

ipernica limited

2012 Annual General Meeting

Presentation by:
Simon Crowther, CEO & Managing Director

20 November 2012

**“The 2012 financial
year was a
transformational
one for the
business”**



Growth foundations in place

Invigorated team with excellent pedigree

- Cliff Rosenberg appointed NED – MD LinkedIn Australia, NZ and SEA
- VP of Engineering, VP of Product, and VP of Sales appointments made... all have substantial global technology expertise

Re-aligned growth strategy

- nearmap.com firmly the growth engine
- No further investment in new IP Licensing/Assertion programmes
- Planned name change to nearmap limited

Expanding nearmap customer base

- New subscription customers – government and commercial
- Very high renewal rates
- Focus on increasing penetration into specific markets

nearmap.com

- Launched first e-commerce site – for education sector
- Signed reseller agreement with Digital Mapping Solutions
- Launched new overall e-commerce site – for all sectors, with ability to monetise all customer segments
- Building mobile capabilities

FY12 results reflect year of transition

\$m	FY12	FY11
Revenue	6.1	17.1
Profit/(loss) before tax	(10.4)	1.7
Net profit/(loss) after tax	(10.4)	1.6
Earnings/(loss) per share (cents)	(3.2)c	0.5c
Net tangible assets per share (cents)	1.0c	3.7c
Net equity	11.7	22.1
Cash at bank	5.4	11.1

- FY12 statutory results reflect Company's transition on executing realigned growth strategy
 - no IP outcomes in second half FY12 (FY11: \$12.7m revenue from IP outcomes)
 - one-off non-cash write downs of \$1.2m as Company moves from reliance on uncertain lumpy IP licensing revenues to nearmap's more stable growing revenues
 - one-off expense of \$0.9m for clearing up of SAR Germany IP Assertion liabilities
- Building nearmap.com revenue base

nearmap.com – the growth engine

\$m	FY12	FY11	change
Revenue	5.6	3.7	 51%
% of total Group revenue	99%	22%	

Building a recurring and growing revenue stream

- Revenue up 50% largely driven by annual subscription revenues
- Exceeded \$14.5m in cumulative sales since launch

- Enterprise customers across both Government and Commercial sectors have grown strongly
- Retention rates from existing customers remain very high
- Multiple income streams and diverse customer base
- Creating a scalable structure
 - strengthening sector reach across govt and commercial sectors
 - established contracts
 - geographic coverage

Strong balance sheet

The company continues to maintain a strong balance sheet with no debt and \$5.2m cash balance (30 Sep)

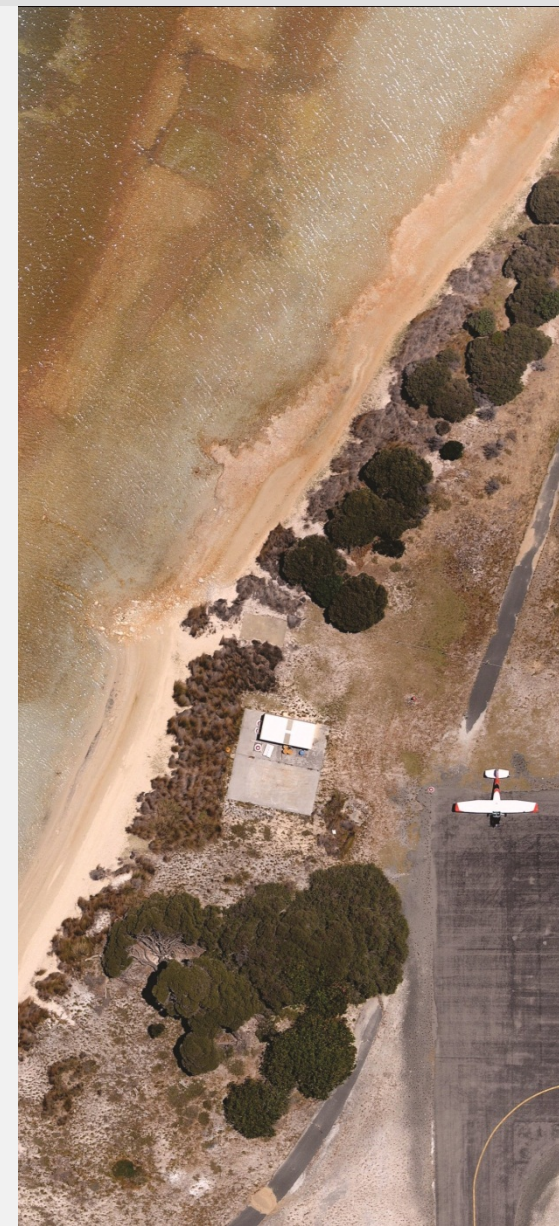
\$m	FY12	FY11
Cash	5.4	11.1
Property, plant & equipment	1.8	2.5
Goodwill & intangibles	6.8	8.6
Licensing program costs	1.6	1.7
Total assets	20.1	33.7
Borrowings	-	0.1
Total equity	11.7	22.1

Cash flows reflect transition

\$m	FY12	FY11
Operating cashflows	(3.1)	2.1
Investing cashflows	(2.6)	(1.2)
Financing cashflows	(0.1)	(0.2)
Net increase (decrease) in cash	(5.8)	0.7
Cash at end of period	5.4	11.1

- **Operating cash outflow of \$3.1m**
 - bulk relates to lumpy nature of IP licensing business
 - improved cash flows in Q4 FY12 reflecting increased cash receipts and lower expenditure
- **Restructuring costs within operating cash outflows**
 - IP Licensing business
 - relocating business to Sydney
- **Investing outflows of \$2.6m**
 - \$1.7m payment to administrator of QPSX Europe to finalise SAR liabilities

**“We have realigned
the company’s
strategic focus towards
nearmap, to build a
scalable business with
a growing recurring
revenue stream.”**



Business has been re-aligned

Building blocks in place to support future sustainable growth

- Revenues are growing and recurring with a lot more visibility
- Subscription model key to creating sustainable revenues

Right systems and processes to build scale

- Fully transitioned to Amazon Web Services to embrace cost-effectiveness, scalability, and transparency of operating in the cloud
- Reviewing R&D needs

Extending physical presence to Sydney

- Enables us to be closer to our customers and build our presence on the East Coast, and recruit from a larger talent pool

Reduced costs associated with IP assertion

- Remain able to participate in any future revenue from successful assertion cases currently underway, while operating costs have been significantly reduced via restructure



The new nearmap.com

- [nearmap.com v2.0 demo]

Current.

 OCT 2011

PhotoMaps™ Standard

Choose from 3 packages designed to suits your needs and budget

[LEARN MORE](#)

[FREE TRIAL](#)

SUITABLE FOR

Roof Measurements & Design
Calculating Site Area Availability
Location & Infrastructure Planning
Determining Access Routes

Ideal for 1 to 8 users

LEARN
MORE

PhotoMaps™ Enterprise

Enterprise & Government packages customised to fit your needs

[LEARN MORE](#)

SUITABLE FOR

GIS-enabled Organisations
Mapping Professionals
Large Businesses
Government Organisations

Ideal for multi-user licensing

Precision Aerial PhotoMaps

Nearmap uses unique state-of-the-art technology to capture sharp, high-resolution photographic images.



Clear.

 FEB 2012

PhotoMaps™ Standard

Choose from 3 packages designed to suits your needs and budget

LEARN MORE

FREE TRIAL

SUITABLE FOR

Roof Measurements & Design
Calculating Site Area Availability
Location & Infrastructure Planning
Determining Access Routes
Ideal for 1 to 8 users

LEARN
MORE

PhotoMaps™ Enterprise

Enterprise & Government packages customised to fit your needs

LEARN MORE

SUITABLE FOR

GIS-enabled Organisations
Mapping Professionals
Large Businesses
Government Organisations
Ideal for multi-user licensing

Precision Aerial PhotoMaps

Nearmap uses unique state-of-the-art technology to capture sharp, high-resolution photographic images.



Change.

 NOV 2012

PhotoMaps™ Standard

Choose from 3 packages designed to suits your needs and budget

[LEARN MORE](#)[FREE TRIAL](#)

SUITABLE FOR

Roof Measurements & Design
Calculating Site Area Availability
Location & Infrastructure Planning
Determining Access Routes

Ideal for 1 to 8 users

[LEARN MORE](#)

PhotoMaps™ Enterprise

Enterprise & Government packages customised to fit your needs

[LEARN MORE](#)

SUITABLE FOR

GIS-enabled Organisations
Mapping Professionals
Large Businesses
Government Organisations

Ideal for multi-user licensing

Precision Aerial PhotoMaps

Nearmap uses unique state-of-the-art technology to capture sharp, high-resolution photographic images.



Aerial clarity
and frequency
like no other.

The difference between
guessing and knowing.

nearmap updates images up
to an incredible per year
for metropolitan areas.

12x

PhotoMaps™ Standard

Choose from 3 packages designed to suits your needs and budget

LEARN MORE

FREE TRIAL

SUITABLE FOR

Roof Measurements & Design
Calculating Site Area Availability
Location & Infrastructure Planning
Determining Access Routes

Ideal for 1 to 8 users

PhotoMaps™ Enterprise

Enterprise & Government packages customised to fit your needs

LEARN MORE

SUITABLE FOR

GIS-enabled Organisations
Mapping Professionals
Large Businesses
Government Organisations

Ideal for multi-user licensing

Precision Aerial PhotoMaps

Nearmap uses unique state-of-the-art technology to capture sharp,
high-resolution photographic images.





PhotoMaps Enterprise Customised solutions

Immediate and measurable ROI across your organisation.

CONTACT US NOW

Get multi-seat pricing and custom quotes for enterprise & government now.



Access Ultra-high resolution



Customised multi-user solutions



GIS integration



Tailored service & support packages

Get the right work done, faster

SEE MORE FEATURES



Improve Strategic
Decision Making



Integrate into your GIS or
custom application



Advanced Support

Increased confidence that help is there



Improve Strategic Decision Making

Nearmap's powerful capabilities allows managers to make decisions based on data, not guesswork.



Integrate into your GIS or custom application

Unleash the full power of nearmap in your business by integrating nearmap Photomaps directly into your systems or products. nearmap offers multiple integration options for enterprise customers.



Advanced Support

Increased confidence that help is there when you need it so you can get the most from nearmap in your business.

How nearmap improves organisational efficiencies

[SEE MORE CASE STUDIES](#)



Leading Australian infrastructure company

Jemena is an Australian infrastructure company that builds, owns and maintains a combination of major electricity, gas and water assets. Jemena has over 1,300 employees and manages more than \$5 billion worth of Australian utilities assets and specialises in both transmission and distribution of electricity and gas.



Bring power to more than 1.5 million

Western Power builds, maintains and operates the electricity network in the south west of Western Australia. They bring power to more than 1.5 million West Australians every day, over 100,000 kilometres of network.

[Read more](#)

Drive ROI across your organisation

Get in touch with us

Enquire about a custom Enterprise package today

CONTACT NEARMAP

Leading Australian infrastructure company



Jemena Pty Ltd

Jemena is an Australian infrastructure company that builds, owns and maintains a combination of major electricity, gas and water assets. Jemena has over 1,300 employees and manages more than \$5 billion worth of Australian utilities assets and specialises in both transmission and distribution of electricity and gas.

VIEW CASE STUDY



Bring power to more than 1.5 million



Western Power

Western Power builds, maintains and operates the electricity network in the south west of Western Australia. They bring power to more than 1.5 million West Australians every day, over 100,000 kilometres of network.



Aerial clarity
and frequency
like no other.

The difference between
guessing and knowing.

nearmap updates images up
to an incredible per year
for metropolitan areas.

12x

PhotoMaps™ Standard

Choose from 3 packages designed to suits your needs and budget

LEARN MORE

FREE TRIAL

SUITABLE FOR

Roof Measurements & Design
Calculating Site Area Availability
Location & Infrastructure Planning
Determining Access Routes

Ideal for 1 to 8 users

PhotoMaps™ Enterprise

Enterprise & Government packages customised to fit your needs

LEARN MORE

SUITABLE FOR

GIS-enabled Organisations
Mapping Professionals
Large Businesses
Government Organisations

Ideal for multi-user licensing

Precision Aerial PhotoMaps

Nearmap uses unique state-of-the-art technology to capture sharp,
high-resolution photographic images.



PhotoMaps™ Standard Better for your business

Measure, design, and quote - without leaving your desk!

SEE PLANS & PRICING
14 DAY FREE TRIAL AVAILABLE

Choose a package that suits
your needs and budget.



Ideal for 1-8 users



Fixed-feature &
fixed-cost packages



Web-based interface



Month-by-month or
annual subscriptions

Reasons to choose PhotoMaps Standard

SEE MORE FEATURES



Precision Aerial Clarity



Accurate Measurements
from your Browser



Track & Compare Changes
Over Time

Attractive packages to fit any business

Get started now for \$0

Trial nearmap free for 14-days. You get instant access to all the features including precision aerial clarity, the ability to track & compare historical changes and the most recent PhotoMaps.

START FREE TRIAL

	PHOTOMAPS STANDARD			PHOTOMAPS ENTERPRISE
	\$49 ⁹⁵ /month	\$99 ⁹⁵ /month	\$199 ⁹⁵ /month	
USERS	Single seat	Single seat	Single seat	Looking for more options to better match your business size and requirements?
IMAGE RESOLUTION	Standard resolution	High resolution	Very high resolution	
MINIMUM AGE OF IMAGES	6 months old	3 months old	Most recent	
COVERAGE	1 State	3 States	All States	
TIMEVIEW / IMAGE HISTORY	✓	✓	✓	
MEASURE BASIC AREA	✓	✓	✓	
MEASURE ADVANCED AREA	✗	✓	✓	
MULTIVIEW	✗	✗	✓	
TERRAIN	✗	✗	✓	
	SIGN UP NOW	SIGN UP NOW	SIGN UP NOW	LEARN MORE



PHOTOMAPS STANDARD

PHOTOMAPS ENTERPRISE



Precision aerial clarity

Nearmap's state-of-the-art HyperVision technology captures sharp, high-resolution photographic images



Track & compare changes over time

Nearmap's [TimeView](#) functionality provides timely and vital insight into changes that are constantly occurring. Use [TimeView](#) to easily compare site and environment changes over time.



We fly & capture regularly

Nearmap's diverse fleet of planes routinely fly and capture the most recent [photographic](#) images. This means you have access to the latest, [most accurate](#) aerial photo imagery available. Nearmap is used by hundreds of companies, large and small, in a wide range of industries.





Attractive packages to fit any business

Swipe left & right to switch packages

PHOTOMAPS STANDARD	
	« \$49.95 /month »
USERS	Single seat
IMAGE RESOLUTION	Standard resolution
MINIMUM AGE OF IMAGES	6 months old
MEASUREMENT TOOLS	Line, Path, Basic area
MULTIVIEW	✖
TERRAIN	✖
SIGN UP NOW	

Trial nearmap for free

For 14 days you get instant access to all the features including superior resolution, the ability to track & compare historical changes and the most recent maps.

START FREE TRIAL

Want to ensure you're within nearmaps coverage areas?
[Check out our coverage area](#)

5 reasons why nearmap is better than Google Maps

Sharper image resolution
Up to 10 times higher in resolution!

Nearmap flies regularly
Images are updated in months, not years

Access historical images
Track & compare changes over time

Make accurate measurements directly on screen
Measure roof or land area, accurate distance and path

Extensive online support
Through our forum & knowledgebase

What our customers have to say

"The clarity is amazing. It allows me to look at prospective locations with great accuracy."
Robert Lachlan - RL Developers

"Time-elapsed history ensures I can keep track of current developments across multiple projects."
Casey Larusso - Project Manager

Compelling customer proposition

- Over past 12 months we have changed nature and focus of nearmap
 - FROM
 - open website with a large number of free users
 - TO
 - focussed digital business delivering paid subscription services
- Business to business (B2B) approach enables quick response to customers' specialist needs... also aids product development

Monetising content

- Direct sales – internal sales team driving government and corporate business growth
- Reseller agreements – Omnilink & DMS
- Online e-shop functionality
- Fully integrated e-commerce platform just launched
- Upgraded website has complete UX overhaul designed to drive transactions
- Managing content more effectively – local, regional and national purchase options
- Development of mobile applications



Multi-platform strategy

Building our digital presence was key

- Invested substantial resources to update nearmap.com to improve customer experience
- Revamped nearmap.com website with e-commerce capability just launched
 - ability to capitalise on demand from SMEs by offering subscriptions on a per-user basis

Mobile represents a significant opportunity

- Revamped nearmap.com has been optimised for mobile and tablet browsing
- Further mobile based applications and services are in pipeline





PHOTOMAPS STANDARD

PHOTOMAPS ENTERPRISE



Precision aerial clarity

Nearmap's state-of-the-art HyperVision technology captures sharp, high-resolution photographic images



Track & compare changes over time

Nearmap's **TimeView** functionality provides timely and vital insight into changes that are constantly occurring. Use **TimeView** to easily compare site and environment changes over time.



We fly & capture regularly

Nearmap's diverse fleet of planes routinely fly and capture the most recent **photographic** images. This means you have access to the latest, **most accurate** aerial photo imagery available. Nearmap is used by hundreds of companies, large and small, in a wide range of industries.



Cashflow outlook

- Given substantial growth opportunity and ability to capture Australian market, the Board supported a more aggressive roll-out of nearmap.com
- This saw increased investment – mainly people – that brought forward costs into CY2012 (ahead of expected revenues)
- As a result of increased investment, nearmap will not be cashflow positive in CY2012
- Substantial sales activity is occurring with several large potential contracts in pipeline, as well as new revenue channels from new e-commerce site
- Based on current business plan and sales strategy – reflecting opportunities in Australian market – the Board expects nearmap to become cashflow positive before end of CY2013, and is focused on making this happen
- The company is well funded, with no debt and \$5.18m cash (at 30 Sep 12), to progress its current business plan

Looking forward

Realigned strategic direction

- Transitioned away from IP licensing business
- nearmap.com now growth engine
 - growing subscription based revenue stream
 - content monetisation
 - government and commercial sector focus

Market positioning

- Opportunity to capture market given better transparency of business
- Differentiated from Google and other mapping services / consultancies
- Potential international expansion

Thank You!

Disclaimer

Some of the information contained in this presentation contains “forward-looking statements” which may not directly or exclusively relate to historical facts. These forward-looking statements reflect ipernica limited’s current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside the control of ipernica limited.

Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks. Because actual results could differ materially from ipernica limited’s current intentions, plans, expectations, assumptions and beliefs about the future, you are urged to view all forward-looking statements contained herein with caution.