

Quarterly Operating Update

New tech stack deployed with strong customer response in Q3, early signs of improving performance in Q4.

Background

- In Q2 21 Geo raised \$7m to improve its core platform and customer experience.
- This investment aimed to reduce churn, which has been offsetting new sales and inhibiting MRR growth.
- Progressive rollout of the improved product commenced in Q2 23, enabling Geo to introduce price increases and new revenue streams from Q3.

Q3 Update

- 51% of customers now use the new head office administration platform.
- 23% of customers already use the new mobile app in the field, with a concerted effort underway to increase adoption.
- Churn remained above target in Q3 but is expected to normalise progressively as customers adopt the new features and new customers are onboarded.
- Financial performance for the quarter was flat, in line with previous quarters.
- Early signs of improved performance were evident at the end of Q3, with 31 March MRR up 7% on PCP.

Q4 to date

- The new app was available to customers in late March, receiving strong positive feedback.
- Sales reached a six-month high in April as the new app was offered to customers for the first time.
- Churn reduced to target levels in April.
- Paid messaging was rolled out at April month end, and is expected to deliver incremental MRR growth of 7.5% by the end of Q4.
- Q4 revenues will show an increasing impact from the Q3 price rise and new paid messaging revenue.
- The company is closely monitoring churn levels with the expectation that retention, a key driver of financial performance, will progressively improve through increased customer adoption and successful onboarding of new clients.

Guidance

- \$3.7m capital raise completed during the quarter.
- No change in guidance already provided.

Commentary

GEO CEO Tim Molloy said:

“The quarter marked some significant advancements for the business. New platform features continue to be released and adopted by Geo customers with strong user acceptance.

The price increase in this quarter is the first of several additional growth initiatives and is already contributing to the overall growth on ARR.

Furthermore, paid messaging was launched in early April. This is the second of the additional revenue streams.

The performance of the business lifted in April.”



Next Reporting Date

GEO expects to report its full year FY23 unaudited financial results by 31 August 2023, with the FY23 annual report to be released by 30 September 2023.

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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