



# Revasum, Inc. Announces 2018 Fiscal Year-End Financial Results

26 February 2019

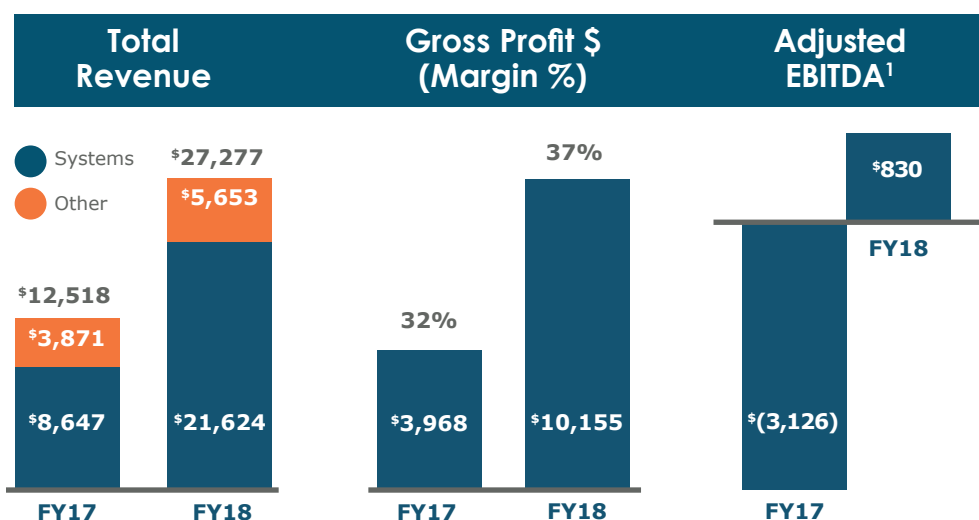


# 2018 Fiscal Year-End Financial Results

**San Luis Obispo, California – 26 February 2019:** Leading semiconductor equipment company, Revasum, Inc. (ASX: RVS, 'Revasum' or the 'Company') is pleased to announce its audited financial results for the Group's fiscal year ended 31 December 2018.

## Fiscal Year (FY) 2018 Summary of Results

(USD in thousands)



<sup>1</sup> Adjusted EBITDA - Earnings before Interest, Taxes, Depreciation & Amortization, non-cash Stock-based compensation expense, IPO Costs, and certain non-operating items (e.g. gains & losses, valuation loss of common warrant).

### Revenue

**FY18 Revenue of US\$27.3 million increased 118% from FY17**

**FY18 Gross Profit of US\$10.2 million increased 156% from prior year**

	Actual FY 2018		IPO Prospectus FY 2018 Forecast		Actual FY 2017	
	Amount	% Sales	Amount	% Sales	Amount	% Sales
Revenue	\$ 27,277	100%	\$ 27,496	100%	\$ 12,518	100%
Cost of Sales	17,122	63%	17,526	64%	8,550	68%
Gross Margin	\$ 10,155	37%	\$ 9,970	36%	\$ 3,968	32%
Research & Dev.	3,857	14%	3,828	14%	3,495	28%
Selling & Marketing	3,405	12%	3,276	12%	2,125	17%
General & Admin.	2,382	9%	2,744	10%	1,939	15%
IPO Costs	1,264	5%	1,015	4%	-	-%
Stock Based Comp.	267	1%	286	1%	112	1%
Total Expenses	\$ 11,175	41%	\$ 11,149	41%	\$ 7,671	61%
Operating Loss	\$ (1,020)	(4%)	\$ (1,179)	(4%)	\$ (3,703)	(30%)
Adjusted EBITDA <sup>1</sup>	\$ 830	3%	\$ 676	2%	\$ (3,126)	(25%)

# Earnings Highlights

## Second Half Fiscal Year 2018 Key Operating Highlights

- Revenue of US\$16.7 million increased 132% from the same period a year ago and compares to US\$16.9 million forecasted total revenue in the IPO Prospectus dated 9 November 2018. This includes US\$13.5 million of system revenue which increased 170% from the prior year and compares to US\$13.5 million forecasted total revenue in the IPO Prospectus.
- Gross margin of 39.2% increased from the 31.1% reported in second half of FY17 and compares to 37.6% forecasted in the IPO Prospectus.
- The Company had a nominal operating loss of US\$67,000 for the second half of FY18, despite incurring approximately US\$1.3 million in expenses relating to IPO, and compares favorably to the US\$0.3 million forecasted operating loss in the IPO Prospectus.



“We are very pleased to report solid results, as we continue to build on the IPO momentum,” noted Jerry Cutini, President and Chief Executive Officer. “As we turn our attention to 2019, our primary focus is to finish development and commercialize our new products through partnerships with our customers. Additionally, we will continue to expand our customer facing sales and support teams around the world as we increase our active customer base.”

## Fiscal Year 2018 Key Operating Highlights

- Revenue of US\$27.3 million increased 118% compared to prior fiscal year and compares to US\$27.5 million forecasted total revenue in the IPO Prospectus. These amounts include system revenue of US\$21.6 million which represents an increase of 148% from the same period a year ago and compares to US\$21.6 million forecasted system revenue in the IPO Prospectus.
- Gross margin of 37.2% up from the 31.7% reported in the prior year and compares to gross margin of 36.3% forecasted in the IPO Prospectus.
- Operating expenses of US\$11.2 million increased US\$3.5 million from the previous year’s expenses of US\$7.7 million, and was in-line with the US\$11.1 million forecasted in the IPO Prospectus. FY18 operating expenses included US\$1.3 million costs associated with the ASX listing.
- For the full year 2018, the Company made an operating loss of US\$1.0 million which compares to the Operating Loss of US\$1.2 million forecasted in the IPO Prospectus.
- Net loss of US\$4.4 million compared to the previous year’s net loss of US\$3.8 million, and a US\$4.8 million net loss forecasted in the IPO Prospectus. FY18 net loss includes a non-cash US\$3.1 million loss upon revaluation of common stock warrants prior to the ASX listing (compares to US\$3.4 million forecasted revaluation loss in the IPO Prospectus).

# Condensed Statement of Financial Position as at 31 December 2018

(USD in thousands)

	2018	2017
Cash and cash equivalents	\$ 24,469	\$ 2,406
Trade and other receivables	8,189	2,488
Inventories - net	8,378	4,039
Property, plant and equipment - net	1,034	382
Intangible assets - net	1,536	237
Other assets	600	658
<b>Total assets</b>	<b>\$ 44,206</b>	<b>\$ 10,210</b>
Trade and other payables	\$ 5,911	\$ 2,414
Customer deposits	2,742	3,313
Borrowings	-	1,000
Other liabilities	560	537
<b>Total liabilities</b>	<b>\$ 9,213</b>	<b>\$ 7,264</b>
<b>Total equity</b>	<b>\$ 34,993</b>	<b>\$ 2,946</b>

## Condensed Statement of Financial Position

- Cash and cash equivalents at 31 December 2018 increased US\$22.1 million to US\$24.5 million, principally as result of funds received from the Company's listing on the ASX in December 2018.
- As of 31 December 2018, trade and other receivables increased to US\$8.2 million (up US\$5.7 million from 31 December 2017), inventories increased to US\$8.4 million (up US\$4.4 million from 31 December 2017), and trade and other payables increased to US\$5.9 million (up US\$2.5 million from 31 December 2017) all due to increased sales volumes.
- Borrowings as of 31 December 2018 were US\$Nil.

Ryan Benton, Revasum's Chief Financial Officer, stated, "We finished fiscal year 2018 strong, a year of tremendous growth and achievement. We have entered fiscal year 2019 well positioned financially, with strategic focus, discipline, and strong momentum on multiple fronts."

## First Half 2019 Outlook

As of the date of this announcement, the Company is pleased to advise that US\$13.9 million system backlog for the six months to 30 June 2019 (1H FY19) has now either shipped or is under confirmed purchase orders. This amount is approximately 84% of the \$16.5 million forecasted system sales amount for 1H FY19 in the IPO Prospectus (increased from approximately 50% at the date of the Prospectus, being 9 November 2018). The Company is pleased with this progress and is in active discussions with a range of customers that it expects to place orders.

In accordance with the Company's IPO Prospectus dated November 2018, Revasum maintains its first half 2019 forecast outlook of revenue of US\$20.45 million. Mr. Cutini commented, "Our first half plans are developing in line with our previous expectations and our operations team is working diligently to fulfill the orders and deal with challenges presented from this increased demand. Our primary end-markets continue outpace the broader markets which supports our long-term business prospects. The focus on key strategic relationships and new product placements will solidify our market position in 2019."

## Conference Call to Discuss Full Year 2018 Results

A conference call will be held tomorrow morning, Wednesday 27 February, at 9:00am AEST. Investors are encouraged to email questions prior to the conference call to [ir@revasum.com](mailto:ir@revasum.com).

Audience URL: <https://webcast.openbriefing.com/5103/>

This link gives participants access to the live and/or archived event. No public access to webcast page is possible until 15 minutes prior to start time of event. Prior to that time a lobby page is displayed.

Conference call details: At the time of the conference, please dial in with one of the numbers below and provide the conference ID **2798785** to an operator.

Participants can dial either of the numbers below to join the call. They will need to quote the ID provided above. To ask a question, participants will need to dial "\*1" (star, 1) on their telephone keypad.

Participant toll: +61 2 8038 5221 | Participant toll-free: 1800 123 296

These numbers are toll-free dial-in numbers for each country listed below. For countries not listed below, the Australian Participant Toll number listed above can be dialed. To ask a question, participants will need to dial "\*1" (star, 1) on their telephone keypad.

Canada	1855 5616 766	New Zealand	0800 452 782
China	4001 203 085	Singapore	800 616 2288
Hong Kong	800 908 865	United Kingdom	0808 234 0757
India	1800 2666 836	United States	1855 293 1544
Japan	0120 994 669		

## Safe Harbor Statement

The Company provides this supplemental information regarding its operating performance. This information should be considered a supplement to, not a substitute for, financial statements prepared and published separately.

This announcement and the accompanying presentation, Appendix 4E and Annual Report contain forward-looking statements, which address a variety of subjects including, for example, financial projections, our statements regarding expected events, including expected revenue and earnings, system shipments, expected product offerings, product development, market adoption and technical advances. Statements that are not historical facts, including statements about our beliefs, plans and expectations, are forward-looking statements. Such statements are based on our current expectations and information currently available to management and are subject to a number of factors and uncertainties, many of which are outside the control of the Company, which could cause actual results to differ materially from those described in the forward-looking statements. The Company's management believes that these forward-looking statements are reasonable as and when made. However, you should not place undue reliance on any such forward-looking statements because such statements speak only as of the date they are made. Revasum does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law or the ASX Listing Rules. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results, events and developments to differ materially from our historical experience and our present expectations or projections.

## About Revasum, Inc. (ASX: RVS)

Revasum (ARBN: 629 268 533) specializes in the design and manufacturing of equipment used for the global semiconductor industry. Revasum's equipment helps drive advanced manufacturing technology for critical growth markets, including automotive, IoT, and 5G. Our product portfolio includes state of the art equipment for the grinding, polishing, and chemical mechanical planarization processes used to manufacture devices for those key end markets. All of Revasum's equipment is designed and developed in close collaboration with our customers. Learn how we create the equipment that generates the technology of today and tomorrow, visit [www.revasum.com](http://www.revasum.com).

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