

GEO appoints North Ridge Partners as financial advisor to pursue strategic options

Geo Limited (NZX: GEO) (GEO or the Company) has engaged North Ridge Partners (NRP), an investment bank who provide financial advisory services in the ordinary course of their business, to act as GEO's financial advisor to assess strategic options of the Company, including exploration of value accretive transactions which may include a sale or restructure (the Transaction).

NRP is appointed to act pursuant to an engagement letter setting out the terms under which it will act as GEO's financial advisor for the Transaction (the NRP Mandate). Under the terms of the NRP Mandate, GEO will pay fees to NRP including a fixed monthly retainer fee as well as a success fee dependant on the form of Transaction ultimately undertaken by GEO and the value of the Transaction (Fees).

NRP is a Related Party (as that term is defined in the Listing Rules) of GEO due to a Director of GEO, Roger Sharp, also being a director and beneficial owner of NRP and who, between his interests in NRP and Wentworth Financial Pty Ltd holds a Relevant Interest in 10% or more of GEO's shares. Roger Sharp was not involved in the decision to engage NRP or the negotiations of the NRP Mandate, and has not been involved in any GEO Board discussions or decisions relating to the NRP Mandate.

Depending on the form of the Transaction that GEO's Board decides to undertake and when such Transaction occurs, the payment of the Fees to NRP may constitute a "Material Transaction" (as defined in the Listing Rules) on account of the Fees payable to NRP in a financial year exceeding 1% of GEO's Average Market Capitalisation (with such capitalisation being \$4.4 million as at the date of this announcement).

Listing Rule 5.2.1(a) requires an Issuer to obtain shareholder approval to a Material Transaction (or have such Material Transaction be conditional on such approval) if a Related Party is, or is likely to become, a direct party to the Material Transaction.

Listing Rule 5.2.1(b) requires an Issuer to obtain shareholder approval to a Material Transaction (or have such Material Transaction be conditional on such approval) if a Related Party is, or is likely to become, a direct Party to the Material Transaction or a beneficiary of a guarantee or other transaction which is a Material Transaction.

In GEO's estimation the cost of seeking shareholder approval would be at least \$50,000 (including the cost of the Appraisal Report and holding the special meeting). GEO is carefully managing capital reserves to ensure that it can achieve breakeven financial run-rates within existing cash balances, and in that context considers that such a cost would be excessive and imprudent. Accordingly, GEO has applied for, and NZ RegCo has granted (subject to certain conditions being met):

- (a) a waiver from Listing Rule 5.2.1(a) to the extent the Fees payable to NRP under the NRP Mandate may otherwise require GEO to seek shareholder approval to the entry into the NRP Mandate; and
- (b) a waiver from Listing Rule 5.2.1(b) to the extent any Transaction that becomes a Material Transaction to which NRP is, or is likely to become, a beneficiary of as a result of the Fees payable under the NRP Mandate would otherwise require GEO to seek shareholder approval.

GEO's Board considers that the grant of these waivers is in the best interests of GEO and all of GEO's non-interested shareholders. The primary reason for this is the significant cost saving for GEO (and therefore indirectly its shareholders) in not having to hold a special meeting and have an appraisal report prepared.

GEO's Board also considers that the entry into the NRP Mandate is in the best interests of GEO and all of GEO's non-interested shareholders for the following reasons:

- (a) GEO took soundings from various market participants, advisers and other investment banks in relation to fees for the potential Transaction, and the fees put forward by these parties were significantly higher than NRP's proposed Fees; and
- (b) in GEO's view, NRP has an in depth and unique understanding of GEO's business and the markets in which it operates, and knowledge and existing relationships with a range of potential counterparties that stems from its focus on technology and Software-as-a-Service, which means NRP is best placed compared to its competitors to undertake the strategic review and explore the Transaction.

If a Transaction is undertaken, GEO will consider any shareholder approval requirements for the Transaction itself in accordance with regulatory requirements, including under the NZX Listing Rules and the Companies Act 1993.

A copy of NZ RegCo's Waiver Decision is available in the link below.
<https://www.nzx.com/companies/GEO/announcements>

Ends

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ABOUT GEO

GEO is a leading SaaS business that provides job management platforms for trades, field and home service businesses. The market for GEO's products is growing quickly as the global mobile workforce expands. Geo's simple yet powerful software platform helps business owners reduce the complexity of running their business whilst saving time and improving cashflow.

For more information: www.geoop.com