Financial Results

Six Months Ended

31 December 2021

Geo

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GLOSSARY

- **ARR**: Annualised Recurring Revenues
- **MRR**: Monthly Recurring Revenues
- **LTV / CAC**: Lifetime Value of Customer vs Customer Acquisition Cost
- **EBITDA**: Earnings Before Interest, Tax, Depreciation & Amortisation
- **PCP**: Prior Corresponding Period (i.e. six months ended 31 December 2020)

Executive Summary

Financial Results	• Strong new sales growth offset by churn from lockdowns, delivering flat subscription revenues
Sales	• Record quarterly new customer sales continued (up 98% on PCP, 24% on preceding half)
Retention	• Q1 COVID lockdowns drove a short spike in MRR churn, reverting to historical levels in Q2
ANZ Market	• Sales conversion rates materially exceeded internal targets
UK Market Entry	• Head of Sales relocating to London in March 2022 to build local presence
Product/Engineering	• Significant investment in Product/Engineering will accelerate platform strategy
Capital	• $7.0m capital raise will fund growth and expanded platform offering through CY23

Key Operational Updates

ANZ Market

- Record quarters of new customer growth with lead conversion rates exceeding budget
- Robust sales approach established by Head of Sales Andrew Young working well
- Sam Madden promoted to ANZ Sales Manager
- Marketing spend to accelerate as ANZ transitions beyond COVID restrictions

UK Market

- Market opportunity estimated at 3-4x ANZ
- Andrew Young relocating to UK in March 2022
- Building a UK team to accelerate UK growth
- Marketing spend to increase as UK conversion metrics improve

Product & Development

- Accelerating platform development to deliver richer feature sets, enhance lead conversion and increase retention
- Significant Product/Engineering team hiring programme underway

Financial Result Overview

Record new customer quarters offset by lockdown churn spike

- Subscription revenues for the continuing *Geo* product remained stable at $1.5m:
  - Record new customer quarters delivered (continuing established trend)
  - Short spike in ARR churn due to COVID lockdowns in Q1.
- Total revenues down by 21.0% to $1.7m due to recognition in PCP of one-off COVID subsidies and the divestment of the *Geo for Sales* business.
- EBITDA loss from operations increased from $(0.3)m to $(0.7)m due to increases in staffing and reinstatement of customer acquisition / marketing spend.
- Operating and investing cash outflows increased to $(1.3)m from $(0.2)m

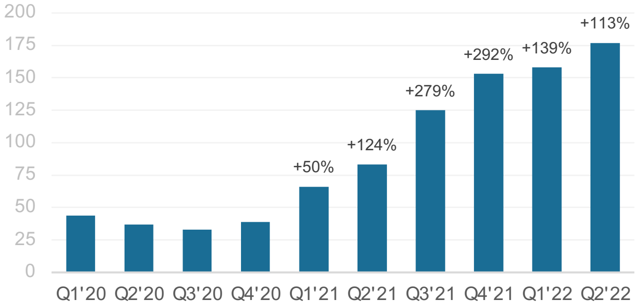
SIX MONTHS ENDED 31 DECEMBER	2021 $'000	2020 $'000	Mvmt $'000	Mvmt %
Recurring revenues (subscriptions)	1,543	1,606	(63)	-3.9%
Other income (incl. grants)	143	526	(383)	-72.8%
Total revenues	1,688	2,137	(449)	-21.0%
Less: discontinued operations	-	(254)	254	+100.0%
Total revenues (excl. discontinued operations)	1,688	1,883	(195)	-10.4%
Geo ARR (at 31 December 2021)	3,134	3,019	115	+3.8%
Earnings				
Statutory net loss after tax	(1,544)	(604)	(940)	-155.6%
Operating EBITDA	(678)	(325)	(352)	-108.2%
EBITDA	(980)	(107)	(873)	-812.0%
Operational cash flows				
Operating cash flows	(730)	142	(872)	-614.2%
Investing cash flows	(578)	(382)	(196)	-51.4%
Operating & investing cash flows	(1,308)	(240)	(1,068)	-445.5%

Note: All figures are in NZD unless otherwise indicated

Key Operating Metrics

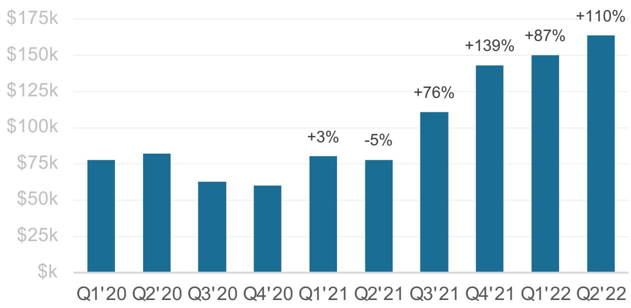
Consecutive record quarters continue recent trends in new customer activity

NEW CUSTOMERS



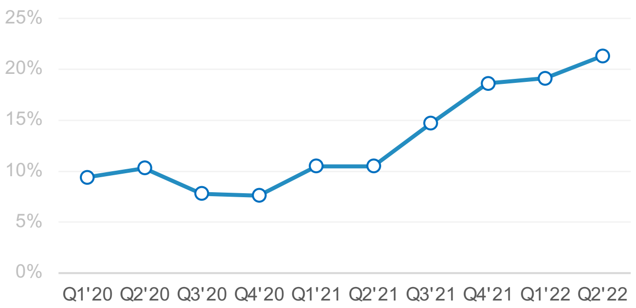
- Q1 & Q2 continued positive new customer trends, despite COVID lockdown environment in key ANZ markets
- New customer numbers up 125% on PCP and 21% on preceding half
- 85%+ of new customer growth currently driven out of ANZ, with UK in early stages of expansion strategy

NEW CUSTOMER ARR



- ARR from new customers up 98% on PCP and 24% on preceding half

NEW CUSTOMER ARR GROWTH (ANNUALISED %)

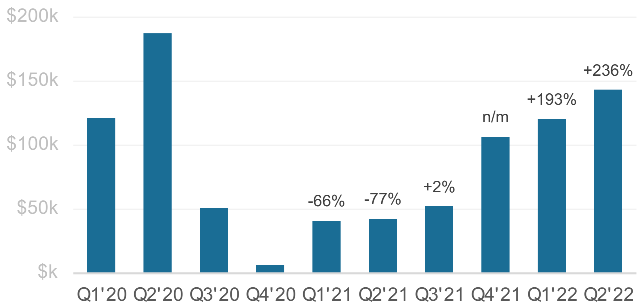


- Annualised ARR growth rates from new customer activity (before churn) continued to increase, reaching 21% in Q2
- Further increases targeted from increased spend in ANZ and rollout of UK in-market strategy

Key Operating Metrics

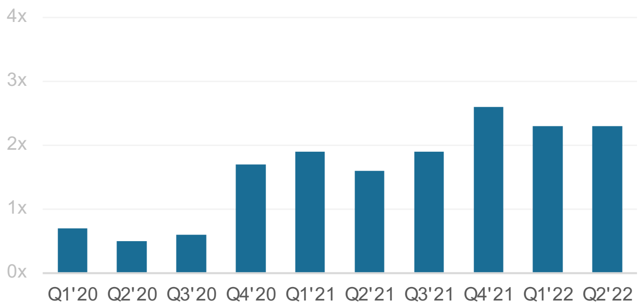
COVID lockdowns drove temporary spike in ARR churn in Q1

EXTERNAL MARKETING SPEND



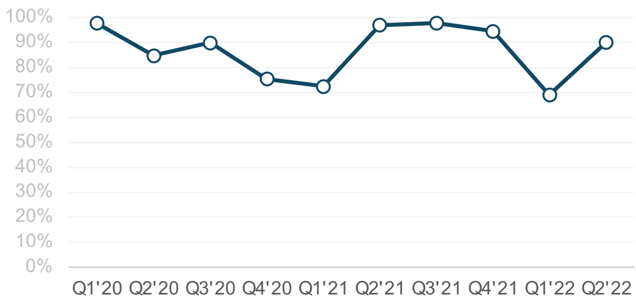
- Acquisition spend paused during early phases of COVID
- Progressively increased as customer resilience was proven and acquisition metrics were optimised
- Initial test spend in UK introduced in Q2

LTV / CAC



- LTV / CAC decreased slightly over the half, as strong performance in ANZ was diluted by initial test marketing spend in UK
- Increased conversion in UK required to increase LTV/CAC to near term target (4x)

ANNUALISED ARR RETENTION



- Existing customer ARR decreased 7.7% in Q1 from higher customer churn, licence downgrades and subscription pauses during lockdowns.
- This is consistent with the pandemic experience in March 2020
- ARR retention normalised in Q2 to target levels (90% annualised).

KPI Performance & Outlook

Progress to target KPIs will be significantly driven by UK expansion

	Focus Area	2021 KPIs	FY22 KPIs	Current Status

1.	**Customer Acquisition**
	Increase direct marketing spend & expand partner channels
		20%-30% new customer ARR growth	**40%-50%**	**21%** for H1'FY22
				• H1 growth primarily driven by ANZ markets (85%+ of new customers)
				• Pathway to target requires:
				  • modest increase in ANZ acquisition spend at current conversion rates
				  • Improvement in UK conversion + increase from current test marketing
				• **40-50% target maintained, with timing expected to slip 3-6 by months**

2.	**Customer Retention** Tune product roadmap and user experience to priority segments	90%-92% ARR retention	**90-92%**	• Temporary spike in MRR churn due to COVID lockdowns • Reverted to target range (90%) in Q2 per previous lockdown events • **No change to target**
3.	**Marketing effectiveness** ROI on new customer investment	3-4x LTV/CAC	**>4x**	• **2.3x** for H1 • Strong metrics in ANZ diluted by early UK trial spend and team expansion • **>4x target maintained, timing expected to slip by 3 months**

Capital at hand to fund growth and expanded platform offering through CY23

Summary

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Detailed Financial Results
Six Months Ended 31 December 2021

Revenue & Income

Commentary

- Geo ARR at half year-end ($3.1m) up 4.2% vs PCP
- Recurring subscription revenues from the Geo product increased by 0.5% vs PCP.
- Decrease in other operating revenue versus PCP is due to one-off COVID-19 subsidy and $180k received from divestment of *Geo for Sales* operations received in H1'FY21. GEO did not qualify for any similar government subsidies during the reported period.
- Discontinued operations represent the net impact of the *Geo for Sales* business operations in PCP

SIX MONTHS ENDED 31 DECEMBER	2021 $'000	2020 $'000	Mvmt $'000	Mvmt %
Geo subscription revenue	1,543	1,536	7	+0.5%
Geo for Sales subscription revenue	-	70	(70)	nm
Subscription revenue	1,543	1,606	(63)	**-3.9%**
Other operating revenue	2	5	(3)	-60.0%
Total operating revenue	1,545	1,611	(66)	**-4.1%**
Government grants	139	147	(8)	-5.4%
COVID Government subsidies	-	189	(189)	nm
Gain on sale of Geo for Sales operations	-	180	(180)	nm
Other income	4	10	(6)	-60.0%
Total revenue including discontinued operations	1,688	2,137	(449)	**-21.0%**
Less discontinued operations	-	(254)	254	nm
Total revenue excluding discontinued operations	1,688	1,883	(195)	**-10.4%**
Geo ARR at 31 December	3,147	3,019	128	**+4.2%**

Income Statement

Commentary

- Material increase in sales and marketing investment, as GEO continues to progressively increase direct customer acquisition spend in ANZ and commences early test marketing spend in the UK
- Increase in general operating & administration costs primarily due to timing of recognition of senior executive STI costs and FX movements
- Reduction in profit from discontinued operations, with $180k one-off receipt for sale of *Geo for Sales* customer base in PCP.
- EBITDA has deteriorated due to increase in staffing and reinstatement of customer acquisition/marketing spend. Last year one off government subsidy was received as part of COVID 19 assistance and sale of Geo for Sales Platform.
- Net losses has increased by $880k resulting from increase in marketing and general operating expenses.

SIX MONTHS ENDED 31 DECEMBER	2021 $'000	2020 $'000	Mvmt $'000	Mvmt %
Total revenue	1,688	1,883	(195)	-10%
Research & development (R&D)	(519)	(599)	80	-13%
Sales & marketing	(891)	(492)	(399)	-81%
General operating and administration	(1,255)	(1,094)	(161)	-15%
EBITDA (continuing operations)	**(977)**	**(302)**	**(675)**	**-224%**
Profit/ (loss) on discontinued operation	(3)	195	(198)	-102%
EBITDA	**(980)**	**(107)**	**(873)**	**-816%**
Interest, depreciation & amortisation	(564)	(497)	(67)	-13%
Statutory Net/(loss)	**(1,544)**	**(604)**	**(940)**	**-156%**
Gain/ (loss) on translation of foreign operations	86	26	60	nm
Loss attributable to shareholders	**(1,458)**	**(578)**	**(880)**	**-152%**

Balance Sheet

Commentary

- Cash balance increased as a result of placement / shareholder purchase plan ($7.0m) (October 2021 and December 2021)
- Trade and other receivables reduced due to comparable reduction in quantum of annual R&D grant in current half, and higher receivables in PCP due to one-off government subsidies.
- Convertible note loan facility fully drawn to $1.5m (convertible at discretion of lender to GEO shares at $0.10 per share). Portion of liability is recognised in Shareholders' Equity due to convertible nature.
- Trade and other payables reduced due to timing of payments across the period and reduction in deferred revenue with switching to monthly subscription plans.

AS AT 31 DECEMBER 2021	Dec 2021 $'000	June 2021 $'000	Mvmt $'000
Cash & equivalents	6,235	927	5,308
Trade & other current receivables	270	504	(234)
Intangible assets	2,141	2,027	114
Other assets	224	275	(51)
Total assets	**8,870**	**3,733**	**5,137**
Trade & other payables	1,220	1,400	(180)
Convertible note & related party loans	1,264	1,264	-
Lease liabilities	174	232	(58)
Provision for employee entitlements	21	19	2
Total Liabilities	**2,679**	**2,915**	**(236)**
Net Assets	**6,191**	**818**	**5,373**

Cash Flows

Commentary

- Receipts from customers broadly in line with *Geo* revenue in FY22. Reduction from PCP due to revenues recognised in relation to the divested *Geo for Sales* platform in PCP
- Reduction in R&D grant received due to the nature of development projects completed within the period (i.e. lower R&D component, increased infrastructure and existing feature focus)
- Increase in capitalised development costs due to increase in development staffing numbers and salary increments, as well as temporarily lower PCP spend due to senior staffing salary reductions.
- Net capital raising proceeds of $6.6m received in H1
- Loan repayment of $45k relates to interest on convertible loan facility compared to final $0.2m drawdown in PCP

SIX MONTHS ENDED 31 DECEMBER	2021 $'000	2020 $'000	Mvmt $'000
Receipts from customers	1,581	1,687	(106)
Payments to suppliers & employees	(2,626)	(2,471)	(155)
Grants received	311	556	(245)
Government subsidies	-	189	(189)
Interest received	4	1	3
Operating cash flows	**(730)**	**(38)**	**(692)**
Capitalised development costs	(512)	(390)	(122)
Sale of Geo for Sales (discontinued operations)	-	180	(180)
Other investing cash flows	(66)	8	(74)
Investing cash flows	**(578)**	**(202)**	**(376)**
Net share capital raised/(share buyback)	6,638	1,988	4,650
Loan proceeds / (repayments)	(45)	277	(322)
Payment of lease liabilities	(63)	(58)	(5)
Financing cash flows	**6,530**	**2,207**	**4,323**
Net cash flows	**5,222**	**1,967**	**3,255**