

AEERIS LIMITED

Half Year Results for the period ended 31 December 2019

Aeeris Limited (ASX:AER) today releases its financial results for the period ended 31 December 2019.

Although the Company recorded a consolidated loss of \$184,468 for the half year, (2018 Loss: \$103,336) the results include a Share Based Payment expense of \$162,435, a non-cash item.

Commenting on the results Mr. Kerry Plowright, Chairman, said: "Cash on hand for the period ended 31 December 2019 was \$904,117 compared to cash at the beginning of the period of \$840,804, representing an increase of \$61,313 for the period.

"The Company continues to receive in-bound enquiry for its services following the array of exceptional events including severe drought, bushfires and multiple high impact hailstorms over the past few months. It is expected that many of these enquiries will convert into annuity clients over coming months, which is expected to result in a stronger second half of the calendar year."

This announcement has been approved and authorised for release to ASX by the Board of Aeeris Limited.

For further information please contact:

Kerry Plowright
Chairman and CEO
Aeeris Limited
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About Aeeris

Aeeris Limited is a leading geospatial data business. The Company's **Early Warning Network** system and proprietary **GNIS** 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, and communicate instantly with these users, especially about events which impact their safety.

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 with our products ***Safe@Work™*** and ***SecureAMS™***

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 personnel with regard to security, facility access, time-billing and fraud
- Improve operational efficiencies, labour scheduling and asset management

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

Aeeris is listed on ASX with the ticker code AER

AEERIS LIMITED and its controlled entities
Appendix 4D Half Year Report

Results for announcement to the market

| | 31 Dec 2019 \$ | 31 Dec 2018 \$ | % |
|---|-------------------------------|-------------------------------|----------|
| Revenue from Ordinary activities | 804,666 | 769,410 | 4.58% |
| Loss from ordinary activities after tax attributable to members | (184,468) | (103,336) | (78.51%) |
| Net Loss attributable to members | (184,468) | (103,336) | (78.51%) |

The Company does not propose to pay a dividend.

| Net tangible assets | 31 Dec 2019 \$ | 31 Dec 2018 \$ |
|---|-------------------------------|-------------------------------|
| Net tangible assets per ordinary shares | 0.01 | 0.02 |

The further information required by the Listing Rule 4.2A.3 is included in the accompanying Financial Report.

Please refer to the Directors' Report for an explanation of the operational and financial results for the Group.

Aeiris Limited

**ABN 18 166 705 595
and Controlled Entities**

Consolidated Interim Financial Report **For the period ended 31 December 2019**

Aeeris Limited

ABN 18 166 705 595
and Controlled Entities

Contents

Financial Report

| | |
|--|----|
| Directors Report | 3 |
| Auditor's Independence Declaration | 4 |
| Consolidated Statement of Profit or Loss | 5 |
| Consolidated Statement of Financial Position | 6 |
| Consolidated Statement of Changes in Equity | 7 |
| Consolidated Statement of Cash Flows | 8 |
| Notes to the Financial Statements | 9 |
| Director's Declaration | 13 |
| Independent Audit Review Report | 14 |

Aeeris Limited

ABN 18 166 705 595
and Controlled Entities

Directors Report for the Half Year Ended 31 December 2019

Your Directors present their report together with the Consolidated Financial Statements of Aeeris Limited ('the Company') for the half year ended 31 December 2019.

Directors

The names of the directors in office during and since the end of the financial period, unless otherwise stated, are as follows:

Mr Kerry Maurice Plowright
Mr Bryce Reynolds
Mr Nathan Young

Review and results of operations and financial position

Cash held increased by \$23,382 during the period compared to a decrease in cash held of (\$209,590) for the period ended 31 December 2018.

The Company recorded a consolidated loss of \$184,468 for the period ended 31 December 2019 (2018 Loss: \$103,336). In the consolidated loss there was Share Based Performance Rights applied of \$162,435 which represents a non cash item.

Cash on hand for the period ended 31 December 2019 was \$902,117 (31 December 2018 Cash \$840,804) which represents an increase of \$61,313.

Subsequent Events

There have been no subsequent events since the end of the interim period.

Auditors' independence declaration

The lead auditors' independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the period ended 31 December 2019 has been received and can be found on page 4.

Signed in accordance with a resolution of the Board of Directors:



Mr. Kerry Plowright
Chairman

Dated this 26th day of February 2020



**AEERIS LIMITED ABN 18 166 705 595
AND CONTROLLED ENTITIES**

**AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C
OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF AEERIS LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2019 there have been no contraventions of:

- a. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- b. any applicable code of professional conduct in relation to the review.

MNSA Pty Ltd
MNSA Pty Ltd

Allan Facey
Director

Sydney

Dated this 26th day of February 2020

AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE HALF YEAR ENDED 31 DECEMBER 2019

| | Notes | Consolidated Half Year Ended 31 Dec 2019 \$ | Consolidated Half Year Ended 31 Dec 2018 \$ |
|--|-------|---|---|
| Revenue and Other Income | | | |
| Revenue | 2 | 804,666 | 769,410 |
| Other income | 2 | 3,115 | 7,124 |
| Total Revenue and Other Income | | 807,781 | 776,534 |
| Expenses | | | |
| SMS Communication | | (61,723) | (62,290) |
| Weather reports | | (85,391) | (71,900) |
| Depreciation and Amortisation | | (5,090) | (3,202) |
| Interest paid | | (1,481) | - |
| Licence fees | | (3,218) | (24,135) |
| Subcontractors | | (79,933) | (84,036) |
| Consulting fees | | (144,770) | (185,906) |
| Employee benefits expense | | (303,197) | (323,236) |
| IT costs | | (46,613) | (50,428) |
| Share based payments | | (162,435) | - |
| Other expenses from ordinary activities | 3 | (98,398) | (74,737) |
| Total Expenses | | (992,249) | (879,870) |
| Loss Before Income Tax | | (184,468) | (103,336) |
| Income tax expense | | - | - |
| Loss for the Period | | (184,468) | (103,336) |
| Earnings per Share | | | |
| From continuing and discontinued operations: | | | |
| - Basic loss per share (cents) | 10 | (0.31) | (0.18) |
| - Diluted loss per share (cents) | 10 | (0.31) | (0.18) |

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

| | Notes | Consolidated As at 31 Dec 2019 \$ | Consolidated As at 30 Jun 2019 \$ |
|----------------------------------|-------|--|--|
| Current Assets | | | |
| Cash & cash equivalents | | 902,117 | 878,735 |
| Trade & other receivables | | 158,502 | 152,604 |
| Prepayments | | 26,231 | 7,289 |
| Total Current Assets | | <u>1,086,850</u> | <u>1,038,628</u> |
| Non Current Assets | | | |
| Property, plant & equipment | | <u>11,962</u> | <u>15,335</u> |
| Total Non Current Assets | | <u>11,962</u> | <u>15,335</u> |
| Total Assets | | <u>1,098,812</u> | <u>1,053,963</u> |
| Current Liabilities | | | |
| Trade & other payables | | 499,756 | 436,584 |
| Provisions | | <u>36,294</u> | <u>32,584</u> |
| Total Current Liabilities | | <u>536,050</u> | <u>469,168</u> |
| Total Liabilities | | <u>536,050</u> | <u>469,168</u> |
| Net Assets | | <u>562,762</u> | <u>584,795</u> |
| Equity | | | |
| Issued capital | 4 | 5,100,568 | 5,019,351 |
| Options reserve | | 81,218 | 94,967 |
| Accumulated losses | | <u>(4,619,024)</u> | <u>(4,529,523)</u> |
| Total Equity | | <u>562,762</u> | <u>584,795</u> |

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2019

| | Note s | Issued Capital \$ | Options Reserve \$ | Accumulated Losses \$ | Total \$ |
|---------------------------------------|-------------------|----------------------------------|-----------------------------------|--------------------------------------|---------------------|
| Consolidated Group | | | | | |
| Balance as at 1 July 2018 | | 5,019,351 | 94,967 | (4,277,583) | 836,735 |
| Loss for the financial period | | - | - | (103,336) | (103,336) |
| Balance as at 31 December 2018 | | 5,019,351 | 94,967 | (4,380,919) | 733,399 |
| Balance as at 1 July 2019 | | 5,019,351 | 94,967 | (4,529,523) | 584,795 |
| Loss for the financial period | | - | - | (184,468) | (184,468) |
| Expiry of options | | - | (94,967) | 94,967 | - |
| Issue of performance rights | | - | 162,435 | - | 162,435 |
| Conversion of performance rights | | 81,217 | (81,217) | - | - |
| Balance as at 31 December 2019 | | 5,100,568 | 81,218 | (4,619,024) | 562,762 |

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2019

| | Consolidated Half Year Ended 31 Dec 2019 \$ | Consolidated Half Year Ended 31 Dec 2018 \$ |
|---|--|--|
| Cash flow from operating activities | | |
| Receipts from customers | 874,055 | 726,949 |
| Interest received | 3,114 | 6,700 |
| Payments to suppliers & employees | (852,070) | (943,239) |
| Net cash provided by/(used in) operating activities | <u>25,099</u> | <u>(209,590)</u> |
| Cash flow from investing activities | | |
| Purchases of property, plant & equipment | (1,717) | - |
| Payments for intangibles | - | - |
| Net cash used in investing activities | <u>(1,717)</u> | <u>-</u> |
| Cash flow from financing activities | - | - |
| Net cash provided by financing activities | <u>-</u> | <u>-</u> |
| Net increase/(decrease) in cash held | 23,382 | (209,590) |
| Cash & cash equivalents at the beginning of the period | 878,735 | 1,050,394 |
| Cash & cash equivalents at the end of the period | <u><u>902,117</u></u> | <u><u>840,804</u></u> |

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2019

NOTE 1. Statement of Significant Accounting Policies

Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2019 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Aeeris Limited and its controlled entities (referred to as the "consolidated group" or "group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2019, together with any public announcements made during the following half-year.

Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The group has considered the implications of new or amended accounting standards but determined that their application to the financial statements is either not relevant or not material.

Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Estimates

Impairment

The group assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key Judgements

Employee Benefits

For the purpose of measurement, AASB 119: Employee Benefits (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the group expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the directors consider that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the amounts expected to be paid to employees when the obligations are settled.

AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2019

| | Consolidated Half Year Ended 31 Dec 2019 \$ | Consolidated Half Year Ended 31 Dec 2018 \$ |
|--|--|--|
| NOTE 2. Revenue and Other Income | | |
| Revenue from ordinary activities | | |
| Sales revenue: | | |
| Subscription income | 804,666 | 769,410 |
| | <u>804,666</u> | <u>769,410</u> |
| Other revenue: | | |
| Interest received | 3,115 | 7,124 |
| | <u>3,115</u> | <u>7,124</u> |
| NOTE 3. Other Expenses | | |
| Other expenses from ordinary activities | | |
| Cleaning | 3,136 | 3,660 |
| Secretarial fee | 9,855 | 12,150 |
| Insurance | 12,528 | 11,427 |
| Travelling & accommodation | 9,312 | 10,983 |
| Registry services | 9,877 | 9,868 |
| Other operating expenses | 53,690 | 26,649 |
| | <u>98,398</u> | <u>74,737</u> |
| NOTE 4. Issued Capital | | |
| Fully Paid Ordinary Shares | 5,740,925 | 5,659,708 |
| Capital Raising Costs | (640,357) | (640,357) |
| Closing balance | <u>5,100,568</u> | <u>5,019,351</u> |
| | No. | No. |
| Ordinary Shares | | |
| Opening Issued Capital | 56,658,858 | 56,658,858 |
| Conversion of performance rights | 3,315,000 | - |
| At the end of the reporting period | <u>59,973,858</u> | <u>56,658,858</u> |

NOTE 5. Dividends

No dividends were paid during the period.

NOTE 6. Events after the End of the Interim Period

There have been no subsequent events since the end of the interim period.

AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2019

NOTE 7. Interest in Subsidiaries

The consolidated financial statements include the financial statements of Aeeris Limited and its controlled entity.

| Company | Place of Incorporation | Principal Activities | % of issued shares owned |
|-------------------------------|------------------------|-----------------------------|--------------------------|
| Early Warning Network Pty Ltd | Australia | Early Warning Notifications | 100% |

NOTE 8. Operating Segments

There was only one operating segment during the period which was early warning notifications.

NOTE 9. Contingent Liabilities

There has been no change in contingent liabilities since the last annual reporting period.

NOTE 10. Earnings Per Share

| | No. of Shares As at 31 Dec 2019 | No. of Shares As at 31 Dec 2018 |
|--|--|--|
| Weighted average number of ordinary shares used in calculating basic and diluted earnings per share. | 59,415,353 | 56,658,858 |
| | Consolidated Half Year Ended 31 Dec 2019 \$ | Consolidated Half Year Ended 31 Dec 2018 \$ |
| Net (Loss)/Profit after income tax attributable to shareholders | (184,468) | (103,336) |
| | Cents | Cents |
| Basic (loss)/earnings per share | (0.31) | (0.18) |
| Diluted (loss)/earnings per share | (0.31) | (0.18) |

AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2019

NOTE 11. Fair Value Measurements

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, and based on the lowest level input that is significant to the fair value measurements as a whole:

Level 1 – Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities.

Level 2 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly observable).

Level 3 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable).

The following table represents a comparison between the carrying amounts and fair values of financial assets and liabilities:

| | Level | As at 31 December 2019 | | As at 30 June 2019 | |
|------------------------------|-------|------------------------|------------|--------------------|------------|
| | | Carrying amount | Fair value | Carrying amount | Fair value |
| | | \$ | \$ | \$ | \$ |
| Financial assets | | | | | |
| Cash & cash equivalents | 1 | 902,117 | 902,117 | 878,735 | 878,735 |
| Other assets | 1 | 26,231 | 26,231 | 7,289 | 7,289 |
| Trade & other receivables | 1 | 158,502 | 158,502 | 152,604 | 152,604 |
| Financial liabilities | | | | | |
| Trade & other payables | 1 | 499,756 | 499,756 | 436,584 | 436,584 |

The following table represents a comparison between the carrying amounts and fair values of non-financial assets and liabilities:

| | Level | As at 31 December 2019 | | As at 30 June 2019 | |
|----------------------------------|-------|------------------------|------------|--------------------|------------|
| | | Carrying amount | Fair value | Carrying amount | Fair value |
| | | \$ | \$ | \$ | \$ |
| Non-financial assets | | | | | |
| Property, plant and equipment | 2 | 11,962 | 11,962 | 15,335 | 15,335 |
| Non-financial liabilities | | | | | |
| Provisions | 2 | 36,294 | 36,294 | 32,584 | 32,584 |

**AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES**

Directors' Declaration

In accordance with a resolution of the directors of Aeeris Limited, the directors declare that:

1. The financial statements and notes, as set out on pages 5 to 12, are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



Mr. Kerry Plowright
Chairman

Dated this 26th day of February 2020



**AEERIS LIMITED ABN 18 166 705 595
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
AEERIS LIMITED**

Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of Aeeris Limited, which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Half-year Financial Report

The directors of Aeeris Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Aeeris Limited's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Aeeris Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Aeeris Limited is not in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of Aeeris Limited's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

MNSA PTY LTD
MNSA Pty Ltd

Allan Facey
Director

Sydney

Dated this 26th day of February 2020