



Asset Vision®

31 October 2023

## ASX ANNOUNCEMENT

### Quarterly Activity Report and Appendix 4C

#### Q1 FY24

Asset Vision Co Limited (ASX: ASV) (**Asset Vision, AV** or the **Company**), is pleased to provide its quarterly business update and Appendix 4C for the period ended 30 September 2023 (Q1 FY24).

#### Key Financial Highlights

- ▲ **35%** increase on FY23 Q1 Annual Recurring License Revenue (ARR): \$3.1m
- ▲ **20%** increase on FY23 Q1 Total Revenue: \$960k
- ▲ **42%** increase on FY23 Q1 Licensing Revenue: \$743k
- ▼ **56%** decrease on FY23 Q1 Operating Expenses: \$1,138k
- FY24 Q1 Closing Cash Balance: \$537k

Commenting on the Q1 results, Asset Vision's Co-CEO, Damian Smith said:

*"As we exit Q1, Asset Vision has achieved a 35% increase to its Annual Recurring Revenue (ARR) compared to Q1 FY23, and in the same period our total turnover has increased by 20%, with the delivery of key major projects being a strong contributor. The Company has also continued on its path to maintain a lean corporate structure and reduce operational expenditure, which has resulted in a 56% decrease in Q1 against the prior corresponding period. Our cash in bank is sufficient and stable.*

*In Q1 FY24 we announced a significant extension to Asset Vision's contract with the Department of Transport and Planning of Victoria, valued at approximately \$1.9m over 3 years. We are in well progressed contract extension negotiations with the NSW State Government which will see us through to 2027/28, and we were recently awarded a four-year contract by the South Australian Government's Department of Infrastructure and Transport.*

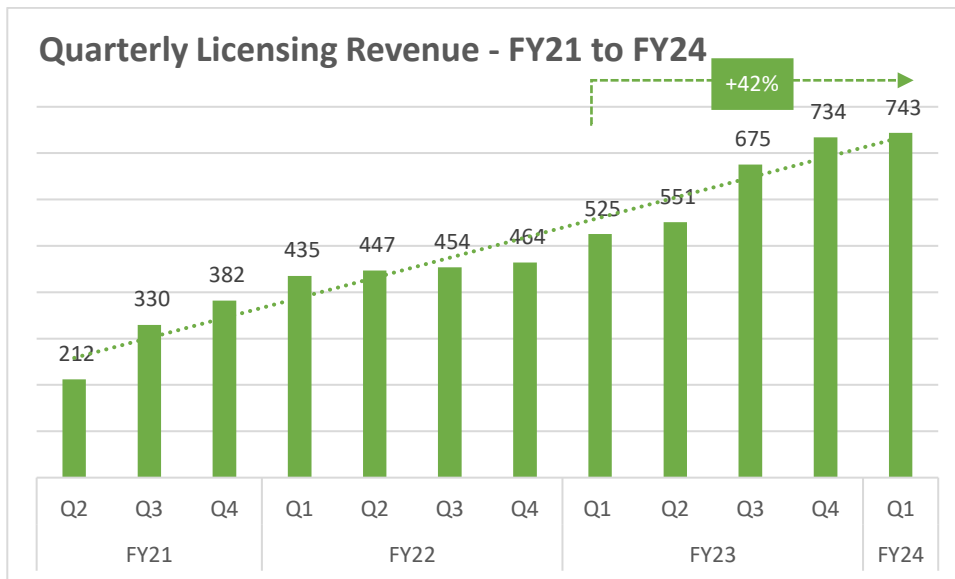
*Q1 also saw the launch of AutoPilot at the Roads and Infrastructure conferences in Dallas and Sydney. AutoPilot enables Asset Owners and Contractors to capture a digital twin of the road network every time it is driven. The launch has attracted significant interest from State and Local Government, especially around the use cases for disaster recovery, claims management, road surveys and predictive maintenance. In this quarter we launched campaigns across State and Local Government and we are seeing several excellent opportunities moving into the proposal phase of our pipeline."*

## Financial Overview

### Revenue Performance and ARR

Asset Vision's licensing revenue was \$743k for Q1 FY24, a **42% increase from the prior corresponding period (pcp) (Q1 FY23: \$525k)**.

Growth since the end of the financial year has been generated through our contract win with the South Australian Government and an increase in users across existing clients.



Asset Vision exits the first quarter of FY24 with a contracted ARR of \$3.1m representing a **net annual increase of 35% since the end of Q1 FY23**.

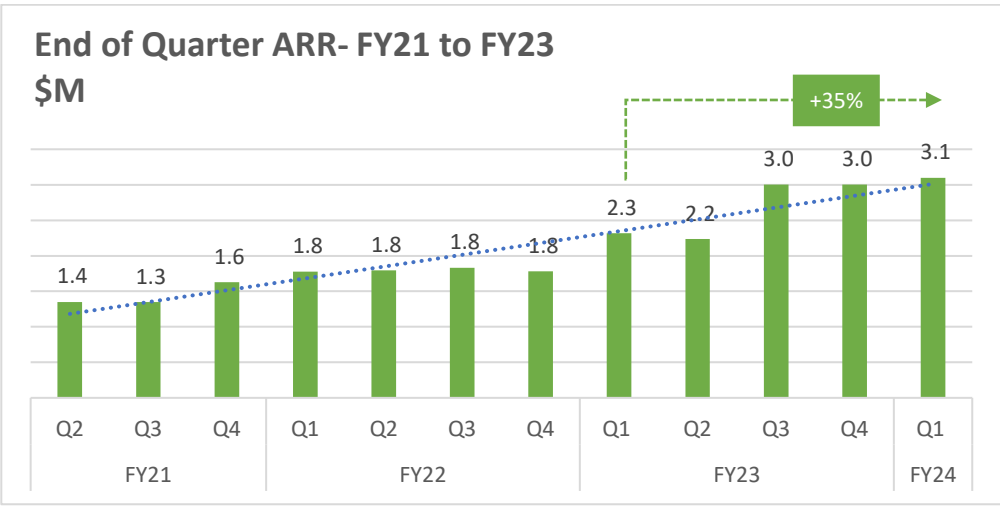
Total turnover for Q1 FY24 of \$960k **represents growth of 20% against pcp (Q1 FY23: \$803k)** with key contract wins over the last 12 months contributing to the overall growth.

### Customer Activity and Sales Pipeline

In Q1 FY24 we announced a significant extension to Asset Vision's contract with the Department of Transport and Planning of Victoria, valued at approximately \$1.9m over 3 years. We are in well progressed contract extension negotiations with the NSW State Government which will see us through to 2027/28, and we were also awarded a four-year contract by the South Australian Government's Department of Infrastructure and Transport.

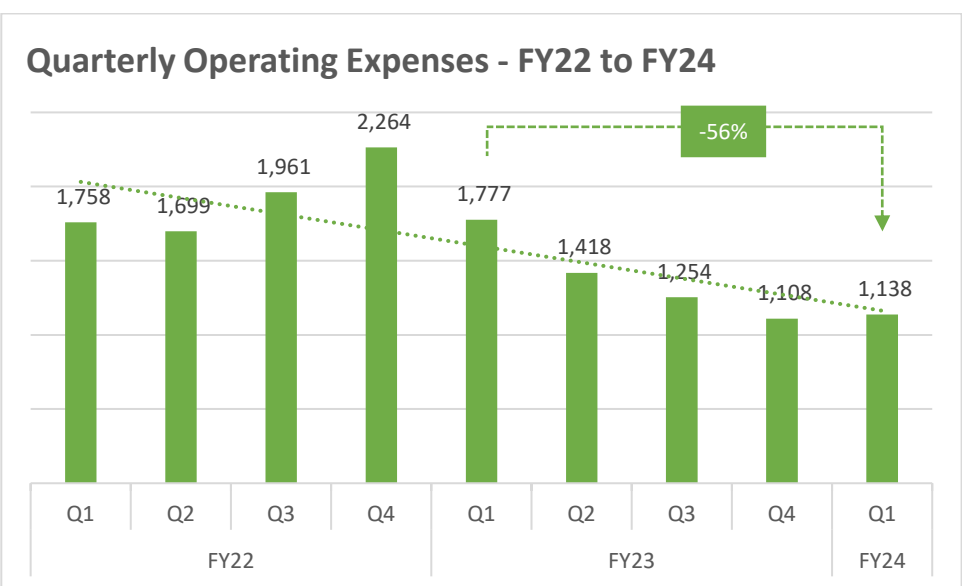
The key focus from a pipeline growth perspective is AutoPilot. Since its launch we have seen strong interest from both Local and State Government customers. In this quarter our sales team have created over \$1.5m worth of new ARR deals. With 810,000 km of road in Australia alone AutoPilot presents a large market opportunity.

The AV core platform pipeline has grown over the last quarter with new deals across Local Government (three Councils) and five large maintenance contractors (four in Australia and one in Southeast Asia). Several inflight opportunities also remain from the previous quarter including a large telco and an energy provider which we hope to have decisions on this financial year.



### Operating Expenses

Total operating costs for the Company were \$1,138k for Q1 FY24, a **56% reduction from pcp** (Q1 FY23: \$1,777k) which is a result of the Company’s cost management program that was executed throughout FY23.



### Cash Flow

Cash at bank **decreased 33%** quarter on quarter and is \$537k as at 30 September 2023. A large part of this reduction is attributable to the quarterly deferred consideration payment of \$125k owing to the vendors of EagleSoft.

Asset Vision recorded net cash outflows from operating activities of \$50k for the quarter impacted by deferred professional services revenue, prepayments of listing fees and payments for audit fees in Q1 FY24.

## General Administration

On 27 October 2023, Future First Technologies Limited completed its company name change with the Australian Securities and Investment Commission (ASIC). The new listing code "ASV" is expected to be live as of 1 November 2023. This change had Shareholder approval at the Annual General Meeting held on 26 October 2023.

On the 26 October 2023, FFT Chair Renata Sguario resigned, and Luke Donnellan was elected Chair with the full support of the Board.

## Outlook

The Company is entering an exciting period with its full focus on the growth of Asset Vision. We have made significant progress on our roadmap, including the launch of AutoPilot and several important enhancements to the core platform, giving our team a strong value proposition to take to market.

With our cost management program now complete and our sales transformation program now operational, we are confident the Company is well positioned for growth.

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

**- ENDS -**

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## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Asset Vision Co Limited

**ABN**

50 164 718 361

**Quarter ended ("current quarter")**

30 September 2023

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,180	1,180
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(327)	(327)
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(744)	(744)
(f) administration and corporate costs	(159)	(159)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(50)</b>	<b>(50)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	(125)	(125)
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(125)</b>	<b>(125)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	715	715
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(50)	(50)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(125)	(125)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(3)	(3)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>537</b>	<b>537</b>

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	537	537
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>537</b>	<b>537</b>

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	33
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p>6.1 comprises director's fees for the quarter</p>		

7. <b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (Credit card facility)	95	13
7.4 <b>Total financing facilities</b>	95	13
7.5 <b>Unused financing facilities available at quarter end</b>		82
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
ANZ credit card facility - unsecured		

8. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(50)
8.2 Cash and cash equivalents at quarter end (item 4.6)	537
8.3 Unused finance facilities available at quarter end (item 7.5)	82
8.4 Total available funding (item 8.2 + item 8.3)	619
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	12.4
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
<b>Answer:</b> N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
<b>Answer:</b> N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
<b>Answer:</b> N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	



## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2023

Authorised by: By the Board  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.