# NEARMAP

# THE FUTURE OF LOCATION INTELLIGENCE

NEARMAP LTD
INVESTOR PRESENTATION
FY20 RESULTS

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Captured: March 2020
Sydney, NSW, Australia

nearmap

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# OUR MISSION

We change the way people view the world, so they can profoundly change the way they work

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# FY20 BUSINESS OVERVIEW

## PRODUCT & CONTENT

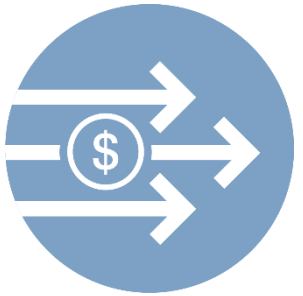
- Nearmap AI launched, with visualisation and export capabilities available on more than 80 million properties
- Successful early M&A track record with integration and commercialisation of roof geometry technology
- Increased adoption and monetisation of enhanced content with 54% of ACV[1] generated by customers with access to premium content
- Continued investment in a next generation camera system to allow higher, faster capture

## CUSTOMERS & PARTNERS

- Accelerated investment in customer success, experience and retention, with normalised churn returning to FY19 levels in 2H20
- SaaS business model enabled customers to transition their businesses to remote working simply and effectively
- Added new partnerships with OpenSolar, Cityworks, Teranet and Eagle Technology in support of focusing on growth from the Company's core verticals

## PEOPLE & OPERATIONS

- Focused on the health and well-being of employees and followed Government and CDC guidelines following the outbreak of COVID-19
- Seamlessly transitioned employees to working remotely and productively
- Maintained business continuity with no impact to business operations or survey flight operations



## BALANCE SHEET & CASH FLOW

- Delivered ACV of $106.4m, within the revised guidance range of $102m-$110m and with strong momentum into the end of the financial year
- Ensured financial stability in response to uncertainty related to COVID-19 by implementing cash management initiatives to deliver to cash flow break even at 30 June 2020
- Strong Balance Sheet with no debt and $33.8m[2] of cash at the end of FY20

[1] Annualised Contract Value
[2] Excludes bank guarantees of $2.3m which have been classified as cash on the Balance Sheet



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# PORTFOLIO GROWTH DELIVERS ACV ABOVE $100M

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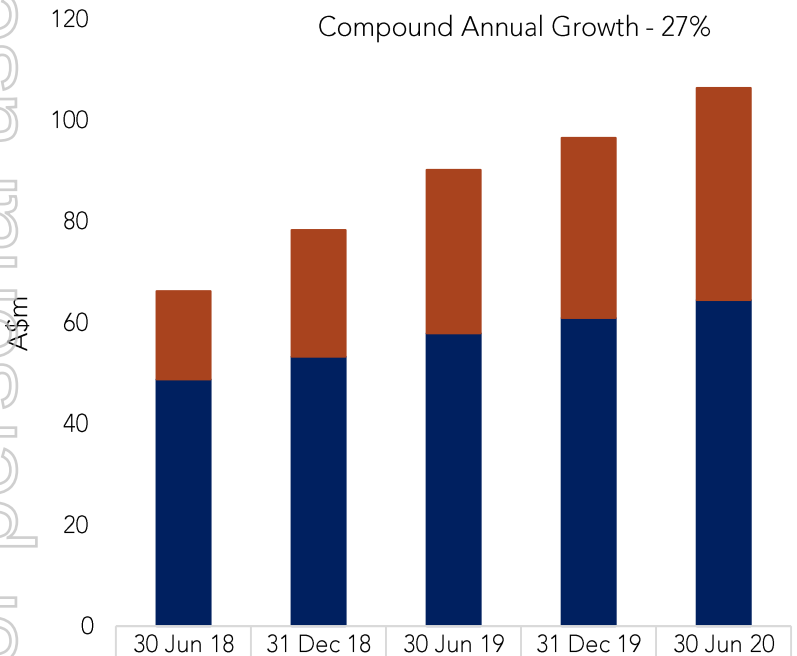
## GROWTH IN ACV[1]




| | 30 Jun 18 | 31 Dec 18 | 30 Jun 19 | 31 Dec 19 | 30 Jun 20 |
|---|---|---|---|---|---|
| NA | 17.4 | 25.0 | 32.3 | 35.6 | 41.9 |
| ANZ | 48.8 | 53.3 | 57.9 | 61.0 | 64.5 |
| Group | 66.2 | 78.3 | 90.2 | 96.6 | 106.4 |
| YoY | 41% | 44% | 36% | 23% | 18% |

### ANNUALISED CONTRACT VALUE
**$106.4m** ↑ 18% on pcp[2,3]

### SALES TEAM CONTRIBUTION RATIO (STCR)
**54%** ↓ from 106% on pcp

### STATUTORY REVENUE
**$96.7m** ↑ 25% on pcp

### SUBSCRIPTION CHURN
**9.9%** ↑ from 5.3% on pcp

### PRE-CAPITALISATION GROSS MARGIN
**69%** → from 69% on pcp

### ACV ON MULTI-YEAR CONTRACTS
**43%** ↑ from 40% on pcp

Excluding three large churn/downgrade events in 1H20, STCR was 78% and Churn was 5.4%

[1] NA: North America, ANZ: Australia & New Zealand
[2] Foreign currency ACV translated at period end exchange rate, all figures shown in A$ unless otherwise stated – Refer Analyst Pack for currency impact
[3] Prior comparative period – Refer Appendices for definition

# EARNINGS REFLECTIVE OF PLANNED INVESTMENT STRATEGY

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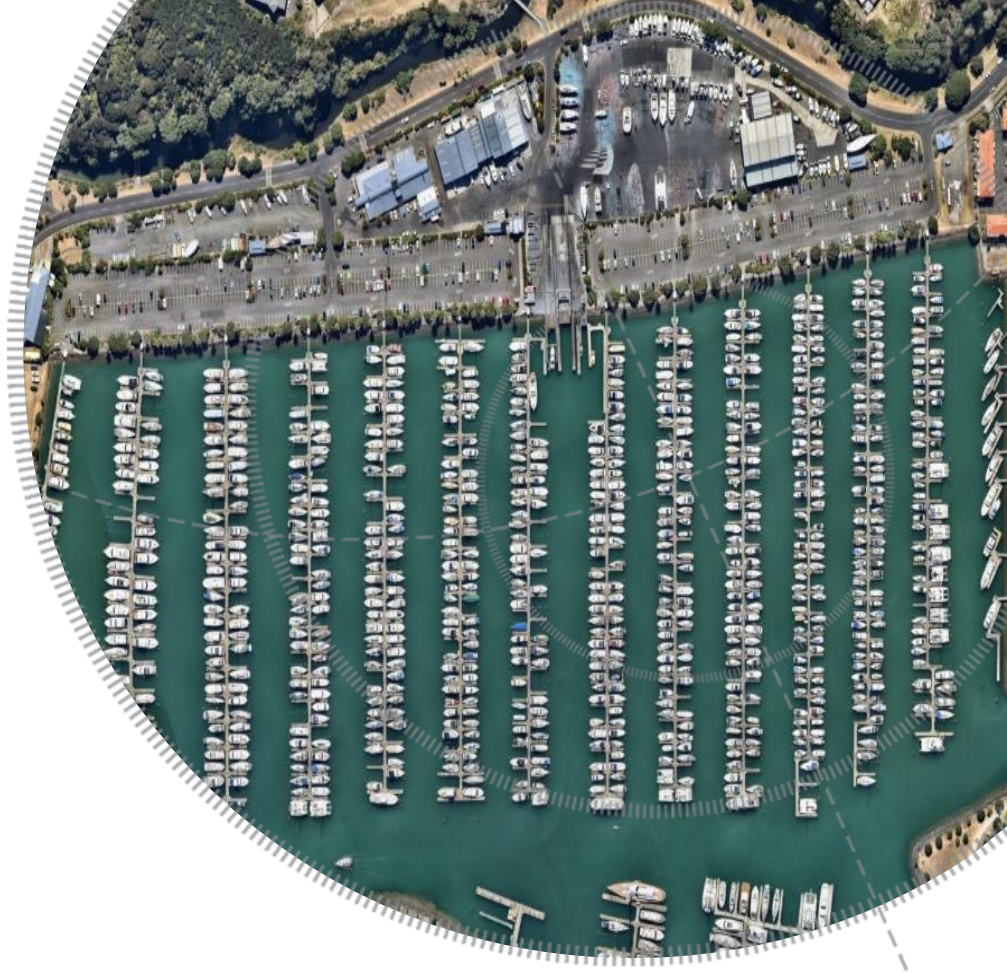
## SUMMARY FINANCIALS

- 25% growth in statutory revenue, driven by ACV expansion
- Increase to cost of revenue includes expanded capture program and the D&A impact of the January 2019 change to capture cost amortisation period
- 47% increase to operating expenses as investments were targeted across all areas of the business to build foundations for scalable growth. Minimal cost growth in 2H20 with a strong emphasis on cash management as a result of COVID-19
- Closing headcount 284 (FY19: 272) with growth initiatives fully resourced
- EBITDA of $9.1m (FY19: $15.5m) and EBITDA margin of 9% (FY19: 20%)
- Statutory loss after tax of ($36.7m) (FY19: ($14.9m))

| A$m | FY19 | FY20 | Growth |
|---|---|---|---|
| Revenue | 77.6 | 96.7 | 25% |
| Cost of revenue [1] | (22.2) | (36.1) | (63%) |
| **Gross profit** | **55.4** | **60.6** | **9%** |
| Gross margin (%) | 71% | 63% | (8) ppts |
| Operating expenses | | | |
| Sales & Marketing | (28.4) | (42.8) | (51%) |
| Technology & Product [1] | (18.0) | (28.9) | (61%) |
| Corporate [1] | (20.2) | (26.5) | (31%) |
| **Total operating expenses** | **(66.6)** | **(98.2)** | **(47%)** |
| **EBIT [2]** | **(11.2)** | **(37.6)** | **(>100%)** |
| D&A | 26.7 | 46.7 | (75%) |
| **EBITDA [2]** | **15.5** | **9.1** | **(41%)** |
| EBITDA margin (%) | 20% | 9% | (11) ppts |
| **Loss after tax [2]** | **(14.9)** | **(36.7)** | **(>100%)** |
| D&A reconciliation | | | |
| Cost of revenue [3] | (18.0) | (29.5) | (64%) |
| Technology & Product [4] | (7.9) | (12.0) | (52%) |
| Corporate [5] | (0.8) | (5.2) | (>100%) |
| **Total D&A** | **(26.7)** | **(46.7)** | **(75%)** |

[1] Amounts include D&A, as shown in D&A reconciliation
[2] Refer Appendices for a reconciliation of net loss after tax to EBITDA and EBIT
[3] Includes impact of change to capture cost amortisation period from 5 to 2 years
[4] Reflective of increased investment in software and hardware development
[5] Includes impact of AASB16 right of use asset depreciation (leases)



Captured: January 2020
Whangaparaoa, New Zealand

# DISCIPLINED APPROACH TO CASH MANAGEMENT DELIVERING TO CASH FLOW BREAKEVEN AT 30 JUNE

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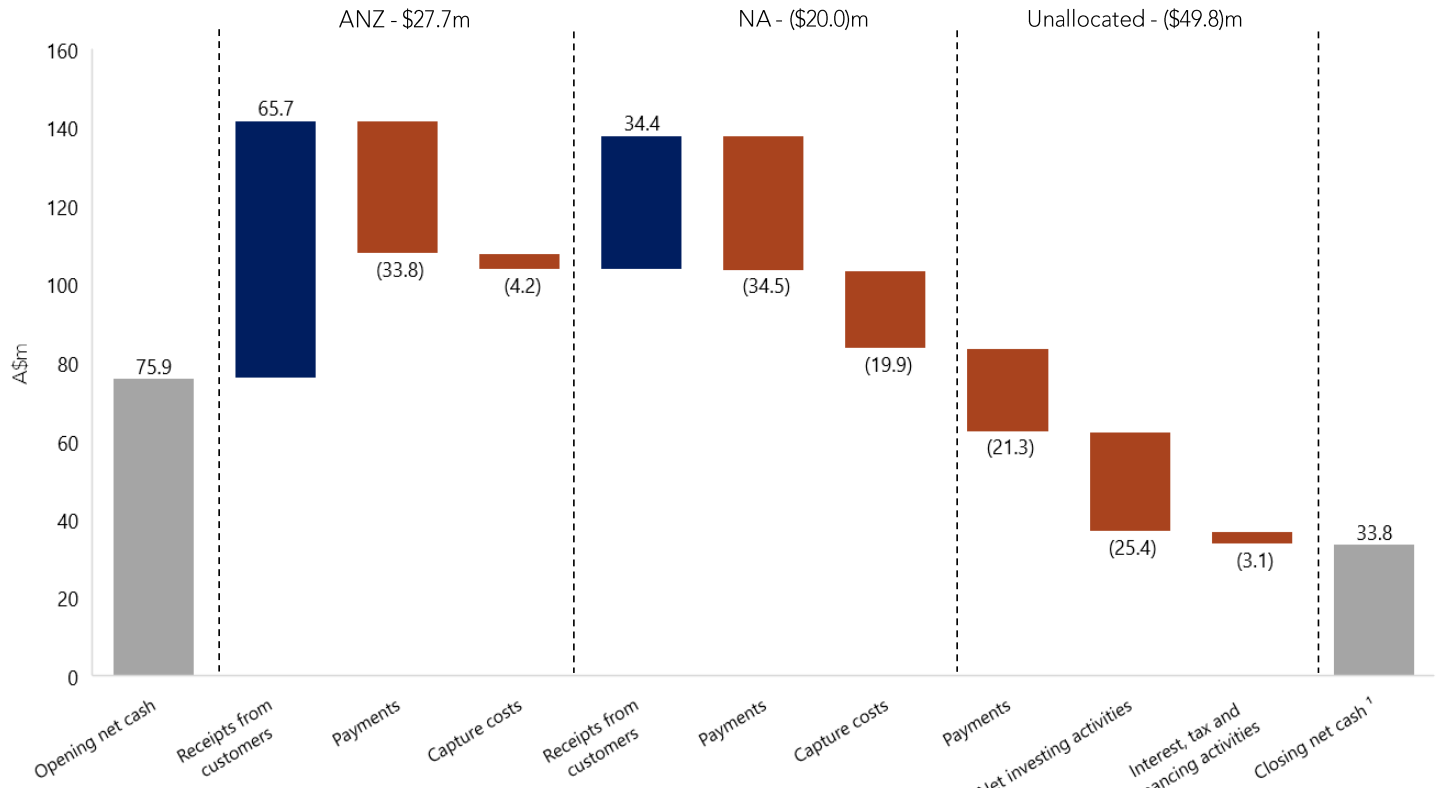
- FY20 cash balance of $33.8m[1] (FY19: $75.9m). $42.1m of net cash outflows reflecting the stepped investment across all areas of the business to build scalable foundations for future growth
- 2H20 net cash outflow of $15.8m (1H20: $26.3m) includes $3.6m for roof geometry acquisition
- Cash management initiatives implemented in April 2020 included permanent and temporary reductions to employment costs designed to bring the business to a cash flow break even position by the end of FY20
- $49.5m of cash invested in asset creation (capture $24.1m, net investing activities $25.4m) delivering long-term benefits to the business

## NET CASH FLOW MOVEMENT FY19 TO FY20




[1] Excludes bank guarantees of $2.3m which have been classified as cash on the Balance Sheet

# MILESTONE 10,000: GROUP SUBSCRIPTIONS >10,000 AND GROUP ARPS >$10,000

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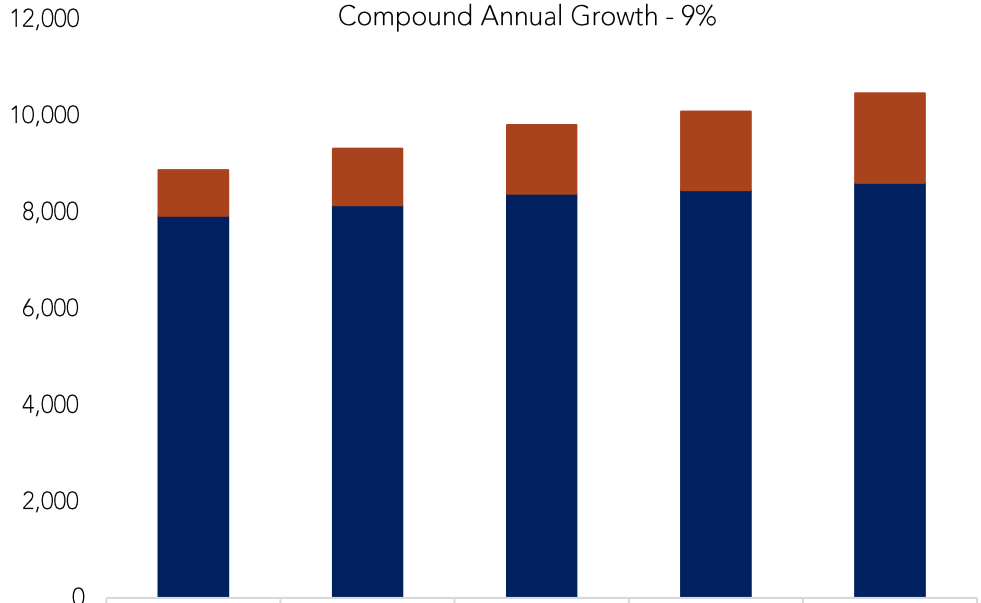
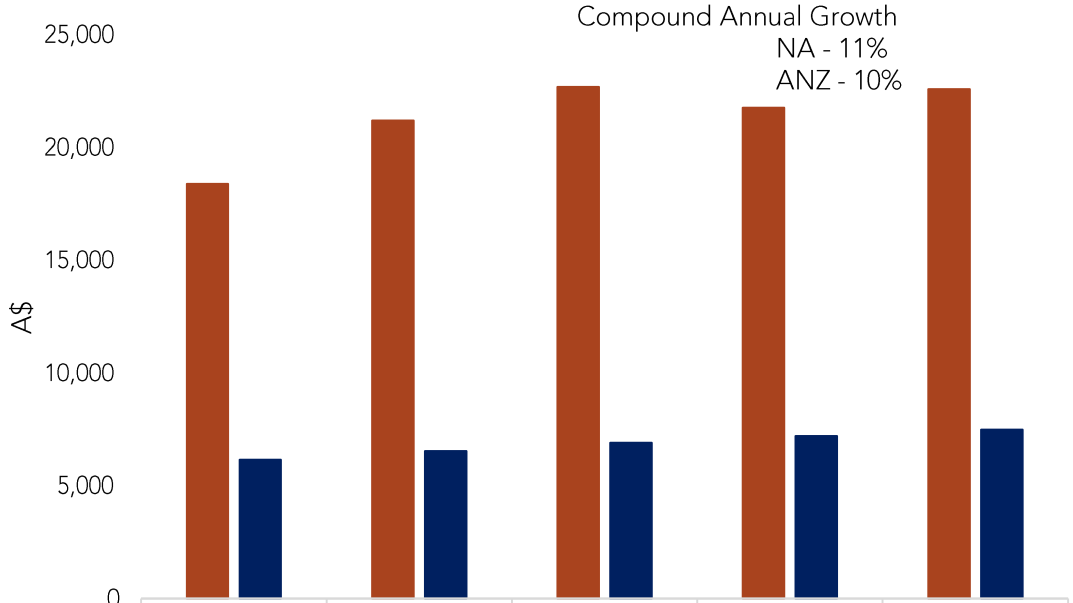
## GROUP SUBSCRIPTION GROWTH




| | 30 Jun 18 | 31 Dec 18 | 30 Jun 19 | 31 Dec 19 | 30 Jun 20 |
|---|---|---|---|---|---|
| NA | 946 | 1,178 | 1,425 | 1,635 | 1,856 |
| ANZ | 7,917 | 8,134 | 8,375 | 8,446 | 8,602 |
| Group | 8,863 | 9,312 | 9,800 | 10,081 | 10,458 |
| YoY | 13% | 13% | 11% | 8% | 7% |

## GROUP ARPS[1] GROWTH




| | 30 Jun 18 | 31 Dec 18 | 30 Jun 19 | 31 Dec 19 | 30 Jun 20 |
|---|---|---|---|---|---|
| NA | 18,404 | 21,217 | 22,698 | 21,781 | 22,601 |
| ANZ | 6,167 | 6,555 | 6,913 | 7,218 | 7,497 |
| Group | 7,473 | 8,410 | 9,208 | 9,580 | 10,178 |
| YoY | 25% | 27% | 23% | 14% | 11% |

[1] ARPS = Average Revenue Per Subscription – Refer Appendices for definition

# IMPROVED RETENTION WITH CHURN BACK <10%

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## 18% ↑ in ACV (vs pcp)

Growing momentum in 2H20 demonstrating the resilience of the business model during macroeconomic uncertainty

## 11% ↑ in ARPS (vs pcp)

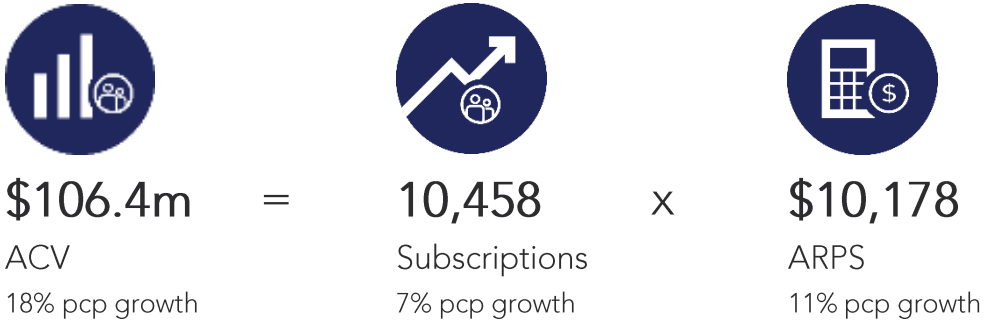
Growth driven by increased penetration of premium content

## 9.9% Group Churn

Back below 10% after negative impact of the churn of two large enterprise customers in NA in 1H20

## 43% of ACV on Multi-Year Contracts

New content increases customer utility and becomes more deeply embedded into customer workflows (FY19: 40%)




## GROUP ACV PORTFOLIO MOVEMENT

| A$m | FY19 | FY20 |
|---|---|---|
| Opening Portfolio | 66.2 | 90.2 |
| New Business | 17.4 | 16.0 |
| Net Upsell | 9.2 | 8.3 |
| Churn | (3.5) | (8.9) |
| *12 Month Churn (%)* | *5.3%* | *9.9%* |
| Net incremental | 23.0 | 15.4 |
| FX Impact | 1.0 | 0.8 |
| Closing Portfolio | 90.2 | 106.4 |

# 27% ACV GROWTH IN NA WITH CONTINUED SCALING OF CORE BUSINESS

**US$28.8m ACV**
27% pcp growth

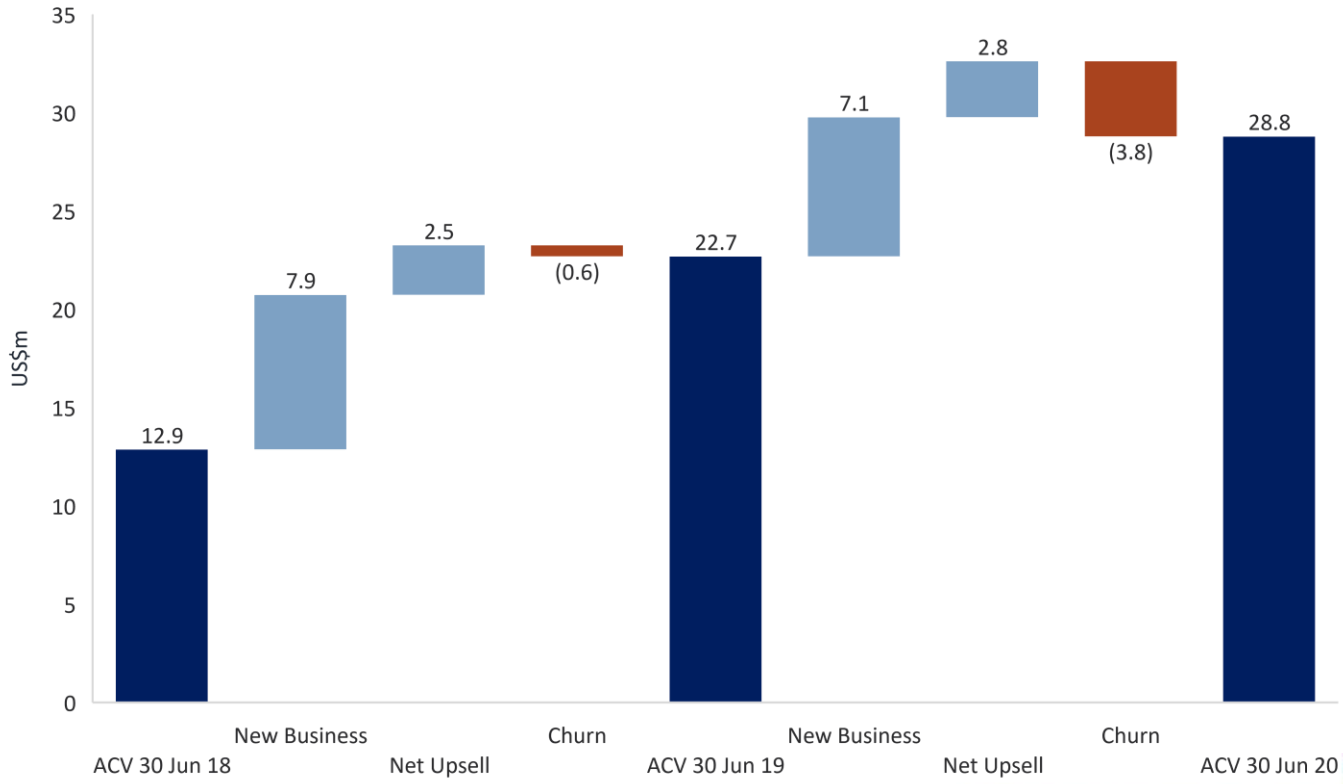
**1,856 Subscriptions**
30% pcp growth

**46% STCR**
FY19 106%

**US$15,511 ARPS**
(3%) pcp

- ACV, STCR and churn impacted by the churn and downgrade of three contracts in 1H20 valued at US$4.85m. Excluding these events, underlying growth demonstrated the continued scaling of the core business
- 12 month rolling churn fell to 16.9% at end of FY20 from 20.6% in 1H20 (FY19: 4.4%). Underlying churn consistent, excluding unforeseen 1H20 events
- Increased net upsell of US$2.8m (FY19: US$2.5m) as existing customers increased adoption of new content types

NA ACV PORTFOLIO MOVEMENT FY19 TO FY20

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# 11% ACV GROWTH IN ANZ WITH RE-FOCUSED SALES LEADERSHIP IMPROVING PERFORMANCE

**$64.5m ACV**
11% pcp growth

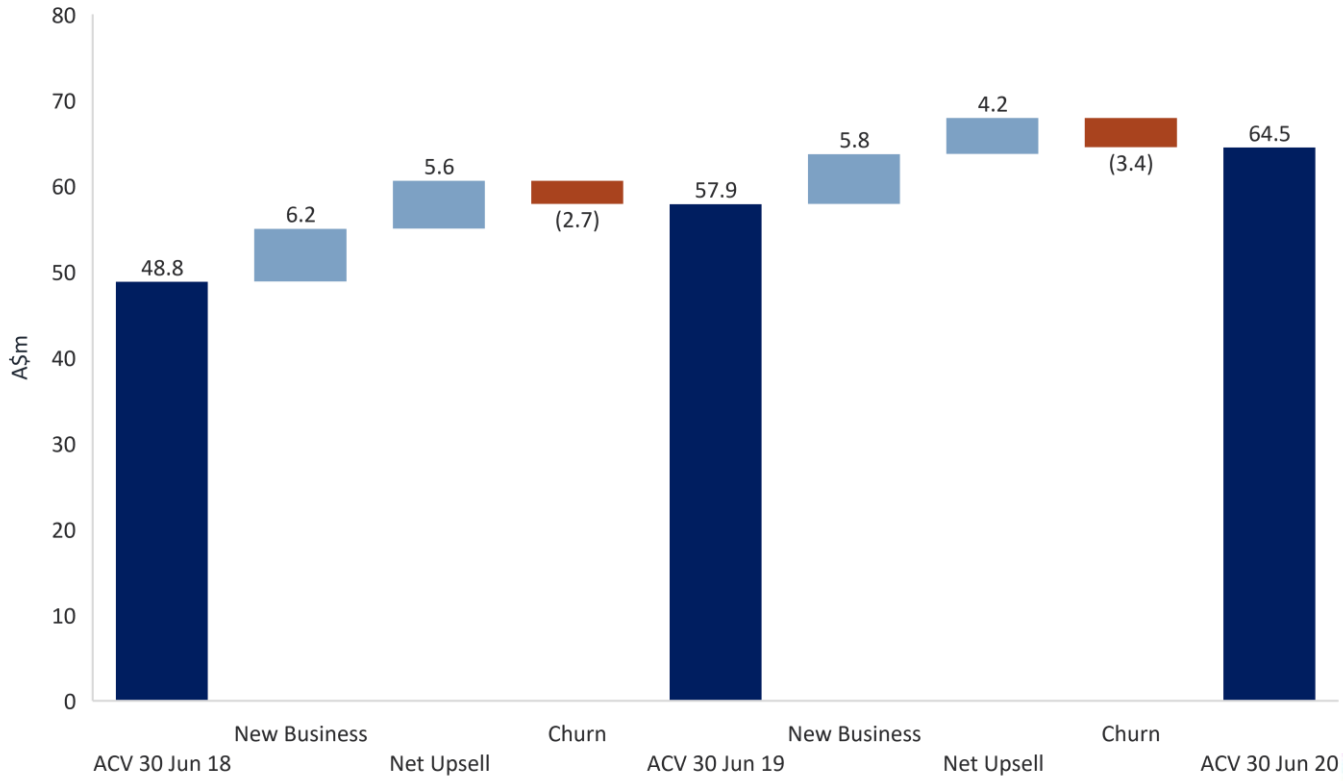
**8,602 Subscriptions**
3% pcp growth

**74% STCR**
FY19 106%

**$7,497 ARPS**
8% pcp growth

- Focus on strengthening the sales leadership improved 2H20 ACV growth against a backdrop of macroeconomic uncertainty
- New business of $5.8m broadly consistent with FY19 and extending ANZ market leadership position
- 12 month rolling churn fell to 5.9% at the end of FY20 (1H20: 7.2%) with improved retention as businesses transitioned to working remotely (FY19: 5.6%)

ANZ ACV PORTFOLIO MOVEMENT FY19 TO FY20

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# NA REVENUE CONTINUES TO ACCELERATE AHEAD OF ANZ

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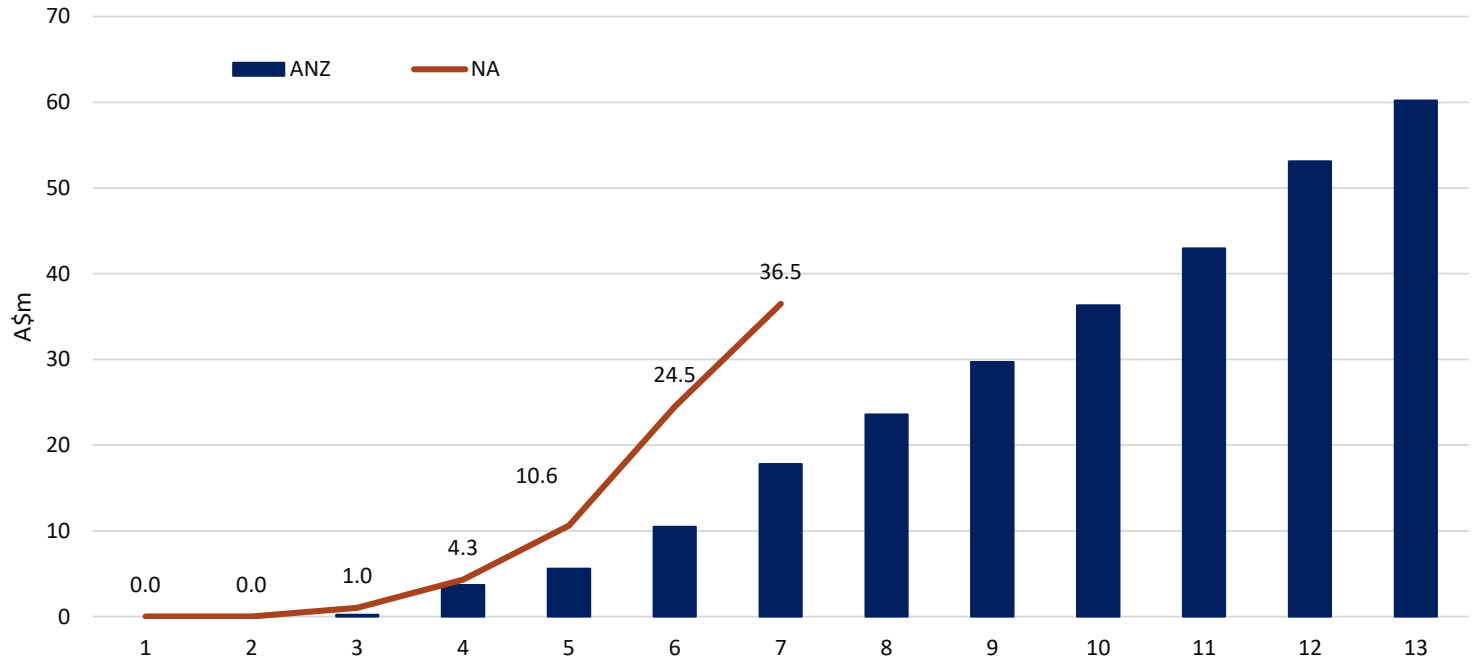
ANZ TO NA SUBSCRIPTION REVENUE REBASED TO FIRST YEAR OF CAPTURE




NA revenue in the seventh year of capture equivalent to revenue generated in ANZ in the tenth year

# STRONG GROWTH IN CORE INDUSTRY VERTICALS

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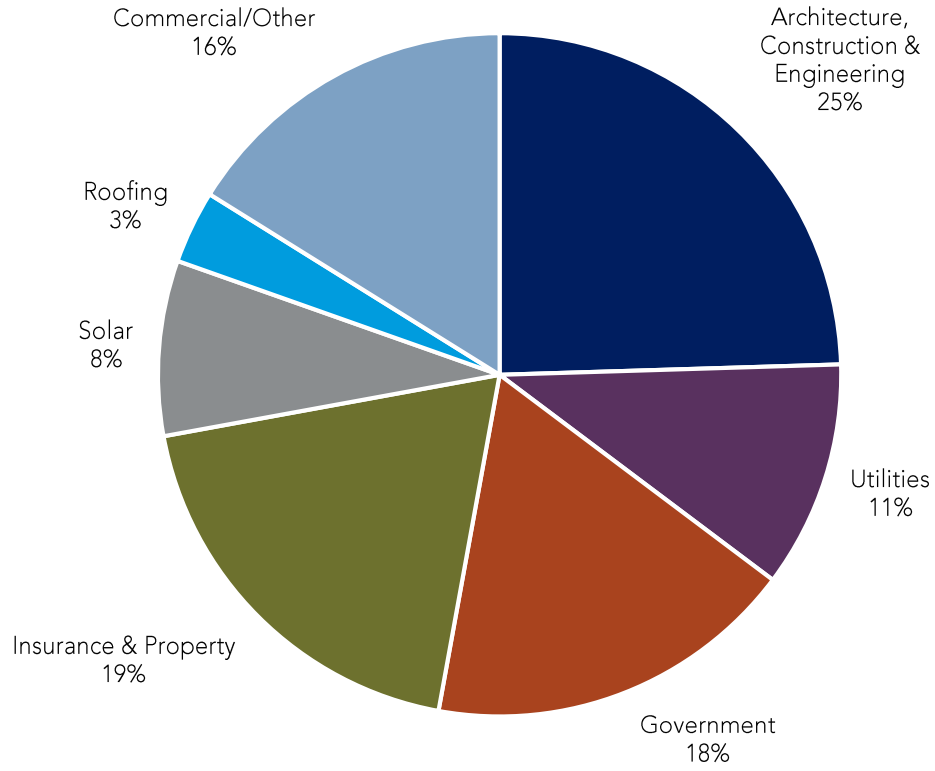
GROUP ACV PORTFOLIO BY INDUSTRY




- Strong growth in core industry verticals Roofing, Insurance and Government enabled by premium content types and a combination of sales through strategic partnerships and direct to customers
- AEC, Utilities and Solar all grew in absolute terms and remain strong growth areas
- Commercial/Other impacted by the churn/downgrade events in 1H20 relating to the autonomous vehicle industry

# CORE GROWTH VERTICAL: ROOFING

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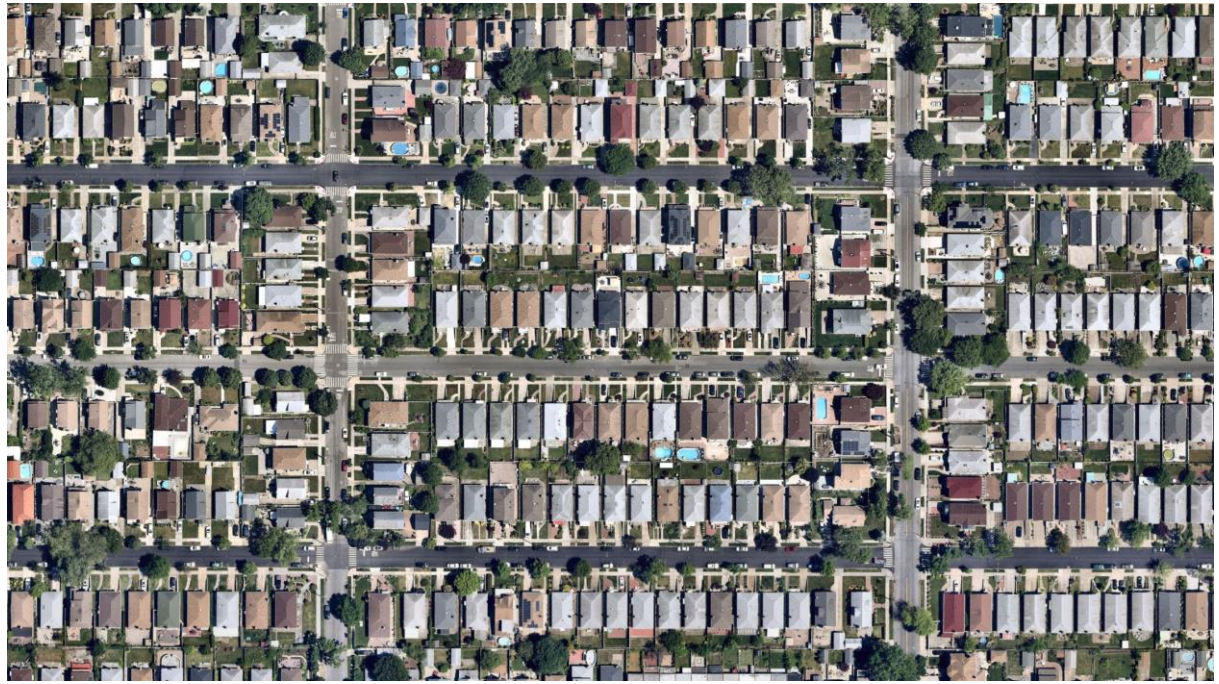
## A NEW TYPE OF LOCATION INTELLIGENCE

- Successful acquisition and integration of industry leading technology into the product suite, utilising Nearmap 3D content at massive scale
- Opportunity to expand the market and gain share by serving quick, accurate and cost-effective roof geometry to partners in the roofing and insurance industries
- Market opportunity for roof geometry assessed to be US$100m to US$200m per year[1], enabled by the capture of over 70m single and multi-family homes in the United States
- Increase in frequency of severe weather drives demand for repair, maintenance and claims processing
- Investment in FY21 focused on further product enhancements and improvements to the efficiency of content generation
- ACV from roofing already 8% in NA



Captured: June 2020
Whitestone, NY, USA

[1] Nearmap company estimates

# CORE GROWTH VERTICAL: INSURANCE

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Captured: February 2020
Rockport, TX, USA

## COVERAGE OF THE FULL POLICY LIFE CYCLE

- Dedicated insurance sales, marketing and product teams
- Distribution channels direct to insurance carriers and indirect via Nearmap partners
- Historical imagery library provides detailed context for managing underwriting risk
- AI content further enables underwriting risk and claims processing at unprecedented scale
- Leaf-on capture allows actuaries and claims managers to quickly and easily assess the dangers posed to property from proximate threats, the natural environment and storm risk
- Established an operational post catastrophe capture program to increase claims assessment efficiency
- ACV from insurance increased to 19% (FY19: 14%)

# CORE GROWTH VERTICAL: GOVERNMENT

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## TRANSFORMING GOVERNMENT EFFICIENCY

- Dedicated government sales, marketing and product teams
- Historical data set tracks change in property and green space over time, significantly improving urban planning outcomes
- Leaf-off capture provides a clear view of conditions on the ground such as streets, sidewalks, impervious surfaces, water management and other public infrastructure programs
- AI content enables a range of government use cases including property tax assessment and environmental planning and management
- Deeper integration into government workflows with oblique content in ArcGIS and the addition of an enhanced set of API's
- Nearmap content integrated with Cityworks, a partner and leading provider of GIS enterprise asset management systems
- Teranet and Eagle Technology partners and exclusive re-sellers to accelerate growth with government and commercial enterprises within Canada and New Zealand
- ACV from government increased to 18% (FY19: 15%)

Captured: February 2020
Sydney, NSW, Australia

# FY21 OUTLOOK & PRIORITIES

Captured: March 2020
Albany, NY, USA

## PRODUCT & CONTENT

- Further enhancement of product capabilities to drive deeper customer solutions and relationships within the Company's core industry segments
- Continued commercialisation of new content types, penetrating deeper into customer workflows and driving returns on investments made
- Ongoing development of next generation camera systems to further accentuate the technology leadership position and competitive advantage

## GO-TO-MARKET

- Sales & Marketing verticalisation to target increased penetration of core growth verticals
- Enhanced leadership to build scale
- Focus on enablement tools to optimise Sales & Marketing performance
- Ongoing investment into customer success initiatives to drive deeper engagement and deliver industry leading retention metrics

## OUTLOOK & GUIDANCE

- Ongoing monitoring of COVID-19 impact on trading conditions; growth continuing into FY21 with trading in the first seven weeks consistent with growth in the same period in FY20
- Closing FY21 Group cash balance expected to be between $32m-$35m[1] as sales proceeds are reinvested into growth initiatives
- Continue to target 20-40% ACV growth medium to long term, with underlying churn <10%
- Ongoing evaluation of potential geographic expansion, but driving NA remains primary focus

[1] Excludes bank guarantees of $2.3m which have been classified as cash on the Balance Sheet

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# UNIQUELY POSITIONED FOR A GLOBAL OPPORTUNITY

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## A GLOBAL OPPORTUNITY

Large and growing global addressable market opportunity for location intelligence data sets derived from aerial imagery

## INDUSTRY LEADING PRODUCT & TECHNOLOGY

Rich library of content, expanding product suite enabled by leading camera and processing technology

## SCALABLE SUBSCRIPTION BUSINESS MODEL

Unique, highly scalable subscription business model that delivers high value content and insights to a wide range of use cases

## PASSIONATE & SPECIALIST TEAM

Deep industry and technology expertise, with a passion to deliver on the Company's leadership position

# APPENDICES

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# A LARGE AND GROWING GLOBAL MARKET OPPORTUNITY

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## GROWING AERIAL IMAGERY MARKET

Global aerial imagery market estimated at US$10.1 billion in 2020[1]

## MARKET EXPANDING BUSINESS MODEL

- World leading technology and product
- Subscription business model opens up aerial imagery to new customers and use cases

**TOTAL ADDRESSABLE MARKET[2]**

| | |
|---|---|
| | A$250-300m |
| | US$1-2b |
| | NZ$50m |
| | C$300-400m |

## CONTENT OPENS NEW MARKET SEGMENTS

In the US$439 billion global geospatial industry market (2020)[1]:

- 3D scanning services global market US$2.5 billion
- GIS / Spatial Analytics content global market US$21.1 billion

## NEW GEOGRAPHIC MARKETS

Unique business model has the potential to scale to multiple geographies around the world, particularly developed economies with an advanced level of adoption of geospatial technology, software and services

[1] Geobuiz "Geospatial Industry Outlook & Readiness Index" 2018 edition, Geospatial Media & Communications
[2] Nearmap company estimates

# STATUTORY INCOME STATEMENT

| A$m | FY19 | FY20 |
|---|---|---|
| Revenue | 77.6 | 96.7 |
| Other income | 1.7 | 0.8 |
| **Total revenue and other income** | **79.4** | **97.5** |
| Employee benefits expense | (36.8) | (56.5) |
| Amortisation | (23.2) | (38.2) |
| Depreciation | (3.4) | (8.5) |
| Other operational expenses | (25.5) | (31.2) |
| **Total expenses** | **(89.0)** | **(134.5)** |
| **Operating loss** | **(9.6)** | **(37.0)** |
| Net finance (costs)/income | (0.2) | (0.2) |
| **Loss before tax** | **(9.8)** | **(37.1)** |
| Income tax expense | (5.1) | 0.4 |
| **Loss after tax** | **(14.9)** | **(36.7)** |
| **Other comprehensive income** | | |
| *Items that may be reclassified to profit or loss* | | |
| Exchange differences on translation of foreign operations | 0.2 | (0.0) |
| Fair value loss on cash flow hedges | (0.0) | (1.0) |
| Transfer of hedging gains to the consolidated statement of profit or loss | - | (0.1) |
| Income tax associated with these items | 0.0 | 0.3 |
| **Other comprehensive income for the year** | **0.2** | **(0.8)** |
| **Total comprehensive loss** | **(14.8)** | **(37.5)** |
| **Loss per share** | | |
| Basic loss per share (cents per share) | (3.43) | (8.14) |
| Diluted loss per share (cents per share) | (3.43) | (8.14) |

# RECONCILIATION OF STATUTORY NET LOSS AFTER TAX TO EBIT & EBITDA

| A$m | FY19 | FY20 |
|---|---|---|
| **Loss after tax** | **(14.9)** | **(36.7)** |
| Income tax | 5.1 | (0.4) |
| Interest income | (1.6) | (0.7) |
| Interest expense | 0.0 | 0.7 |
| Foreign exchange | 0.2 | (0.5) |
| **EBIT** | **(11.2)** | **(37.6)** |
| Amortisation & Depreciation | 26.7 | 46.7 |
| **EBITDA** | **15.5** | **9.1** |

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# STATUTORY BALANCE SHEET

| A$m | FY19 | FY20 |
|---|---|---|
| **Assets** | | |
| **Current assets** | | |
| Cash and cash equivalents | 75.9 | 36.1 |
| Trade receivables | 14.5 | 23.7 |
| Other current receivables | 3.1 | 0.6 |
| Other current assets | 2.7 | 3.2 |
| **Total current assets** | **96.2** | **63.6** |
| **Non-current assets** | | |
| Plant and equipment | 16.8 | 33.4 |
| Intangible assets | 42.1 | 47.4 |
| Deferred tax assets | 3.1 | 4.3 |
| **Total non-current assets** | **62.0** | **85.1** |
| **Total assets** | **158.2** | **148.8** |

| A$m | FY19 | FY20 |
|---|---|---|
| **Liabilities** | | |
| **Current liabilities** | | |
| Trade and other payables | 3.8 | 5.6 |
| Unearned income | 42.0 | 49.6 |
| Employee benefits | 5.7 | 6.5 |
| Lease liabilities | - | 4.5 |
| Other current liabilities | 5.4 | 2.4 |
| Current tax liabilities | 2.1 | 1.2 |
| **Total current liabilities** | **59.1** | **69.8** |
| **Non-current liabilities** | | |
| Deferred tax liabilities | 10.2 | 9.7 |
| Employee benefits | 0.3 | 0.4 |
| Lease liabilities | - | 9.9 |
| Other non-current liabilities | 1.0 | 2.2 |
| **Total non-current liabilities** | **11.5** | **22.2** |
| **Total liabilities** | **70.5** | **92.0** |
| **Net assets** | **87.7** | **56.7** |
| **Equity** | | |
| Contributed equity | 124.6 | 126.6 |
| Reserves | 14.8 | 19.1 |
| Profits reserve | 7.1 | 7.1 |
| Accumulated losses | (58.9) | (96.0) |
| **Total equity** | **87.7** | **56.7** |

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# CASH FLOW STATEMENT

| A$m | FY19 | FY20 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Receipts from customers | 86.9 | 100.2 |
| Payments to suppliers and employees | (62.5) | (87.3) |
| Interest received | 1.4 | 0.8 |
| Other receipts | 0.0 | 0.0 |
| Income taxes paid | (0.9) | (1.7) |
| **Net cash from operating activities** | **24.9** | **12.1** |
| **Cash flows from investing activities** | | |
| Purchase of plant and equipment | (8.2) | (8.3) |
| Payments for development costs | (8.9) | (17.4) |
| Payments for capture costs | (20.1) | (24.1) |
| Proceeds from sale of plant and equipment | 0.0 | 0.3 |
| Proceeds from sale of unlisted investments | 0.1 | - |
| **Net cash used in investing activities** | **(37.1)** | **(49.5)** |
| **Cash flows from financing activities** | | |
| Proceeds from share offer | 67.1 | - |
| Proceeds from exercise of share options | 3.2 | 1.6 |
| Proceeds from repayment of share option loans | 0.4 | 0.4 |
| Payments for treasury shares | (0.2) | (0.4) |
| Payments for lease liabilities | - | (3.9) |
| **Net cash from financing activities** | **70.5** | **(2.3)** |
| Net increase/(decrease) in cash and cash equivalents | 58.3 | (39.8) |
| Cash and cash equivalents at the beginning of the perio | 17.5 | 75.9 |
| Effect of movement of exchange rates on cash held | 0.1 | (0.0) |
| **Cash and cash equivalents** | **75.9** | **36.1**[1] |

[1] Cash and cash equivalents includes bank guarantees of $2.3m which have been classified as cash on the Balance Sheet

# RECONCILIATION OF REVENUE TO MOVEMENT IN CASH

| A$m | FY19 | | | | FY20 | | | |
|---|---|---|---|---|---|---|---|---|
| | ANZ | NA | Unallocated | Group | ANZ | NA | Unallocated | Group |
| Revenue | 53.2 | 24.5 | - | 77.6 | 60.2 | 36.5 | - | 96.7 |
| Cash costs to capture | (3.9) | (16.3) | - | (20.1) | (4.2) | (19.9) | - | (24.1) |
| Storage, administration & other | (1.0) | (3.2) | - | (4.2) | (1.0) | (5.5) | - | (6.6) |
| **Total cost of sales** | **(4.9)** | **(19.4)** | - | **(24.3)** | **(5.2)** | **(25.4)** | - | **(30.6)** |
| **Gross profit - pre-capitalisation** | **48.3** | **5.1** | - | **53.3** | **55.0** | **11.1** | - | **66.1** |
| Direct sales & marketing | (8.5) | (13.0) | - | (21.5) | (8.9) | (19.9) | - | (28.8) |
| Indirect sales & marketing | (2.9) | (4.0) | - | (6.8) | (5.9) | (8.1) | - | (14.0) |
| **Total sales & marketing** | **(11.4)** | **(17.0)** | - | **(28.4)** | **(14.8)** | **(28.0)** | - | **(42.8)** |
| Technology & product expensed | (0.9) | (0.3) | (8.9) | (10.2) | (1.9) | (2.3) | (12.9) | (17.1) |
| Technology & product development costs | - | - | (9.9) | (9.9) | - | - | (15.7) | (15.7) |
| **Total technology & product** | **(0.9)** | **(0.3)** | **(18.8)** | **(20.1)** | **(1.9)** | **(2.3)** | **(28.7)** | **(32.9)** |
| Corporate costs | (7.9) | (8.2) | (3.5) | (19.6) | (8.8) | (7.0) | (5.5) | (21.3) |
| Corporate costs development costs | - | - | (0.0) | (0.0) | - | - | (0.0) | (0.0) |
| **Total corporate** | **(7.9)** | **(8.2)** | **(3.5)** | **(19.6)** | **(8.8)** | **(7.0)** | **(5.6)** | **(21.3)** |
| **Segment contribution** | **28.1** | **(20.5)** | **(22.4)** | **(14.8)** | **29.5** | **(26.1)** | **(34.2)** | **(30.9)** |
| Camera units | | | | (5.2) | | | | (2.5) |
| Corporate capex | | | | (2.0) | | | | (4.4) |
| **Total capex** | | | | **(7.2)** | | | | **(6.9)** |
| Other income | | | | 1.7 | | | | 0.8 |
| Cash receipts from unearned income | | | | 8.2 | | | | 7.5 |
| Capital raise net proceeds | | | | 67.1 | | | | - |
| Other items | | | | 3.3 | | | | (12.7) |
| **Net increase/(decrease) in cash** | | | | **58.4** | | | | **(42.1)** |

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# SEGMENT NOTE

| A$m | FY19 ANZ | NA | Unallocated | Total |
|---|---|---|---|---|
| Revenue | 53.2 | 24.5 | - | 77.6 |
| **Total revenue** | **53.2** | **24.5** | **-** | **77.6** |
| | | | | |
| Capture cost amortisation | (3.9) | (14.1) | - | (18.0) |
| Storage, administration & other | (1.0) | (3.2) | - | (4.2) |
| **Total cost of revenue** | **(4.9)** | **(17.3)** | **-** | **(22.2)** |
| | | | | |
| **Gross profit** | **48.3** | **7.2** | **-** | **55.4** |
| | | | | |
| **Gross margin (%)** | **91%** | **29%** | | **71%** |
| | | | | |
| Direct sales & marketing | (8.5) | (13.0) | - | (21.5) |
| Indirect sales & marketing | (2.9) | (4.0) | - | (6.8) |
| **Total sales & marketing costs** | **(11.4)** | **(17.0)** | **-** | **(28.4)** |
| | | | | |
| General & administration | (8.8) | (8.6) | (12.4) | (29.8) |
| Overhead depreciation | (0.2) | (0.5) | (0.1) | (0.8) |
| Other income | - | - | 1.7 | 1.7 |
| Interest expense | - | - | (0.0) | (0.0) |
| **Total general & administration costs** | **(9.0)** | **(9.0)** | **(10.8)** | **(28.8)** |
| | | | | |
| **Segment contribution** | **27.9** | **(18.8)** | **(10.8)** | **(1.8)** |
| | | | | |
| Amortisation & depreciation | | | | (7.9) |
| Foreign exchange loss | | | | (0.2) |
| **Loss before tax** | | | | **(9.8)** |
| | | | | |
| Income tax expense | | | | (5.1) |
| **Loss after tax** | | | | **(14.9)** |

| A$m | FY20 ANZ | NA | Unallocated | Total |
|---|---|---|---|---|
| Revenue | 60.2 | 36.5 | - | 96.7 |
| **Total revenue** | **60.2** | **36.5** | **-** | **96.7** |
| | | | | |
| Capture cost amortisation | (6.0) | (23.5) | - | (29.5) |
| Storage, administration & other | (1.0) | (5.5) | - | (6.6) |
| **Total cost of revenue** | **(7.0)** | **(29.1)** | **-** | **(36.1)** |
| | | | | |
| **Gross profit** | **53.2** | **7.4** | **-** | **60.6** |
| | | | | |
| **Gross margin (%)** | **88%** | **20%** | **-** | **63%** |
| | | | | |
| Direct sales & marketing | (8.9) | (19.9) | - | (28.8) |
| Indirect sales & marketing | (5.9) | (8.1) | - | (14.0) |
| **Total sales & marketing costs** | **(14.8)** | **(28.0)** | **-** | **(42.8)** |
| | | | | |
| General & administration | (10.7) | (9.2) | (18.5) | (38.4) |
| Overhead depreciation | (2.2) | (1.6) | (1.6) | (5.4) |
| Other income | - | - | 0.8 | 0.8 |
| Interest expense | - | - | (0.7) | (0.7) |
| **Total general & administration costs** | **(12.9)** | **(10.9)** | **(19.9)** | **(43.7)** |
| | | | | |
| **Segment contribution** | **25.5** | **(31.4)** | **(19.9)** | **(25.8)** |
| | | | | |
| Amortisation & depreciation | - | - | - | (11.8) |
| Foreign exchange gain | - | - | - | 0.5 |
| **Loss before tax** | - | - | - | **(37.1)** |
| | | | | |
| Income tax benefit | - | - | - | 0.4 |
| **Loss after tax** | - | - | - | **(36.7)** |

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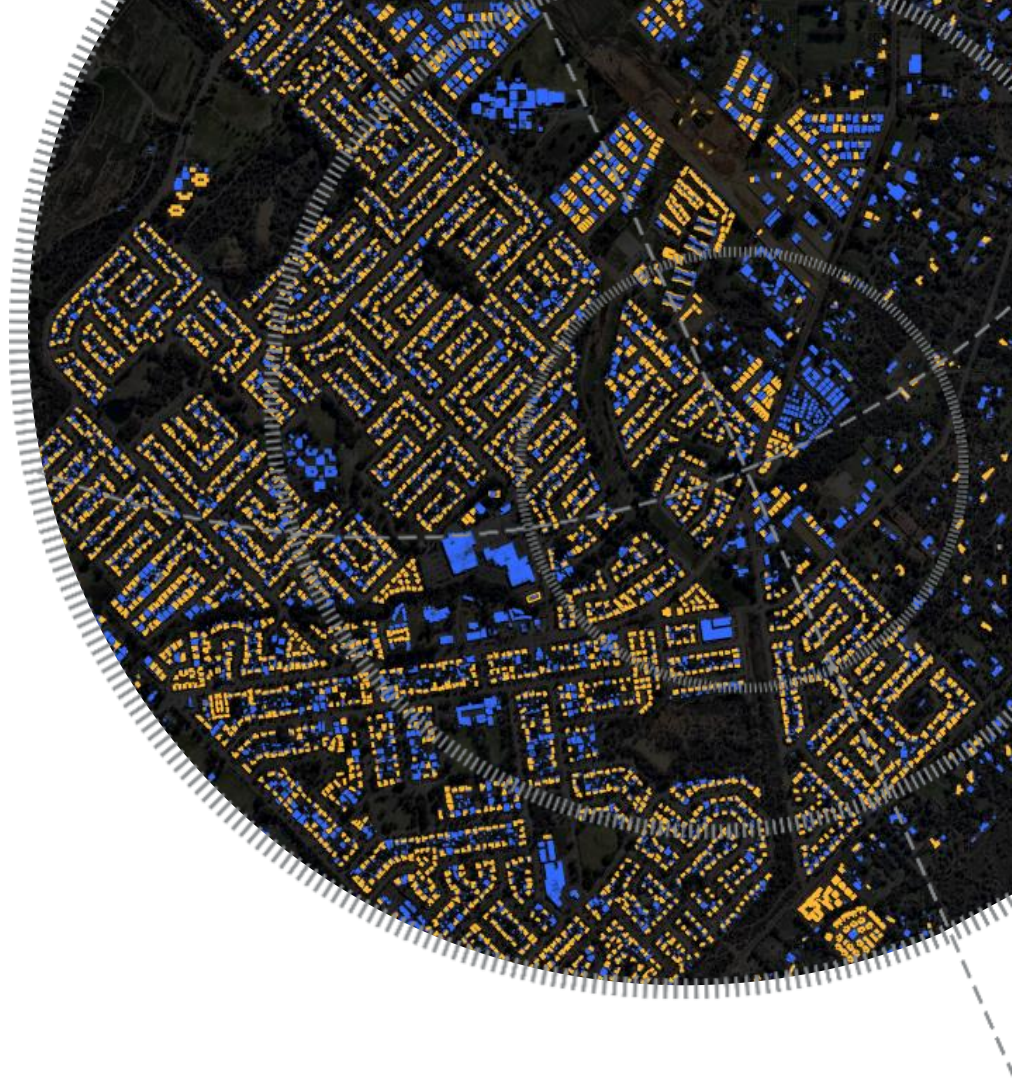
# DEFINITIONS

| TERM | DEFINITION |
|---|---|
| ACV | Annualised Contract Value = annualised value of all active subscription contracts in effect at a particular date |
| ARPS | Average Revenue Per Subscription = Portfolio ACV divided by total number of subscriptions |
| Churn | ACV value of subscriptions not renewed at the end of a subscription period, offset by the value of recovered subscriptions previously churned |
| Existing Portfolio Expansion | Net upsell minus Churn |
| Gross Margin (pre-capitalisation) | This represents the gross margin of revenue after deducting the cost of capture, processing and storage of the imagery before any such costs have been capitalised |
| N/A | Not applicable |
| pcp | Prior comparative period |
| STCR | Sales Team Contribution Ratio = The ratio of incremental ACV generated by a sales team in a period, compared to the direct costs of obtaining that incremental ACV |



AI Derived Data Set
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