

AEERIS LIMITED

30 July 2024

Quarterly Activities Report for the period ended 30 June 2024

Highlights:

- Strategic partnership with Tomorrow.io driving multiple customer acquisitions
- Major contract renewals for both EWN and Climatic subsidiaries
- Revenue and scheduled services for the period were \$716,824 (unaudited)
- Customer receipts for the quarter were \$677,508 (unaudited)
- Cash and cash equivalents \$1,904,545
- Annual Recurring Revenue (**ARR**) increased 11.9% since April (\$2.78M to \$3.11M)

Quarterly Commentary

Aeeris Limited (ASX:AER) (**Aeeris** or the **Company**), a leader in severe weather and natural hazard forecasting, alerting, and climate risk reporting, is pleased to provide an overview of its activities for the fourth quarter of the financial year 2024 (Q4 FY24).

The end of the financial year has seen multiple service agreements renewed. Notably, the Company has consolidated several agreements with its largest customer into a single, five-year (3+2) contract. This shift from previous invoicing schedules, which varied from monthly to half-yearly, impacted the timing of cash flows. Additionally, a late payment from another major customer reduced expected cash receipts for the quarter.

Annual CPI increases have now been applied to customer contracts as the Company rolls into the new financial year. With a customer retention rate of better than ninety eight percent and an increase in ARR of nearly twelve percent in this quarter (Q4), Aeeris enters the new financial year with considerable momentum.

Strategic Partnerships

During the quarter, the Company announced a strategic partnership with Tomorrow.io, a global leader in resilience solutions. This partnership strengthens Aeeris' alerting and risk mitigation capabilities, further empowering Australian businesses to proactively manage weather risks with unprecedented precision.

The Tomorrow.io partnership has delivered multiple new customer acquisitions during the period and the marketing team is now focused on leveraging the increased capabilities to generate new leads and expand the Company's pipeline of opportunities.

Aeeris also extended its service agreement with trusted partner, Weatherwatch, during the quarter. Weatherwatch provides specialised weather technologies, working closely with Aeeris to deliver accurate forecasts and warnings. Weatherwatch has collaborated with the Company for over fourteen years.

After a slower Q3, there was a marked turnaround over Q4, particularly since the Tomorrow.io launch. The Company has seen a sharp increase in Hail, Flood and Alerts enquiries for the platform and will continue joint marketing activities with Tomorrow.io in coming months to drive new leads and customers.

Major Contract Renewals for EWN and Climatics

During the period both subsidiary companies, Early Warning Network (**EWN**) and Climatics, achieved major contract renewals.

One of Australia's largest three insurance providers renewed its contract with EWN for a five-year term (3-year fixed + 2-year option). This is in addition to other large insurers entering multi-year contracts with CPI increases, demonstrating the confidence insurers have in Aeeris' platform.

The Climatics division also enjoyed success, entering a 12-month contract during the quarter with an environmental consulting firm who had previous experience using the platform. It also renewed a major 12-month contract with one of Australia's largest supermarket chains. The renewed contract includes the expansion of services into New Zealand, marking a significant milestone in the Company's growth and regional presence.

Aeeris will continue to work closely with its existing clients with a view to establishing further multi-year deals and providing expanded offerings.

Operations & IT

Aeeris continues to make great strides towards attaining its ISO27001 certification. Positive feedback was received from the first internal audit. This stands the Company in good stead to proceed to the Certification Audit, which is scheduled for Q1 FY25. Achieving this certification is expected to improve the Company's competitiveness in future sales and tenders.

Climatics has seen further enhancements and additions to the platform during the quarter. Along with an ever more powerful API modification allowing customers to run multiple risk analysis reports in seconds, Climatics data has been expanded internationally. Climatics signed its first New Zealand customer and expects to see further countries added in the future. Work on upgrades to allow for a complete climate risk report from actual current risk through to future risk scenarios continues. This will allow Climatics to provide a one stop shop for climate reporting into the future.

With the slower onset of winter this quarter, the Spatial Risk Analyst team have been busy with prolonged warm season events including bushfires in the west and heavy

rainfall, flooding and hailstorms in the east. The limited cold fronts that did push across the country still managed to cause several damaging to destructive wind events including a Tornado in Bunbury, WA.

On the product development side, enhancements to the Company's services included updates to alerts, allowing for even faster delivery, along with further product improvements to the GIS Platform. These improvements now provide customers with the highest resolution weather radar and satellite imagery yet. Earthquake Alerts have gone live, further validating Aeeris as the leader of critical hazard and severe weather data in Australia.

Business Activities and Expenditures

Payments made to related parties during the quarter were directors' fees and consultancy expenses. Other abnormal expenditures include legal, conferences, additional data and hardware purchases totalling \$76k.

This announcement has been approved and authorised for release by the Board of Aeeris Ltd.

- ENDS -

Direct Enquiry

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About Aeeris

Aeeris Limited (ASX: AER) is a leading Environmental Services company specialising in the delivery of weather and climate intelligence through its subsidiaries, Early Warning Network (EWN) and Climatics. The Company's mission is to excel in early environmental warnings and pioneering hazard reduction technologies, empowering asset owners and managers across diverse industries to proactively mitigate risk and safeguard life. Aeeris unites the strengths of EWN and Climatics to deliver cutting-edge services are at the forefront of innovation and renowned for their unwavering accuracy.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

AEERIS LIMITED

ABN

18 166 705 595

Quarter ended ("current quarter")

30 June 2024

Consolidated statement of cash flows	Current quarter \$	Year to date (12 months) \$
1. Cash flows from operating activities		
1.1 Receipts from customers	677,508	3,054,487
1.2 Payments for		
(a) research and development	-	(20,950)
(b) product manufacturing and operating costs	(314,793)	(1,301,678)
(c) advertising and marketing	(9,705)	(98,121)
(d) leased assets	-	-
(e) staff costs	(415,928)	(1,948,084)
(f) administration and corporate costs	(182,125)	(592,028)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	21,756	86,164
1.5 Interest and other costs of finance paid	(1,388)	(1,388)
1.6 Income taxes paid	(19,466)	(97,981)
1.7 Government grants and tax incentives	-	360,124
1.8 Other (provide details if material)	(36,743)	(113,891)
1.9 Net cash from / (used in) operating activities	(280,884)	(673,346)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(3,601)	(3,601)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$	Year to date (12 months) \$
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(3,601)	(3,601)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	-	-

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	2,189,030	2,581,492
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(280,884)	(673,346)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(3,601)	(3,601)

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$	Year to date (12 months) \$
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,904,545	1,904,545

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$	Previous quarter \$
5.1	Bank balances	1,904,545	2,189,030
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,904,545	2,189,030

6. Payments to related parties of the entity and their associates		Current quarter \$
6.1	Aggregate amount of payments to related parties and their associates included in item 1	94,400
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Directors' fees, consultancy expenses and secretarial fees.</i>		

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities	Total facility amount at quarter end	Amount drawn at quarter end
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	\$	\$
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$
8.1 Net cash from / (used in) operating activities (item 1.9)	(280,884)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,904,545
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	1,904,545
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	6.78
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 July 2024

Authorised by: the Board

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.