

ASX Announcement

ASX: AND

25 February 2021

Ansarada Half Year Results FY21

Highlights

- 12% pro forma¹ total customer growth to 3,020 (1H FY20: 2,700), including more than 2,080 subscription customers
- Pro forma Group recognised revenue of \$15.8m, rapidly approaching pre-COVID levels (1H FY20: \$17.4m), impacted by COVID and transition to subscriptions
 - 80% generated through platform subscriptions² (1H FY20: 75%)
- 42% non-ANZ AASB³ revenue (1H FY20: 43%), maintaining revenue diversity
- Strong, growing deferred revenue of \$10.8m (2H FY20: \$8.0m)
- Gross Profit Margin 92% (1H FY20: 91%)
- Positive operating cash flows of \$1.2 m⁴ (1H FY20 -\$0.4m)
- Successful merger with thedocyard to become Ansarada Group and a related \$45m capital raise
- Well-funded to execute and grow with cash balances of \$21.0m, plus positive operating cash flow and no debt
- Webinar for investors to be held today at 11.30am AEDT, details below

Ansarada Group (“Ansarada” or the “Group”) (ASX:AND), a global information governance software provider, announces its financial results for the six-month period to 31 December 2020⁵.

“It is encouraging to see Ansarada Group performing so well during the first half of FY21. We have made a rapid recovery despite the impact of COVID on the business in FY20 and into the start of FY21. The growth in the debt, capital and M&A markets and our enhanced governance offering has driven our customer numbers to a record of over 3,000. Pro forma revenue of \$15.8m is nearing pre-COVID levels and operationally we re-established positive cash flow from operations,” said Ansarada Group CEO, Sam Riley.

Graph 1 - Record Customers



¹ Pro forma comprises the historical combination of the merged companies

² Platform subscription revenue comprises recurring annual and monthly fees from customers who subscribe to its cloud based SaaS platform.

³ Australian Accounting Standard Board

⁴ Excluding business combination and restructure costs

⁵ The merger of thedocyard Ltd and Ansarada NewCo Limited took place on 4 December 2020. As the merger is regarded as a reverse acquisition, the financial results, unless otherwise indicated, reflect Ansarada NewCo Pty Limited only for the period from 1 July 2020 to 3 December 2020, and the combined results of Ansarada NewCo Pty Limited and Ansarada Group Limited for the period from 4 December 2020 to 31 December 2020.

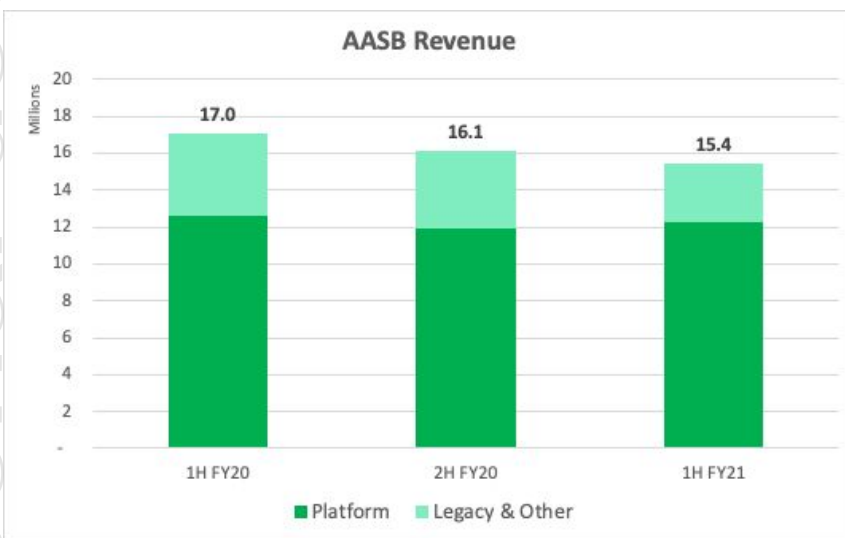


“We continue to monitor the impact of COVID-19 across all our geographical segments, however, we remain confident about continued growth. Our confidence comes from having a strong cash balance, positive operating cash flows, growing customer numbers, expanded use cases and an increasing contribution from our highly scalable digital channels,” he concluded.

Financial Results

Pro forma Group revenue was \$15.8 million, compared to \$17.4 million in 1H FY20. The decrease was largely due to the impact of COVID-19, which reduced the volume of transactions in FY20 and early in 1H FY21, and the transition to a subscription pricing model. AASB revenue was \$15.4 million, compared to \$17.0 million in 1H FY20. AASB revenue is rapidly approaching pre-COVID levels and is supported by strong and growing deferred revenue of \$10.8 million (2H FY20: \$8.0m).

Graph 2 - Revenue is Rapidly Approaching Pre-COVID Levels

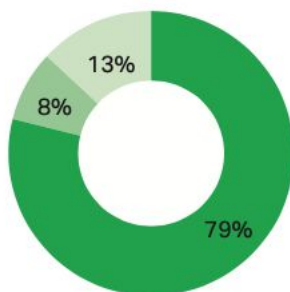


Platform subscription revenue for the period was \$12.3 million, or 79% of Group recognised revenue, up from 74% in 1H FY20, and transactional revenue was \$3.2 million (1H FY20: \$4.2m). Geographic diversity was maintained with 42% of Group recognised revenue being generated outside Australia and New Zealand (1H FY20: 43%).

Graph 3 - Growing Subscription Revenue

1H FY21

● Subscription Revenue ● Tenders Revenue ● Legacy Revenue



AASB gross profit was \$14.3 million for the half year, compared to \$15.6 million for 1H FY20. Ansarada maintained a strong gross profit margin of 92%, in line with historical margins above 90% (1H FY20: 91%).

EBITDA improved to \$0.2 million, compared to a loss of \$0.2 million in 1H FY20. The \$0.4 million improvement was primarily driven by operational efficiencies delivered across the cost of revenue, product design and development and general and administration functions. Adjusted EBITDA which excludes business combination and restructure costs was \$2.2m in 1H FY21, up from \$0.5m in 1H FY20.

Operating cash flow was \$1.2 million, excluding business combination and restructure costs (1H FY20 -\$0.4m). Ansarada has cash of \$21.0 million as at 31 December 2020 and no debt.

Operational Performance

Pro-forma total customers reached a record of 3,020 during the half year, up 12% compared to 1H FY20 (2,700). Pro-forma subscription customers were 2,082, up 12% compared to 1H FY20 (1,861) reflecting progress against the Group's strategy to transition to subscription contracts. Customers acquired through Ansarada's new Ecommerce channel has increased to 5% of total subscription customers at the end of December 2020, up since its launch in February 2020.

SaaS Solution Portfolio

Supported by its SaaS platform, Ansarada's newly merged portfolio of governance solutions is comprised of:

1. **Ansarada Deals** – an end-to-end deal transaction management solution (the combination of the docyard workflow and Ansarada data room)
2. **Ansarada Compliance** (including Pathways) – a governance and compliance platform that assists companies with compliance and audit processes on their applicable ISO and Internal standards and compliance with regulation such as GDPR and financial audits
3. **Ansarada Board** (previously called Athena Board) – a secure SaaS online board management solution which facilitates simple and secure board meeting preparation and execution; and
4. **Ansarada Tenders** – a purpose-built solution to securely run complex, high value tenders

Integration Progress

The Group is progressing integration of the TDY workflow into the core of the Ansarada platform. This will enable advisors to access end-to-end deal management technology and purchase subscriptions to standardise their operations and deal services on Ansarada. This will transform advisors from being a channel into direct paying customers.

The Group has rebranded and launched the Ansarada Board Portal (previously Athena Board portal) which is now available in the Apple and Microsoft app stores.

Webinar Details

Ansarada CEO Sam Riley and CFO James Drake will provide an update for investors at 11.30am AEDT today, Thursday 25 February 2021.

Investors can join the live audio webcast at: <https://webcast.openbriefing.com/7172/>

Conference ID: **10012536**

Dial ins: Please pre-register via <https://s1.c-conf.com/diamondpass/10012536-dr6thi.html>

to receive dial ins. International numbers are available.

Replay: Will be available at www.ansarada.com/investor-relations after the event.

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This announcement was authorised for release by the Board of Ansarada Group Limited.

About Ansarada (ASX:AND)

Ansarada is a global provider of cloud-based AI-powered virtual data rooms and material information platforms for secure end-to-end document and process management, supporting material transaction and governance outcomes for businesses throughout their lifecycle.

Ansarada's innovative and purpose-driven virtual data rooms enable the hosting, exchange and management of confidential material information between parties during critical events such as M&A (mergers and acquisitions), fundraising, tenders and IPOs.

For more information please visit www.ansarada.com/blog