Bringing the real world to you
Goldman Sachs Small & Mid-Cap Conference 27 April 2017
Reality as a Service
Nearmap is disrupting the aerial imagery market

Traditional aerial imagery providers

- Focussed on single use captures
- Capture commissioned, manually integrated into customer workflows
- Primarily government, mining and construction
- Large traditional market – USD$1.5B in 2017, forecast to grow to $4.5B in 2025 (14.6% CAGR)

Highly fragmented industry ripe for a new model

Captures high economic activity areas useful to multiple users

On spec capture, access to history and easy customer integration

Engaging customers who never previously used aerial imagery

Addressable Market expansion as aerial imagery opens up to new users

AUD$250-300M    USD$1-2B
### Nearmap’s vision – leadership in observing the earth delivered as a service

#### Global technology leadership
- Nearmap’s subscription based aerial imagery is built on proprietary technology and systems

#### Significant global market opportunity
- Building on Australian success, Nearmap’s US sales platform and leadership are focused on executing on a significant market opportunity

#### Disciplined capital management
- Nearmap’s balance sheet well positioned to grow its customer portfolio

#### Technology creating new markets
- Nearmap has developed and is deploying next generation technology in 3D capture to create new market opportunities: deliver Reality as a Service

#### Growth in both key markets
- Growth highlighted in March 2017 business update – FY17 EBITDA guidance affirmed
Nearmap has revolutionised the traditional aerial imagery delivery model

1. Broad coverage
2. State of the art technology
3. Proprietary software
4. Cloud based storage
5. Instant subscription access
Explore your environment with ease, clarity & minimum impacts

Discover opportunities and consistently make informed decisions

Transform the way you work into a productive, strategic advantage
Nearmap’s value proposition allows our customers to do business from a new perspective

Nearmap has demonstrated compelling use cases in:
- Government
- Property & Insurance
- Utilities
- Construction & Engineering
- Energy / Solar

Nearmap’s customer portfolio is diverse
- small & medium businesses – (45% of ACV value)
- large enterprises (55%)

**NEARMAP CUSTOMER RESEARCH**

What are some of the benefits you get from using Nearmap?

- Plan and inspect locations remotely: 71%
- Monitor projects / areas over time and validate third party information: 50%
- Present your projects / work with Nearmap imagery: 47%
- Estimate and quote for a job: 37%
- Assess risks: 28%
- Identify new business opportunities: 11%

Source: TechValidate survey of 919 users of Nearmap

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Our customers tell us that we transform the way they work

### NEARMAP CUSTOMER RESEARCH

#### The impact of Nearmap on a business

Which of these areas of your business has Nearmap impacted the most?

<table>
<thead>
<tr>
<th>Area</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Making better informed decisions</td>
<td>79%</td>
</tr>
<tr>
<td>Improved workflow efficiency</td>
<td>51%</td>
</tr>
<tr>
<td>Decreased risk</td>
<td>20%</td>
</tr>
<tr>
<td>Increased employee satisfaction</td>
<td>19%</td>
</tr>
<tr>
<td>Decreased cost</td>
<td>16%</td>
</tr>
<tr>
<td>Increased revenue</td>
<td>3%</td>
</tr>
</tbody>
</table>

Source: TechValidate survey of 604 users of Nearmap

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#### NEARMAP CUSTOMER STATISTIC

85% of surveyed Nearmap users agree that not using Nearmap would have an impact on their business.

85%

Source: TechValidate survey of 829 users of Nearmap

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#### NEARMAP CUSTOMER STATISTIC

60% of surveyed Small Business Nearmap users saw a return on their investment in their Nearmap subscription within 9 months.

60%

Source: TechValidate survey of 40 users of Nearmap

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#### NEARMAP CUSTOMER STATISTIC

40% of surveyed Nearmap users save 3 – 5 hours or more per week on site visits using Nearmap.

40%

Source: TechValidate survey of 279 users of Nearmap

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#### NEARMAP CUSTOMER STATISTIC

74% of surveyed Nearmap users who previously used Google Maps, Bing maps, and other maps switched to Nearmap for the frequency of the updates.

74%

Source: TechValidate survey of 684 users of Nearmap
Nearmap’s topline metrics at 31 December 2016

- **Annualised Contract Value (ACV)**: $37.0M
- **Customers**: 7,000
- **Average Revenue per Customer (ARPC)**: $5,300

- **Annualised Contract Value (ACV)**: Value customers place on our unique offering, with high renewal and upsell of existing customers.
- **Customers** x **ARPC** = **ACV**

- **Value customers place on our unique offering, with consumption based pricing**

- **The annualised value of all subscriptions in place at a point in time, with:**
  - Subscriptions typically 12 months in duration
  - Cash received upfront from customers at the start of the subscription

AUD figures rounded for illustrative purposes
ACV is a key driver of free cash flow given subscription business model.

**Australia FY16 Free Cash Flow Conversion**

<table>
<thead>
<tr>
<th>Key metric</th>
<th>ACV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening ACV</td>
<td>25.0</td>
</tr>
<tr>
<td>Incremental ACV</td>
<td>9.4</td>
</tr>
<tr>
<td>Closing ACV portfolio</td>
<td>34.4</td>
</tr>
<tr>
<td>ACV Portfolio Growth</td>
<td>37.6%</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>19.2</td>
</tr>
<tr>
<td>FCF Conversion</td>
<td>55.8%</td>
</tr>
</tbody>
</table>

Australia free cash flow invested in:
- Expanding and broadening the product offering
- Expansion into new territories to replicate the business model – currently the United States

Group Sales Contribution Ratio >100% - direct customer acquisition costs recovered within 1 year from subscription revenues
Financial results build on progress in recent periods

- 38% growth in H1 revenue compared to pcp, and gross margin remains above 80%
- 41% growth on pcp gross profit delivered with only a 6% increase in expenses
- Disciplined cost management remained a focus
- FY17 EBITDA guidance affirmed: $4.5M – 6.5M

### Summary P&L ($M)

<table>
<thead>
<tr>
<th>Group P &amp; L</th>
<th>H1 FY16</th>
<th>H2 FY16</th>
<th>H1 FY17</th>
<th>Change on pcp</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>13.9</td>
<td>17.0</td>
<td>19.2</td>
<td>38%</td>
</tr>
<tr>
<td>Interest</td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
<td>-</td>
</tr>
<tr>
<td>Total revenue</td>
<td>14.1</td>
<td>17.2</td>
<td>19.4</td>
<td>38%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>11.3</td>
<td>14.1</td>
<td>15.9</td>
<td>41%</td>
</tr>
<tr>
<td>Gross margin (%)</td>
<td>80.1%</td>
<td>82.0%</td>
<td>82.0%</td>
<td>1.9pp</td>
</tr>
<tr>
<td>Expenses</td>
<td>15.9</td>
<td>14.1</td>
<td>16.8</td>
<td>6%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>(2.1)</td>
<td>2.7</td>
<td>2.4</td>
<td>$4.5M</td>
</tr>
<tr>
<td>EBITDA margin (%)</td>
<td>(15.1)%</td>
<td>15.9%</td>
<td>12.5%</td>
<td>27.6pp</td>
</tr>
<tr>
<td>EBIT</td>
<td>(4.8)</td>
<td>(0.2)</td>
<td>(1.1)</td>
<td>$3.7M</td>
</tr>
<tr>
<td>EBIT (%)</td>
<td>(34.5)%</td>
<td>(1.2)%</td>
<td>(5.7)%</td>
<td>28.8pp</td>
</tr>
<tr>
<td>(Loss) after tax</td>
<td>(3.3)</td>
<td>(3.8)</td>
<td>(3.0)</td>
<td>0.3M</td>
</tr>
</tbody>
</table>

1 Includes impact of realised and unrealised FX gains / losses
Accelerating growth in the US

US ACV over AUD$5M at 31 March 2017 – record growth in Q3 FY17

First USD$1.0M incremental ACV quarter since US operations commenced – the US business is building a scalable platform for continued future growth.

US customer use cases in a range of industries

US subscriptions range from small and medium businesses to large enterprises in key target industries:

- Energy (solar)
- Insurance
- Local Government (counties)
- Architecture, construction & engineering

Customer wins in a competitive market

- Range of partnerships, including delivering content to the insurance segment
- Key customer wins directly against competitors
- First commercial sales of 3D data
Growth strategy underpinned by three compelling pillars

Continued growth in our Australian business
Underpinned by investment in sales and market capability together with expanded capture and product

US growth through targeted sales and marketing
Expanded sales and marketing capability, including a dedicated focus to our growing renewal portfolio and market leading product enhancements

Market expansion through investment in 3D opportunity
Investment in oblique and 3D capture enhances product offering to drive further expansion of the addressable market
3D Aerial Technology

Nearmap 3D Demonstration

Click [here](#) for a 3D fly-through of the Gold Coast in Queensland, Australia.

This video has been created using Nearmap imagery captured by our HyperCamera2 technology and processed using our proprietary software.

The many applications for this technology include:

- Construction and local government urban planning
- Visualising line of site for infrastructure such as telecommunications
- Calculating solar irradiance
- Accurately measuring roof pitch
Nearmap – leadership in observing the earth delivered as a service

Large market opportunity

Large traditional aerial imagery market opportunity of USD$1.5 billion (2017)

Breakthrough technology / model

Market expanding subscription platform, efficient technology and proprietary software

Scalable growth

Effective sales model, recurring subscriptions and ‘land and expand’ sales strategy

Market expanding offering

Market leader in Australia, disrupting the much larger US market, with most customers new to aerial imagery

Continuing innovation

Oblique and 3D capture technology opens up new customer use cases and market opportunity
Reality as a Service

Why
We believe if we change the way people view the world, we can profoundly change the way they work

How
So we’ve created effortless access to the most useful, engaging and current location content in the world

What
Making it possible for anyone to unlock the limitless capacity of truth on the ground

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