

## ASX:AND Ansarada Announcement - 26 April 2022

**Record Q3 results - Continuing growth track record as we scale profitably. Revenue growth 34%, Customer growth 41%, cash flow positive with \$21m in cash and zero debt.**

### Quarterly Report Q3 FY22

#### Q3 Highlights

- **Record Customer Growth: +41% vs pcp**
  - Record customer<sup>i</sup> numbers of 4,525 total, up 41% year over year (YoY)
  - Continued growth in subscriber numbers ending 2,792 total, up 23% YoY
  - Significant growth in the ecommerce channel<sup>ii</sup>, ending with 464 active customers up 186% YoY
- **Record Revenue Growth, +34% vs pcp**
  - Total revenue<sup>iii</sup> of \$12.1m in Q3, up 34% YoY, down 9% quarter on quarter (QoQ), due to seasonality
  - ARPA<sup>iv</sup> increase QoQ, to \$1,661 in Q3 up from \$1,408 in Q2 and 65% YoY
- **Profitable Growth with \$21m net cash to fund growth strategy**
  - Cash flow positive with strong cash flow from operations (ADJ)<sup>v</sup> of +\$2.4m
  - Zero debt with cash balance of \$21m ending March 31, 2022
  - Continuing to invest in growth initiatives including digital channel and expanding products to serve multiple use cases to ensure long term sustainable growth
- **Positive outlook for FY22, Q4 underpinned by contracted revenue and strong pipeline**
  - Deferred revenue contracted of \$16.5m in Q3 with the majority to be recognised over 12 months, coupled with strong pipeline of new customer wins supports positive Q4 outlook
  - Growing contribution from the TriLine GRC acquisition which adds a full suite of Governance, Risk and Compliance (GRC) modules that organisations need every day.
  - Continued disciplined execution of strategy to build scale in \$52bn addressable market<sup>vi</sup>

**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 31st March 2022 as well as growth momentum in the new quarter.

Sam Riley, CEO said, "Ansarada is performing well, and executing to plan with record results for Q3. We've now delivered six consecutive quarters of growth in customer numbers, revenues and ARPA since our IPO in Dec 2020.

It's our laser focus on building market leading products and a high-quality customer base at attractive financial returns that are driving our accelerated growth and long-term performance. The Q3 results also validate our ability to build scale in our three key markets; deals, infrastructure & tenders, and governance, risk & compliance whilst maintaining cash flow positivity and a strong balance sheet. We will continue to selectively invest in our growth strategy, including digital and channel expansion initiatives, to ensure sustainable performance.

With a lot of engines firing Q4 is looking strong for us. We are ideally placed to continue to grow into our \$52bn addressable markets and deliver the anticipated returns to shareholders.”

## Record customer growth driving continued performance

Growth in leading indicators and ARPA fuels strong momentum for Q4

|                               | FY21 Q3 | FY22 Q3 | % variance |
|-------------------------------|---------|---------|------------|
| Customers                     | 3,208   | 4,525   | 41%        |
| Subscribers                   | 2,268   | 2,792   | 23%        |
| ARPA                          | 1,004   | 1,661   | 65%        |
| AASB Revenue                  | \$9.0m  | \$12.1m | 34%        |
| YTD AASB Revenue              | \$24.4m | \$35.5m | 45%        |
| Deferred Revenue              | \$11.2m | \$16.5m | 48%        |
| Cash Balance                  | \$21.7m | \$21.1m | -3%        |
| Adj Cash Flow from Operations | \$2.1m  | \$2.4m  | 15%        |

## Operational Performance

The Group saw a 41% increase in pro forma customer numbers compared to Q3 FY21, with total customer numbers reaching 4,525. Subscription customer numbers grew to 2,792 up 23% YoY from 2,268 in Q3 FY21.

New wins<sup>vii</sup> (including ecommerce) in Q3 were up 7% YoY, reflecting the continued strong demand for our products. New wins are a leading indicator of revenue. The traditional holiday seasonal low in January impacted overall quarterly performance with activity increasing through the quarter.


Our e-commerce channel continued to improve its key metrics from acquisition to conversion, delivering +186% customer growth YoY. 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.

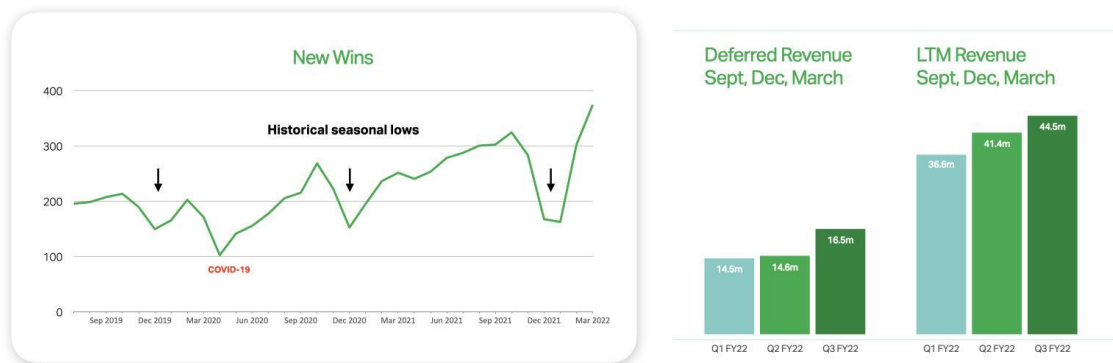
During the quarter, revenue reached \$12.1 million, up 34% YoY.

In addition to our customer growth, ARPA increased from \$1,408 in Q2 FY22 to \$1,661 in Q3 and up 65% YoY.

Deferred revenue contracted continued to increase ending \$16.5m in Q3 with the majority to be recognised over the following 12 months which increases visibility on continued strong financial performance.

Contracted revenue, record customers and ARPA coupled with strong pipeline of new customer wins supports positive Q4 outlook and momentum into FY23.

 **Positive Q4 FY22 outlook with momentum with historical strong Q4**  
 Growing deferred revenue balance provides visibility for continued financial performance



The Group continues to generate positive cash flows with \$2.4 million cash flow from operations (adj), increasing from \$2.1 million in Q3 FY21, with a cash balance of \$21.1 million and no debt. Cash collections reached \$13.4 million in Q3, up 37% YoY.

Cash flow from operations less capex (free cash flow) was positive in Q3 at \$0.01 million The Group cash balance as at 31 March 2022 was \$21.1 million.

## Financial Summary

During the quarter, the Group recorded cash receipts from customers of \$13.4 million.

Cash payments during the quarter were primarily directed towards staff costs (\$5.2 million), research & development (\$0.1 million), product and operating costs (\$1.4 million), advertising & marketing (\$2.6 million) along with administration & corporate costs (\$1.5 million). Net operating cash flows for the quarter was \$2.3 million.

The Group's closing cash balance was \$21.1 million as at 31 March 2022.

The Group funded operations through operating cash flows and cash reserves and will be strategically investing in growth initiatives 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.

-ENDS-

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

### About Ansarada (ASX:AND)

#### About Ansarada (ASX:AND)

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.

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<sup>i</sup> 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. March 2022 customers include advisor freemium of 593, and Board Freemium of 164. If advisor and board freemium were included in prior quarters, Q2 FY22 is 3,997, and Q1 FY22 is 3,724.

<sup>ii</sup> E-commerce customers refers to Customers acquired through the e-commerce channel.

<sup>iii</sup> Unaudited AASB Revenue. Final audited AASB revenue may vary due to yearend adjustments and completion of the audit process.

<sup>iv</sup> ARPA represents the average monthly revenue generated from customers on subscription-based contracts (includes Ecommerce channel in all periods and Triline GRC from Q2 FY22).

<sup>v</sup> 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 (if any) including business combination costs and restructure payments.

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

<sup>vii</sup> A win represents Ansarada closing a paying subscription/contract customer.

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Ansarada Group Limited

**ABN**

19 602 586 407

**Quarter ended ("current quarter")**

31 March 2022

| <b>Consolidated statement of cash flows</b>               | <b>Current quarter<br/>\$A'000</b> | <b>Year to date (9<br/>months)<br/>\$A'000</b> |
|---|------------------------------------|--|
| <b>1. Cash flows from operating activities</b>            |                                    |  |
| 1.1 Receipts from customers                               | 13,394                             | 39,426   |
| 1.2 Payments for  |                                    |  |
| (a) research and development                              | (111)                              | (297)  |
| (b) product manufacturing and operating costs             | (1,399)                            | (3,351)  |
| (c) advertising and marketing                             | (2,608)                            | (6,410)  |
| (d) leased assets   | (114)                              | (231)  |
| (e) staff costs   | (5,241)                            | (15,725)                                       |
| (f) administration and corporate costs                    | (1,533)                            | (4,192)  |
| 1.3 Dividends received (see note 3)                       | -                                  | -  |
| 1.4 Interest received                                     | 1                                  | 7  |
| 1.5 Interest and other costs of finance paid              | -                                  | -  |
| 1.6 Income taxes paid                                     | (45)                               | (58)   |
| 1.7 Government grants and tax incentives                  | -                                  | -  |
| 1.8 Other (provide details if material)                   | -                                  | (126)  |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>2,344</b>                       | <b>9,043</b>                                   |
| <b>2. Cash flows from investing activities</b>            |                                    |  |
| 2.1 Payments to acquire or for:                           |                                    |  |
| (a) entities  | (395)                              | (5,713)  |
| (b) businesses  | -                                  | -  |
| (c) property, plant and equipment                         | (75)                               | (144)  |
| (d) investments   | -                                  | -  |
| (e) intellectual property                                 | (1,122)                            | (3,286)  |
| (f) other non-current assets                              | (740)                              | (1,480)  |

| <b>Consolidated statement of cash flows</b> |   | <b>Current quarter<br/>\$A'000</b> | <b>Year to date (9<br/>months)<br/>\$A'000</b> |
|---|---|------------------------------------|--|
| 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)                   | -                                  | -  |
| <b>2.6</b>                                  | <b>Net cash from / (used in) investing activities</b> | <b>(2,332)</b>                     | <b>(10,623)</b>                                |

|             |   |             |             |
|-------------|---|-------------|-------------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>   |             |             |
| 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   | 266         | 522         |
| 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) - IFRS lease payments and cash acquired from business combination | (288)       | (535)       |
| <b>3.10</b> | <b>Net cash from / (used in) financing activities</b>   | <b>(22)</b> | <b>(13)</b> |

|           |  |         |          |
|-----------|--|---------|----------|
| <b>4.</b> | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> |         |          |
| 4.1       | Cash and cash equivalents at beginning of period                             | 20,906  | 22,590   |
| 4.2       | Net cash from / (used in) operating activities (item 1.9 above)              | 2,344   | 9,043    |
| 4.3       | Net cash from / (used in) investing activities (item 2.6 above)              | (2,332) | (10,623) |

| <b>Consolidated statement of cash flows</b> |  | <b>Current quarter<br/>\$A'000</b> | <b>Year to date (9<br/>months)<br/>\$A'000</b> |
|---|--|------------------------------------|--|
| 4.4   | Net cash from / (used in) financing activities (item 3.10 above) | (22)                               | (13)   |
| 4.5   | Effect of movement in exchange rates on cash held                | 187                                | 86   |
| <b>4.6</b>                                  | <b>Cash and cash equivalents at end of period</b>                | <b>21,083</b>                      | <b>21,083</b>                                  |

| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | <b>Current quarter<br/>\$A'000</b> | <b>Previous quarter<br/>\$A'000</b> |
|------------|---|------------------------------------|-------------------------------------|
| 5.1        | Bank balances   | 21,083                             | 21,083                              |
| 5.2        | Call deposits   | -                                  | -                                   |
| 5.3        | Bank overdrafts   | -                                  | -                                   |
| 5.4        | Other (provide details)   | -                                  | -                                   |
| <b>5.5</b> | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>  | <b>21,083</b>                      | <b>21,083</b>                       |

| <b>6.</b> | <b>Payments to related parties of the entity and their associates</b>                   | <b>Current quarter<br/>\$A'000</b> |
|-----------|---|------------------------------------|
| 6.1       | Aggregate amount of payments to related parties and their associates included in item 1 | 234                                |
| 6.2       | Aggregate amount of payments to related parties and their associates included in item 2 | -                                  |

*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.*

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

| <b>7. Financing facilities</b>  | <b>Total facility amount at quarter end \$A'000</b> | <b>Amount drawn at quarter end \$A'000</b> |
|---|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>  |   |  |
| <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>   |   |  |
| 7.1 Loan facilities   | -   | -  |
| 7.2 Credit standby arrangements   | -   | -  |
| 7.3 Other (please specify)  | -   | -  |
| 7.4 <b>Total financing facilities</b>   | -   | -  |
| 7.5 <b>Unused financing facilities available at quarter end</b>   |   | -  |
| 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. |   |  |

| <b>8. Estimated cash available for future operating activities</b>   | <b>\$A'000</b> |
|--|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9)  | 2,344          |
| 8.2 Cash and cash equivalents at quarter end (item 4.6)  | 21,083         |
| 8.3 Unused finance facilities available at quarter end (item 7.5)  | -              |
| 8.4 Total available funding (item 8.2 + item 8.3)  | 21,083         |
| 8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>  | 9.0            |
| <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:  |                |
| 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:  |                |
| 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:  |                |
| <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: 22 April 2022

Authorised by: Board of Directors  
(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.

## Annexure

In accordance with ASX Listing Rule 4.7C, Ansarada Group provides the following information:

Proceeds from the issue of shares related to the merger totalled \$45.0 million. The Group recorded one-off cash payments relating to the repayment of the Convertible Notes of \$25.0 million and transaction costs related to the issue of equity securities of \$6.8 million. The Company's closing cash balance was \$21.1 million as at 31 March 2022.

Net funds received by Ansarada were approximately \$14.3 million after the repayment of Convertible Note holders and transaction related costs from the issue of shares.

Q3 FY22 is a period which is covered by the Use of Funds statement as outlined in the Prospectus dated 8 December 2020.

A summary of the expenditure to date is outlined below:

| Use of Funds  | Funds allocated under Prospectus | Funds used in FY21 | Funds used in the September 21 quarter | Funds used in the December 21 quarter | Funds used in the March 22 quarter | Cumulative Expenditure |
|---|----------------------------------|--------------------|--|---------------------------------------|------------------------------------|------------------------|
| Redemption of Ansarada Convertible Notes <sup>1</sup> | \$25 million                     | \$25 million       | \$0                                    | \$0                                   | \$0                                | \$25 million           |
| Product Design and Development <sup>2</sup>           | \$3.5 million                    | \$0                | \$0                                    | \$0                                   | \$0.4 million                      | \$0.4 million          |
| Sales and Marketing                                   | \$4.0 million                    | \$0.8 million      | \$0.4 million                          | \$0.3 million                         | \$0.7 million                      | \$2.2 million          |
| Integration Costs                                     | \$0.5 million                    | \$0                | \$0                                    | \$0                                   | \$0                                | \$0                    |
| Transaction Costs <sup>3</sup>                        | \$8.7 million                    | \$7.8 million      | \$0                                    | \$0                                   | \$0                                | \$7.8 million          |

|                            |                |                |               |                            |                |                |
|----------------------------|----------------|----------------|---------------|----------------------------|----------------|----------------|
| Additional working capital | \$10.3 million | \$0            | \$0           | \$5.3 million <sup>4</sup> | \$0 million    | \$5.3 million  |
| Total                      | \$45 million   | \$33.6 million | \$0.4 million | \$5.6 million              | \$1.1 millions | \$40.7 million |

<sup>1</sup> Prospectus outlined \$21 million plus an additional \$4 million out of existing cash held by Ansarada will be used to fund the redemption of Ansarada Convertible Notes

<sup>2</sup> Includes costs associated with the exercise of Ansarada's option to acquire 100% of the share capital in Pyramid Vietnam SPV under the PYCO MSA

<sup>3</sup> Prospectus outlined Transaction costs of approximately \$5.7 million in costs relating to the Offer, with the remaining \$3.0 million related to transaction costs associated with the merger which will be paid out of the Company and Ansarada's existing cash balances.

<sup>4</sup> Ansarada acquired TriLine GRC for a purchase price of \$5.3 million from cash on the 29<sup>th</sup> October 2021.

Payments to related parties and their associates during Q3 was \$0.2 million. These payments were related to gross salaries and superannuation to S. Riley, S. Clout, D. Pullini and P. James.