

30 August 2024

ASX Announcement (AMX)

Aerometrex delivers record FY24 underlying revenue with double-digit growth across MetroMap subscription and LiDAR product lines

Aerometrex Limited (ASX: AMX) today announced its results for the twelve months ended 30 June 2024 (FY24), delivering a record underlying revenue result of \$24.17m and double-digit percentage revenue growth for MetroMap subscription and LiDAR product lines. Statutory group revenue for FY24 was \$24.75m.

FY24 key financial highlights included:

Record Underlying Annual Group Revenue	<ul style="list-style-type: none">Underlying operating revenue up 9.0% from \$22.18m to \$24.17m
Annual Group Revenue	<ul style="list-style-type: none">Statutory revenue down 2.4% from \$25.36m to \$24.75m
Record Annual Recurring Revenue (ARR) & Annual Contract Value (ACV)	<ul style="list-style-type: none">Growth of 19.1% in ARR for MetroMap, from \$7.61m to \$9.06mGrowth of 20.3% in ACV for MetroMap, from \$7.78m to \$9.36m
Product Line Revenue	<p>Double-digit percentage growth across MetroMap subscription and LiDAR revenue</p> <ul style="list-style-type: none">Growth of 19.3% in MetroMap subscription revenue from \$7.19 to a record of \$8.58mReduction of 3.8% in total MetroMap statutory revenue from \$10.12m to \$9.74mGrowth of 10.9% in LiDAR revenue from \$12.76m to a record of \$14.15mReduction of 65.3% in 3D revenue from \$2.48m to \$0.86m
Cash Balance	<ul style="list-style-type: none">Robust balance sheet with a cash balance of \$8.31m

Other key highlights

- First full year revenue of approximately \$0.8m obtained from the Landchecker MetroMap Partner Program agreement signed in May 2023.
- Significant LiDAR contract awards of \$1.45m with Agronomeye and \$1.0m with Queensland Government Department of Environment, Science and Innovation.
- Successful introduction of a IGI DigiCam 450 MetroMap sensor in July 2023.
- Announcement in January 2024 and commenced transition in April 2024 of Aero Logistics support to the MetroMap capture program.
- Aerometrex winning the *International Partnership Award* and *Geospatial Enablement Award* from the Geospatial Council of Australia Excellence Awards.

- *Technology & Digital Innovation Award* from the Planning Institute of Australia for Land iQ (Awarded to Property and Development NSW, in collaboration with WSP Australia, Giraffe Technology and Aerometrex).

Commenting on the FY24 results, Aerometrex Managing Director Steve Masters said:

"FY24 has been a year of bedding down various operational improvements, including the successful commencement of our relationship with Aero Logistics to enhance the MetroMap aerial capture program. Importantly, all of our operations were conducted safely and we achieved record revenue outcomes for our MetroMap subscription and LiDAR product lines.

"FY24 was another year of two halves – with record 1H24 revenue of \$12.01m dampened by softer market conditions in 2H24. Nonetheless, a record underlying revenue outcome of \$24.17m was achieved, up 9.0% on FY23. Unfortunately, FY24 was impacted by no significant MetroMap and 3D off-the-shelf sales being achieved, resulting in a reduction in off-the-shelf revenue of \$2.60m compared to FY23. While these sales have a degree of unpredictability, they add significant value to revenue, profit and cash in the year that they occur, but they can also impact or skew the presentation of the results accordingly.

"Our LiDAR business continued to grow, but was also impacted by softer market conditions in 2H24, resulting in a flat 2H24 revenue outcome of \$6.97m vs \$7.18m for 1H24. Nonetheless, an increase in revenue of 10.9% for FY24 was a pleasing result.

"Various business-wide activities continued to build capability to enhance performance. Particular focus was placed on Sales and Marketing initiatives, especially in relation to developing internal capability, refining go-to-market strategies, building market intelligence and customer engagement.

"The Company continued to focus on the transition towards a subscription-based business, with subscription revenue now contributing 34.7% of group revenue, up from 28.4% in FY23.

"A major milestone achieved in FY24 was the announcement in January 2024 of Aero Logistics to support the MetroMap capture program. Aero Logistics commenced transition in April 2024 and have made an immediate impact with accelerating capture outcomes along the eastern seaboard.

"A more measured approach to our Global 3D activities, especially in the USA, combined with a softer market in Australia, resulted in a revenue reduction in FY24.

"With a robust balance sheet and disciplined approach to investment, we will continue to invest our efforts aligned with building a pathway to profitability."

Financial performance

The Company achieved EBITDA of \$2.89m for FY24, down from \$3.83m in FY23. Underlying EBITDA, which excludes off-the-shelf sales, increased from \$0.65m to \$2.31m in FY24.

Off-the-shelf MetroMap and 3D sales represent a very profitable component of the Company's activities, with approximately every dollar of revenue generating full bottom-line impact. In addition to subscription services, some customers require 'off-line' delivery of imagery products for particular locations. Given the significant size of the Company's image archives, and the ongoing enhancements to the MetroMap capture program, the Company is well-placed to meet future customer requirements for quality off-the-shelf products, albeit the timing and size of these opportunities is uncertain.

As shown in Figure 1, the contribution from off-the-shelf adds significant financial benefits in addition to the underlying business performance.

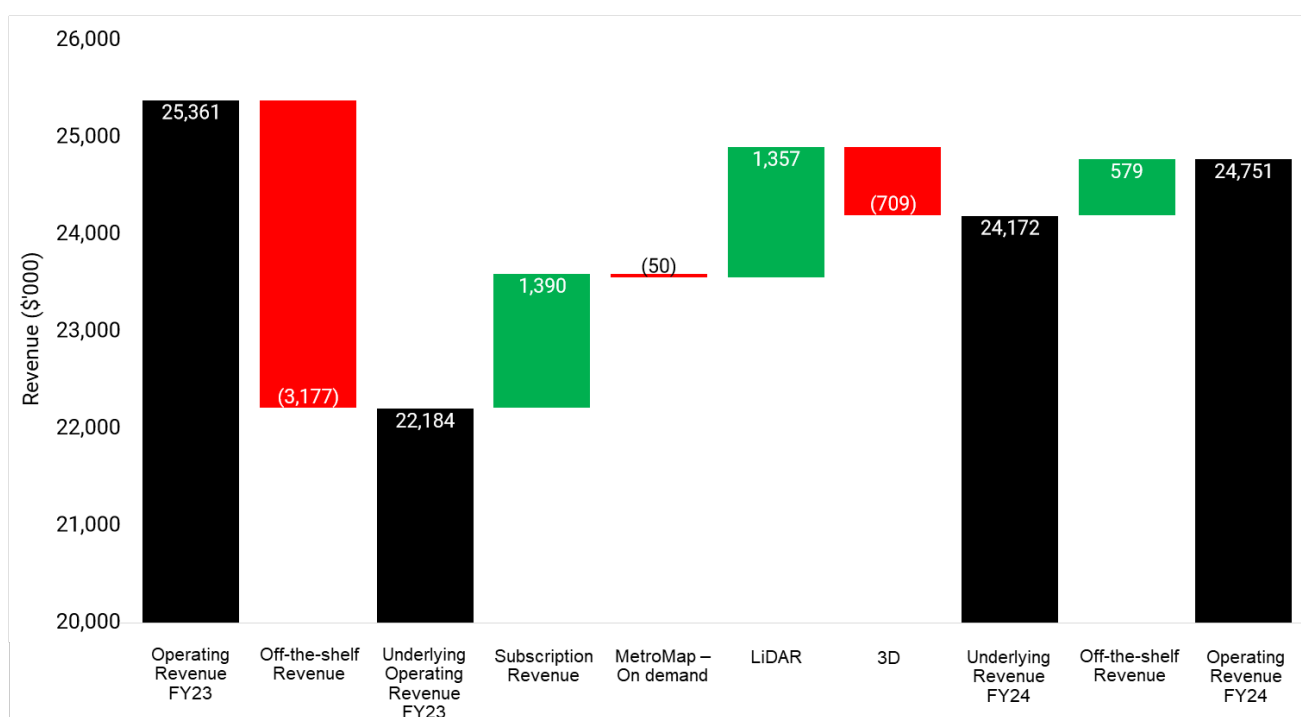


Figure 1: FY23 to FY24 revenue reconciliation highlighting the impact of off-the-shelf sales

The FY23 outcome included off-the-shelf revenue of \$3.18m (or 12.5% of FY23 revenue) compared to \$0.58m in FY24 (or 2.3% of FY24 revenue), a reduction of \$2.60m.

MetroMap

The Company continued investment to support future growth ambitions, especially in relation to Sales Team capability and the MetroMap capture program. Statutory subscription revenue increased 19.3% to a record \$8.58m and contract liabilities for subscription revenue billed in advance increased by 15.6% to \$3.42m.

In FY24, MetroMap Annual Recurring Revenue (ARR) grew to \$9.06m, up 19.1% from \$7.61m and Annual Contract Value (ACV) grew from \$7.78m to \$9.36m. These were both very pleasing outcomes and demonstrates the growth opportunity that presents in the MetroMap subscription business. As shown in Figure 2, MetroMap ARR has grown every year since the commencement of subscription activities in 2019, including growth of 32.3% since June 2022.

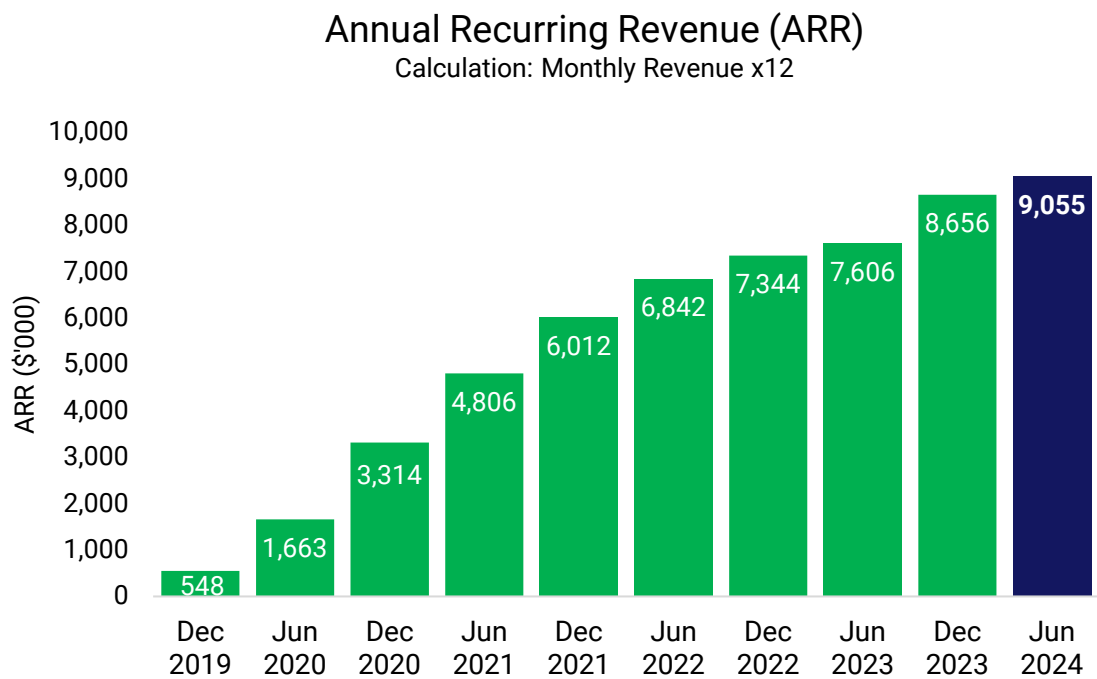


Figure 2: Historical MetroMap ARR outcomes

Building the MetroMap Partner Program continued in FY24, strongly supported by the new agreement announced with Landchecker in May 2023, which generated the first full year of revenue from that agreement in FY24. This successful partnership highlights Aerometrex’s ability to expand its indirect customer base through its partnership program with leading analytics businesses.

MetroMap sensor fleet rejuvenation continued in FY24 with a new IGI DigiCam 450 sensor commencing operations in July 2023, adding to the introduction of the IGI UrbanMapper2 in February 2023. These investments made in the prior financial year have continued the transition to higher levels of sensor standardisation and delivered increased operational performance and other efficiencies. Coupled with the introduction of Aero Logistics, the Company was able to achieve a MetroMap capture coverage increase of approximately 34.5% in FY24 compared to FY23 outcomes.

MetroMap platform enhancement continued in FY24, including the introduction of MetroMap Image Dedicated for ArcGIS in August 2023. This is an Esri-compliant service that enables organisations the ability to access the full value of MetroMap’s data. Aerometrex was the first company to offer this as a subscription service in the Asia Pacific region.

The Company received the *Technology & Digital Innovation Award* from the Planning Institute of Australia for Land iQ (awarded to Property and Development NSW, in collaboration with WSP Australia, Giraffe Technology and Aerometrex).

LiDAR

LiDAR revenue increased 10.9% to a record \$14.15m and remained the largest contributor to Aerometrex's revenue. Softer enterprise and government market demand resulted in a more even distribution of activities across the entire year, against what has typically been a stronger 2H in previous years.

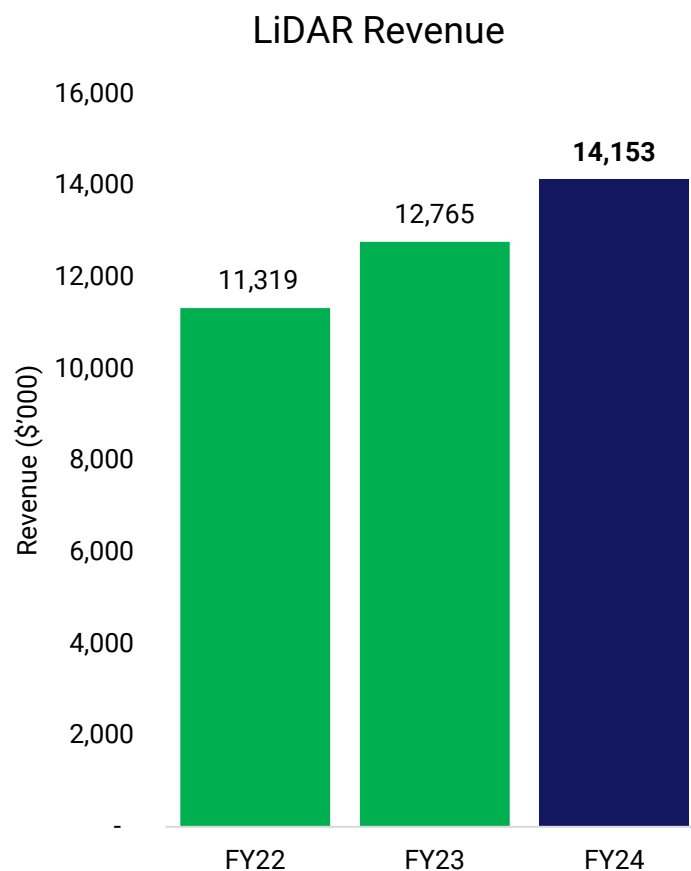


Figure 3: Historical LiDAR revenue outcomes

LiDAR operational performance was highly efficient and a highlight was the successful capture and delivery of a \$1.45m project with Agronomeye to create landscape models, when combined with other data, to empower farmers to balance social, financial and environmental goals. The Company was also awarded a \$1.0m contract with Queensland Government Department of Environment, Science and Innovation to support the Australian and Queensland Governments in their ongoing initiative of mapping key areas of the Great Barrier Reef catchments to assess the state of gully and streambank erosion and monitoring change over time.

Aerometrex was the recipient of the Geospatial Council of Australia's *Geospatial Enablement Award* for our project in collaboration with NT Farmers and supporting landowners in the Northern Territory for "Advancing Holistic Agricultural Practices and Land Stewardship through LiDAR Innovation." This award recognises products or projects in which the application of geospatial information, methodology and / or tools has greatly improved the outcomes of a non-geospatial project, process, or product.

Global 3D

3D revenue declined from \$2.48m to \$0.86m. This coincided with softer market conditions in Australia and a reduction in activities in the USA. FY23 outcomes were also driven by a large off-the-shelf sale, which in total contributed \$0.98m in that year.

The Company undertook various high-resolution projects in Australia and the USA, primarily for government customers. Particular project use cases were associated with urban planning, coastal sand monitoring and general coastal capture and change analysis.

In October 2023, Aerometrex won the Geospatial Council of Australia's *International Partnership Award* for our Las Vegas High-Resolution 3D Reality Mesh, which was delivered to videogame developer Codemasters to assist in the track creation for the EA SPORTS F1® 23 videogame. This award recognises organisations that have successfully conducted business through developing trade opportunities in international markets through unique projects, products, and services.

FY25 outlook

Aerometrex continues to be the only ASX listed business that specialises in imagery subscription services, airborne LiDAR and high resolution 3D models. The company remains committed to building revenue across its three core product lines, with a strong emphasis on growing the MetroMap subscription business.

Whilst 2H24 outcomes were impacted by no significant off-the-shelf sales, the Company will continue to pursue these opportunities given their very profitable financial attributes.

The Company has observed more customer optimism in early 1H25 compared to 2H24 associated with anticipated enterprise and government LiDAR requirements.

With the successful integration of the Aero Logistics MetroMap capture program, enhanced outcomes are expected to continue which in turn position the Company to provide a more competitive customer proposition. The annual (calendar year) MetroMap 3D capital city program is also well advanced, with all program cities now captured and only Sydney and Canberra remaining to be published.



Figure 4: Subset of the Sydney MetroMap 3D model captured in July 2024

Noting some of the observations and challenges experienced in FY24, the Company remains vigilant regarding the general economic outlook and associated risks, especially in relation to factors that may impact government and large enterprise customer spending.

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

"With key operational and customer related enhancements well advanced, especially for our MetroMap and LiDAR product lines, combined with our unique and valuable geospatial solutions, 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.

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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.