

# NEARMAP

INVESTOR PRESENTATION  
OCTOBER 2021

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# KEY FY21 HIGHLIGHTS

Annual Contract Value (ACV) portfolio closed FY21 at \$133.8m (CC), exceeding initial guidance of \$120m-\$128m

- Record incremental ACV growth from the North American portfolio for consecutive half year periods

Breakthrough in HyperCamera3 progress

- HyperCamera3 design completed and prototype system tested in flight
- Significant technological breakthrough and further extends technology leadership

First year of monetising commercially available Nearmap AI

- Tens of millions of attributes on subscription

Balance Sheet strength maintained; supports future investment

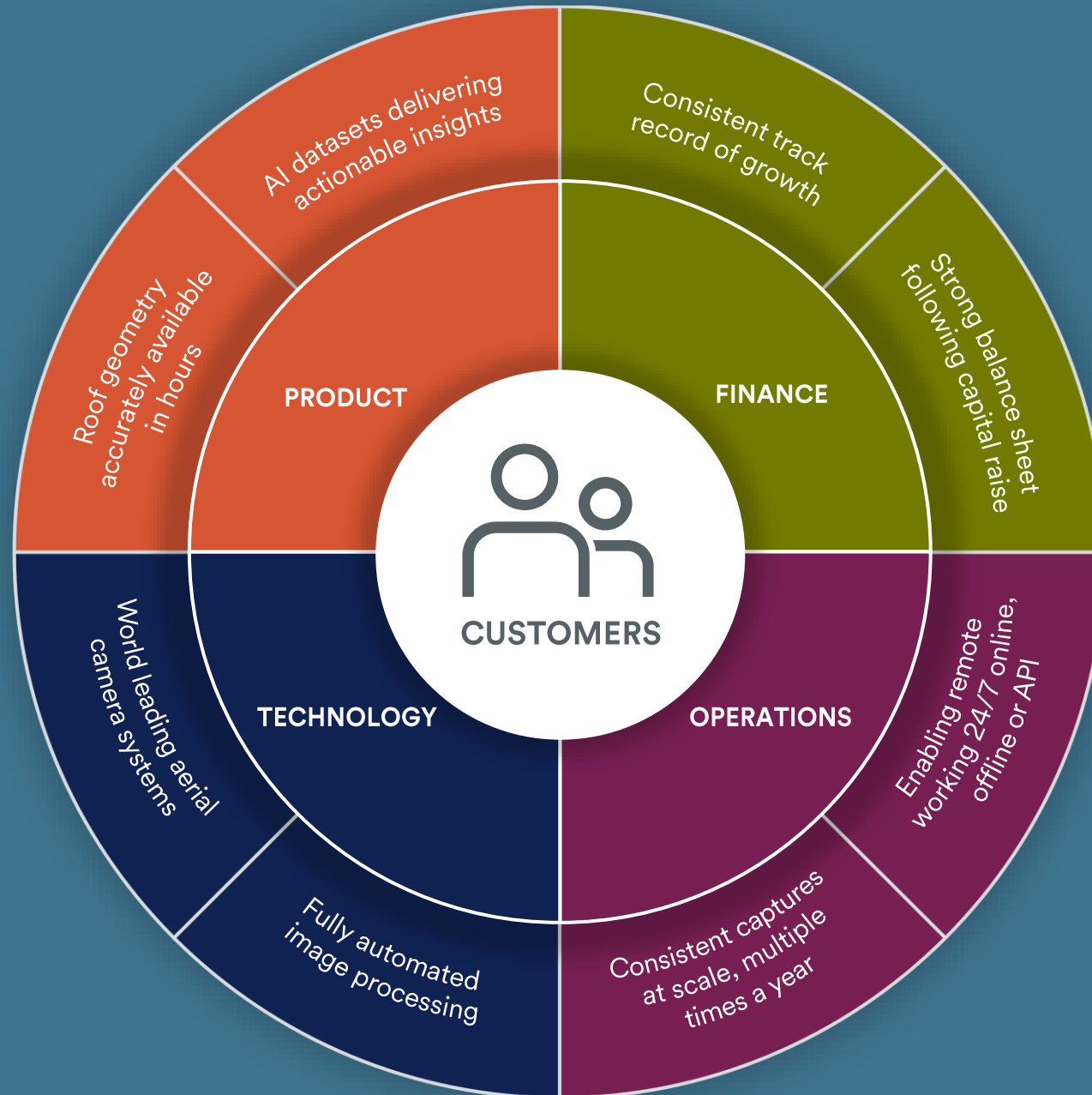
- Disciplined investment post capital raise with minimal cash consumption

1 Guidance was based on the FY20 year-end USD exchange rate of 0.6863 as outlined at the time guidance was issued

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DELIVERING  
**CERTAINTY**  
IN UNCERTAIN  
TIMES...



WITH A **CLEAR**  
STRATEGY,  
**CONSISTENT**  
PERFORMANCE  
& **PASSIONATE**  
TEAM

# NEARMAP FY21 RESULTS

RECORD PERFORMANCE IN NORTH AMERICA DRIVES STRONG ACV GROWTH



ANNUAL CONTRACT VALUE<sup>1</sup>  
\$128.2m (**\$133.8m** ↑ 26% at CC)



SALES TEAM CONTRIBUTION RATIO<sup>2</sup>  
**89%** ↑ from 54%



STATUTORY REVENUE  
\$113.4m ↑ 17%



SUBSCRIPTION RETENTION  
**93.1%** ↑ from 90.1%



GROSS MARGIN<sup>2</sup>  
**75%** ↑ from 69%



CASH AT BANK  
**\$123.4m** ↑ from \$33.8m<sup>3</sup>

<sup>1</sup> Annual Contract Value (ACV) presented on an “as reported” basis at period end US Dollar (USD) exchange rate of 0.7518 and a “constant currency” (CC) basis at the FY20 period end USD exchange rate of 0.6863, to compare to the prior comparative period (pcp), removing the impact of USD exchange rate movements and facilitating comparability of operating performance

<sup>2</sup> Gross margin and Sales Team Contribution Ratio presented on a pre-capitalisation basis; refer appendix for definition

<sup>3</sup> Excludes bank guarantees of \$2.3m which have been classified as cash on the Balance Sheet

All figures shown are presented in Australian Dollars (AUD) and on a pcp basis unless otherwise stated

# GROUP PERFORMANCE

New business and net upsell delivering balanced Group incremental ACV growth

ACV movement (A\$m)	FY20 Reported	FY21 Reported	FY21 at CC	% Chg at CC
<b>Opening portfolio</b>	<b>90.2</b>	<b>106.4</b>	<b>106.4</b>	<b>18%</b>
New business	16.0	16.1	17.2	7%
Net upsell	8.3	16.4	17.8	115%
Churn	(8.9)	(7.4)	(7.7)	14%
<b>Net incremental</b>	<b>15.4</b>	<b>25.2</b>	<b>27.4</b>	<b>77%</b>
FX impact	0.8	(3.4)		
<b>Closing portfolio</b>	<b>106.4</b>	<b>128.2</b>	<b>133.8</b>	<b>26%</b>
<b>12 month retention</b>	<b>90.1%</b>	<b>93.1%</b>	<b>92.8%</b>	<b>2.7 ppts</b>
Average Revenue Per Subscription (ARPS)	10,178	11,391	11,889	17%
Subscriptions	10,458	11,255	11,255	8%
Sales Team Contribution Ratio (STCR) <sup>1</sup>	54%	89%	90%	36 ppts
Top 10 customers	19%	20%		
Multi year deals	43%	42%		
Premium content	54%	66%		

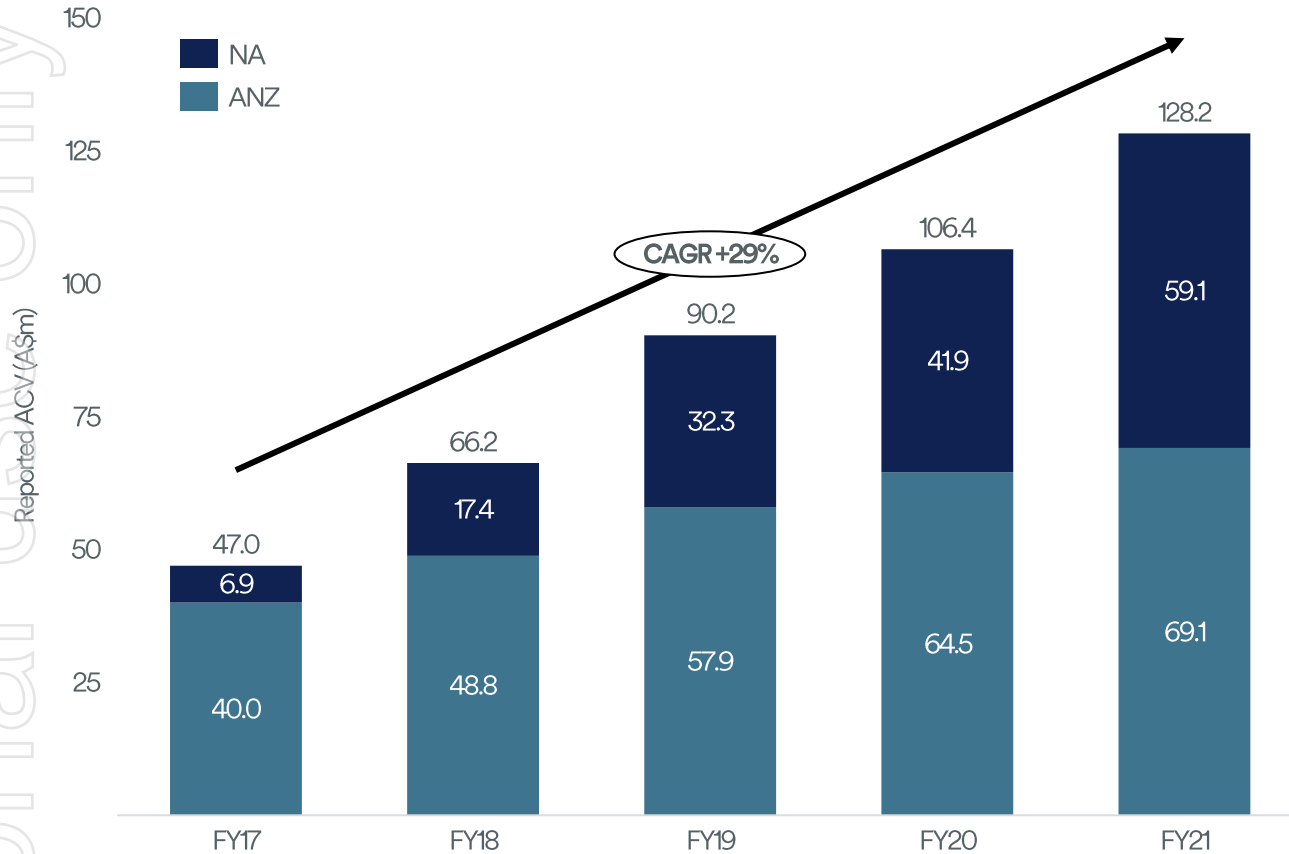
<sup>1</sup>Sales Team Contribution Ratio presented on a pre-capitalisation basis; refer appendix for definition



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# GROUP ACV PORTFOLIO

Strong and consistent incremental ACV growth



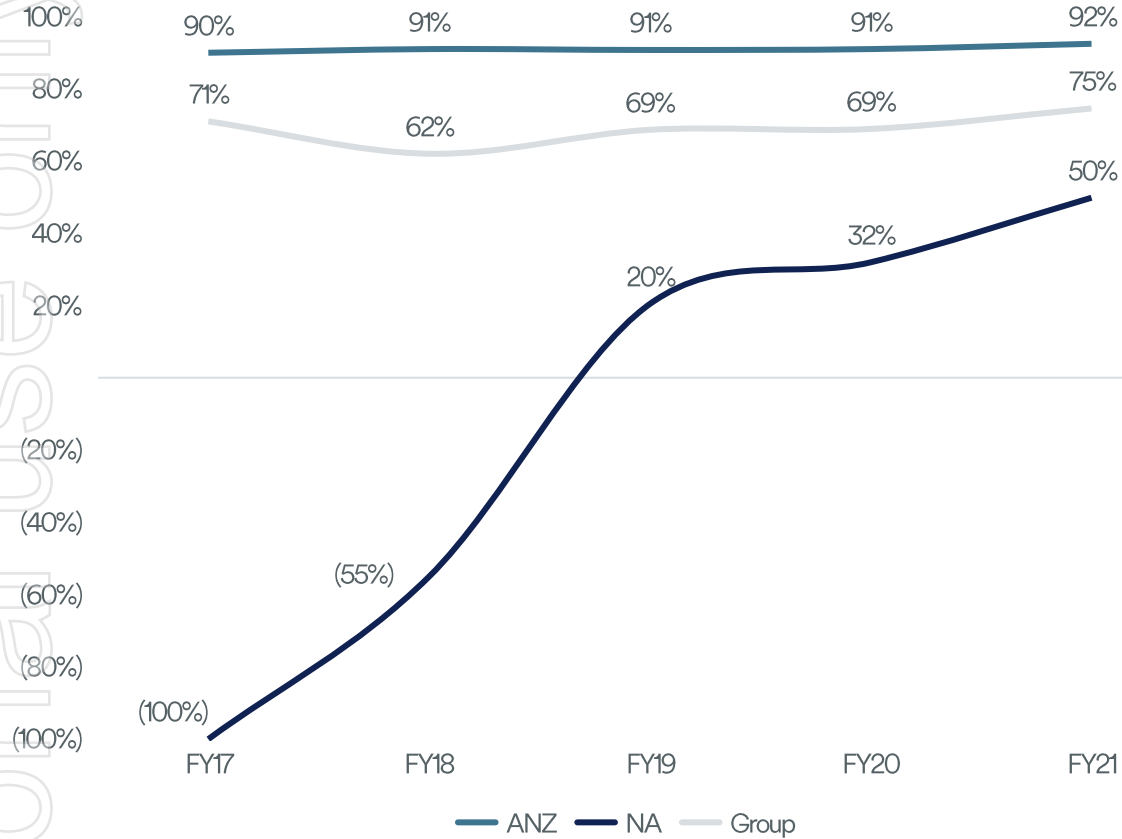
NA: North America, ANZ: Australia & New Zealand



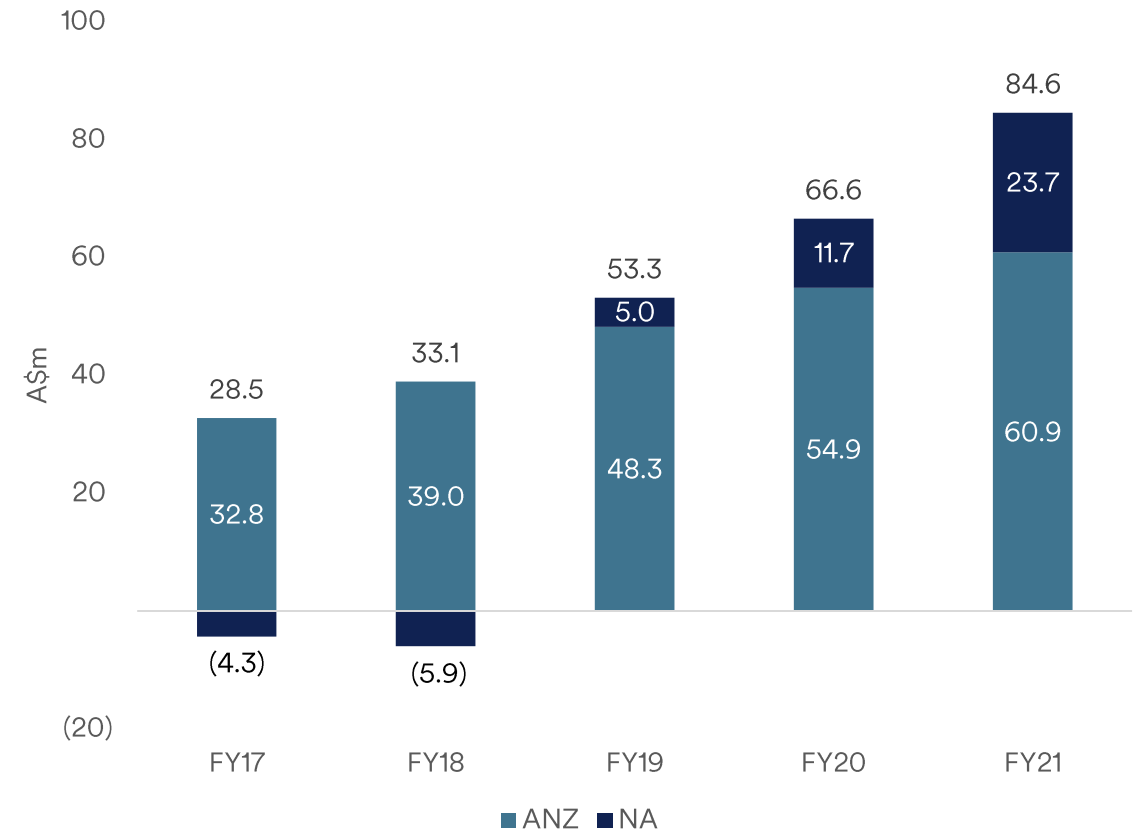
# NA DRIVING GROSS MARGIN EXPANSION

50% gross margins in NA reflecting the operating leverage as Nearmap scales revenue growth

Gross Margins<sup>1,2</sup>



Gross Profit<sup>1</sup>



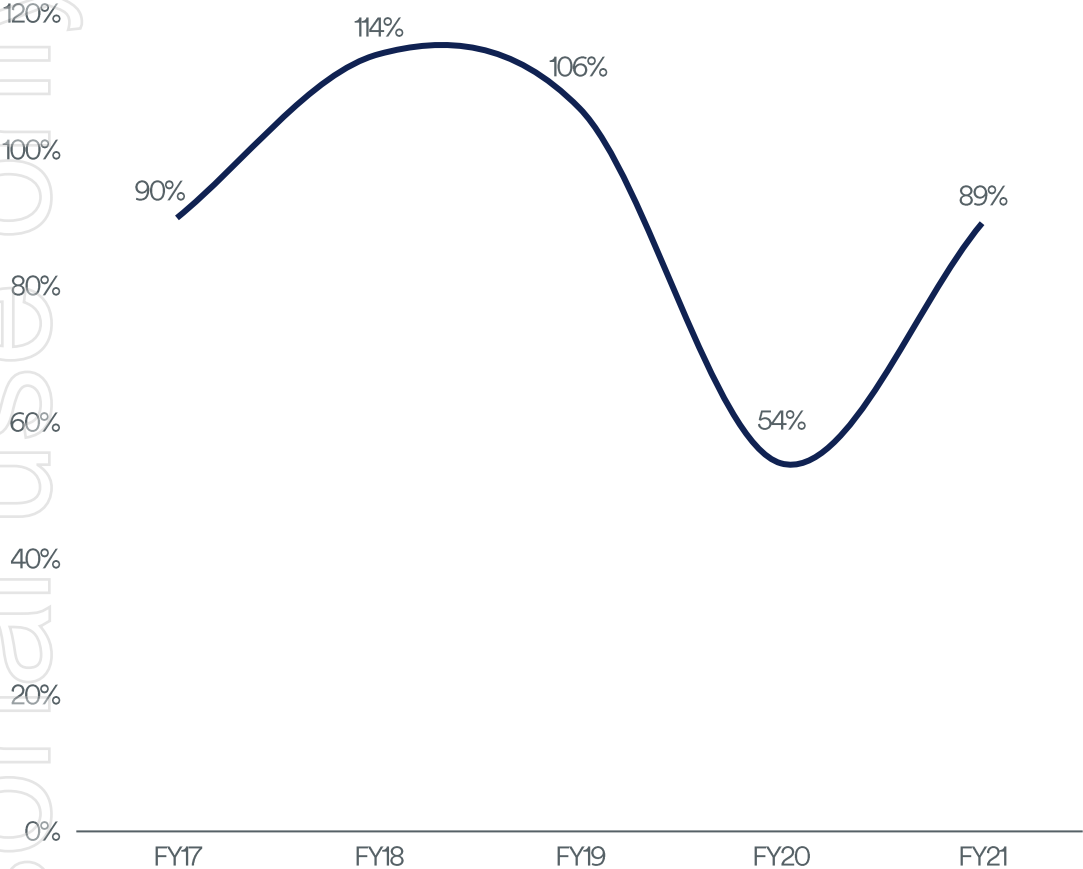
<sup>1</sup> Gross margins and gross profit are presented on a pre-capitalisation basis; refer appendix for definition

<sup>2</sup> Gross margins in NA are calculated on a USD basis



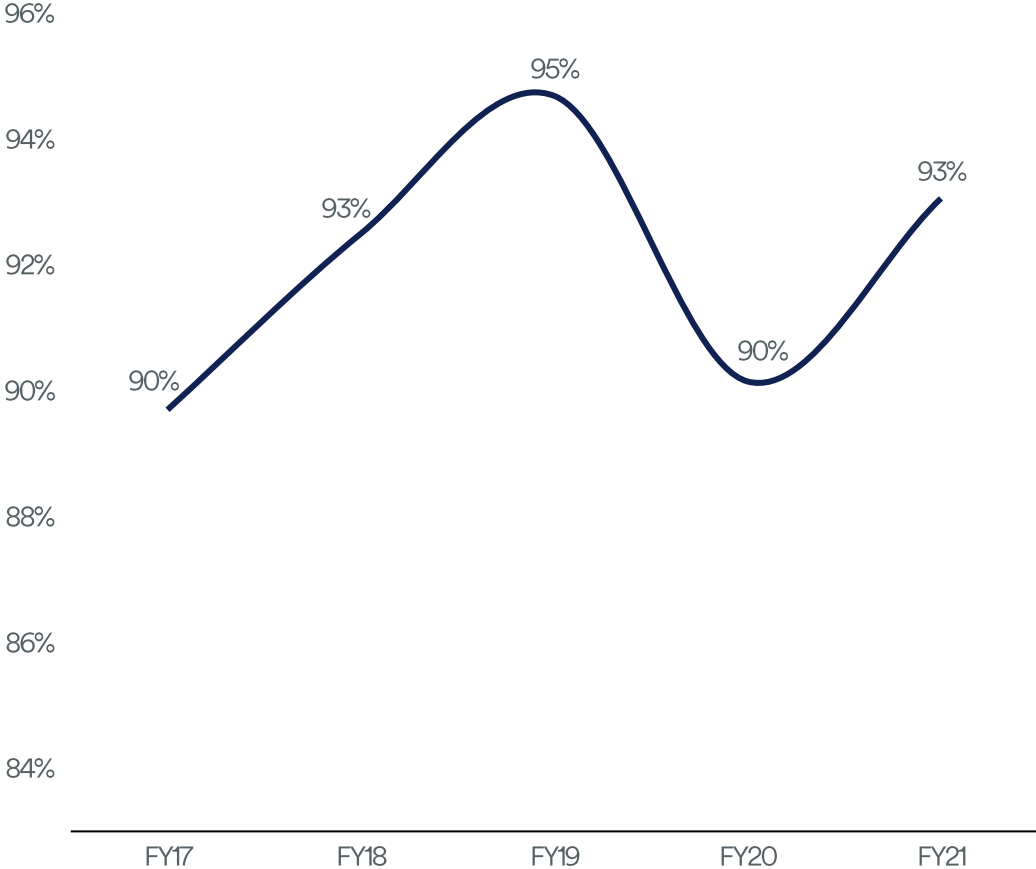
# INVESTMENT CYCLE INCREASING RETURNS

Sales Team Contribution Ratio (STCR)<sup>1</sup>



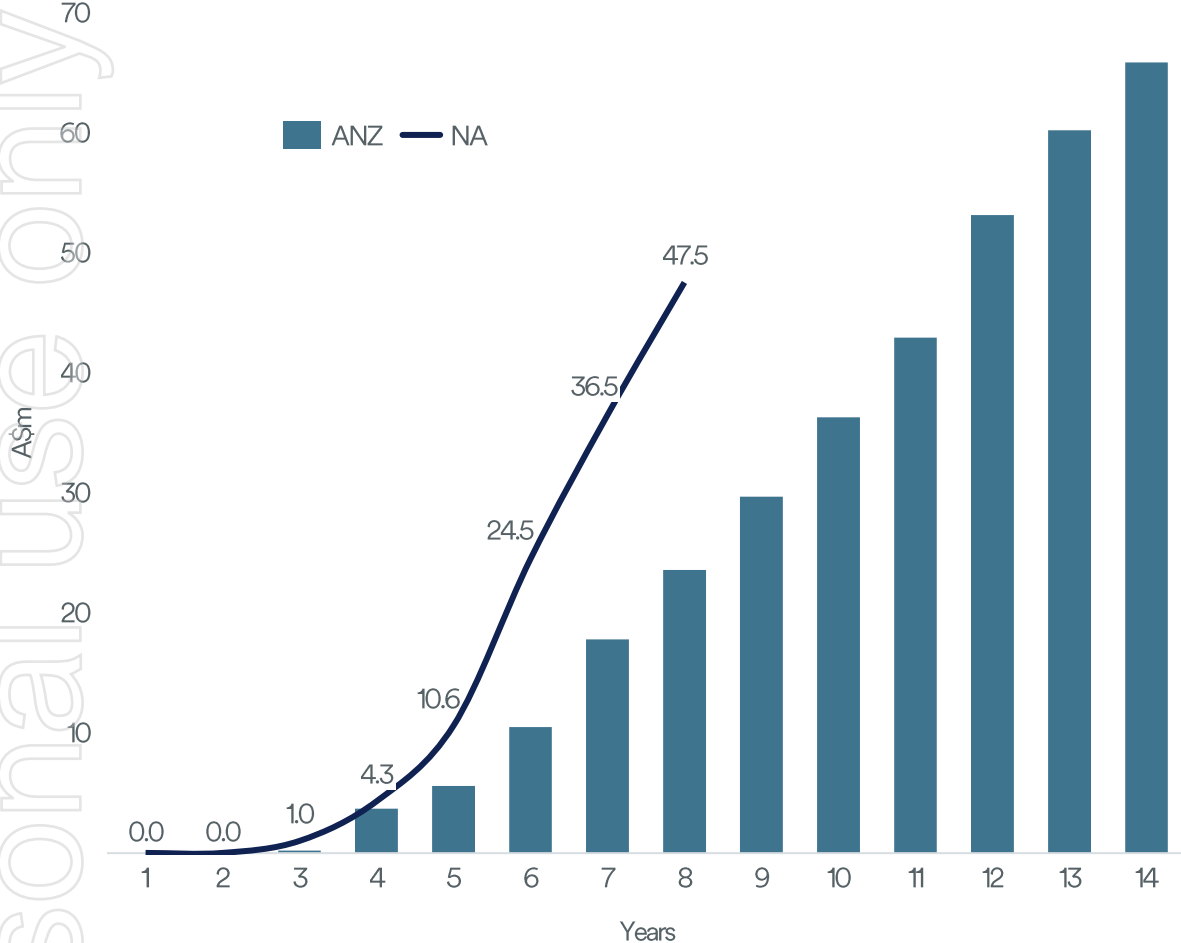
<sup>1</sup>Sales Team Contribution Ratio presented on a pre-capitalisation basis; refer appendix for definition

Subscription Retention

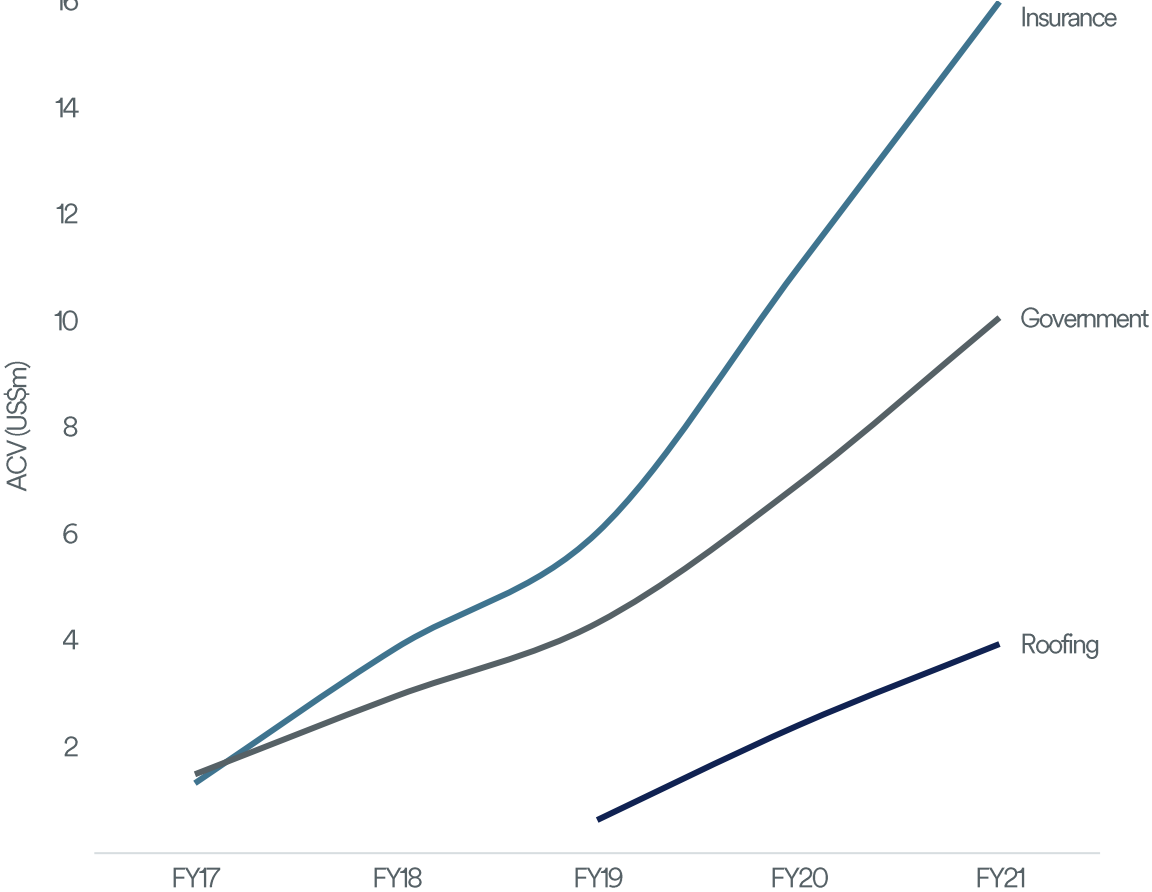


# NA REMAINS KEY GROWTH DRIVER

NA revenue in the eighth year of capture approaching ANZ in the twelfth year of capture

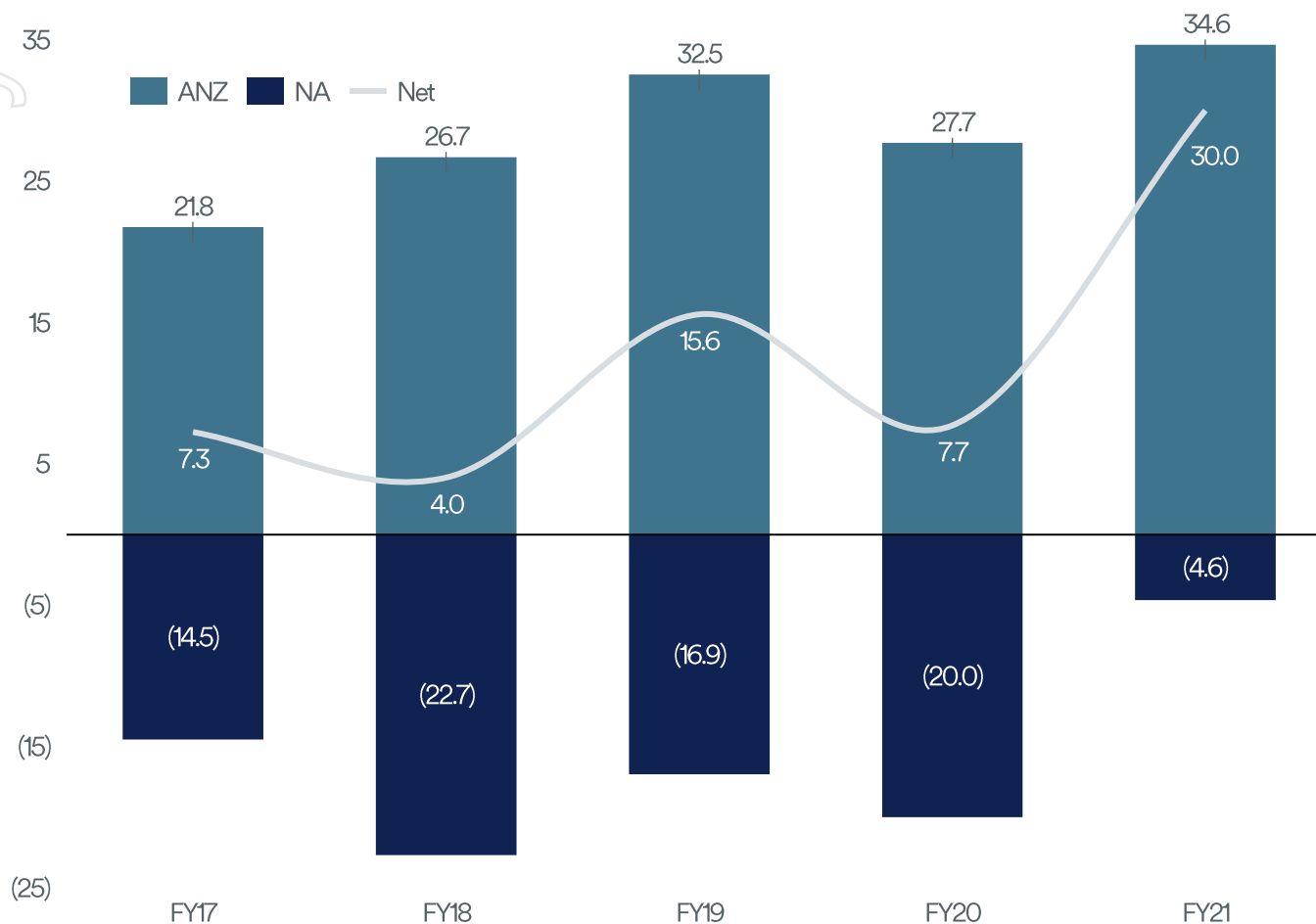


Core industry verticals driving accelerated ACV portfolio growth



# CASHFLOW SEGMENT CONTRIBUTION

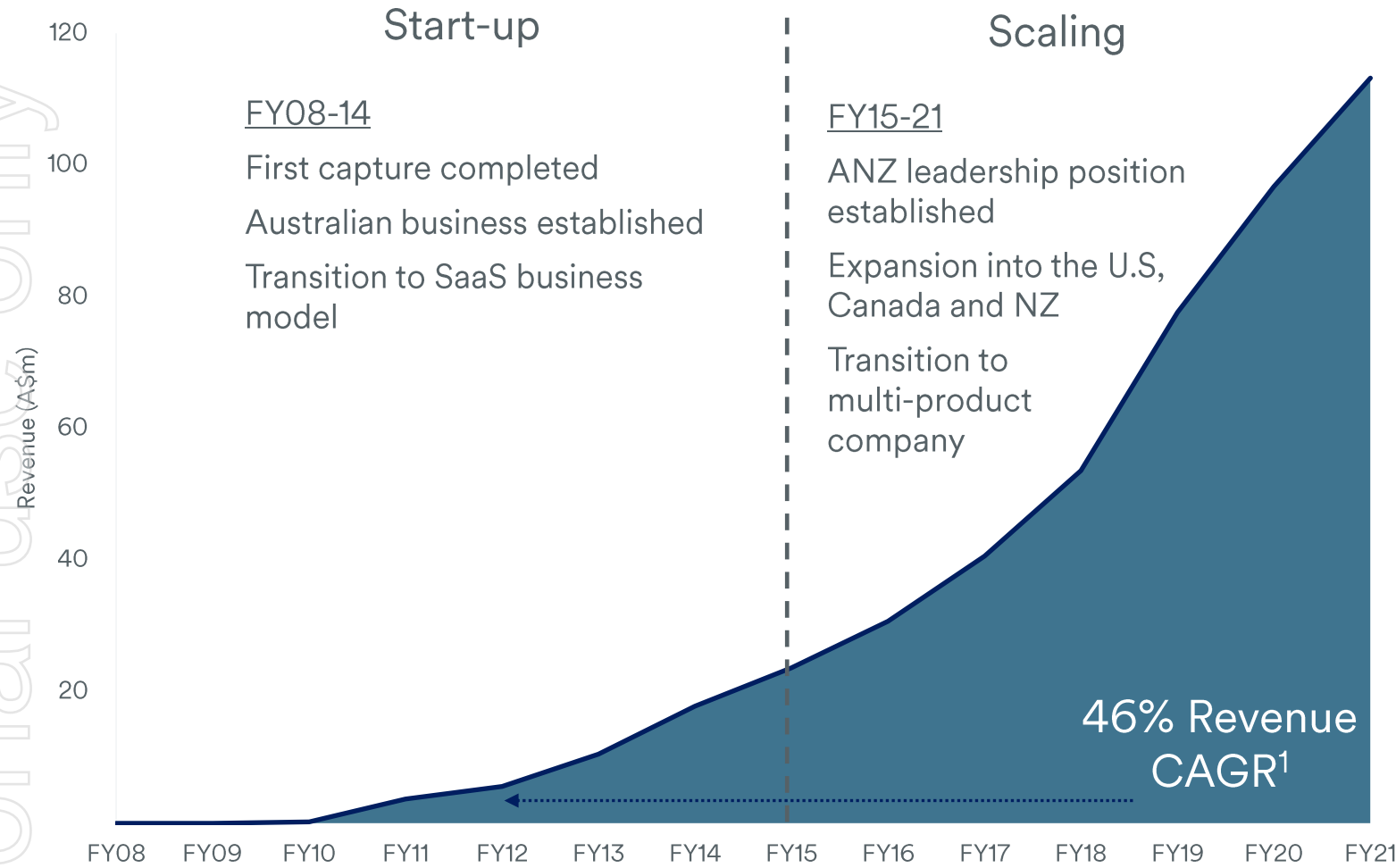
Long-term trend moving in the right direction



- Excluding the unallocated segment, net cash generation from the Group is at the highest ever levels<sup>1</sup>
- Cash consumption in the NA region at lowest level in five years
- Target to continue improvement in NA cashflows, working towards cashflow break-even position in NA

<sup>1</sup> Segment contribution excludes the unallocated segment as outlined in the cashflow waterfall; refer Analyst Pack released on the ASX on 18 August 2021 for further details

# THE NEARMAP GROWTH JOURNEY



**Start-up**  
FY08-14  
First capture completed  
Australian business established  
Transition to SaaS business model

**Scaling**  
FY15-21  
ANZ leadership position established  
Expansion into the U.S, Canada and NZ  
Transition to multi-product company

46% Revenue CAGR<sup>1</sup>

**Long term growth**

- Establish leadership position in North America
- New product to expand to analytics market
- Geographic expansion

<sup>1</sup>CAGR = Compound Annual Growth Rate (from FY12)

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# A CONSISTENT & PROVEN GROWTH STRATEGY

✓ Unmatched gross margins



Extend technology leadership

Drive revenue growth



Reinvest free cashflow



Scale internal systems

✓ High operating leverage



Invest in channels to market



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# THE NEARMAP VALUE CHAIN

Internal use only

United States:  
72% coverage

Canada:  
64% coverage



State of the art patented camera systems



Proprietary software



Cloud based storage



Instant subscription/  
API access

Orthogonal imagery



Oblique imagery



Australia:  
90% coverage



New Zealand:  
73% coverage



3D content



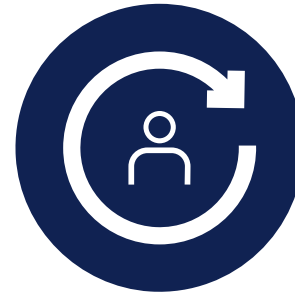
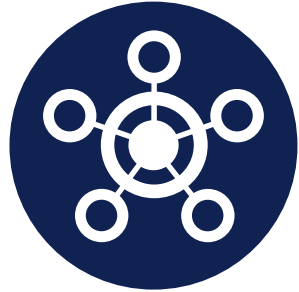
AI content



Roof geometry

N.B population coverage

# GO-TO-MARKET STRATEGY TO DRIVE SUCCESS



## OPERATIONAL REGIONALISATION

We recognise every region is unique and give our people autonomy to make decisions based on the best outcome in each region where we operate

## INDUSTRY VERTICALISATION

We focus on several core industry verticals where customers derive the most value from our knowledge, expertise and leading product and content types

## CUSTOMER ORIENTATION

We focus on how to add value for our customers and help them solve their most complex and difficult challenges

## WORKFLOW INTEGRATION

We invest in new and existing product and content types, embedding Nearmap more deeply into customer workflows and becoming an invaluable resource within their organisations

# THE PEOPLE WHO DRIVE OUR STRATEGY

Nearmap has a world class team which continues to grow in support of the go-to-market strategy; engagement levels are top quartile

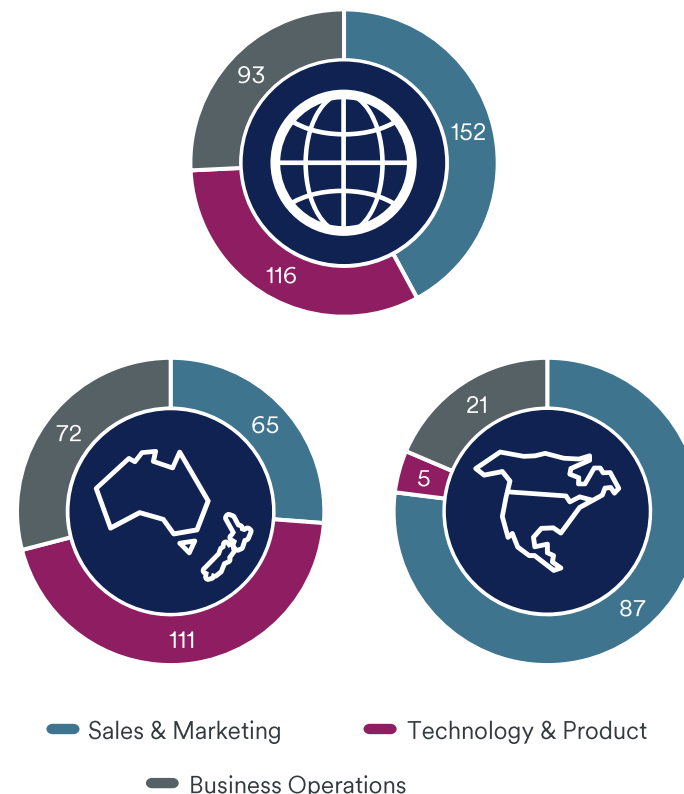
Capital raise proceeds are being deployed to enhance the North American leadership team and drive the vertically focused go-to-market strategy

- Global headcount growth has continued with ~400 employees now part of the team, a 10% increase in FY22 (FY21: 361)
- Focus remains on building out expertise within the North American team by enhancing leadership capabilities, adding industry specialists and implementing targeted marketing campaigns

Employee engagement levels reflect an engaged and motivated workforce

- Flexible working conditions remain in place enabling employees to work remotely and productively; engagement levels are top quartile<sup>1</sup>
- Nearmap is transitioning to agile working, a way of working in which individuals and teams are empowered to work where, when and how they feel they will be most effective
- Nearmap has a strong employee value proposition in a competitive market for talent

<sup>1</sup>Measured in 2021 as employee engagement against a comparator group of technology peers





# UNIQUELY POSITIONED FOR A GLOBAL OPPORTUNITY



## 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

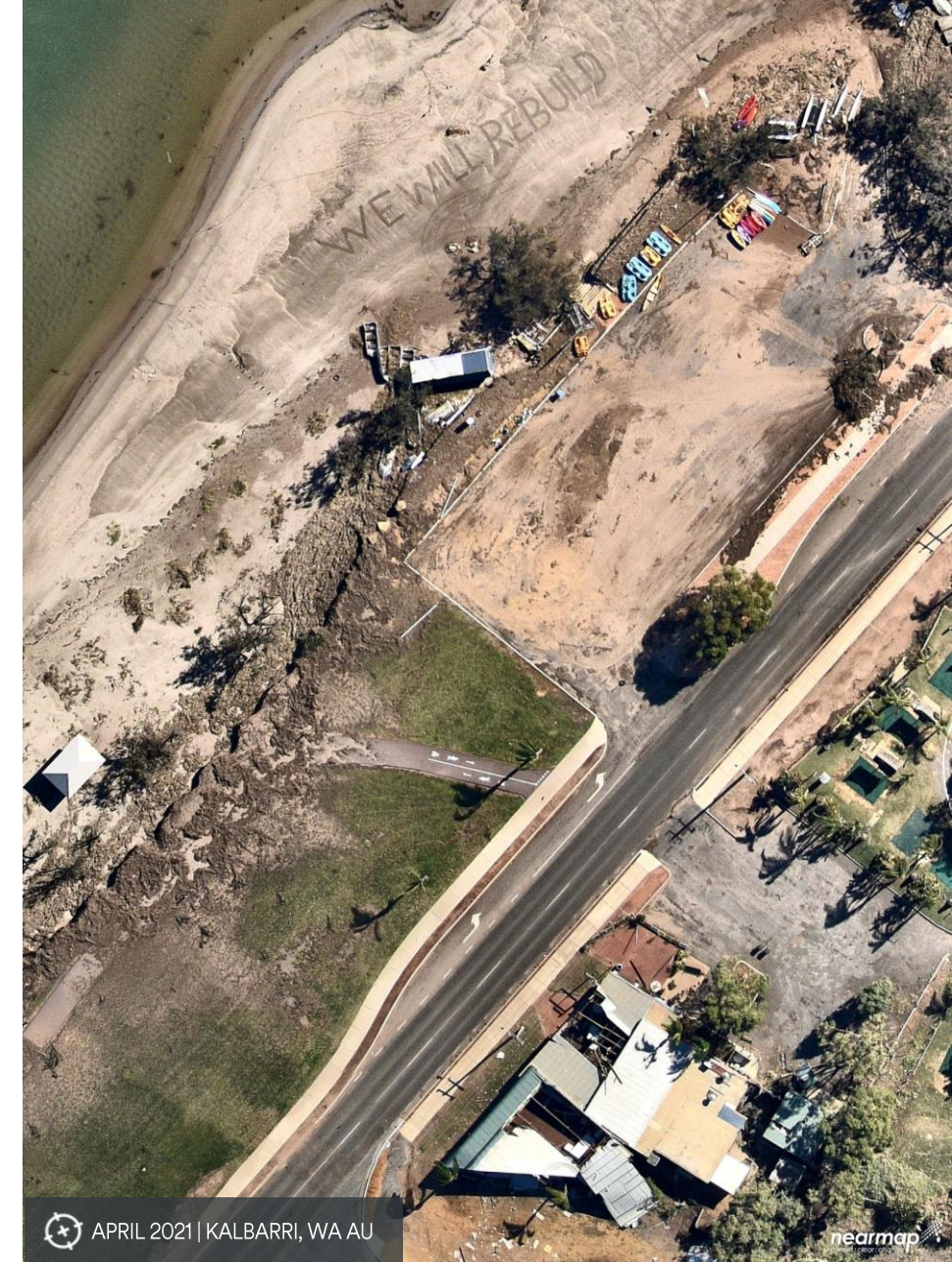


## PASSIONATE & SPECIALIST TEAM

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

# APPENDIX

TERM	DEFINITION
ACV	Annual Contract Value = annualised value of all active subscription contracts in effect at a particular date
ANZ	Australia & New Zealand
ARPS	Average Revenue Per Subscription = Portfolio ACV divided by total number of subscriptions
CC	Constant currency
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/Profit (pre-capitalisation)	This represents the gross margin/profit 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
NA	North America
pcp	Prior comparative period
Retention	ACV value of subscriptions renewed at the end of a customer's subscription period
STCR	Sales Team Contribution Ratio = The ratio of incremental ACV generated by a sales team in a period, compared to the pre-capitalised direct costs of obtaining that incremental ACV



# CORPORATE INFORMATION

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