

ASX RELEASE**20 August 2024**

EBITDA improves 25.5% to (\$1.2m), Adjusted EBITDA improves 123.1% to \$1.1m, Company ARR grows to \$61.1m up 2.8% YoY

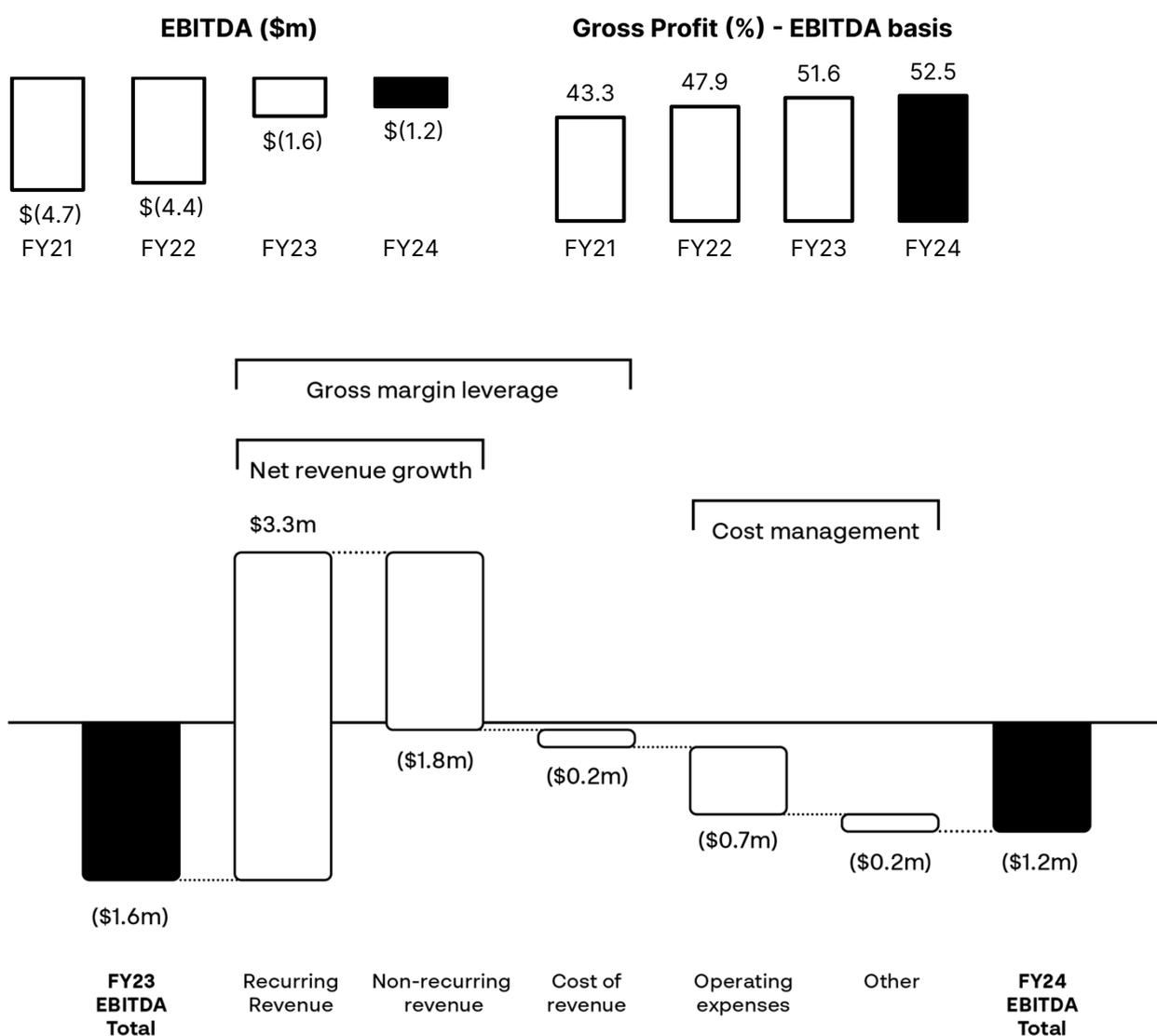
Key Highlights:

- ARR increases to \$61.1m up 2.8% YoY, with \$7.9m in New ARR sales across the Company's high value focus sectors and the Americas region continuing to headline growth.
- Recurring Revenue increases to \$52.8m up 6.7% YoY, representing 88.9% of Total Revenue.
- EBITDA improvement of 25.5% YoY to (\$1.2m).
 - Adjusted EBITDA improvement of 123.1% YoY to \$1.1m.
- Gross profit improved to 52.5% (1.8% YoY) on an EBITDA basis.
- **EVS Industrial** – The Company's primary growth engine, growing 24.8% at the top-line with New ARR sales of \$5.7m, bringing Total ARR to \$24.5m up 6.7% YoY. The Company's Land, Expand and Scale strategy continues to deliver success particularly in Mining and Waste, with new product capabilities supporting current and emerging growth opportunities.
- **EVS Aviation** – ARR of \$36.5m up 0.3% YoY. The Company continues to compete strongly and win new sites as well as deliver expanded solutions to existing customers, absorbing churn including abnormal churn event reported in FY23 Q3. Extended capabilities in Carbon Emissions module and delivery of innovative sustainable airspace solution leaves Envirosuite well-positioned to pursue Net Zero and 'green aviation' opportunity.
- Churn LTM of 4.1%.
 - The Company is focused on high value long term core sectors and made strategic decisions during the year to not renew customer contracts that were low margin, non-core or depended on specific instrumentation that is no longer supported.
- The Company ended the year with \$3.5m cash at bank.
 - The Company's facility with Partners for Growth is \$12.5m with the ability to extend up to 3.5 times of trailing 3 months average recurring subscription revenue.

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Results Summary

Leading environmental intelligence technology company **Envirosuite Limited (ASX: EVS)** (**Envirosuite or the Company**) is pleased to announce its FY24 Full Year results including an Adjusted EBITDA improvement of 123.1% YoY to \$1.1m, an EBITDA improvement of 25.5% to (\$1.2m) and Total ARR of \$61.1m up 2.8% YoY. The Company remains focused on delivering quality revenue growth in its high value focus sectors, leveraging the scalability of its cloud platforms and support functions to accelerate profitability.



Revenue has grown 3.0% YoY to \$59.3m, of which 89.9% or \$52.7m is contractually recurring. With reduced non-recurring revenue following project delays on the customer side, the Company maintained a focus on prudent cost management to deliver gross profit of 52.5% (improvement of 1.8% YoY) on an EBITDA basis.

Recurring revenue by product suite (\$m)

Product suite	FY22	FY23	FY24
EVS Aviation	31.1	33.1	34.6
EVS Industrial ¹	12.8	16.4	18.2

Operating expenses have increased 2.1% YoY as the Company continues to invest in developing its innovative portfolio of products and capabilities and slightly increased investment into sales and marketing initiatives. In FY24 Q3 the Company made the decision to consolidate the EVS Water products into the EVS Industrial portfolio, capitalising on go-to-market and product synergies. This structural change led to a cost reduction of approximately \$2.5m on an annualised basis.

The Americas and EMEA regions headlined growth in FY24, with recurring revenue growing 13.3% and 13.8% respectively. The Americas, which now represents 40.1% of revenue, remains a strategically important region for Envirosuite given the size and scale of potential customers in that market.

Envirosuite CEO, Jason Cooper said:

“Envirosuite has achieved another year of positive Adjusted EBITDA as well as solid improvement in EBITDA of 25.5%, which is testament to our balanced approach to growth and fiscal management. While we faced challenges in fully meeting our stated objective for FY24, our focus on high value core markets particularly in EVS Industrial and EVS Aviation has strengthened our global brand, market share and revenue mix.

As we enter FY25, we remain committed to disciplined cash and capital management, leveraging our global footprint to drive growth and create substantial value for our shareholders. We continue to invest into product innovation and sales and marketing, which is delivering new solutions that deepen our value in current markets and positions us strongly to accelerate growth as we pursue emerging opportunities in operational decision data, Net Zero and GHG.”

(1) Includes EVS Water ARR following portfolio consolidation in FY24 Q3

FY24 Highlights by Product Portfolio

EVS Industrial²

- New ARR sales of \$5.7m growing 24.8% at the top-line, bringing Total ARR to \$24.5m up 6.7% YoY.
- 40 new sites added during the year with particularly strong success in Mining and Waste, where the Land, Expand and Scale strategy continues to deliver.
 - Landed initial Mining sites with new customers VKG Oil and LKAB in Europe, and Capstone Copper in the USA. Also landed initial Waste sites with Orange County, California, Atlantic County Utilities Authority, and one of the largest waste management companies in the USA, as well as a waste site with Porirua City Council in New Zealand.
 - Expanded solutions with the Capstone Copper and Atlantic Country Utilities Authority sites in the USA, as well as Teck Resources in Canada, Glencore's Cerrejón in Colombia, and Anglo American in Brazil.
 - Scaled existing customer relationships to subsequent sites with BHP in Australia, strategic partner Byers Scientific in the USA, and Glencore in Chile.
- Average Revenue per Site (ARPS) increased 10.2% YoY to \$99k.
- Churn LTM increased to 8.1%.
 - Company is focused only on high value long term core sectors and made strategic decisions during the year to not renew customer contracts that were low margin, non-core or depended on specific instrumentation that is no longer supported.

EVS Aviation

- Total ARR of \$36.6m up 0.3% YOY.
- 10 new airports signed during the year typically via competitive tender processes, which combined with strong expansion of existing customer solutions resulted in 4.6% YoY growth in recurring revenue, notwithstanding the abnormal churn event reported in FY23 Q3 and some downsell during the year where scope of services was reduced typically due to fewer aircraft operations and competitive pressure on price in some cases.
- Hosted flagship aviation customer events 'FORUM23' in Europe and North America, connecting 87 users and decision-makers from 55 customers and generating significant demand for expanded solutions and cross-sell.
 - FORUM23 played a key role in securing long-term renewals with major airport customers London Heathrow and Dublin Airport during the year.
- Noise management, flight tracking and community engagement continue to be key challenges in Aviation, alongside the emerging Net Zero and 'green aviation' opportunity.
 - Extensions to the Carbon Emissions module and the recently released sustainable airport solution mean Envirosuite is well-positioned to pursue these emerging opportunities.
- Churn LTM remains low at 1.5%.

(2) Includes EVS Water ARR following portfolio consolidation in FY24 Q3

Outlook

Envirosuite is a market leader delivering environmental intelligence and ESG solutions globally, and will continue to invest into the Americas, accelerating growth in EMEA, EVS Industrial, Net Zero initiatives and innovative technologies that drive customer value in our core sectors.

With strong macro-economic drivers around environmental and social responsibility, 'Environmental Justice' social movement in the USA, and intensifying regulations, Envirosuite enters FY25 with a renewed growth mindset and is well positioned to accelerate revenue growth and profitability.

Investors are encouraged to read this release in conjunction with the detailed information contained in the Company's Annual Report for the 12 months ended 30 June 2024 released today on the ASX Market Announcements Platform in full.

Corporate Activity

As noted most recently in the ASX announcement released 13 June 2024, the Company in consultation with its advisors, continues to explore a range of possible strategic opportunities with third parties. There is no certainty that any transaction will result. The Company will provide market updates in accordance with its disclosure obligations.

Investor Briefing

Envirosuite invites investors to register for an online briefing which will be held today at 10:30am AEST. Register via this link: [Envirosuite Investor Briefing](#)

Questions from participants will be taken after the presentation. If you would like to submit a question at any time before or after the investor briefing, please email investors@envirosuite.com with the subject line: "Investor Briefing".

The recording will be made available on the [Investor Page](#) of the Company's website following the webinar.

Authorised for release by the Board of Envirosuite Limited.

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ABOUT ENVIROSUITE

Envirosuite (ASX: EVS) is the world's most advanced environmental intelligence technology company, trusted by leading operators across the aviation, mining, industrial, waste and wastewater sectors.

Envirosuite combines evidence-based science and industry expertise to build category-leading technology that helps customers manage complex operational challenges, reducing risk and improving productivity while protecting and strengthening social license and community relationships.

By harnessing the power of environmental intelligence, Envirosuite is helping to create a world where industry, people and planet can prosper in partnership.

www.envirosuite.com