

CASE STUDY



COMPANY SPOTLIGHT



Market capitalisation at time of purchase \$82m	Market capitalisation at time of sale \$233m	Industry Sector IT Services
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EMPIRED LIMITED (ASX: EPD)

Empired Ltd was an Australian IT services company providing enterprise IT solutions, including cloud services, data analytics, enterprise resource planning (ERP), customer relationship management (CRM), and digital transformation. Headquartered in Perth, the company operated across Australia, New Zealand, and the United States, servicing both government and corporate clients.

WHY DID WE INVEST?

- **Recurring Revenue & Blue-Chip Client Base:** A substantial proportion of Empired's revenue was derived from long-term contracts with government departments and large enterprises. Its strong client retention and recurring revenue base provided earnings visibility.
- **Digital Transformation Tailwinds:** The structural shift towards cloud adoption, digital transformation, and data-driven services created long-term demand for Empired's offerings, particularly within the public sector.
- **Strategic Positioning & Operational Leverage:** Empired's regional footprint and integration of InterGen (NZ) positioned it as a leading Microsoft solutions provider in Australasia, with a scalable services model and growing EBITDA margins.

ENTRY PRICE

- Began purchasing in December 2014 at \$0.70 and continued to purchase shares over time with an average purchase price of \$0.54.

*Past performance is not indicative of future performance. This is general information only and should not be construed or relied upon as legal, financial or professional advice. Accordingly, the recipient should seek independent professional advice as to the risk, financial, taxation and other implications of investing.

COMPANY SPOTLIGHT



Empired Pty Ltd (ASX:EPD) - Share Pricing



Source: S&P Capital IQ

WHY DID WE SELL – Acquisition by Capgemini SE

- In July 2021, Empired entered into a Scheme Implementation Agreement to be acquired by Capgemini SE, a global leader in consulting and technology services.
- The offer price was **\$1.35 per share** in cash, representing a **64.8% premium** to the 1-month VWAP.
- Given the full valuation and compelling premium offered, we exited the position, locking in strong returns and reallocating capital to other high-conviction ideas.

INVESTMENT OUTCOME

- Began purchasing in December 2014 at \$0.70 and continued to purchase shares over time with an average purchase price of \$0.54.
- Received circa \$0.068 in dividends per share over the investment period.
- Sold at an average sale price of \$1.33 with the last sale in November 2021 tendering the last lot into the scheme at \$1.35.
- Gain of 149% on our investment (including dividends received) over the period, equating to a money weighted IRR of approximately 31.3%.

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