

ASPERMONT APPENDIX 4E

2021

PRELIMINARY FULL YEAR RESULTS (UNAUDITED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

ASPERMONT LIMITED
ABN: 66 000 375 048



Aspermont
Information for Industry

MISSION

"Enabling business to dig deeper and make better decisions for a brighter future"

Aspermont is a global leader in business-to-business media providing timely, independent, and high value content.

We bring together communities to collaborate, problem solve and find innovative breakthroughs for some of the most pressing challenges in the world today.

We are proud to serve industries which are critical to both sustain and improve our quality of life.



Aspermont (ASX:ASP, FRA:00W) is the leading media services provider to the global resource industries.

Aspermont has built a commercial XaaS model for B2B media which distributes high value content to a growing global audience.

This versatile model is being scaled to serve new business sectors in new countries and languages to create recurring and exceptional long-term revenues.

Aspermont has also established Data monetisation and Client Marketing Service businesses which grow in correlation to the primary XaaS model and have the capacity to multiply current revenue streams.

Aspermont is listed on the ASX, the Frankfurt Stock Exchange and quoted on other European exchanges. Aspermont has offices in the United Kingdom, Australia, Brazil, USA, Canada, the Philippines and Singapore.

CONTENT

MISSION	2
OVERVIEW	4
KEY FINANCIAL HIGHLIGHTS	6
REVENUE	8
GROSS MARGINS	9
CASHFLOW GENERATION	10
BUSINESS PERFORMANCE GUIDANCE	12
SHAREHOLDER RETURNS MARKET	13
AUDIENCE METRICS	14
UPCOMING KEY TECHNOLOGY DEVELOPMENTS	17
SUMMARY/FY 22 GUIDANCE	18
APPENDICES	20

OVERVIEW

1

A 6-year-old mediatech company with a 185-year mining legacy

2

The leading media services provider to the global resource industries

3

Experienced Tier 1 management team executing with success

4

Comprehensive business turnaround achieved through FY15 - FY18

5

Project Horizon' platform rolled out, between FY16 - FY19, to drive:

- a) long-term organic growth models**
- b) operational productivity, efficiency, and scalability**

6

XaaS model has delivered twenty-one consecutive quarters of growth

7

Data model is building momentum in a rapid growth phase

8

Legacy Services model has pivoted to a 'marketing solutions' business

9

Pre Covid-19 growth levels regained with new product launches

10

Aspermont generates positive cash flow with momentum building



Aspermont has restructured its business and commercial models to establish a mediatech growth company with scalable operational architecture.

Significantly improved gross margins and positive cash flow are anticipated over FY22 to finance a sustained program of inward investment and accelerate long term growth.

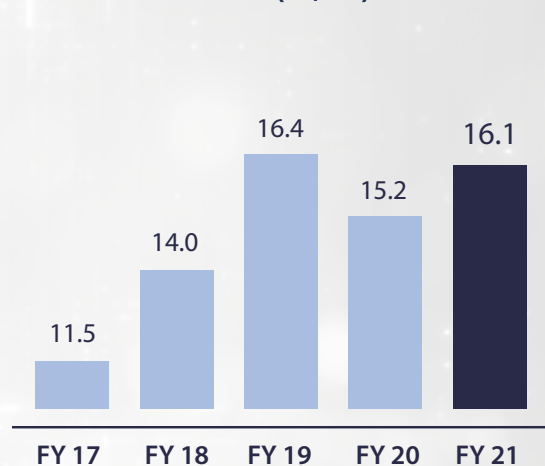
While Aspermont has built shareholder value in recent years, the directors are confident that continuing long-term growth will greatly increase shareholder value going forward.



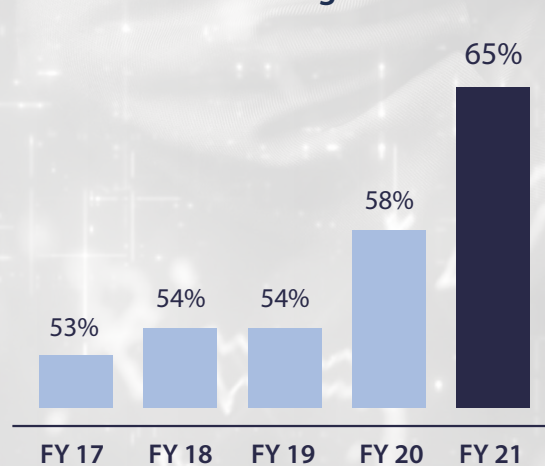
FINANCIAL HIGHLIGHTS

Period Ended 30th September	FY21	FY20	Improvement
XaaS Revenue	\$7.5m	\$6.7m	+14%
Data Revenue	\$1.5m	\$0.5m	+200%
Services Revenue	\$7.1m	\$8.0m	-10%
Total Revenue	\$16.1m	\$15.2m	+6%
Gross Margins	65%	59%	+10%
Reported EBITDA	\$1.6m	\$0.4m	+288%
Cashflow from Operations	\$2.6m	\$2.5m	+6%
NPAT	\$0.1m	(\$1.0m)	+112%
Normalised EBITDA	\$2.0m	\$1.2m	+71%
Normalised Cashflow from Operations	\$2.9m	\$2.3m	+26%
Cash & Cash Equivalents	\$7.0m	\$3.2m	+121%

Revenue (A\$m)

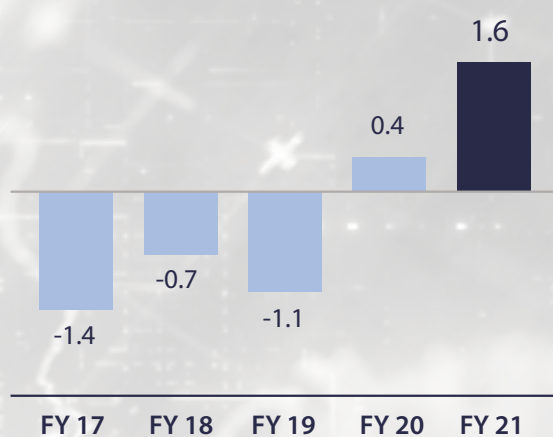


Gross margin %

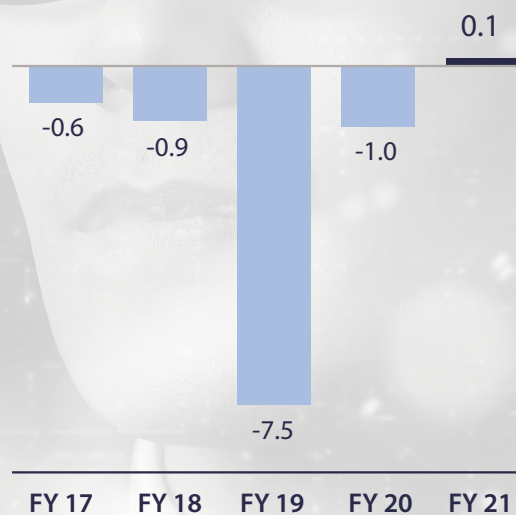




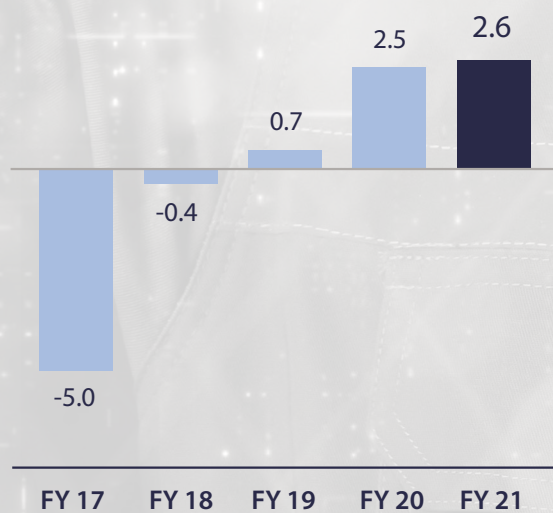
EBITDA (A\$m)



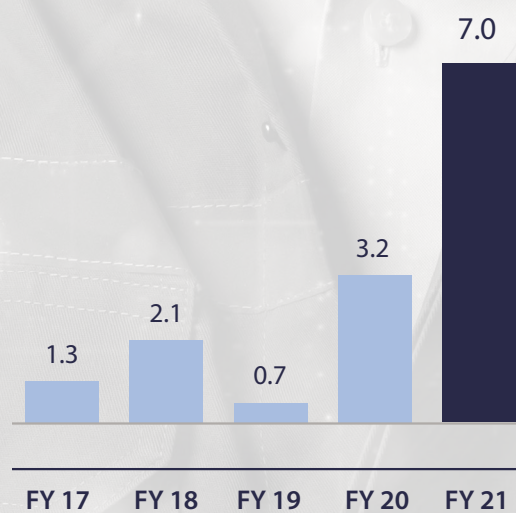
NPAT (A\$m)



Operational cashflow (A\$m)



Cash & cash equivalents (A\$m)



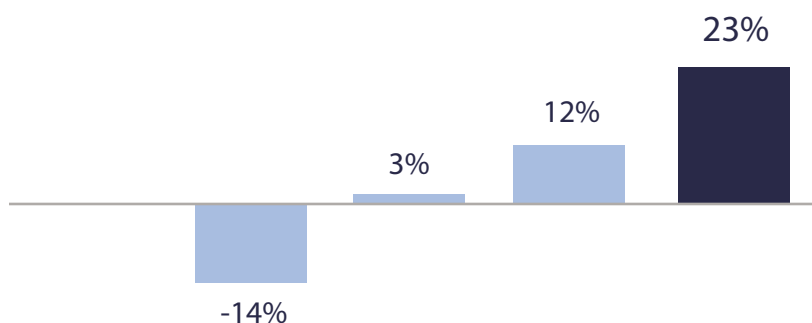
Revenue

By the 2021 fiscal year end, growth rates for total revenue, XaaS revenue and Services⁽¹⁾ revenue had all returned to pre-pandemic levels

Data revenues maintained rapid growth throughout the year

The overall revenue contraction of H1 was reversed in the second half year with a return to topline growth despite the Covid 19 pandemic

Quarterly revenue growth vs pcp (A\$'m)



	Q1 21	Q2 21	Q3 21	Q4 21
Xaas	4%	5%	27%	20%
Data	343%	177%	161%	162%
Services	-41%	-12%	10%	17%
Total	-14%	3%	12%	23%

⁽¹⁾Notably in Services this restoration of growth was achieved under the continued suspension of our live events business

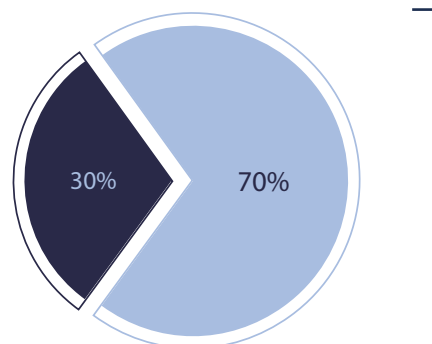
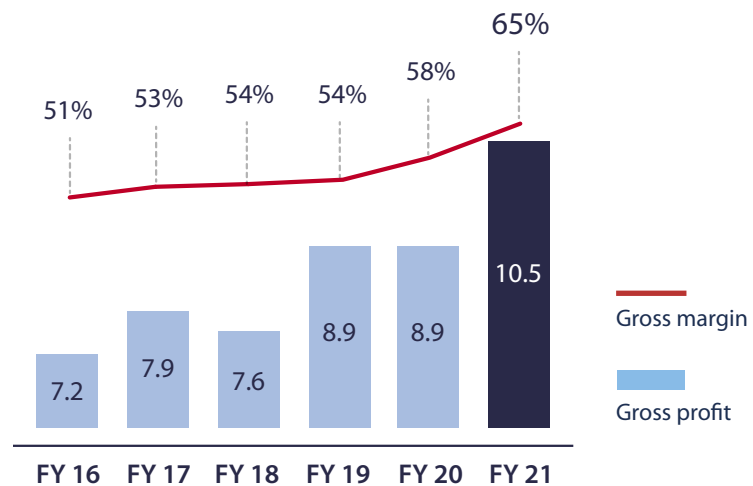
Gross Margins

Technological innovation, operational redesign and new digital commercial models have established the foundation for business scalability

Improving 'revenue quality' will drive accelerating profitability

Improving gross margins over the last 5 years have been underpinned by stable annually recurring income streams

Gross profit (A\$m) & margin development



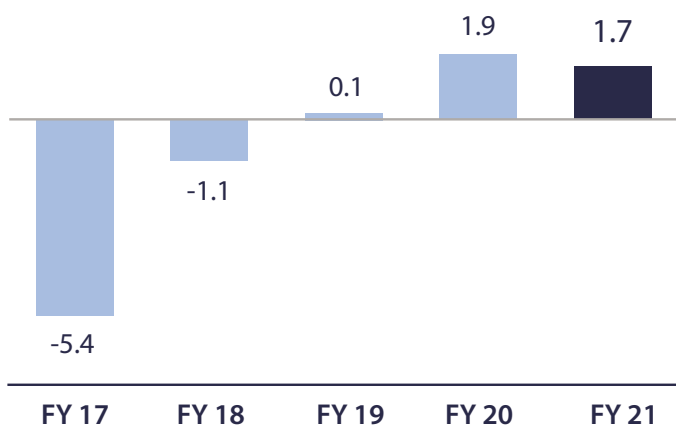
70% recurring revenue in FY21 (A\$m)

Cashflow Generation

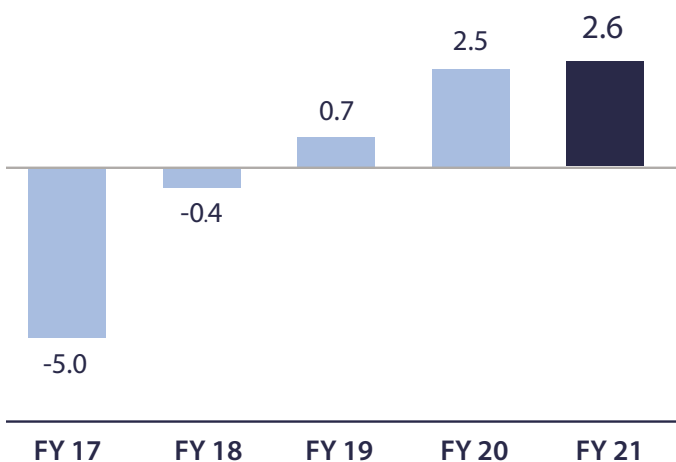
Unusually for a technology-based company, Aspermont is now self-funded and should generate organic growth for many years to come

FY21 saw consistent free cashflow delivery as per the prior period. Having paused inward investment during FY20 the company re-initiated its operational spend program in H2-21

Free cashflow (A\$m)



Operational cashflow (A\$m)





"Aspermont has built a commercial XaaS model for B2B media which distributes high value content to a growing global audience."

Business Performance

Guidance

Our guidance for FY21 had been for:

1

A return to overall revenue growth

2

Subscriptions to regain pre COVID growth rates

3

Further growth in audience and in all other key XaaS metrics

4

High growth in our new data products

5

Continuing expansion in margins and profitability

The directors are pleased to announce that despite the impacts of Covid-19, the business has delivered to guidance against all previously stated goals.



+6%

Revenue
increase
over FY20



+200%

Data
over FY20



+14%

XaaS
over FY20



65%

Gross margin



+71%

EBITDA growth
over FY20

Shareholder Returns

Market

Aspermont shareholders have seen superior returns against the ASX market in general and the ASX media industry benchmark over the last 5 years.

Shareholder Returns	Aspermont (ASX:ASP)	Media Industry	ASX Market
1 Year	250%	42%	22%
3 Years	133%	(22%)	26%
5 Years	110%	(21%)	34%

Yet Aspermont directors believe the company remains significantly undervalued relative to peers.

At this stage of Aspermont's development, with cash flow available to finance inward investment, the director's priority is to focus on driving organic growth to consistently strengthen the company's financial position.

Market capitalisation (A\$m)



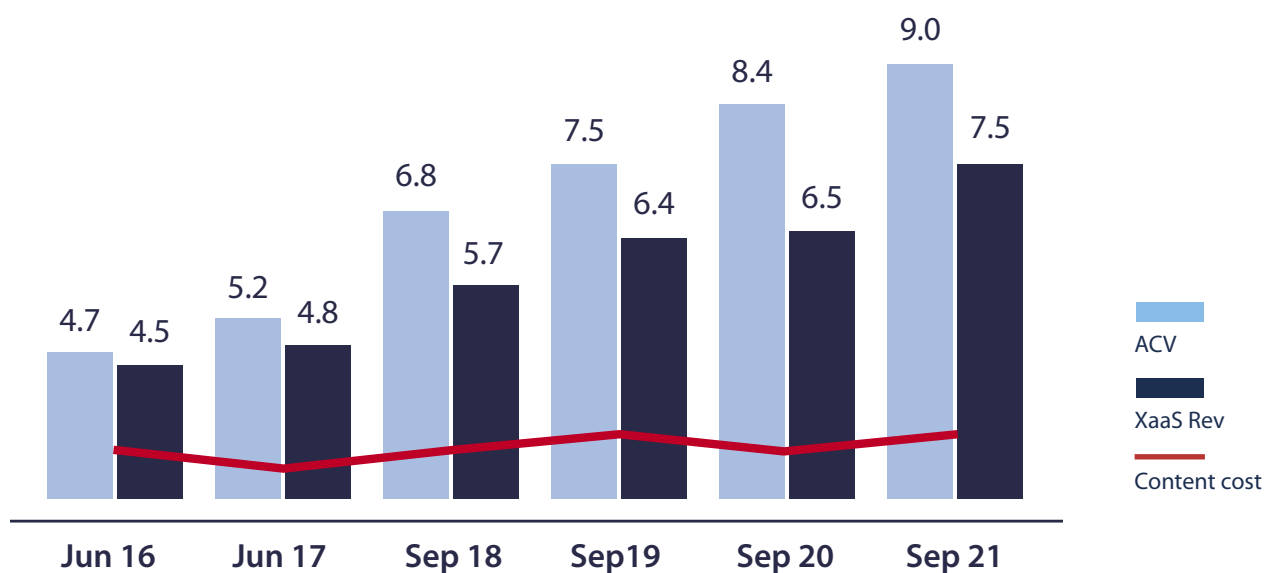
Audience Metrics

21 Consecutive Growth Quarters

Since FY16 Aspermont has delivered back-to-back growth in all key metrics and audience-based revenues. Total content cost per year has been stable while constrained by investment capability, but content production is now benefitting from improved marketing efficiency and higher subscription conversions, and is delivering scalability in these recurring incomes.

All our key metrics are rising in correlation with revenues⁽²⁾ and despite the impacts of Covid-19 our pricing has +14% annual compound growth alongside rising renewal rates and net retention rates. This underlines the efficacy of our evolving value proposition.

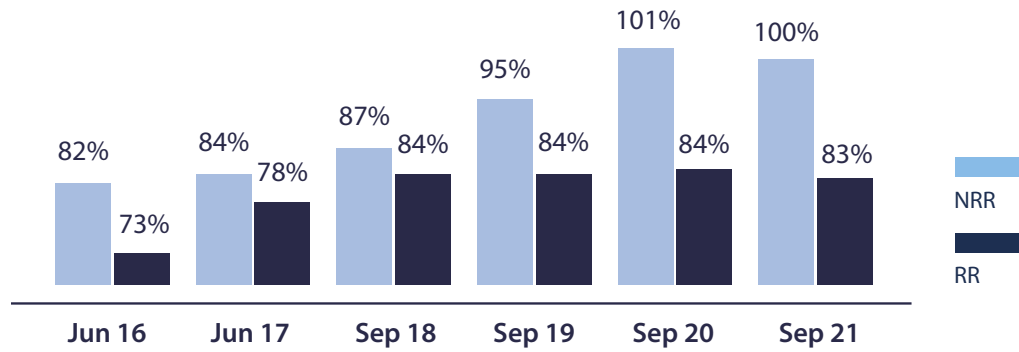
Annual Contract Value (ACV) & XaaS revenue (A\$m)



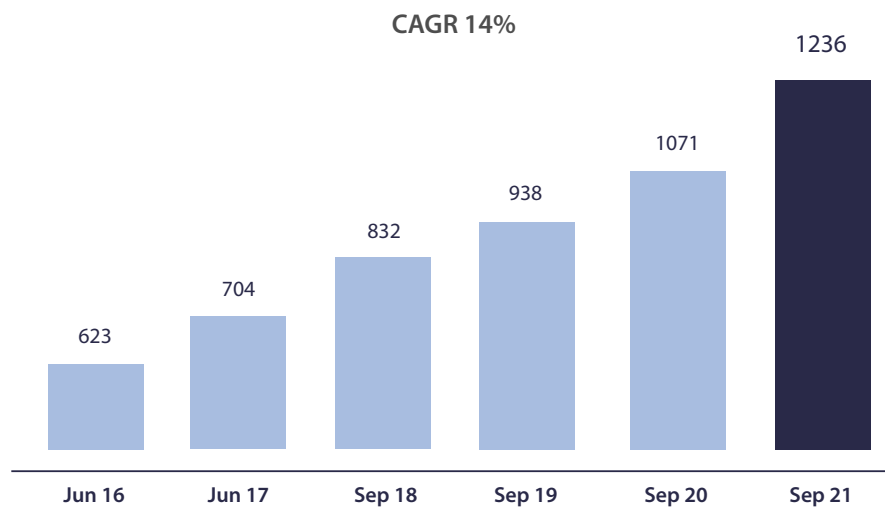
⁽²⁾Typically, revenue operates on a 12-month lagged effect due to cash received upfront, but revenue recognised out in arrears. Therefore, ACV moves in advance of revenue



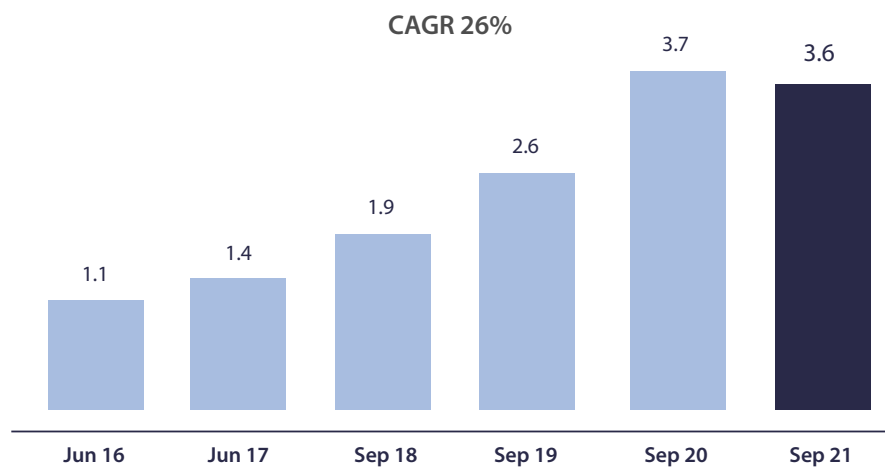
Net retention rate & renewal rate (%)



Average Revenue Per Unit (ARPU) (\$)



Digital users ('m)





"These symbiotic developments provided the catalyst to transform Aspermont from indebted loss maker to a profitable growth stock."



Upcoming Key Technology Developments

Aspermont is both a media and a technology company, and we refer to ourselves as mediatech. Over the last 6 years we have transformed our 186-year-old print publishing business, which relied heavily on advertising and live events, into a clear digital leader in B2B media with revenue increasingly based on organic XaaS and Data monetisation models.

Our new management team came together in 2015 to deliver Project Horizon⁽³⁾ which established the technological foundation and architecture to deliver 21 consecutive quarters of subscriptions and audience growth. Project Horizon also facilitated large scale efficiency improvements to drive gross profit margins and launch new business units on several smaller complementary platforms.

These symbiotic developments provide the catalysts for Aspermont to transform from indebted loss maker

to a profitable rapid growth stock.

Over almost 6 years, our ability to invest in cutting edge technology, beyond Horizon, was held back by financial constraints. But going forward the strength of our commercial models and our improving financial position enable us to focus on our core strengths, in technology development.

During FY22 we anticipate progress with several new, highly ambitious and transformative new technologies, which should both optimise existing Project Horizon architecture and leverage from it.

Quite simply, our capabilities as an organisation go far beyond the current financial shape and business structure, and we anticipate that the next few years will prove an exciting time for Aspermont and our shareholders.

⁽¹⁾ Announced in October 2015

Summary


Aspermont has a proven business model and an innovative management team which has demonstrated resilience in abnormal market conditions and delivered a full-scale business turnaround despite COVID-19. The XaaS, Services and Data business models are established, robust and scalable. The Project Horizon platform's technological versatility and our fluid organisational structure both encourage agility and rapid response to changing market conditions.

Subscriptions have been the bedrock of Aspermont's business from 2015, delivering growth over 21 consecutive quarters. Data and Services businesses, which leverage off our premium audiences, have both now entered a high growth phase. Our unit economics support profit growth: we have a relatively stable fixed cost base, no debt, and our net cash position is steadily increasing. Despite continued business restrictions from Covid-19, our business is financially strong and able to invest significant amounts from cash flow to build new, and often disruptive, long term growth businesses. Aspermont has the people, the brands, the audiences, and the technologies all in place to achieve further strong improvements in FY22 regardless of the environment.

FY22 Guidance

- 1** High growth in total revenue
- 2** High growth in XaaS and new product revenues
- 3** Relaunch of Live Events business
- 4** Significant investment in new technologies
- 5** Continued expansion in free cashflow and profitability





"Aspermont has the people, the brands, the audiences and the technologies to deliver strong growth over the next few years regardless of the operating environment."

/ Administration
/ Human Resources
/ Legal
/ Accounting
/ Finance
/ Marketing

APPENDIX 1

Normalised EBITDA

The reconciliation of statutory earnings to EBITDA is as follows:

Year Ended	30 Sept 2021 \$000	30 Sept 2020 \$000
Reported income/(loss) from continuing operations before income tax expense	115	(873)
Net interest	114	82
Depreciation and amortisation	1,119	1,437
Other (share-based payments & provisions, foreign exchange, other income)	298	(222)
Reported EBITDA	1,646	424
Exceptional one-off charges/(income) ⁽²⁾	(135)	38
New business establishment costs ⁽³⁾	499	716
Normalised EBITDA ⁽¹⁾	2,010	1,178

Notes for Normalised EBITDA and Normalised Cash Flow from Operations reconciliations:

⁽¹⁾Based on unaudited management accounts

⁽²⁾One-off expenses relating business restructuring

⁽³⁾Expenditure in relation to the establishment of new products and business divisions. In FY21 this related to our new VEE division whose products were launched over the first half of the year and whose progress we **updated shareholders in March'21**

Normalised Cash Flow from Operations Reconciliation

Year Ended	30 Sept 2021 \$000	30 Sept 2020 \$000
Cash flows from operating activities		
Cash receipts from customers	16,346	16,758
Cash outflows to suppliers and employees	(13,635)	(14,254)
Interest received / (paid)	(79)	(23)
Cash inflow/(outflow) from Operating activities	2,632	2,481
Exceptional cash outflows ^{(2), (3)}	648	776
Exceptional other income	(382)	(966)
Normalised Cash inflow/(outflow) from operating activities ⁽¹⁾	2,898	2,291

Notes for Normalised EBITDA and Normalised Cash Flow from Operations reconciliations:

⁽¹⁾Based on unaudited management accounts

⁽²⁾One-off expenses relating business restructuring

⁽³⁾Expenditure in relation to the establishment of new products and business divisions. In FY21 this related to our new VEE division whose products were launched over the first half of the year and whose progress we **updated shareholders in March'21**



Aspermont

Information for Industry

