

ASX RELEASE

26 February 2024

Acusensus 1H FY24 Results Release¹

Highlights:

- Revenue increased 25% to \$24.7 million (1H FY23: \$19.8 million)
- Gross profit increased 32% to \$11.1 million, a gross profit margin of 45.0% (1H FY23: \$8.4 million and 42.5% margin)
- EBITDA increased 35% to \$2.5 million (1H FY23: \$1.8 million)
- Cash flow from operating activities of \$0.5 million (1H FY23: -\$1.0 million)
- Strong balance sheet with cash (including term deposits) of \$21.1 million as at 31 December 2023
- Investor webinar to be held at 11.00am AEDT today - [Click here to register](#)

Acusensus Limited (ASX:ACE) (**Acusensus** or the **Company**), a technology company designing and developing artificial intelligence enabled road safety solutions, today released its results for the six months ended 31 December 2023 (**1H FY24**).

Acusensus Co-Founder and Managing Director, Alexander Jannink, said:

“It has been an exciting half-year for the team as we continued to expand the number of systems and contracts in operation to deliver on our road safety goals. Acusensus maintained its trajectory of top-line growth in revenue and gross profit, while investing to support and fulfil future growth expectations. Acusensus now has in place the foundational teams and structures to support operations 24/7 on a global stage.

“Our innovative products and services provide unique and essential tools toward improving road safety and reducing dangerous driving behaviours. This is evidenced by the continued adoption of our solutions from new customers. Domestically, the signing of the contract with the South Australian Government will result in half of Australia’s states and territories using Acusensus Heads-Up to address distracted driving. Internationally, we have made strides in educating the market about our solutions and are seeing increased engagement in both the United Kingdom (UK) and United States (US).

“We were honoured to be recognised by a number of third parties for our technology, service and successful execution to date. These awards are a testament to the team and the culture that we have developed at Acusensus as we continue to innovate, scale and advance the work we do to improve road safety globally.”

¹ This document has been prepared by the Company and should be read in conjunction with 1H FY24 Investor Presentation and Half-Year Financial Report for FY24.

Financial Summary

The financial result summary² is provided below:

(\$m)	1H FY23	1H FY24	Variance	
			\$	%
Revenue	19.8	24.7	4.9	25%
Gross profit	8.4	11.1	2.7	32%
<i>Gross profit margin</i>	42.5%	45.0%	250bs	
EBITDA	1.8	2.5	0.6	35%
<i>EBITDA margin</i>	9.2%	10.0%	80bps	
NPAT	(0.3)	(0.2)	0.0	8%

Acusensus delivered a robust financial result for 1H FY24, maintaining its strong growth trajectory since its inception in 2018. 1H FY24 revenue increased 25% to \$24.7 million compared to the prior comparable period. EBITDA increased 35% over the same period to \$2.5 million.

Revenue growth was driven by new contracts in the Australian Capital Territory to deter distracted driving and in Queensland to deter speeding, with both programs commencing services in 2H FY23. Further growth came from variations to existing contracts and from international growth, predominantly from the US and UK.

The Company reported gross profit of \$11.1 million for the first half, a 32% increase on 1H FY23, with the gross profit margin increasing 250 basis points (bps) to 45.0%, due to changes in customer and product mix.

EBITDA increased 35%, driven by higher gross profit, other income mainly associated with term deposits and IPO costs from the prior year, which did not repeat. This was partly offset by higher operating expenses. Operating expenses³ increased 41%, driven by investment in headcount and processes to support future growth, expansion into the UK and US and increased costs of being a public company.

Operating cash flows were positive of \$0.5 million, an increase of \$1.4 million compared with the prior period. Cash flows from operations and cash on the balance sheet were used to fund continued investment in product development and purchases of transportable and fixed site camera equipment to support new contracts and contract expansion. Acusensus ended the half-year with a strong cash balance (including term deposits) of \$21.1 million (compared with \$24.8 million at 30 June 2023). This amount is sufficient to fund the business and its growth plans.

² Financials are calculated based on dollar amounts which align with the financial statements in the half-year accounts

³ Excluding share-based payments expenses and IPO costs.

Operational Summary

Acusensus was awarded, extended or varied a number of material contracts since 30 June 2023, including the following:

- Queensland Department of Transport and Main Roads for the provision of phone awareness monitoring and tailgating monitoring services to support public awareness road safety initiatives. Contract value in excess of \$0.6 million (excluding GST).
- Queensland Department of Transport and Main Roads to increase the number of transportable systems for mobile phone and seatbelt detection services for a five-year term with an option for two further 12-month periods. Contract variation value of \$9.3 million for the initial term (excluding GST).
- Extended the existing mobile phone detection camera agreement with Transport for New South Wales for services until 30 November 2024. Contract extension value of \$4.1 million (excluding GST).
- South Australia Government for the provision of multiple fixed site mobile phone detection camera installations for a five-year term with an option for an additional one year. Contract value of \$5 million for the initial term (excluding GST).

The Company has now secured \$165 million in contracted revenue to date for enforcement services and trials since its inception in 2018.

The business has continued to build interest and awareness in the Company's solutions internationally with the international business contributing to 6% of group revenue for 1H FY24 compared with 2% a year ago. In the US, the focus has been on introducing real time multi-function enforcement and data collection services whilst exploring other opportunities such as the Washington work-zone speed opportunity. In the UK, the Company is in discussions with a number of road and police authorities for pilots and has an ongoing relationship with Devon & Cornwall Police, following on from a successful pilot earlier in the financial year.

To ensure the business is best placed to support future growth and with an increasing focus on internationalisation, Acusensus undertook an organisation restructure in the first quarter of FY24. This resulted in changes to the operations structure, with additional investment in people and in processes.

Product design and development continues to be a strong focus for the Company, given that product strategy is one of the two pillars of Acusensus' growth strategy. Existing product development has focused on enhancing image quality and artificial intelligence recognition accuracy. In relation to new products, work is being undertaken to further advance products for phone awareness and tailgate monitoring, road worker protection and impaired driving detection. Real-world testing and demonstrations for the first two new products is expected to occur in 2H FY24.

Outlook

Acusensus' growth strategy is to focus on global market opportunities and continually enhance its product offering to cater to evolving customer needs, and in the process, solidifying its position as a leader in high-tech road safety enforcement services on a global scale.

Acusensus remains well positioned to deliver revenue growth in FY24, driven by demand for its innovative road safety enforcement services. The Company has secured a number of contracts which will drive incremental revenue in FY24 and beyond and is continuing discussions with potential customers.

To facilitate its growth objectives, Acusensus is continuing to invest in areas such as business development, service & delivery and equipment.

Acusensus expects FY24 revenue to be in the range of \$49 million - \$51 million and EBITDA to be in the range of \$4 million - \$5 million.⁴

Results Webinar

The Company will host a webinar with Managing Director, Alexander Jannink, and Chief Financial Officer, Anita Chow, on Monday, 26 February 2024 at 11.00am AEDT.

Investors and interested parties can register for the webinar via the following link:

https://us02web.zoom.us/webinar/register/WN_sxlympXZTNSm5Kmw3VXPRA

Questions can be pre-submitted to simon@nwrcommunications.com.au or asked via the Q&A function during the webinar.

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Enquiries

Anita Chow
Chief Financial Officer, Acusensus Limited
+61 408 261 554
Email: investor-relations@acusensus.com

Simon Hinsley
Investor and Media Relations
+61 401 809 653
Email: simon@nwrcommunications.com.au

This announcement is authorised by the Board of Acusensus Limited.

⁴ The forecasts exclude any impact from the Washington State Department of Transportation (WSDOT) contract on the basis the contract has not been finalised yet.

About Acusensus

Acusensus is a technology company that was founded in 2018 with a mission to design and develop artificial intelligence enabled road safety solutions. Collaborating with governments and commercial stakeholders to tackle distracted driving globally is Acusensus' first priority.

Acusensus has pioneered intelligent solutions that provide anywhere, anytime digital evidence that can be used in conjunction with law enforcement to drive behavioural change and improve road safety. Acusensus technology is used to detect and provide prosecutable evidence of distracted driving (mobile phone use), seatbelt compliance, speeding, railway crossing compliance and the monitoring of vehicles of interest.

Acusensus listed on the Australian Securities Exchange in January 2023. Acusensus is headquartered in Melbourne, Australia, with offices also in Sydney, Brisbane, London (UK) and Las Vegas (US).