

ASX:AND Ansarada Announcement - 30 July 2021

Executing growth strategies delivers record results and momentum Quarterly Report Q4 FY21

Q4 Highlights

• Record Customer Growth

- New contract wins¹ in Q4 FY21 of 941 up 99% vs Q4 FY20, and 3,269 in FY21, 31% FY21 vs FY20
- Record customer² numbers of 3,453 total, up 28% year over year (YoY)
- Record subscriber³ numbers of 2,566 total, up 41% YoY
- Significant growth in the ecommerce channel⁴, ending 238 active customers up 693% YoY

• Continued Revenue Growth

- Total revenue⁵ of \$9.3m in Q4, up 17% YoY and 3% quarter on quarter (QoQ), \$9.0m in Q3 FY21
- ARPA⁶ increase QoQ, up from \$1,032 in Q3 to \$1,058 in Q4

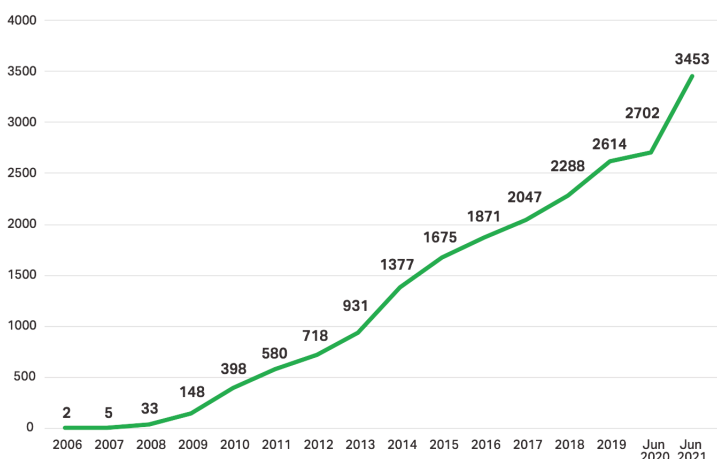
• Profitable Growth

- EBITDA (ADJ)⁷ increased to \$5.9m and 18% EBITDA margin, 78% higher YoY
- Cash flow positive with strong cash flow from operations (ADJ)⁸ of \$7.4m, up 31% YoY
- Zero debt with cash balance of \$22.6m ending June 30 2021

• Positive outlook for FY22

- Executing growth strategy: developing a rapid growth digital channel to fully capitalise on three big trends that drive demand; deal volumes, infrastructure development and ESG

Active Customers: Continuous and accelerating growth

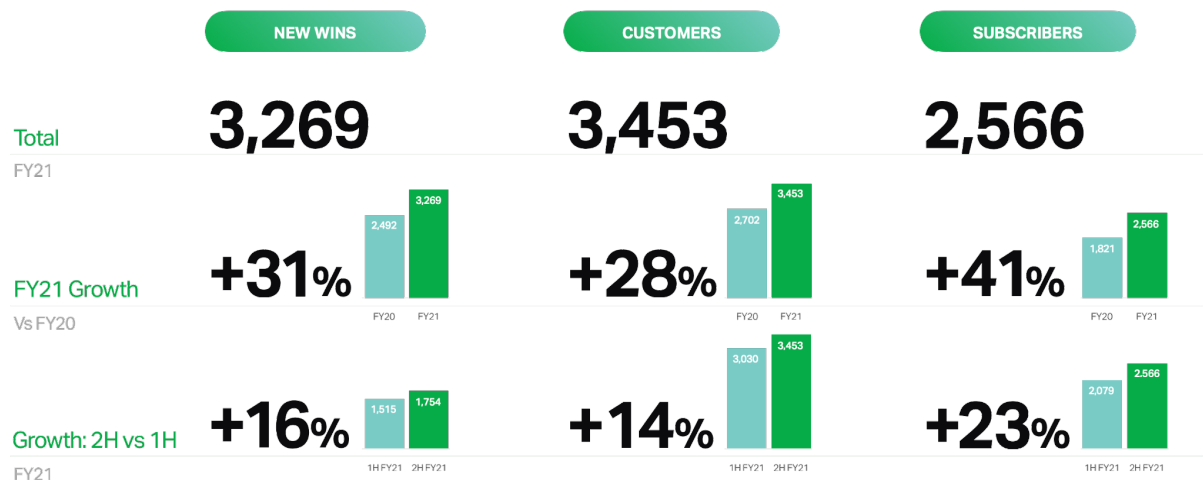


Ansarada Group Limited (ASX: AND), a global information governance software provider, is pleased to report on its quarterly activities and cash flows for the three-month period to 30th June 2021 as well as growth momentum in the new quarter.

Sam Riley, CEO said, “We are delighted to deliver record results in FY21. It was a transformative year for Ansarada. We evolved our strengths and core business significantly, grew at record pace and simultaneously improved our operating leverage.”

“The first half of the year we responded to the pandemic and completed a merger and listing on ASX. Since then we have been adding more customers than ever before.”

The momentum in our second half results highlights the effectiveness of our strategy and our team's execution capability.



Operational Performance

The Group saw an 28% increase in pro forma customer numbers compared to Q4 FY20, and 8% QoQ, with total customer numbers reaching a record 3,453. Subscription customer numbers grew to a record 2,566 up 41% YoY from 1,821 in Q4 FY20, and up 13% QoQ.

New wins (including ecommerce) in Q4 were up 99% YoY, reflecting the continued strong growth in the M&A market during the third quarter. New wins are a leading indicator of revenue.

Our e-commerce channel improved its key metrics from acquisition to conversion, delivering +693% customer growth. To accelerate growth, we increased our spend on marketing, especially internationally. With a fast payback on customer acquisition costs, positive cash flow and a strong balance sheet we are well placed to continue scaling in FY22.

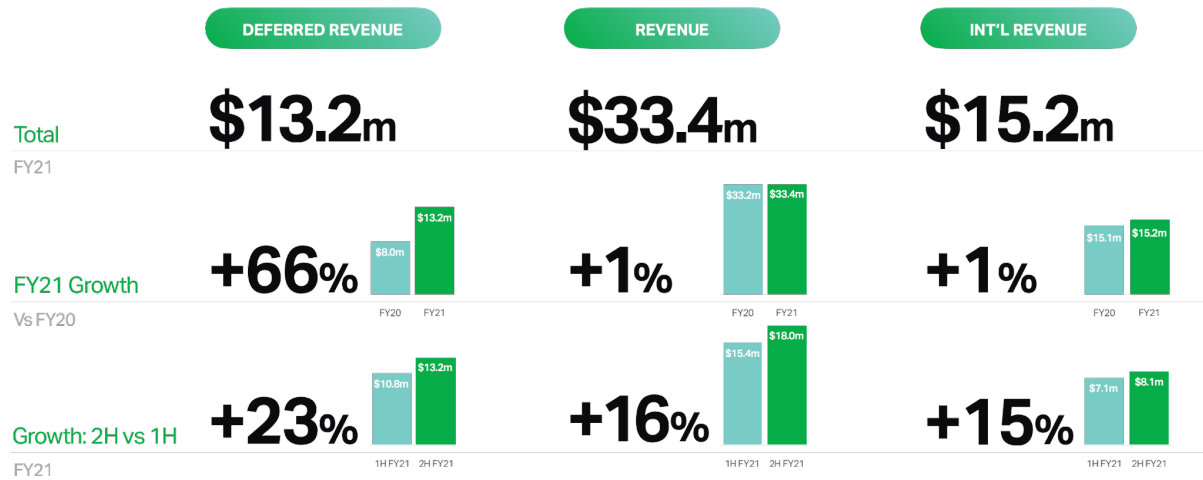
The strong growth in customers has translated into a 16% growth 2H vs 1H in recognised revenue, enough to reverse the Dec half year -9% growth vs prior comparable period to a positive 1% increase in FY21 vs FY20.

During the quarter revenue reached a new high of \$9.3 million, up 17% YoY and 3% QoQ.

Our deferred revenue balance increased from \$8m to \$13.2m which is 66% growth YoY and has also increased 23% from Dec to June FY21.

Our international revenue which excludes Australia and NZ also continues to grow, hitting \$15.2m or 46% of total revenue.

In addition to our revenue growth, ARPA has also slightly increased from \$1,032 in Q3 FY21 to \$1,058 in Q4 and ending \$1,043 for the full year.



Financial Summary

The Group has \$2.6 million cash flow from operations, up from \$2.1 million in Q3 FY21, with a cash balance of \$22.6 million up 149% YoY. Cash collections reached \$11.1 million in Q4, up 41% YoY and 14% QoQ.

Cash flow from operations less capex (free cash flow) was also positive in Q4 at \$1.4 million. The Group generated positive cash flows with a cash balance of \$22.6 million at 30th June 2021.

During the quarter, the Group recorded cash receipts from customers of \$11.1 million.

Cash payments during the quarter were primarily directed towards staff costs (\$5.5 million), research & development (\$0.1 million), product and operating costs (\$0.8 million), advertising & marketing (\$1.5 million) along with administration & corporate costs (\$0.7 million). Net operating cash flows for the quarter was \$2.6 million.

The Group's closing cash balance was \$22.6 million as at 30th June 2021.

The Group funded operations through operating cash flows and cash reserves and will be strategically deploying the net funds from the capital raised in line with the Group's stated objectives in the prospectus relating to capital and growth. Additionally, Ansarada remains open to pursuing strategic, technologically aligned and culturally compatible acquisitions to accelerate growth.

Growth strategy

Having built strong foundations to continue our momentum, our focus now is on developing a rapid growth digital channel and ensuring we fully capitalize on the three big trends that are driving demand for Ansarada; deal volumes, infrastructure development and ESG.

Our deal product benefits from the M&A, Capital Raising, IPO and other deal volumes that are at record levels with more growth forecast.

For our tenders product, \$3.9trillion⁹ is the annual estimated global spend required for infrastructure development. The third trend is the increased focus on ESG and the subsequent demand for Information Governance solutions like Board and Compliance management. The global GRC Software market is estimated to reach \$52.5 billion¹⁰ by 2025, growing at a CAGR of 12.8%.

Execution track record - FY21 delivering on key priorities

In FY21 we successfully executed on key priorities to drive growth, strengthen our product suite, improve customer experience and deliver on key financial metrics, while completing a merger and listing on ASX.

FY21 Achievements build the foundations for a positive FY22 Outlook

Achieving these puts us in a strong position with significant momentum heading into FY22. We're focused on improving product experiences, optimising digital journeys and scaling to reaching more customers internationally.

| FY21 Achievements | Results | FY22 Outlook | Results |
|--|---|--|---|
| <ul style="list-style-type: none"> Integration of TDY from December merger Rebrand Athena Board and make available under Ansarada login Launch Workflow feature Grow total customer numbers Expand customers into additional use cases Expand advisors from deal by deal buying to standardising under subscription contracts Grow E-commerce channel Expand Tenders and grow market share internationally White label agreements Corporate development: Ongoing review of M&A opportunities Improve E-commerce conversion rates Increase volume growth and maintain CAC Payback Increase ARPA Establish positive cashflow | <ul style="list-style-type: none"> ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ In Progress In Progress ✓ ✓ ✓ ✓ ✓ | <ul style="list-style-type: none"> More intuitive self-serve product features that help customers digitise their processes to standardise their critical workflows end-to-end on Ansarada Serve more of the lifecycle of deals, tenders, compliance and board management to increase ongoing subscriptions Optimise the customers digital journey into and through our products. Make every experience fast, simple and magical Launch more AI and data based features to help customers automate processes, reduce risks and make better decisions Increase multi product use on Platform Increase partnership and integrations in verticals we already serve Increased brand and digital reach to scale internationally Grow our Tenders and Infrastructure focused business internationally Increase ARPA Improved solutions and features for Risk and Compliance use cases Corporate development: Ongoing review of M&A opportunities | <ul style="list-style-type: none"> ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ |

FY22 positive outlook

Given the foundations we have built in FY21, and the momentum from 2H, we enter FY22 with a positive and confident outlook.

Our goals are to drive growth and scalability by simplifying the journey for customers, getting them more value faster and optimizing our product led growth execution. By increasing multi product use on the platform, serving more of the lifecycle of deals to increase recurring subscriptions, and continuing to win new customers both locally and offshore, we look forward to delivering another year of growth and profitability at Ansarada.

-ENDS-

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

About Ansarada (ASX:AND)

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Ansarada is a SaaS Platform with products used by the world's top companies, advisors and governments to govern their most critical information and processes in Deals and Transaction Management, Board Management, Compliance and Tenders. Ansarada enables organisations across the globe to be run more efficiently, with reduced risk and an increased ability to make fast confident decisions.

Ansarada is purpose-driven with a mission to help organisations be confident in every critical decision throughout their lifecycle so they can fully realise their potential.

[ansarada.com](https://www.ansarada.com)

For more information please visit www.ansarada.com or email at investors@ansarada.com

¹ A win represents Ansarada closing a paying subscription/contract customer. Prior year comparisons to Ansarada NewCo Pty Ltd.

² Customers refers to pro forma active customers and includes consolidated customer numbers for both Ansarada NewCo Pty Ltd and Ansarada Group Limited (formerly thedocyard) including periods prior to the merger. Active customers includes any subscription/contract with an active platform. Customers may have more than one deal platform, board portal or governance solution open at any given time.

³ Subscriber refers to pro forma active subscription contracts/customers at period end. Pro forma includes consolidated subscriber numbers for both Ansarada NewCo Pty Ltd and Ansarada Group Limited (formerly thedocyard) including periods prior to the merger.

⁴ E-commerce customers refers to Customers acquired through the e-commerce channel.

⁵ Unaudited AASB Revenue with prior year comparisons to Ansarada NewCo Pty Ltd. Final audited AASB revenue may vary due to year end adjustments and completion of the audit process. Please refer to final 2021 Audited Financial Statements for final figures

⁶ Subscription Average Revenue per Account (ARPA) represents the average monthly revenue generated from customers on subscription based contracts in the period.

⁷ EBITDA represents earnings before interest, tax, depreciation and amortisation. Adjusted EBITDA ('EBITDA (ADJ)') equals EBITDA excluding non-cash share-based expense, business combination costs, capital raising and restructure expenses.

⁸ Cash Flow From Operations is the amount of cash generated by the regular operating activities of a business for the specified time period. Adjusted Cash Flow From Operations ('Cashflow (ADJ)') adjusted for one time costs including business combination costs and restructure payments

⁹ [https://infrastructurepipeline.org/project/sydney-](https://infrastructurepipeline.org/project/sydney-metro#:~:text=The%20Sydney%20Metro%20City%20%26%20Southwest,all%20major%20contracts%20are%20awarded)

[metro#:~:text=The%20Sydney%20Metro%20City%20%26%20Southwest,all%20major%20contracts%20are%20awarded](https://infrastructurepipeline.org/project/sydney-metro#:~:text=The%20Sydney%20Metro%20City%20%26%20Southwest,all%20major%20contracts%20are%20awarded)

¹⁰ <https://www.grandviewresearch.com/industry-analysis/enterprise-governance-risk-compliance-egrc-market>