



27 November 2024

ASX Announcement (AMX)

2024 Annual General Meeting Chairman and Managing Director Addresses

Attached is a copy of the addresses to be given by the Chairman and Managing Director at Aerometrex Limited's Annual General Meeting today.

This announcement has been authorised by the Board.

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.



2024 Annual General Meeting Chairman's Address

Dear Fellow Shareholder,

Aerometrex delivered a full year 2024 result that demonstrated a continuing commitment to maturing the business across all the Company's product lines. The Company remains focused on achieving its stated objective of "pathway to profitability" and delivering sustainable long-term value for its shareholders.

The continued focus on the core fundamentals of the business delivered record underlying operating revenue of \$24.17 million which was up 9.0% on the prior year. Importantly, the business saw positive results in the MetroMap division, which achieved record subscription revenue of \$8.58 million up 19.3% on 2023, and the LiDAR division, which is an important contributor to the overall group, also achieved record revenue for the year of \$14.15 million, up 10.9%. Although the second half did not quite demonstrate the growth profile of the first half, we remain confident of the future opportunities for our business. The result was achieved despite no significant off-the-shelf sales to government or large enterprise customers as we have seen in previous years. These sales validate the ongoing value of the significant data archive that the Company owns and can deliver material revenue, profit and cash contributions however these sales can also be difficult to predict from a timing perspective.

As part of increasing efficiencies and our pathway to profitability, we undertook a strategic initiative during the year to outsource a significant portion of our aviation activities for the MetroMap capture program. This initiative will see our capture frequency and reliability increase whilst maintaining our world leading quality. The initiative is also expected to see a material reduction in aviation costs over the life of the collaboration allowing the Company to provide greater focus on customer delivery and customer growth.

Perhaps what hasn't been fully appreciated is the significant developments in the platform which will serve us well as we build our revenue base; from the way we capture our industry leading imagery to our go to market strategies, through to growth in the sales and marketing team. "You reap what you sow" - as they say. I am personally very confident that history will show that the 2024 financial year was one where the investments made in the team, operations and systems will be fundamental in our financial success in the coming years.

Our Managing Director and CEO, Steve Masters, supported by our loyal and enthusiastic team (including a number of new additions to our team) have worked tirelessly for the benefit shareholders to produce a business that continues to deliver to our business plan. This has been done whilst keeping a watchful eye on the capital base. Since IPO, the business has grown all divisions significantly whilst not requiring any further capital.

We continue to assess a number of game changing opportunities for our high-resolution 3D product, albeit we are taking a conservative approach, particularly in the US market, whilst we maintain our focus on the MetroMap subscription product which we believe will give significant benefit to shareholders in the shorter term.

Looking forward, the Company is focused on achieving its stated objective of "pathway to profitability" and delivering sustainable long-term value for its shareholders by focussing on the growth of the MetroMap subscription business. As the MetroMap business reaches its inflexion point of covering the relatively fixed cost base structure of a DaaS/SaaS offering, the annual contract value (ACV) is expected to deliver to revenue that will largely flow to improve the bottom-line result. LiDAR is expected to continue to provide a strong foundation of earnings.

To my fellow shareholders, thank you for your ongoing support.

Mark Lindh

Chairman





2024 Annual General Meeting Managing Director's Address

Fellow Shareholders,

I am pleased to present an overview of Aerometrex's outcomes for the 2024 financial year, comment on key initiatives to drive growth and provide an outlook to the future.

Disclaimer

Our disclaimer is set out on this slide. I will leave it to you to review in due course but would like to highlight the commentary related to forward- looking statements.

Unique and unparalleled Customer offerings

Introduction

Before I provide a review of FY24, I would like to thank the Aerometrex team for their efforts this year, and for going about their work in a safe manner.

I would like to thank shareholders and note that we continue to be frustrated with the share price performance. I can assure shareholders we have been, and continue to work diligently, to deliver key objectives.

We have undertaken wide-ranging activities across our business that supported our customers, continued to build internal capability and grow key product line revenue streams.

We are the only ASX listed company that specialises in our key product offerings, and we remain embedded in a growing geospatial ecosystem that will provide Aerometrex with a range of future potential growth levers.

FY24 Highlights

During FY24, we continued to focus on growing our core business areas by delivering important outcomes, including:

- Record underlying operating revenue;
- Record revenue for LiDAR;
- Record Annual Contract Value (ACV) and Annual Recurring Revenue (ARR) for MetroMap;
- The announcement and commencement of our strategic relationship with Aero Logistics to undertake our MetroMap capture program; and
- Continuing investment into people, infrastructure and technology-related initiatives.

All of these initiatives and outcomes represent steps aligned to delivering a pathway to profitability and shareholder value.

FY24 Snapshot-1

I will not repeat the key outcomes our Chairman has already mentioned, but like last year, many outcomes achieved across our business indicate movement in the right direction.

FY24 Snapshot-2

Nonetheless, we were disappointed that no significant off-the-shelf sales were achieved in FY24, which were solid contributors to Aerometrex's revenue streams in FY22 and FY23.

We continue to seek market opportunities to monetise our significant imagery and datasets, in addition to our 'business as usual' product lines.



MetroMap FY24 Outcomes

Total MetroMap statutory revenue reduced slightly from \$10.12m to \$9.74m, primarily due to the reduction in off-the-shelf sales as previously noted.

Pleasingly, MetroMap continued to grow its subscription revenue, increasing from \$7.19m to a record \$8.58m.

Annual Recurring Revenue (ARR), which is calculated as the statutory revenue recognised in the reporting month x 12, increased from \$7.61m to \$9.06m.

Annual Contract Value (ACV) increased from \$7.78m to \$9.36m (+20%).

MetroMap

Significant steps were taken to improve our capture program outcomes with the announcement in January 2024 to engage Aero Logistics to support this effort. I am pleased to report that this new relationship is working very well and I will touch on this later in my presentation.

Aerometrex remains the only participant in the Australian subscription imagery market that is Australian owned and ASX listed. We continue to ensure our customers know this and consider it as part of their procurement decisions.

LiDAR FY24 Outcomes

LiDAR achieved revenue growth from \$12.76m to a record \$14.15m. This was an excellent outcome, reflecting our company's customer relationships, reputation and operational performance.

During FY24, it was encouraging to see the company continue to be awarded large contracts with key clients in a competitive market environment. As an example, continuing to build our relationship with Agronomeye demonstrated the value we can add to the agricultural and environmental sectors

Aerometrex is a well-respected and key participant in the Australian LiDAR market and this product line continues to be a solid contributor to overall company revenue.

Global 3D FY24 Outcomes

Global 3D observed a year where revenue reduced from \$2.48m in FY23 to \$0.86m. A number of factors contributed to this reduction, including no off-the-shelf sales and a pull-back in US based activities.

As noted in my address at this time last year, whilst customers overseas and in Australia are enthusiastic for our high-resolution 3D offering, we continue to advance the optimal product solution for customers.

It is encouraging that FY25 has commenced with the award of projects in Australia and the US, including the contract announced to the ASX on 25 September 2024 for a high resolution 3D mesh project associated with coastal sand monitoring in South Australia.

LOOK AHEAD

Vision, Purpose and Values

During the course of CY24, our team, with representation across the company, collaborated with each other to revisit our vision, purpose and values statements.





Our Values are Clear

This was undertaken to simplify messaging and provide stronger focus and alignment to our collective efforts.

Wide Ranging Customer Solutions

It is critical that our business is driven to provide customers with valuable solutions to their problems. But it is also important that we are focused and can prosecute key market verticals with our available resources. We are a participant within a growing industry where our product offerings are essential to wide-ranging customer use cases. We are also positioned in a manner that enables customer's choice and the opportunity to utilise our various products and services, which provides Aerometrex with multiple potential avenues to market.

Building A Pathway to Profitability

Each of our key product lines, MetroMap, LiDAR and 3D, have growth potential in key markets with wide-ranging customer needs for high-quality imagery, geospatial datasets and analytical insights, which we believe will grow into the future.

These potential growth opportunities are supported by detailed analysis undertaken by ACIL Allen on behalf of the Geospatial Council of Australia in their final report, published in October 2024.

Geospatial Industry Impact on Australian Economy

This insightful report highlights the importance of geospatial data and technology in the Australian economy. I believe the findings of the report will stimulate deeper thinking regarding the value that quality geospatial information brings, especially in the mining, government and infrastructure related sectors. I would encourage shareholders, and more generally anyone interested in the geospatial sector, to read the report.

Over the years, the impact on day to day life, let alone the application of geospatial information to more sophisticated use cases, has grown at pace. There are few reasons to think that this trajectory will not continue.

The opportunity to further unlock economic productivity through the power of geospatial data and technology will enable Aerometrex to leverage deep experience and skill sets into the future.

Current Economic and Market Outlook

Whilst great future opportunities exist, the current economic and market environment remains challenging on some fronts. The landscape is competitive and customers continue to be specific and selective in where and when they invest their dollars.

This is further exacerbated by inflationary supply chain costs that impact margins, forward looking cost estimations and budgets. Supply chain cost pressures continue to impact our business, with some examples including information and technology software and hardware requirements, software licensing related costs, travel and accommodation.

Our company is constantly seeking to find ways to minimise costs, whilst not compromising on key deliverables or customer expectations.

Our 'go to market' strategies and tactics have and will continue to be refined as appropriate to navigate our market observations.

MetroMap Capture Program Update

It is pleasing to report significant improvements in our MetroMap capture program in FY24 that have continued in FY25.





MetroMap 3D

Both our 2D and 3D programs are now meeting our current stated objectives. Our teams will continue to assess and refine the composition of our capture programs as part of our ongoing market analysis.

NBC US Presidential Election Coverage

The cover of our 2023 Annual Report contained an image of the Rockefeller Center in New York City - a high resolution 3D capture that our team took on behalf of US television network, NBC. We were delighted to see the model finally make its debut to a global audience as part of the anchor desk backdrop for NBC's recent coverage of the 2024 US Presidential election.

Geospatial Council of Australia Award

Aerometrex was delighted to receive more industry acknowledgement in November 2024 for its involvement along with its partners - the Anindilyakwa Land Council, Geoscience Australia, Australian National University and the CRC for Northern Australia, for the Groote Archipelago Project.

Alongside our project partners, Aerometrex has supported the Anindilyakwa Land Council implementing a Geographical Information System program to assist in activating an ambitious economic and social development program.

Asset Divestments

As part of Aerometrex's MetroMap sensor asset standardisation and rejuvenation strategy, combined with our announcement in January 2024 to utilise Aero Logistics to support our MetroMap capture program, this resulted in a small number of sensor and aviation assets being identified as surplus to future requirements.

The company has commenced a process to undertake divestment related activities. Thus far, approximately \$0.25m in proceeds has been realised from the divestment of some sensor assets. Apart from the cash proceeds, these already realised and potential divestments contribute to other benefits such as:

1. Redeployment of internal resources to higher priority activities; and
2. Sustainable reductions in future costs such as maintenance, parts and insurance.

Ongoing Assessment of Value Creation Options

As mentioned at the start of my address, we have undertaken many sensible initiatives to improve performance and business outcomes. I have touched on these today and in my annual general meeting address last year.

Many of these initiatives commenced in earnest following the worst of COVID-19, but our share price, whilst subject to many factors and market forces, has been disappointing.

Like other similar ASX listed companies, we are not immune to being part of a small-cap market that can be challenging. It is our company's ambition to grow and deliver value.

The Board has and continues to look at various ways to unlock shareholder value. These include, but are not limited to:

1. Driving business and cost efficiencies;
2. Developing our product offerings to maximise market penetration;
3. Reviewing best for business organisational structures;
4. Assessing portfolio composition and weighting;



5. Assessing potential merger and acquisition and corporate development activities; and
6. Divestment of non-core assets.

We can assure shareholders that all reasonable potential avenues to improve the company's performance are front of mind.

Investor Value Proposition & Thanks

As I noted earlier, we are enthusiastic about the essential and growing role that the geospatial industry will play in our society.

Whilst our outlook is bright, the journey will not be without its speed bumps given the current economic climate which is contributing to various uncertainties and industry cost pressures. Nonetheless, our company continues to undertake what we believe is a 'best for business' approach to build capability and generate positive outcomes for our shareholders.

Our market positions and strong customer relationships mean that Aerometrex is well placed to support wide-ranging customers and build value.

In closing, I would like to thank the Chairman, fellow Board members and the entire Aerometrex team for their dedicated contribution to the outcomes achieved in FY24. Our team continues to work with intent and urgency to deliver our key objectives.

I would also like to thank all our loyal customers, our supply chain partners and shareholders for their ongoing support.

I wish you and your families all the best, and importantly, a safe and enjoyable run into the upcoming festive season.

Thank you.

Steve Masters

Managing Director and Chief Executive Officer

