

14 February 2022

ASX Announcement (AMX)

MetroMap and US Operations deliver strong revenue growth

Aerometrex Limited (ASX: AMX) today announced its results for the half year ended 31 December 2021 (1H22) delivering strong revenue growth in its key service lines of MetroMap, LiDAR and its 3D operations in the US.

1H22 key highlights (vs 1H21):

- MetroMap subscription revenue up 80.4% from \$1.51M to \$2.72M
- Annual Recurring Revenue (ARR) up 81.4% YoY and up 25.1% since June 2021 to \$6.01M
- Subscription revenue contributing 24.0% of total group revenue (1H21: 17.6%)
- Revenue from US 3D operations contributed \$0.62M (1H21: \$nil)
- Continued revenue growth in LiDAR up 35.9% from \$3.64M to \$4.95M
- Balance sheet remains strong with \$12.27M in cash and undrawn debt facilities available

Commenting on the half year results, Aerometrex Acting CEO Mr David Byrne said:

“We are pleased with the continued growth of MetroMap reflected in the increase in statutory revenue which was up 80.4% on the same time last year to \$2.72M and the growth in the annual recurring revenue which was up 81.4% year on year to \$6.01M. The strategy of focusing on the MetroMap subscription business sees this revenue stream now contribute 24.0% of the group revenue, up from 17.6% for the same period last year.

We are also extremely pleased with the contribution that the US operations have made in this half year with revenue contribution of \$620k, up from zero in the prior corresponding period. While the revenue to date is still relatively small, we have made significant strides in growing the awareness and potential of our world leading 3D business within the US. The revenue was derived from a combination of project and off-the-shelf data sales including the delivery of the San Francisco data models to Google.

We ended the half with \$12.27M in cash with undrawn debt facilities available to fund growth initiatives and momentum for the second half.”

Operational performance

The underlying growth of MetroMap was driven by the SME market who has seen value in the MetroMap offering combined with continued success in winning enterprise clients. Aerial capture resources are committed to the MetroMap capture program following the

completion of most of the photomapping contract work as announced in June 2021. Work is continuing on the development on the MetroMap 3.0 user interface which has been delayed to 2H22 to allow for an increased feature set to be rolled out.

3D revenue increased 74.3% or \$0.53M to \$1.24M on the back of growth in the US business. The US operations contributed 50.0% of the group's 3D revenue for 1H22. The US business continues to gain interest from leading engineers such as WSP and technology companies, particularly those interested in using our world leading 2cm models in applications such as the metaverse. We have now captured 3D models for San Francisco, Miami, Tampa, LA, the Las Vegas strip and parts of New York.

LiDAR had a strong 1H22 increasing revenue by 35.9% to \$4.95M driven by the investment into additional sensors during FY21.

Revenue from project photomapping and MetroMap on Demand was down in line with the decision to cease project aerial imagery work to concentrate time, effort, and resources on scaling the MetroMap subscription business. The vast majority of the project photomapping work has been captured during the first half with processing and client delivery to be completed in 2H22. This should deliver revenue of ~\$1M in 2H22 which will complete the commitment to work won at the time the announcement was made to concentrate on MetroMap (June 2021). Aerial assets will now be focussed on the capture of imagery for the MetroMap platform.

The operating environment continued to be impacted by COVID-19 in the form of the lockdowns in Victoria and New South Wales which impacted the ability to do some capture. A flow on impact was seen in cost pressures with increased costs to capture driven by higher mobilization costs, staff remaining in the field longer resulting in increased accommodation costs. Throughout this though, the commitment to the safety and wellbeing of our staff has remained a key priority.

The company continued to invest in Research and Development (R&D) initiatives focusing on Artificial Intelligence (AI) and Machine Learning (ML). These initiatives will enable the ability to deliver increased value and insights to customers delivered through the MetroMap platform and increased revenue for the company. The R&D initiatives will also support internal efforts to improve speed and efficiency delivering greater scaling of the business via the use of technology.

Positive momentum into 2H

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

" The MetroMap subscription business continues to build with a significant number of opportunities to potentially capitalise on, exciting green shoot opportunities in the 3D particularly through collaborations and a strong pipeline of work in LiDAR. The committed work on books for LiDAR has doubled at December 2021 to \$3.35M compared to \$1.65M at the same time last year. The investment into the fourth sensor last year is contributing to the revenue growth.

Our 3D product is world leading with global potential and we are committed to the opportunity that 3D presents in the US. We will look to scale this business further in 2H22. We continue to work and collaborate with a number of parties in this space as well as seek project work to supplement the off the shelf revenue stream. Many of the R&D initiatives being worked on will assist in being able to scale and providing efficiencies within the 3D business.

The ongoing growth and development of MetroMap remains the core priority to drive revenue and therefore the economies of scale which should then drive EBITDA growth. With the photomapping project all but complete from a capture perspective, all efforts are now focused on delivering the results for MetroMap.

We are also excited by the appointment of Mr Steve Masters to the position of Managing Director and Chief Executive Officer following the retirement of Mark Deuter in December 2021. Steve will commence with the company on Monday 14 February 2022 and joins the company from ElectraNet where he served as their CEO for seven years. During this time Steve has overseen the re-shaping of their corporate strategy, significant growth in market opportunities and delivered increased shareholder value. We look forward to his contribution and guidance as we enter the next journey of our growth phase.”

This release is approved by the Board of Directors of Aerometrex Limited.

- ENDS -

ADDITIONAL INFORMATION

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About Aerometrex Limited

Aerometrex Limited is a professional aerial mapping business specializing in an aerial imagery subscription service (MetroMap), LiDAR and 3D. The company operates the full range of services throughout Australia and extends its 3D services on a global scale. The company has staff based in the US delivering its 3D product.

The company, established in 1980, has a strong Board and executive team with significant industry experience.

For further information, please visit www.aerometrex.com.au.