

**ASX RELEASE**

18 February 2021

**Urbanise.com Limited reports H1 FY2021 result**

- Licence revenue of \$4.33m, up 14.0% on H1 FY2020
- Total revenue of \$5.73m, up 25.6% vs pcp<sup>1</sup>, 75.6% recurring
- EBITDA loss of (\$0.98m) vs (\$1.29m) in H1 FY2020, 24.0% improvement vs pcp
- Net loss of (\$1.42m) vs (\$2.06m) in H1 FY2020, 31.0% improvement vs pcp
- Annualised recurring revenue (ARR)<sup>2</sup> of \$9.13m, up 16.4% vs pcp
- Backlog<sup>3</sup> estimated at \$1.40m as at 1 January 2021
- Underlying average monthly cash used of \$281k (H1 FY2020: \$218k)
- Closing cash balance of \$9.03m<sup>4</sup> and no material debt<sup>5</sup>
- COVID-19 Update: No material impact to date on the demand for Urbanise's cloud-based software

**Urbanise.com Limited** (ASX:UBN) today released its half year result for the six months to 31 December 2020 (H1 FY2021).

H1 FY2021 revenue of \$5.73m was 25.6% higher than pcp due to strong licence fee growth and record professional fees driven by several major new customers in Australia and the Middle East. An EBITDA loss of (\$0.98m) represented a 24.0% improvement on H1 FY2020 due to strong revenue performance and cost discipline. Annualised recurring revenue (ARR) of \$9.13m was 16.4% higher vs pcp due to the ongoing PICA implementation and successful onboarding of new customers.

Urbanise's CEO, Saurabh Jain said: "The December half was another important period for Urbanise as we embarked on the next stage of the Company's growth. Following the successful completion of a \$6.80m placement in November, we are in a strong financial position with the capacity to accelerate investment in sales and marketing to drive FM growth across our regional footprint."

"Record professional fees highlighted strong sales momentum in H1 FY2021 as we onboarded major new customers and expanded our sector credentials to include electricity grids, councils, cemeteries, schools, aged care and an Anglo American plc mining site. The PICA implementation continued with the Queensland portfolio 'go-live' completed in August and NSW on track for completion in H2.

"Looking ahead, we will continue to invest in sales and marketing and in our products and systems to drive ARR growth and reinforce Urbanise's position as the leading provider of cloud-based solutions to strata and facilities managers across APAC and the Middle East."

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<sup>1</sup> Previous corresponding period

<sup>2</sup> ARR is based on revenue for the month of December

<sup>3</sup> Backlog includes contracts that have been signed but are not yet earning licence fees, as at 1 January

<sup>4</sup> Includes net proceeds of \$6.54m from a capital raise/placement

<sup>5</sup> No debt other than annual insurance premium funding

### Facilities Management Result

Facilities Management produced another strong result as licence fees increased by 10.9% to \$1.61m due to the implementation of new customers. Professional fees of \$960k represented a new FM record, more than double the \$448k generated in H1 FY2020.

As at December 2020, Facilities users totalled 2.30k and ARR was \$3.30m, a 3.4% increase vs pcp. This included new customer growth offset by the loss of a legacy Middle East customer. The customer had ongoing requirements that were no longer aligned with Urbanise's strategic roadmap or investment priorities. As at 1 January 2021, the Facilities backlog included 11 new contracts estimated at \$0.40m in ARR.

### Strata Result

Strata licence fee revenue increased by 18.2% to \$2.70m due to the onboarding of new customers and the rollout of PICA's Queensland portfolio. Professional fees of \$424k were 42.8% higher vs pcp, mostly due to one-off development fees associated with the PICA rollout.

As at December 2020, strata lots totalled 392k and ARR was \$5.83m, a 22.5% increase vs pcp. As at 1 January 2021, the strata backlog was estimated at \$1.0m, largely reflecting the remaining PICA lots in NSW and new customer wins. The PICA project remains on track for completion in H2 FY2021.

### Cash flow and balance sheet

As at 31 December 2020, Urbanise had cash of \$9.03m and no material debt<sup>6</sup> following the completion of a placement in November that raised \$6.54m in net proceeds.

Underlying average monthly cash used was \$281k vs pcp of \$218k. The increase was due to hosting costs related to revenue growth and investment in sales & marketing. Urbanise also incurred upfront costs for the implementation of a new contract which will be recovered in Q3 FY2021. Receipts were also lower due to a bad debt write-off of \$60k related to a strata customer in the Middle East, terminated by Urbanise due to non-payment.

Urbanise maintained a negative working capital position in H1 FY2021 as it continued to reduce outstanding debts from customers<sup>7</sup>. As at 31 December 2020, deferred revenue was \$2.86m, related to billings collected quarterly to annually in advance.

### FY2021 H2 Outlook

For the remainder of FY2021, a key focus will be the completion of the rollout of PICA's NSW portfolio which is expected to deliver an additional \$0.9m in ARR.

Following the recent placement, Urbanise will accelerate its investment in sales and marketing to drive ARR growth in FM as it implements a 'land and expand' strategy to build its regional presence across APAC and the Middle East.

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<sup>6</sup> No debt other than annual insurance premium funding

<sup>7</sup> At 31 December 2020, 68.7% of receivables were current vs pcp of 57.3%

**Investor Webinar**

Urbanise Executive Director and CEO Saurabh Jain and CFO Simon Lee will host a Zoom webinar at 11am AEDT today with the investment community which will include a Q&A session.

Please register for the webinar in advance by following the link below:

[https://us02web.zoom.us/meeting/register/tZUtceuuj0iE9CHINb9q4G5rRWYpkwoB3\\_A](https://us02web.zoom.us/meeting/register/tZUtceuuj0iE9CHINb9q4G5rRWYpkwoB3_A)

NB: This is an analyst and investor call. The media are welcome to listen to the presentation.

**This announcement has been authorised for release by the UBN Board of Directors**

**Investor enquiries**

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**About Urbanise**

Urbanise is the creator of a cloud-based platform for delivering building services. Designed for service providers, the Urbanise software-as-a-service industry cloud platform is transforming the traditional engineering approach to building operations; improving customer service, removing operational costs and enabling new revenue streams. Urbanise technology is used in some of the tallest towers and most prestigious communities around the globe. [www.urbanise.com](http://www.urbanise.com)