make that integration with hipages even more seamless with those businesses.

Melissa Fahey: Another thing to add as well, it's not just the large-size businesses but also medium-size businesses as well. Some of the datapoints that I talked to about retention, engagement, and churn, you can see that tradies that pay more than $129 per month, their churn is much less than on our total overall tradie base. At the moment, we're bringing on new subscribers at that level of $126 per month. So, there's just even more upside as we continue to focus on that higher price point for the medium-size businesses and then also the larger-size businesses.

Ash Chandra: (Goldman Sachs, Analyst) Understood. Could I ask about perhaps one other area I might just touch on is that if you look across the pond over in the US, Angie home services seems to be driving a lot of growth from fixed-price solution strategies. I was wondering what your thoughts are on the capacity of hipages to over time start to offer something similar, and if you've had past experience in this, what are the kinds of obstacle that need to be overcome, either in scale or distribution with partners to perhaps engineer a similar business model evolution, at least for part of your business?

Roby Sharon-Zipser: Yes. We're very familiar with the strategy that Angie is adopting in the US. In terms of our strategy in Australia, we have maybe a slightly different focus in regard to being more of a facilitator to support and provide more value to the trade businesses rather than immediately taking more and more of the transaction value out of the equation. We see ourselves taking a slightly different approach to what Angie is doing.

Angie's reasons for some of these tactics are a little bit different to ours. They have a very, very high zero claims in regard to the jobs coming through. We're not seeing those type of structural issues in our platform. Obviously, we watch that very closely. Also, the regulatory environment in Australia is quite different with regard to these platforms, although having said that, the rules and regulations around offering fixed-price services are changing globally.

We'd prefer to just watch and see how these things start to pan out in Australia and as the laws start to become clearer on how organisations that are more managing the - getting involved and getting into the transaction are evolving. So yes, it certainly is an option for us in the future but it's not certainly our priority at the moment.

Melissa Fahey: The other point to note as well is that at the moment our total ARPU is around the $1500 per year from our customer base, whereas other comparables like Angie is at like US$4500. So, there's still a lot of upside with us with our current model and current product offering.

Ash Chandra: (Goldman Sachs, Analyst) Understood. Terrific. Thank you, guys.

Operator: Thank you. Your next question comes from Sophie Carran with Goldman Sachs. Please go ahead.

Sophie Carran: (Goldman Sachs, Analyst) Hi, Roby and Melissa. Just a couple from me, please. First maybe on the field service software solution, if you can just talk to how that's progressing, please?

Roby Sharon-Zipser: Sure. Thanks, Sophie. The field service software, we'll have a beta in market next month. There'll be a small pool of customers who will be doing a lot of our testing, and we're anticipating commercialisation and volume starting to come through onto that product in either a trial or actual sales process in the months of April and May.

Sophie Carran: (Goldman Sachs, Analyst) Excellent. Just with the forecast for a strong housing cycle recovery, can you just talk to some thoughts on how this might impact tradie availability if the cycle ends up being very strong?

Roby Sharon-Zipser: Yes. It's interesting, I've been in the business for many, many years and I've seen the housing cycles go up and down over the years, but I've never actually seen it impact our business. I think there's a few reasons for that but the main one is that we don't actually do brand new home constructions.

We focus primarily on the maintenance, repairs, and the smaller home improvement type projects. Usually, the businesses that focus on that specialise in that; they don't do new home construction per se, and a lot of those builders that work in new home construction already have their existing subcontractors.

There is certainly some constraint on supply in the market. We all know that trades are certainly busy due to some of the structural changes that have happened to all of us in the last 12 to 18 months, but we're not seeing any slowdown on registrations into our platform, and in fact, we can see some big upside in registrations coming through in the future. So, we're very excited about that and tapping into that opportunity.

Sophie Carran: (Goldman Sachs, Analyst) Excellent. Then just one more on competition. Have you noticed any changes in strategies or activities of your peers?

Roby Sharon-Zipser: There are several players that I would define that work in the marketplace. We do have slightly different propositions. Our is very focused on home improvements and home services. We made a very clear decision to focus on subscription and adding value to our tradie business network. Other players maybe are looking still at the transactional and extracting more from a transaction per se.

Ours is a little bit different. We see a lot of opportunity in supporting our tradie customer base. I haven't seen anything that's impact us at all, to be fair, so I think that's exciting we're going down a journey and our results are demonstrating that we're delivering a great product to our customers.

Sophie Carran: (Goldman Sachs, Analyst) Thank you. That's all from me.

Operator: Thank you. Once again, if you wish to ask a question, please press star 1 on your telephone and wait for your name to be announced. There are no further questions at this time. I'll now hand back to Mr Sharon-Zipser for closing remarks.

Roby Sharon-Zipser: Thank you, everyone, for your time today. This is a really exciting time for hipages, and we were pleased to provide you with such a strong set of maiden results.

Operator: That does conclude our conference for today. Thank you for participating. You may now disconnect.

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