

## **AEERIS LIMITED**

Quarterly Report for Q3 of FY20

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### **Summary**

- Receipts from customers of \$446,765
- Outgoings \$535,187
- Total Net cash flow \$(87,175) including interest received \$1,247
- Cash and cash equivalent \$814,942

Aeeris Limited (ASX: AER) is pleased to provide an overview of its activities for the quarter ended 31 March 2020.

### **Overview**

The quarter began with the East Coast of Australia being swamped by mega bushfires, which became the main news story globally in the first half of January 2020. During this time, Aeeris experienced a further surge of in-bound enquires, following on from the record number received in the previous quarter. Service Agreements were negotiated and drafted and proposals for services were presented to many potential new clients for the Company's core Early Warning Network (EWN) risk mitigation product. Aeeris also continued development of its Climate Risk Regulatory Reporting platform.

As the quarter progressed this enquiry and work was swamped by what is now known as the COVID-19 pandemic which swung many global business and governments into "survival mode". In this mode, most entities we were dealing with re-tasked personnel and resources to manage through these unprecedented times. It is Aeeris' view that business opportunities developed in the beginning of this and the preceding quarter have not disappeared but rather have been deferred to some date in the future as they recover from the pandemic.

### **Financials**

The March quarter resulted in a Cashflow loss of \$87,175. This was the Company's first loss for five quarters. The two items contributing to this loss were Research and Development expenditure on the Climate Risk Reporting Platform, and late payments received from a number of customers. Payments made to related parties and their associates during the quarter were directors' fees and consultancy expenses.

The Board does not expect to incur further quarterly losses and management is currently accessing all available government support mechanisms to assist the Company during these unprecedented times.

While business was interrupted, natural risks arising from severe weather such as fire, flood and hail have continued unabated. EWN services are critical to the operations of its customers, many of whom are critical to the maintenance of our society.

As at this point, the Company has maintained all of its annuity clients, who fall into the following sectors:

- Heavy haul (rail), which represents 21% of our business and is experiencing increased activity as they respond to freight demand driven by the pandemic consumer spending;
- Insurance companies which deliver 32% of the Company's revenues;
- Government, councils and utilities (24%);
- Telecommunications (9%);
- Building and Construction (4%);
- Resources and Minerals (4%); and
- Community services making up the balance of 6% of revenues.

Aeeris' product is also now fully integrated into the ESRI network but no sales have occurred to date due to the impact of the COVID-19 pandemic.

### **Impact of COVID-19**

#### **Operations**

Operationally Aeeris is unaffected by COVID-19. The business was designed to be managed remotely and sustainably through widespread catastrophic events. This has allowed the Company to maintain services without interruption.

#### **Business and Revenues**

Following from the earlier comment, drought, bushfire emergency, hail, flash flooding, cyclones and other extreme events alerted many businesses of their exposure to these risks. This resulted in a pipeline of new business opportunities that demonstrated the Company's scaling ability.

#### **Growth**

Following the current emergency, risk and regulation will remain. Indeed, there will be a heightened sensitivity to 'real' risk. Aeeris envisages the appetite to meet regulatory requirements and mitigate actual threats will return in the near future.

With this backdrop, Aeeris continues to develop its Climate Risk Regulatory Reporting platform in preparation for the next reporting and severe weather seasons. What this means for end users is improved reporting on probabilities, trends and individual risks associated with assets/items that can be quantified and incorporated in financial statements – not to mention doing something about them in the real world.

#### **Conclusion**

The national response to the current COVID-19 is beyond our control. However, the Company is well placed to continue to deliver services to its clients and will emerge from the current event ready to deliver its new risk management suite.

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

#### **For further information please contact:**

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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, 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 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