

AEERIS LIMITED

30 September 2022

Quarterly Activities Statement for the period ended 30 September 2022

Highlights:

- \$788,255 in Q1 FY23 customer receipts, up 6% quarter on quarter and significantly on the previous corresponding period (September quarter 2021: \$482,462)
- Cash and cash equivalents at end of period \$2,739,869
- New Climatics customers signed
- Continued development enhancements, priming the Company for future growth

Quarterly Commentary

Aeeris Limited (ASX:AER) is pleased to provide an overview of its quarterly activities for Q1 FY2023.

In Q1 2023, the focus has been on deal conversion of the Company's healthy sales pipeline. Key products were hail solutions (Forecasts, Live Hail Alerts, Live Hail Tracking, Post-Hail Reporting), and our proprietary insurance-specific Embargo Alerts. Aeeris is the leader in Australia with this technology.

A robust sales pipeline is leading to increased deal conversion flows from expanded sales and marketing activities which is generating results: continued, growing sales. Together with new hail solutions and Embargo Alerts customers, additional Climatics customers were signed during the period with further expected as enhancements to this product continue.

Climatics

Continual progress on the advancement and improvement of Climatics has been made in Q1. A third development sprint has been initiated to update the user interface based on user feedback for increased functionality and ease of diversifying portfolios. Additionally, the analysis team has been working hard to add in an all-encompassing 'Thunderstorm' hazard that analyses the type of threat and temporal distribution of thunderstorm alerts. The development team are also working to add in the highly demanded combination of time steps for precipitation (daily, monthly, seasonal) to be used by clients immediately to help them comprehend the diversity of extremes for rainfall around Australia this year.

The team have recently added a fully authenticated AWS API gateway around the Climatics solution and built out the API functionality offering. This is a result of product testing feedback from clients who require API functionality long term. As we have seen

in the news recently, the need to properly secure API interfaces is crucial, and the AWS API gateway has enterprise grade security and authentication.

The plans for Q2 will include some exciting advancements to Climatics which will include API accessible downscaled CMIP6 data to complement the existing baseline data that Climatics currently provides. In addition to this, a new dynamic report design and format is being developed that will allow users to view the climate intelligence in an offline mode that can be shared with other stakeholders.

IT Operations

Operationally, the Company is benefiting from efficiencies generated from the successful move of the Company's core system, its Spatial Analysis Risk Platform (**SARP**), to the Microsoft Azure Cloud. The new system has increased alert notification processing speed significantly, providing customers with an even quicker experience and creating efficiencies within the business, priming the business for future growth.

Work continues updating all of the Company's software to a serverless future. The result is a more robust, faster, and more effective build pipeline which deploys straight into Azure managed test instances (and on to production). This investment will greatly speed up our development iterations and gives us solid foundation to expand our product offering.

Additionally, the IT Operations team are extending and improving the API underpinning the GIS platform, improving the existing offering and integrating many more relevant data feeds from partners, such as the Bureau of Meteorology, to help clients understand the immediate severe weather landscape and the implications for their assets.

Operations

Increasingly wet conditions have gripped Australia over the July to September period as a series of favourably wet climate drivers have become established. La Nina-like sea surface temperature patterns in the Pacific Ocean were present for much of this period whilst a negative Indian Ocean Dipole event also developed during late June and into July. This typically leads to an increased chance of rain over parts of southern and northwest Australia during winter and spring, which was seen during this period. As a result, early in the quarter, above average rainfall occurred over parts of WA, southern and eastern Australia, including small pockets of record August totals in parts of inland NSW and QLD.

During August and into September, a sudden stratospheric cooling event was observed (as a result of the injection of water vapour from the Hunga-Tonga-Hunga-Ha'apai volcano in mid-January this year). This allowed a sustained positive Southern Annular Mode to occur leading to the extreme wet conditions which produced moderate to major flooding across New South Wales, Victoria and Tasmania.

Our Operations team were kept extremely busy during this period with flood warning alerts well above average. Coupled with the increase in Flood Watches, Severe Weather Warnings and Severe Thunderstorm warnings, this has been one of the busiest

September quarters the team have ever seen. Throughout all of it, our operational team continued to provide our clients with an immediate and accurate 24/7 alerting service.

With La Nina conditions and the negative Indian Ocean Dipole event expected to continue into at least early summer, wetter than average conditions and an enhanced risk of further flooding will persist until at least the end of the year, when these climate drivers are forecast to begin to break down.

Business Activities and Expenditures

Payments made to related parties during the quarter were directors' fees and consultancy expenses. Other expenditures included additional IT resources engaged to assist with the new developments, increased SMS costs as a result of the higher number of alerts, and an expansion of our Operations team.

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

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Direct Enquiry

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About Aeeris

Aeeris Limited is a leading geospatial data business. The Company's **Early Warning Network** system and proprietary **-SARP** technology platform ingests and maps vast amounts of live data from multiple sources regarding severe weather, fire, traffic, and other geospatial hazards.

The technology allows us to track and monitor very large numbers of users, assets and operations. Risks are communicated instantly over multiple channels to those that need it, where and how they want it.

Our technology enables Aeeris to provide critical services to our enterprise and government customers:

- Live data, content, alerts and notifications on natural and man-made hazards affecting our clients, including severe weather, fire and traffic conditions, with our products **All Alerts™** and **Situation Room™**
- Pioneering innovative systems and apps to digitally track, monitor, map and protect workers and assets on the move

Our technology solutions provide many benefits to our clients including the ability to:

- Monitor, map and track staff, contractors, assets and operations
- Communicate with multiple staff regarding live safety hazards in real time
- Improve Workplace Health & Safety, and reduce risk and liability
- Manage, mitigate and report on risk
- Improve operational efficiencies, labour scheduling and asset management

Our product offerings solve natural disaster awareness problems and promotes personal and employee safety, asset protection, risk management, as well as helping to mitigate the financial impact of adverse events, geospatial hazards, personal injury and workplace safety.

Aeeris is listed on ASX with the ticker code AER

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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 September 2022

Consolidated statement of cash flows	Current quarter \$A	Year to date (3 months) \$A
1. Cash flows from operating activities		
1.1 Receipts from customers	788,255	788,255
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(265,523)	(265,523)
(c) advertising and marketing	(29,802)	(29,802)
(d) leased assets	-	-
(e) staff costs	(306,981)	(306,981)
(f) administration and corporate costs	(105,387)	(105,387)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6,837	6,837
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(85,150)	(85,150)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	2,249	2,249
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(1,595)	(1,595)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A	Year to date (3 months) \$A
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	(1,595)	(1,595)

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	2,739,215	2,739,215
4.2	Net cash from / (used in) operating activities (item 1.9 above)	2,249	2,249
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,595)	(1,595)

Consolidated statement of cash flows		Current quarter \$A	Year to date (3 months) \$A
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	2,739,869	2,739,869

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 \$A	Previous quarter \$A
5.1	Bank balances	2,739,869	2,739,215
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)	2,739,869	2,739,215

6. Payments to related parties of the entity and their associates

6.1 Aggregate amount of payments to related parties and their associates included in item 1

6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A
71,500
-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Directors' fees and consultancy expenses.

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7. Financing facilities

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.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

	Total facility amount at quarter end \$A	Amount drawn at quarter end \$A
7.1	-	-
7.2	-	-
7.3	-	-
7.4	-	-

7.5 Unused financing facilities available at quarter end

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- 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**\$A**

8.1	Net cash from / (used in) operating activities (Item 1.9)	2,249
8.2	Cash and cash equivalents at quarter end (Item 4.6)	2,739,869
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	2,739,869
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	N/A

- 8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

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:

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:

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:

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: 28 October 2022

Authorised by: The Board of Directors

 (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.

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