

31 August 2023

ASX Announcement (AMX)

Strong second half contributes to Aerometrex delivering record revenue in FY23 with double-digit growth across all product lines

Aerometrex Limited (ASX: AMX) today announced its results for the twelve months ended 30 June 2023 (FY23), delivering a record statutory revenue result of \$25.36m and double-digit percentage revenue growth across all product lines.

FY23 key financial highlights included:

Record Annual Group Revenue	<ul style="list-style-type: none">Statutory revenue up 1.3% from \$25.03m to \$25.36m
Record Second Half Group Revenue	<ul style="list-style-type: none">Statutory revenue up 12.1% from \$13.69m to \$15.35m (vs 2H22)
Record Annual Recurring Revenue (ARR)	<ul style="list-style-type: none">Growth of 11.3% in Annual Recurring Revenue (ARR) for MetroMap, from \$6.84m to \$7.61m
Product Line Revenue	<p>Double-digit percentage growth across all key product lines, including record MetroMap and LiDAR revenue</p> <ul style="list-style-type: none">Growth of 15.1% in MetroMap statutory revenue from \$8.79m to a record of \$10.12mGrowth of 22.7% in MetroMap subscription revenue from \$5.86m to a record of \$7.19mGrowth of 12.7% in LiDAR revenue from \$11.32m to a record of \$12.76mGrowth of 15.3% in 3D revenue from \$2.15m to \$2.48m

Other key highlights

- Largest MetroMap contract signed with Landchecker, with minimum revenue of \$2.65m over a thirty-eight-month period
- Initial revenue from the new MetroMap Insights product
- Largest LiDAR contract award of \$1.88m with the Australian Federal Government
- Significant repeat sale of 'off-the-shelf' datasets to the Australian Federal Government of \$1.69m
- Largest single 3D dataset sale in the US made to Google LLC
- Successful introduction of a Reigl LiDAR sensor and IGI UrbanMapper2 MetroMap sensor
- Robust balance sheet with a cash balance of \$9.83m at 30 June 2023

Commenting on the FY23 results, Aerometrex Managing Director Steve Masters said:

"FY23 has been a year of significant changes and achievements for Aerometrex. Importantly, our operations were conducted safely and achieved record revenue outcomes.

"FY23 was a tale of two halves - the Company delivered record annual group revenue of \$25.03m, record 2H23 revenue of \$15.35m, and achieved double-digit percentage growth across key product lines. The revenue performance in 2H23 was especially pleasing following system and process improvements implemented throughout the year.

"Whilst group revenue was primarily impacted by the cessation of project photomapping work which delivered revenue of \$2.77m in FY22 (compared to zero in FY23) and some operational factors, the underlying business performed admirably and achieved important milestones during a very active year.

"Various business-wide activities were conducted with the aim of building capability and enhancing future business performance. This included the completion of a strategic business review, the implementation of an organisational restructure and undertaking various business improvement initiatives aligned with developing 'pathways to profitability'. These efforts will contribute to our product offerings and building stronger customer relationships.

"The Company continued to focus on the transition towards a subscription-based business, with subscription revenue now contributing 28.4% of group revenue, up from 23.3% in FY22. The momentum built in FY23 will position the Company to further realise the investments made in people and platform to leverage revenue opportunities, noting the largely fixed operating costs of MetroMap.

"With a robust balance sheet, we will continue to make disciplined investments to support our strategic objectives across all product lines, including a measured approach to our Global 3D endeavours."

Financial performance

The Company achieved EBITDA of \$3.83m for FY23, down from \$7.70m in FY22. The FY22 outcome included the profit on the sale of the Company's head office of \$2.81m and included the completion of project photomapping work which contributed \$2.77m. On a normalised basis (excluding the building sale), the EBITDA declined from \$5.10m to \$3.83m.

Operational performance

The Company continued to focus on maturing systems and processes across the entire business.

New investments were made into a Reigl LiDAR sensor and an IGI UrbanMapper2 MetroMap sensor which were commissioned, and an order was placed for a new IGI DigiCam 450 sensor, which entered service subsequent to the year-end (July 2023). These investments have assisted the transition to higher levels of sensor standardisation, with the expectation of delivering increased future operational performance and other efficiencies.

MetroMap

The Company continued to invest to support future growth ambitions ahead of the revenue curve. Statutory subscription revenue increased 22.7% to a record \$7.19m and contract liabilities for subscription revenue billed in advance increased by 4.0% to \$2.96m.

The Company continued to invest into R&D enhancements particularly in areas of Artificial Intelligence (AI) and Machine Learning (ML). A key outcome during the year was the launch of the MetroMap Insights product, enabling customers to access important property attributes that are derived from MetroMap imagery.

LiDAR

LiDAR revenue increased 12.7% to a record \$12.76m following continued investment into a fifth sensor. At 30 June 2023, there was approximately \$4.4m of committed work on books and a strong pipeline of opportunities. The Company was also awarded a contract with Agronomeye for \$1.45m announced in August 2023.

Global 3D

3D revenue grew \$0.33m or 15.3% to \$2.48m. A seconded team was despatched to the US during the year to obtain market intelligence and engage with key stakeholders, which is being used to frame the future strategy and imperatives for this region.

FY24 outlook

Aerometrex will continue to focus on building revenue across its three core product lines. The Company is a leading geospatial tech business in Australia and is well placed to compete and grow in these expanding markets.

Following a record second half revenue performance to end FY23, the Company enters FY24 with building momentum. The Company has a strong pipeline of opportunities with solid LiDAR work on books and MetroMap Annual Recurring Revenue exceeding \$8m for the first time as at 31 July 2023.

Commenting on the Company's outlook, Mr Masters said:

"We remain enthusiastic the overarching thematic that quality geospatial imagery, data and insights will be a key input underpinning many organisation's needs. With our unique and valuable geospatial solutions, competitive position, and strong customer relationships within each of our key product lines, Aerometrex is well placed to support wide-ranging industries and build shareholder value."

This release is approved by the Board of Directors of Aerometrex Limited.

– ENDS –

ADDITIONAL INFORMATION

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About Aerometrex Limited

Aerometrex is a trusted and leading geospatial tech company specialising in providing geospatial solutions & insights for our customers. Our key products - MetroMap, LiDAR and 3D visualisation models support wide-ranging industries and customer requirements. The Company, established in 1980, has a strong Board and executive team with significant industry experience. The Company undertakes activities in Australia and USA.

For further information, please visit www.aerometrex.com.au.