



# ASX RELEASE

14 October 2020

## NEARMAP INVESTOR PRESENTATION

Nearmap Ltd (NEA:ASX) is pleased to provide an updated investor presentation, to which management will reference at several investor conferences this month. A copy of the presentation will also be available on the Company's website.

Authorised by:  
Board of Nearmap Ltd

-ends-

**WE CHANGE THE WAY PEOPLE  
VIEW THE WORLD, SO THEY CAN  
PROFOUNDLY CHANGE THE WAY  
THEY WORK.**

### **NEARMAP.COM**

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# NEARMAP THE FUTURE OF LOCATION INTELLIGENCE

INVESTOR PRESENTATION  
SPRING 2020



Captured: September 2019  
New York NY USA





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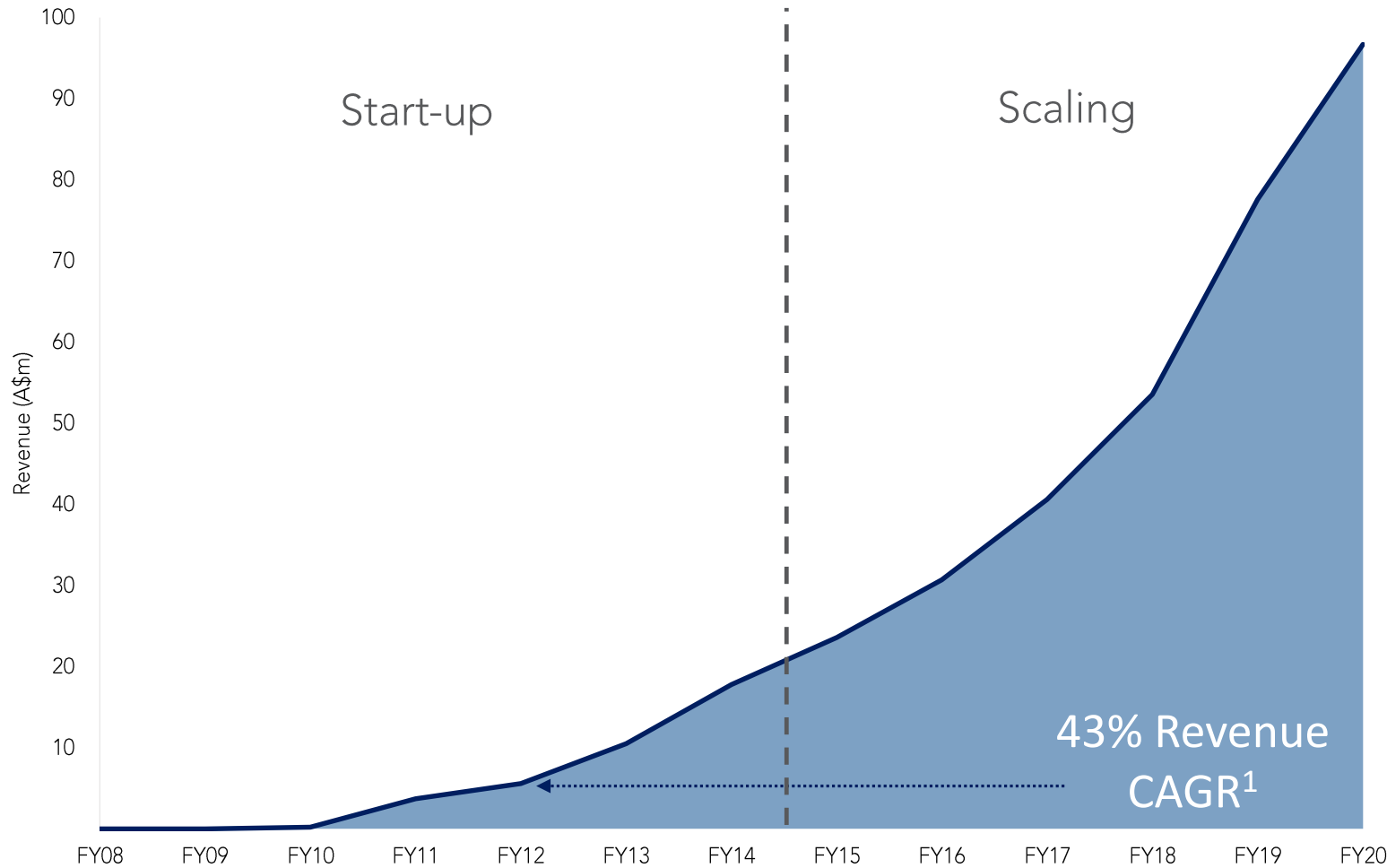
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All currency amounts are in Australian Dollars unless otherwise noted.

Tables may not add due to rounding.

# THE NEARMAP GROWTH JOURNEY



## TECHNOLOGY LEADERSHIP SINCE 2007...

Start-up: FY08-14

First capture completed and Australian business established

Transition to SaaS business model

Scaling: FY15-20

ANZ leadership position established

Expansion into the US, Canada and NZ

Transition to multi-product company

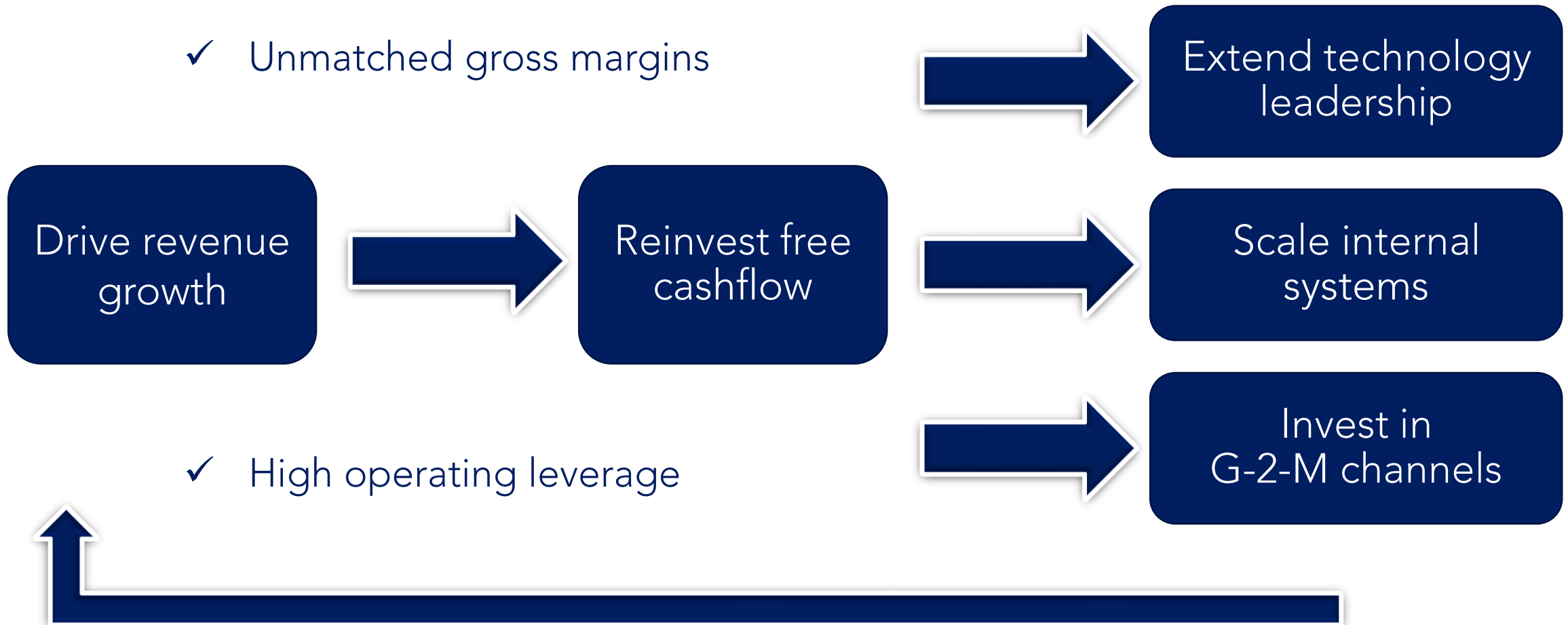
Acceleration: From FY21

Establish leadership position in North America

New product and market expansion

<sup>1</sup> CAGR = Compound Annual Growth Rate

# A CONSISTENT AND PROVEN GROWTH STRATEGY



# 2020 IN PERSPECTIVE / NEARMAP IN COVID-19

March /  
April

- Uncertainty as customers adapted to new economic and working environment
- Cash management initiatives introduced to provide certainty for customers, employees and shareholders

May / June

- Usage metrics returned to pre COVID-19 levels as Nearmap enabled effective remote working
- Sales velocity slowed but strong recovery in all other activity metrics and high customer retention

July /  
August

- Continued strong performance particularly in NA Roofing, Insurance and Government
- FY20 results delivered in-line with / ahead of market expectations

September

- Capital raise to accelerate growth opportunities and capitalise on:
  - ✓ Tailwinds in core growth verticals
  - ✓ Strengthening of competitive positioning
  - ✓ Growing global market opportunity

# ACCELERATING THE GROWTH JOURNEY



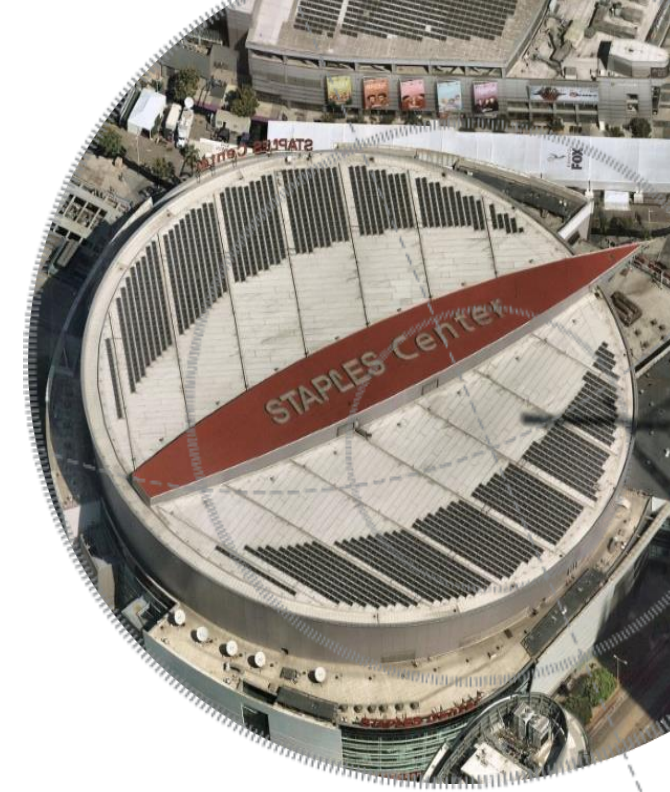
## GROWTH ACCELERATION

- Deeper penetration into strategic core growth verticals through:
  - Scaling investment in Sales & Marketing, particularly in North America
  - Expanding product solutions to high-value use cases, providing greater engagement and utility to customers
- Acceleration of the roll-out of HyperCamera3 (HC3) systems generating expanded coverage at higher fidelity and enabling expansion into new geographical markets
- Investment in operational systems and data to support rapid scaling



## NEW GROWTH INITIATIVES

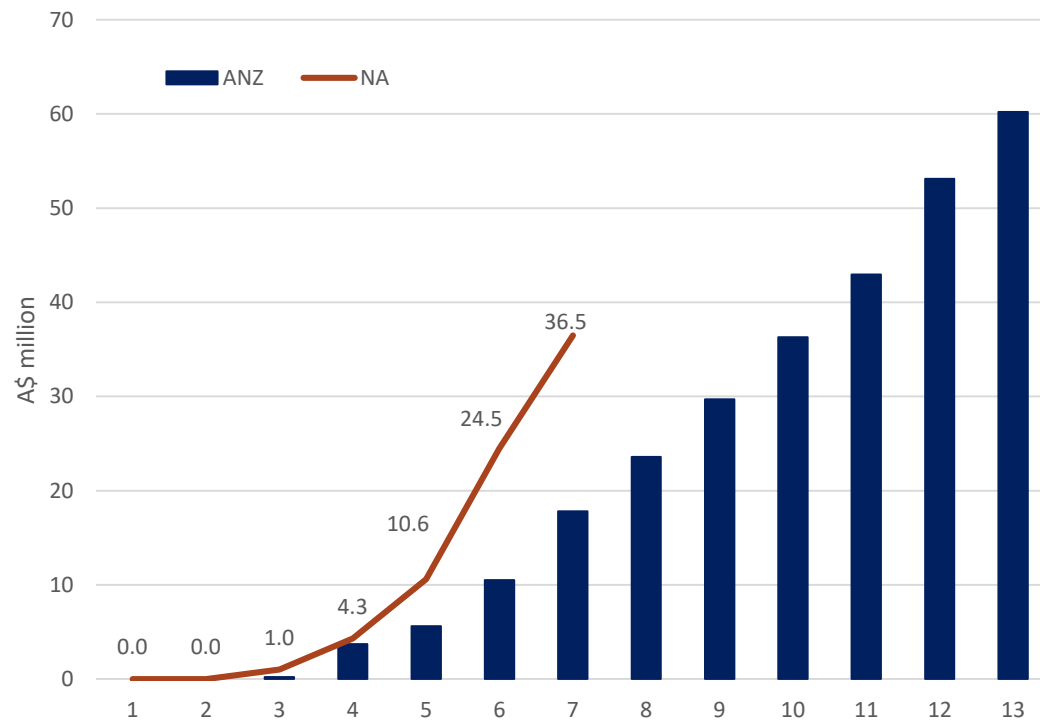
- Funds to be deployed for identified initiatives from Q2 FY21
- c\$10-15m investment in FY21 with further guidance to be provided as proceeds are deployed
- Continue to target 20-40% ACV growth over medium to long term with underlying churn <10%
- Capital raise accelerates growth to mid-high point of the range, confirming Nearmap as a high growth company
- New growth initiatives to accelerate ACV from FY22
- Combination of capital raising and new growth initiatives means Nearmap is fully funded for the foreseeable future
- Continue to maintain disciplined approach to cash management



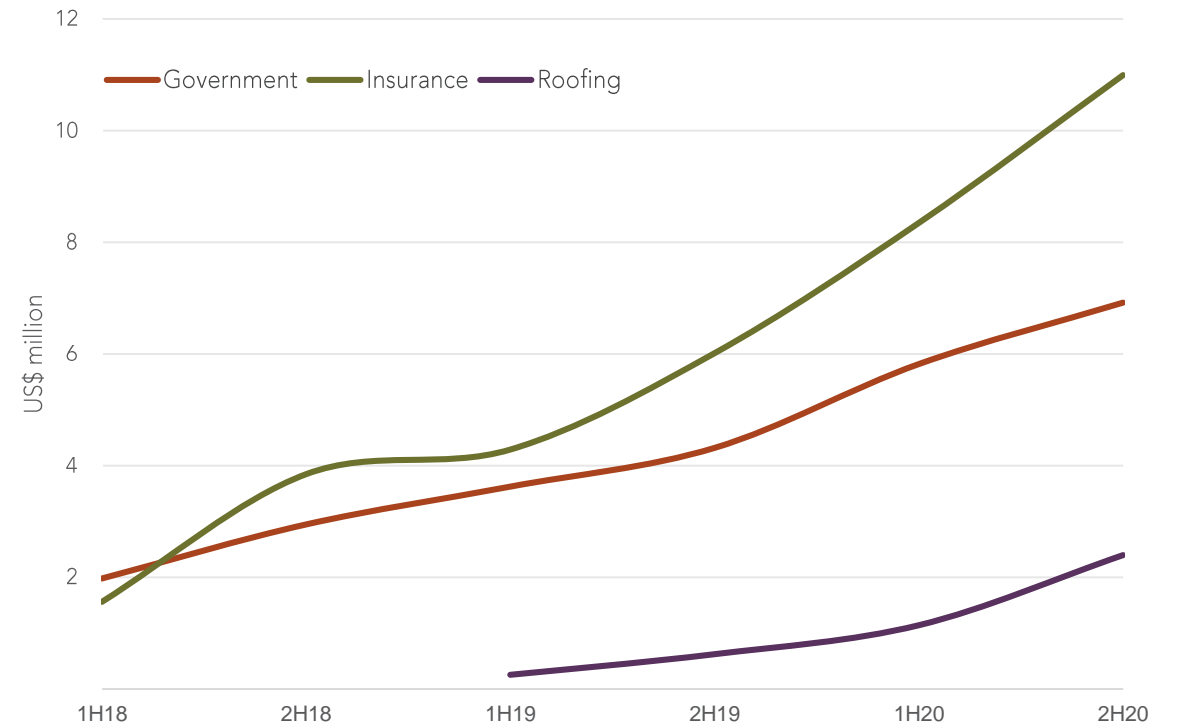
Captured: September 2019  
Los Angeles, CA, USA

# NORTH AMERICA REMAINS THE INITIAL PRIORITY

## NA SUBSCRIPTION REVENUE DOUBLE ANZ IN SEVENTH YEAR OF CAPTURE



## ACV OF CORE NA GROWTH VERTICALS





# STRONG GROWTH IN CORE INDUSTRY VERTICALS



## ROOFING

- Successful FY20 acquisition and integration of industry leading roof geometry technology, 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 in North America assessed to be US\$100 million to US\$200 million per year<sup>1</sup>



## INSURANCE

- Strong distribution channels established directly to insurance carriers and indirectly through Nearmap partners
- AI content and historical library enables underwriting risk and claims processing at unprecedented scale
- Leaf-on capture allows actuaries and claims managers to quickly assess dangers posed to property from proximate threats, the natural environment and weather risk
- Established post catastrophe capture program to increase claims assessment efficiency and drive further growth in the insurance vertical



## GOVERNMENT

- Historical imagery library outlines change in property and green space, significantly improving urban planning outcomes
- AI content enables a range of use cases including property tax assessment and environmental planning and management
- Deeper integration into government workflows in FY20 with oblique content in ArcGIS and an enhanced set of API's
- FY20 partnership agreements with Teranet (Canada), Cityworks (US) and Eagle Technology (NZ)

<sup>1</sup> Nearmap company estimates

# OPPORTUNITY TO ACCELERATE GROWTH AND DEEPEN PENETRATION INTO CORE VERTICALS



## GO-TO-MARKET

- Nearmap is establishing vertically-aligned Sales & Marketing teams to increase penetration of core growth industry verticals
  - Adding **industry specialists** along with targeted marketing programs will increase the rate of penetration
  - Increasing focus on **enablement tools** to optimise Sales & Marketing performance
  - Ongoing investment into **customer success** initiatives to drive deeper engagement and improve retention and upsell

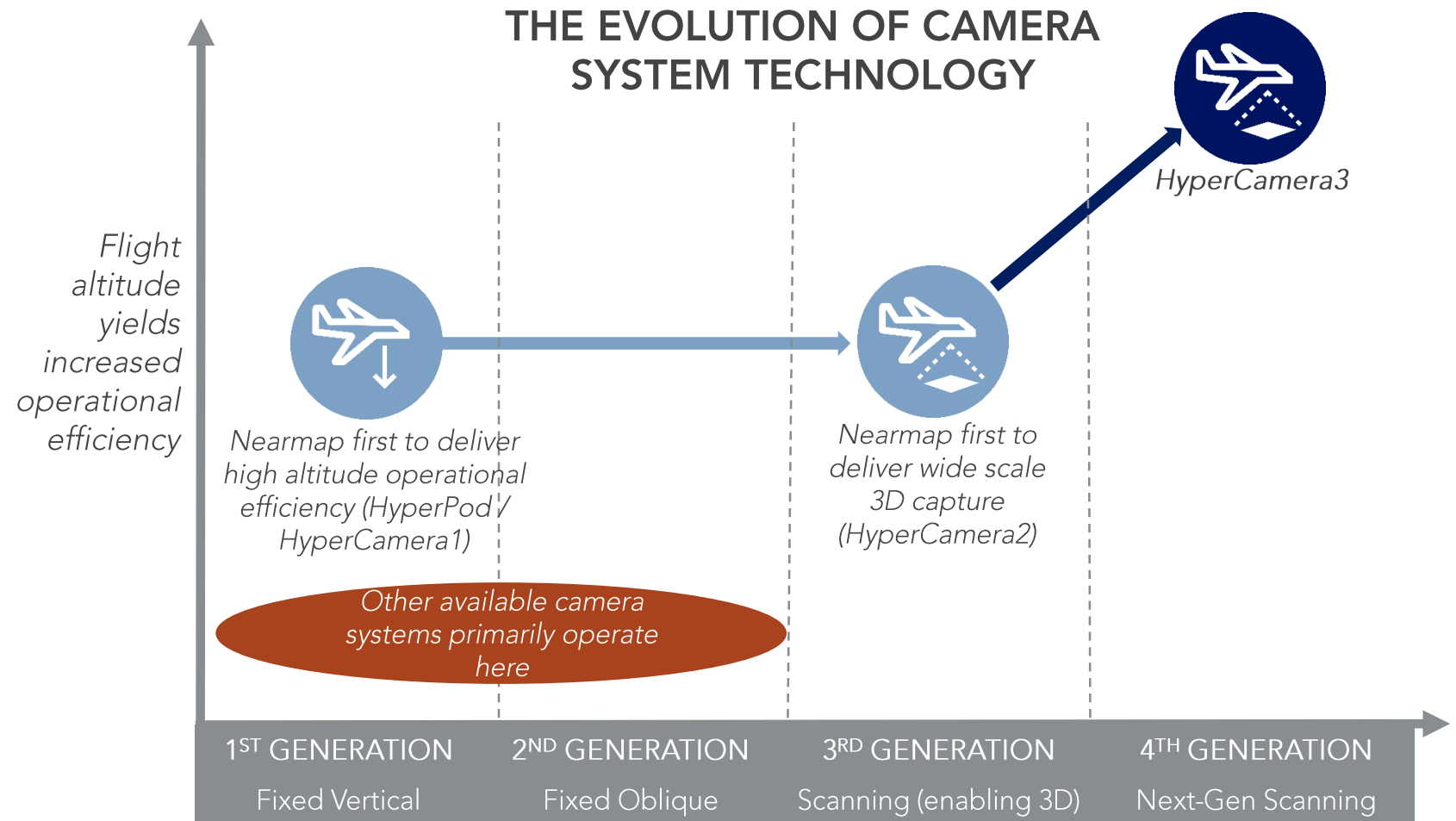


## PRODUCT & CONTENT

- Nearmap has invested significantly in creating and commercialising highly-differentiated and industry leading content types including oblique, wide-scale 3D, roof geometry and Nearmap AI
- Further enhancement of these content types and the addition of new product solutions will drive deeper customer engagement within high value use cases
- Strong returns to be delivered on investments made into the Company's core content

# NEARMAP IS ALREADY ESTABLISHED AT THE FOREFRONT OF CAMERA SYSTEM EVOLUTION

- **Capture technology leadership:** Nearmap has a significant competitive advantage through ongoing investment in its patented camera systems
- **Market-leading cameras:** Nearmap flies higher and faster than any other system, enabling the capture of high-resolution imagery with unrivalled efficiency
- **Third generation camera scanning systems:** Since 2017, HyperCamera2 enables the creation of regularly updated, wide-scale 3D content by Nearmap



# HYPERCAMERA3 ROLLOUT WILL DELIVER WORLD FIRST 4TH GENERATION CAPTURE TECHNOLOGY



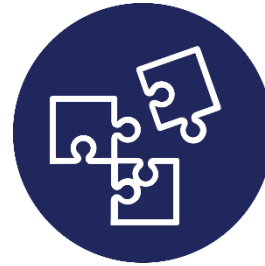
## EXTENSIVE RESEARCH PHASE SUCCESSFULLY COMPLETE

- Nearthmap ready for development of an ultra-high altitude, enhanced fidelity capture system: HyperCamera3 (HC3)
- Next generation scanning captures higher fidelity vertical imagery, obliques and 3D



## ENABLES FOOTPRINT AND REVENUE EXPANSION

- Higher capture altitude allows significant expansion of North American coverage footprint, creating content for deeper penetration into the Company's core growth verticals



## PROTOTYPE SYSTEMS IN MANUFACTURE

- First systems to be used for testing
- Production roll-out expected in FY22



## FACILITATES GEOGRAPHIC EXPANSION

- Cost-effective expansion into new geographies, providing access to significant new revenue streams in the global location intelligence market



# 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



# APPENDICES



Captured: April 2020  
London, Ontario, Canada

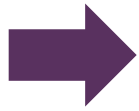


# A LARGE AND GROWING GLOBAL MARKET OPPORTUNITY



## GROWING AERIAL IMAGERY MARKET

Global aerial imagery market estimated at US\$10.1 billion in 2020<sup>1</sup>



## 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<sup>2</sup>

A\$250-300m



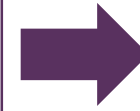
US\$1-2b



NZ\$50m



C\$300-400m



## CONTENT OPENS NEW MARKET SEGMENTS

In the US\$439 billion global geospatial industry market (2020)<sup>1</sup>:

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



## NEW GEOGRAPHIC MARKETS

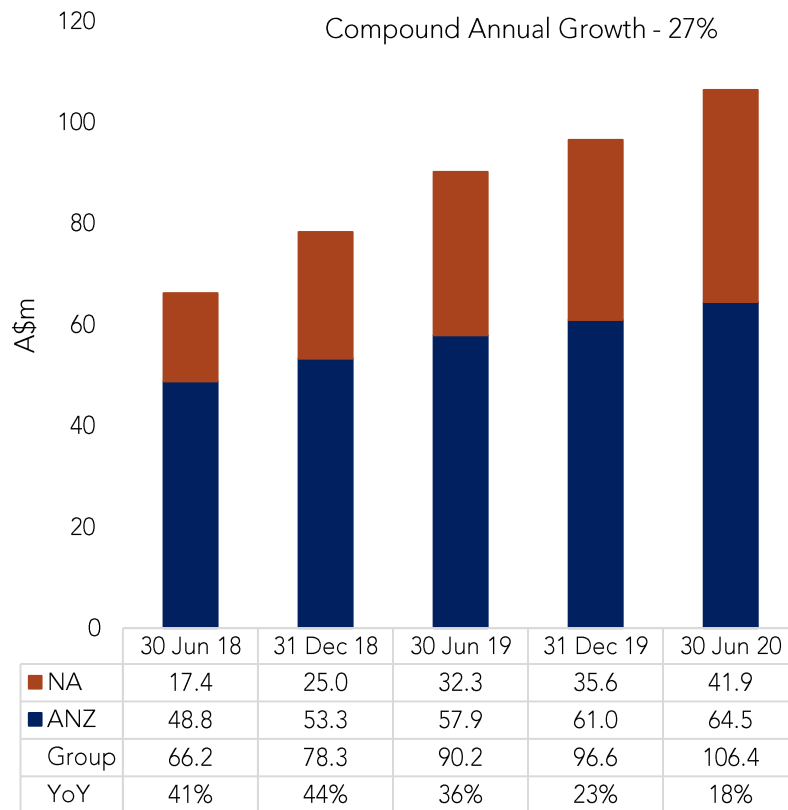
Unique business model has the potential to scale to multiple geographies around the world, particularly developed economies with an advanced level of adoption of geospatial technology, software and services

<sup>1</sup> Geobuiz "Geospatial Industry Outlook & Readiness Index" 2018 edition, Geospatial Media & Communications

<sup>2</sup> Nearmap company estimates

# FY20 PORTFOLIO GROWTH DELIVERS ACV >\$100M

## GROWTH IN ACV



ANNUALISED CONTRACT VALUE

**\$106.4m** ↑ 18% on pcp<sup>1,2</sup>



STATUTORY REVENUE

**\$96.7m** ↑ 25% on pcp



PRE-CAPITALISATION GROSS MARGIN

**69%** → from 69% on pcp



SALES TEAM CONTRIBUTION RATIO (STCR)

**54%** ↓ from 106% on pcp



SUBSCRIPTION CHURN

**9.9%** ↑ from 5.3% 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%

NA: North America, ANZ: Australia & New Zealand

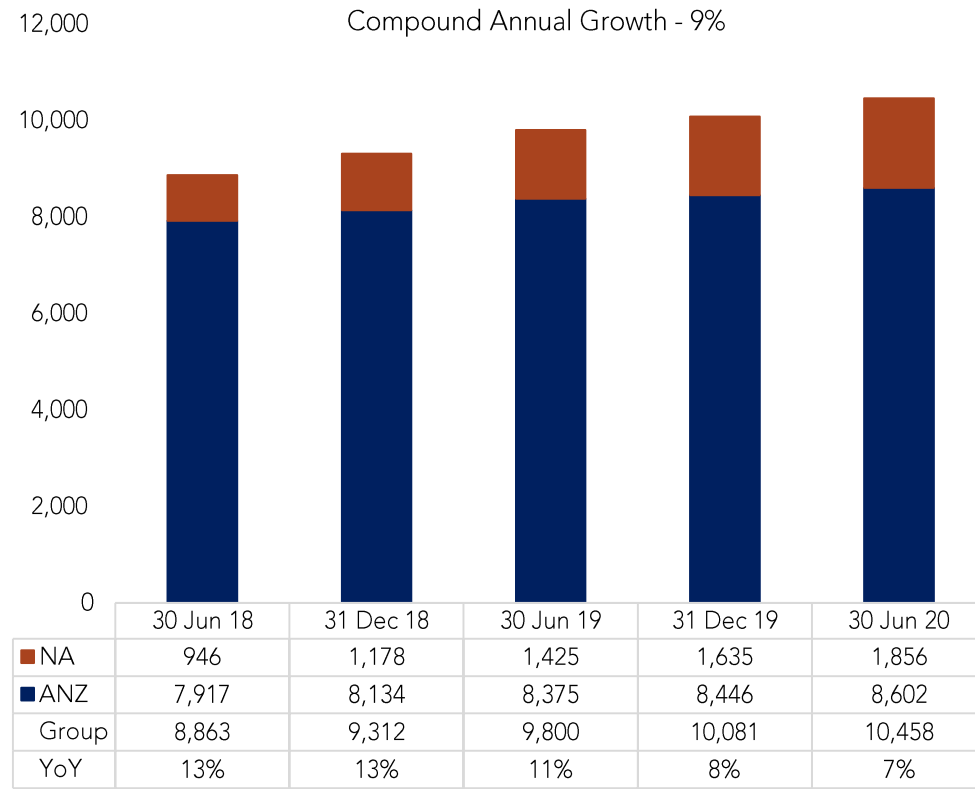
<sup>1</sup> Foreign currency ACV translated at period end exchange rate; all figures shown in A\$ unless otherwise stated – Refer Analyst Pack for currency impact

<sup>2</sup> Prior comparative period – Refer Appendices for definition

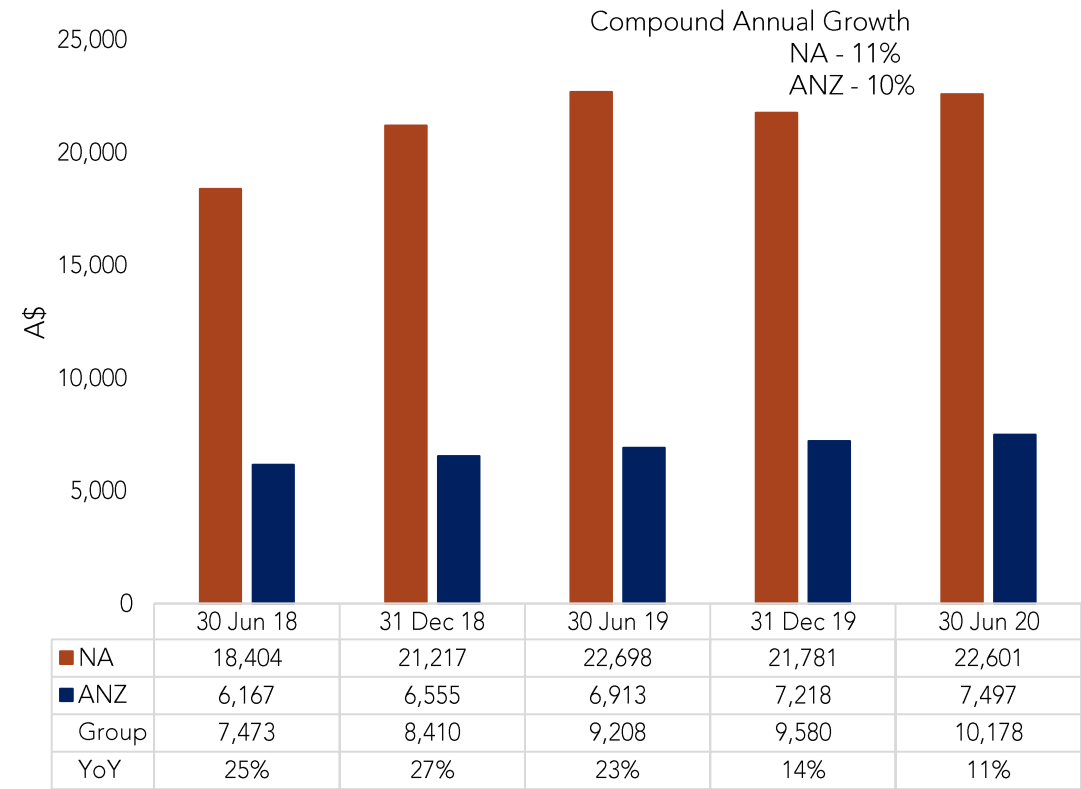


# FY20: MILESTONE 10,000: GROUP SUBSCRIPTIONS >10,000 AND GROUP ARPS >\$10,000

## GROUP SUBSCRIPTION GROWTH



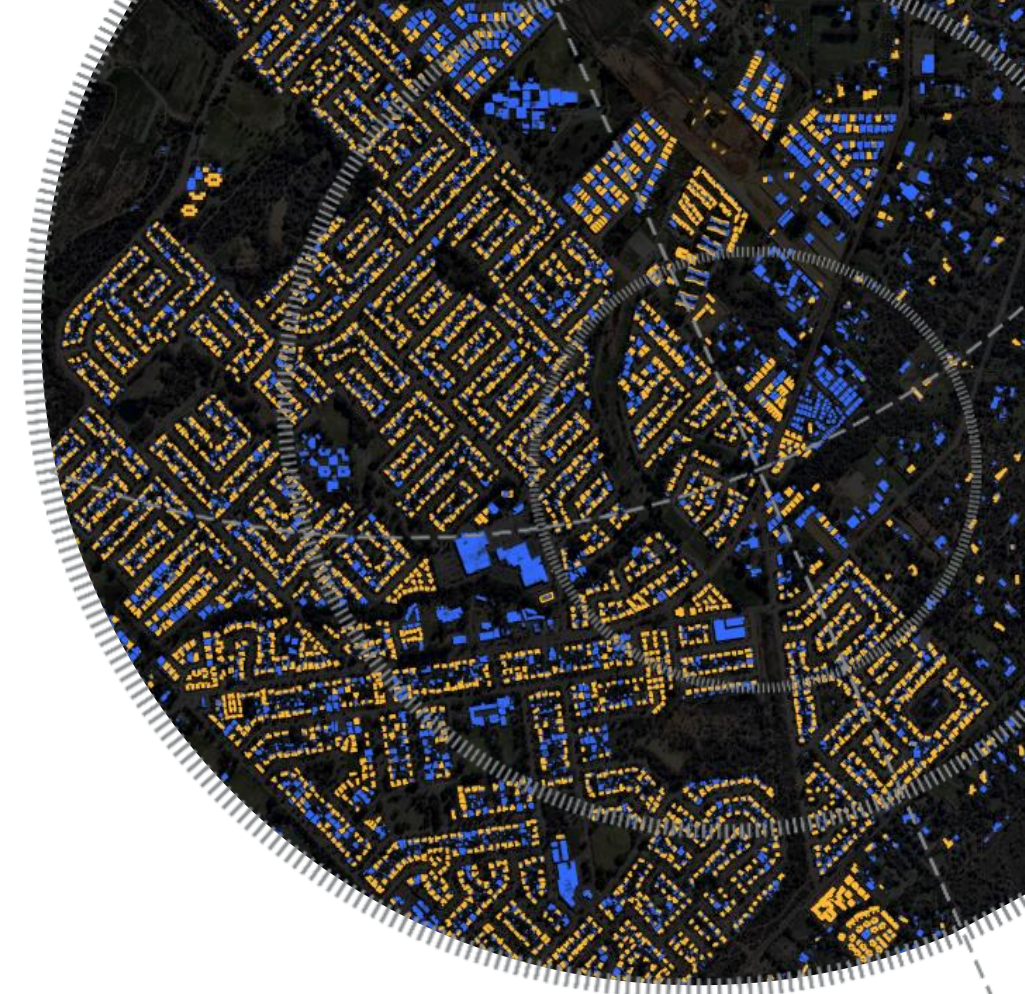
## GROUP ARPS<sup>1</sup> GROWTH



<sup>1</sup> ARPS = Average Revenue Per Subscription – Refer Appendices for definition

# 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  
December 2019  
Perth, WA, Australia





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