

30 January 2025

ASX ANNOUNCEMENT
Quarterly Activity Report and Appendix 4C
Q2 FY25

Asset Vision Co Limited (ASX: ASV) (**Asset Vision** or the **Company**), is pleased to provide its quarterly business update and Appendix 4C for the period ended 31 December 2024 (Q2 FY25).

Key Financial Highlights

- ▲ **26%** increase on FY24 Q2 Annual Recurring License Revenue (ARR): \$3.9m
- ▲ **29%** increase on FY24 Q2 Licensing Revenue: \$943k
- ▲ **39%** increase on FY24 Q2 Total Revenue: \$1,235k
- ▼ **5%** decrease on FY24 Q2 Operating Expenses: \$1,093k
- FY25 Q2 Closing Cash Balance: \$974k
- FY25 Q2 Positive Operating Cash flows: \$625k

Commenting on the Q2 results, Asset Vision's Co-CEO, Lucas Murtagh said:

"I am pleased to report that Asset Vision has delivered another strong quarter. We have achieved solid increases in revenue, reflecting the growing demand for our solutions. At the same time, we have continued to manage costs effectively, resulting in strong cash flow generation and a cash balance sufficient to support investment in our growth."

The deferred consideration for the EagleSoft acquisition has been fully settled during the quarter. This milestone signifies that all contingent liabilities have been paid entirely out of free cash flow, further strengthening our balance sheet and enhancing financial flexibility.

We submitted numerous new customer proposals this quarter, driven by strong demand in the facilities, utilities, transport and local government verticals. These proposals and additional pipeline opportunities are forecasted to drive further ARR growth in the second half of FY25.

We also entered into several new partnerships that enhance both our end-to-end market offering and our channels to market. These strategic alliances will enable us to deliver even greater value to our customers while expanding our reach across key verticals.

Our product team has been exceptionally busy delivering new features to the platform, which are currently being deployed in ongoing implementations within the utilities, facilities, and ports verticals.

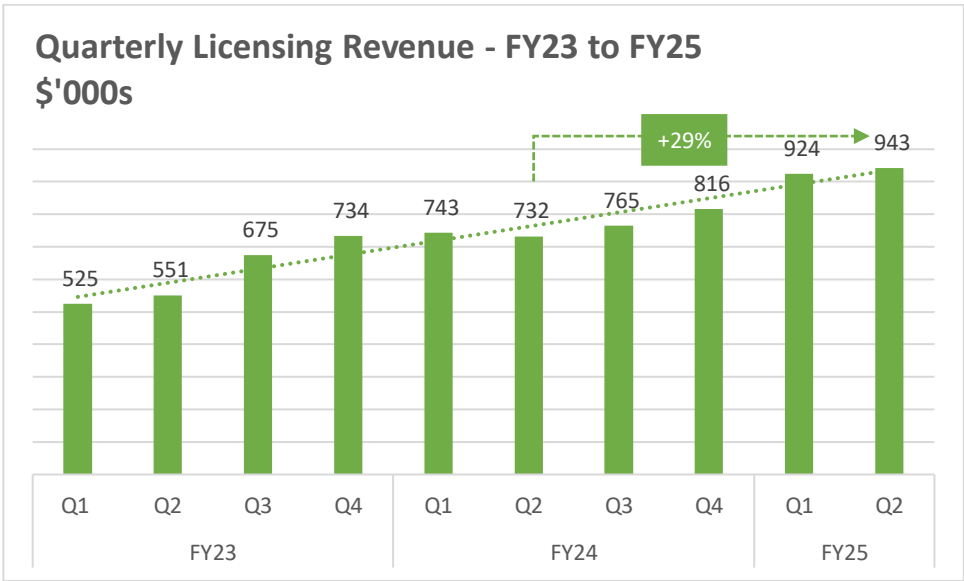
We remain focused on the key priorities outlined in our full-year presentation, and we look forward to updating you on our progress against these in our half-year results."

Financial Overview

Revenue Performance and ARR

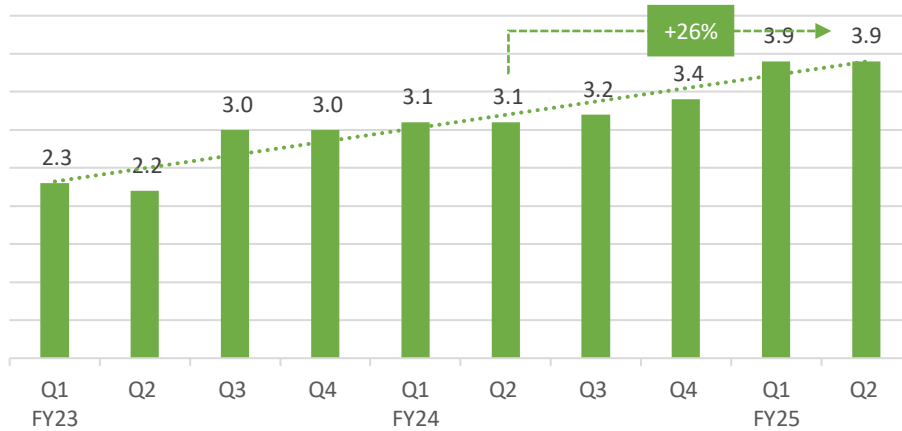
Asset Vision’s licensing revenue was \$943k for Q2 FY25, a **29% increase from the prior corresponding period (pcp) (Q2 FY24: \$732k)**. The expansion of our customer base through significant high-value contract wins has been instrumental in driving revenue growth. The launch of new products has also played a critical role in increasing licensing revenue. By diversifying the product portfolio, the company has been able to meet the evolving needs of the market and offer innovative solutions, encouraging both new and existing customers to adopt additional licenses.

Together, these factors highlight the company's ability to leverage strategic contract wins and innovative product development to drive a sustainable increase in licensing revenue.



Total turnover for Q2 FY25 of \$1,235k **represents an increase of 39% against pcp (Q2 FY24: \$886k)** driven by a few key factors: (1) **Contract Wins**: Securing new contracts has been a significant contributor to revenue growth. These wins indicate successful business development efforts and the ability to attract new clients; (2) **Price Increases**: Price adjustments in line with market conditions or inflationary pressures across key contracts have played a role in enhancing revenue; and (3) **Implementation Work**: Expansion in the scope of implementation work has further driven revenue. The company has been engaged in more complex or larger-scale projects, which often involve higher value and longer timelines, thus increasing overall revenue.

End of Quarter ARR - FY23 to FY25 \$M



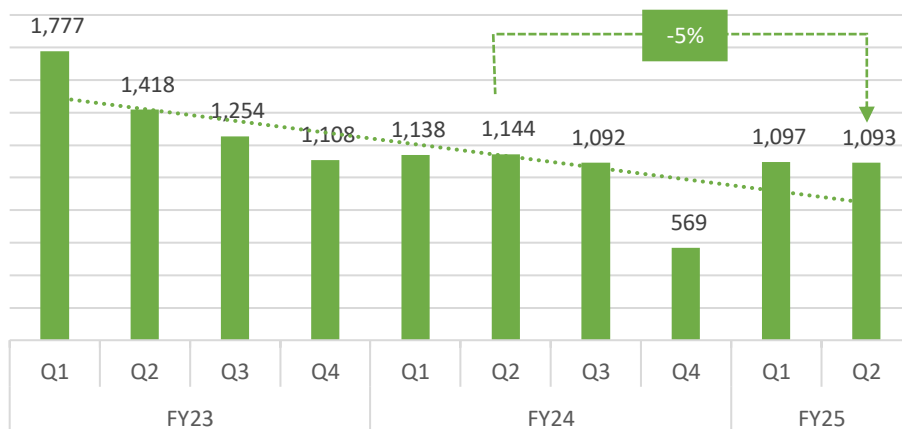
Asset Vision's ARR is \$3.9m which has seen 15% growth throughout FY25 to date. This represents a **net annual increase of 26% since the end of Q2 FY24**. As we move forward, we are focussed on sustaining this momentum and continuing to drive revenue growth. Our strategic priorities will remain centred on innovation, market expansion, and customer engagement, ensuring that we are well-positioned for future success.

Operating Expenses

Total operating costs for the Company were \$1,093k for Q2 FY25, a **5% reduction from pcip** (Q2 FY24: \$1,144k). The reduction in operating costs, while maintaining operational stability, underscores the company's effective management and its ability to improve profitability without compromising on business operations or growth prospects.

All costs incurred on R&D activity continue to be expensed through the statement of profit and loss. Any R&D claim will be treated as income during the reporting period received.

Quarterly Operating Expenses - FY23 to FY25 \$'000s



Cash Flow

Operating cash inflows of \$625k, bolstered by the receipt of the R&D tax offset, highlight a strong cash generation performance for the period. The inclusion of the tax offset provides a one-time boost to cash flow, which is an important source of liquidity for the business

The company is generating sufficient cash from its core business activities, which is crucial for sustaining operations, funding future growth, and supporting working capital requirements. The receipt of the R&D tax offset further strengthens the cash position. It reflects the company's ongoing commitment to innovation, and the offset serves as a valuable financial resource that can be reinvested into new projects or used to support existing operations.

Cash at bank is \$974k as at 31 December 2024. We will continue to focus on generating cash flow and managing our liquidity to support the ongoing success of the business.

General Administration

During the quarter, we paid the remaining \$437.5k to the vendors of EagleSoft Pty Ltd from operating cash flows. Since 1 July 2023, \$1 million has been paid entirely out of operating cash flows, a testament to the diligent management of the business and the Company's strong financial discipline. Importantly, this achievement was delivered without raising capital, underscoring our commitment to preserving shareholder value.

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

- ENDS -

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")

31 December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,410	2,881
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(322)	(660)
(c) advertising and marketing	(44)	(56)
(d) leased assets	-	-
(e) staff costs	(808)	(1,599)
(f) administration and corporate costs	(108)	(247)
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	497	497
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	625	816
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	(451)	(514)
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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)	-	-
2.6	Net cash from / (used in) investing activities	(451)	(514)

3.	Cash flows from financing activities		
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)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	789	657
4.2	Net cash from / (used in) operating activities (item 1.9 above)	625	816
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(451)	(514)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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	11	15
4.6	Cash and cash equivalents at end of period	974	974

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	974	789
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	974	789

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	30
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<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>		
6.1 comprises director's fees for the quarter		

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (Credit card facility)	75	13
7.4	Total financing facilities	75	8
7.5	Unused financing facilities available at quarter end		62
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.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	625
8.2	Cash and cash equivalents at quarter end (item 4.6)	974
8.3	Unused finance facilities available at quarter end (item 7.5)	62
8.4	Total available funding (item 8.2 + item 8.3)	1,036
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
	<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? Answer: 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? Answer: 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? Answer: 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: 30 January 2025

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.