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**Final results for year ended
30 June 2022**

*An exceptional year of growth, creating value
for some of the largest retailers in the world*

Eagle Eye Solutions Group plc

Agenda

- 1 Introduction
- 2 Financial Review
- 3 Strategic Update
- 4 Summary & Outlook



**Tim
Mason**
CEO



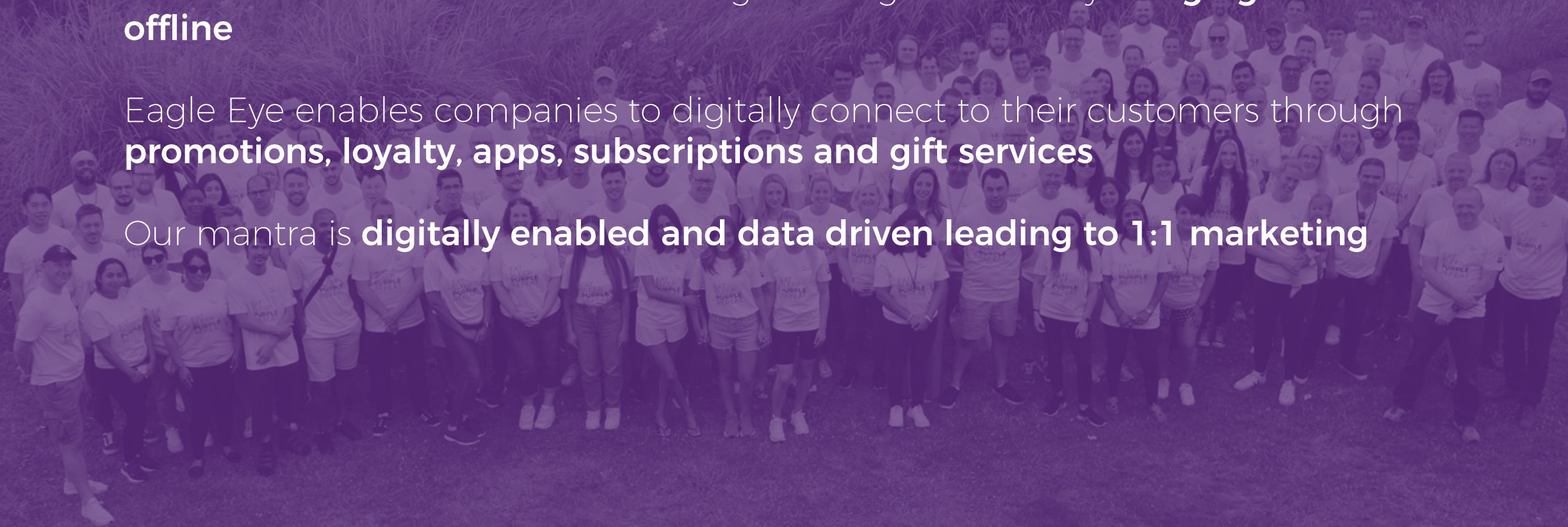
**Lucy
Sharman-Munday**
CFO

We are Eagle Eye

Our mission is to transform marketing for a digital world by **bridging online to offline**

Eagle Eye enables companies to digitally connect to their customers through **promotions, loyalty, apps, subscriptions and gift services**

Our mantra is **digitally enabled and data driven leading to 1:1 marketing**



An exceptional team creating value through great tech for some of the biggest businesses on the planet

Our purpose is to enrich the lives of our people and customers, delivering a service we are proud of



We all have to work. Life's too short not to enjoy it. So let's put our energy into making where we work really great. If we achieve that, anything is possible.



Together, we've earned the Best Companies world-class award



WORLD CLASS

TO WORK FOR

2022

cert.b.co.uk

TECHNOLOGY'S

TOP **10**

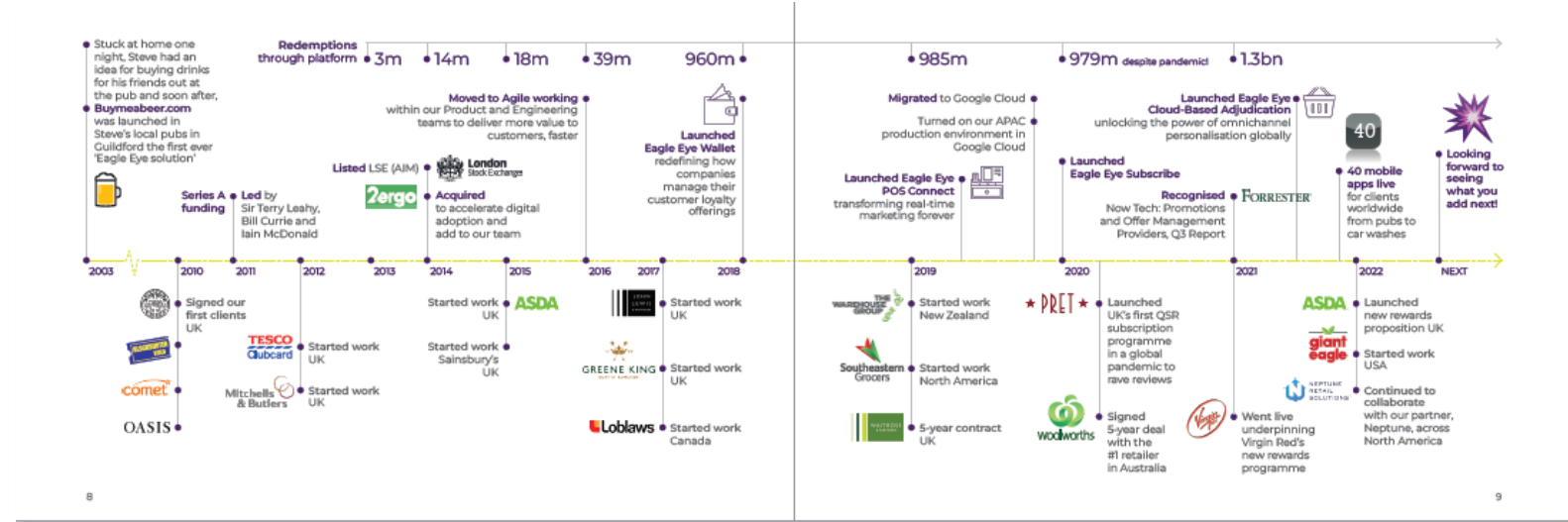
BEST COMPANIES

TO WORK FOR

Q2 2022

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Our Purple Playbook



There is a **Purple way** and it's the key to how we'll keep on soaring

We believe that how we do things together is more important than what we do. So we obsess about our culture – the who, the why and the how – as much as we obsess about our products and services.

Our culture makes us special, and so this book is all about that – what makes Eagle Eye, Eagle Eye.

We believe in

- 1 Treating people as you'd like to be treated
- 2 Delivering value to earn loyalty
- 3 Being obsessed with customers
- 4 Living our values
- 5 Staying agile
- 6 Winning teams
- 7 You

Purple isn't a superficial idea to colour our communications – it goes deep into the way we work across everything we do. **Purple is in our DNA.**

- 01 Integrity Earning trust
- 02 Excellence Maintaining trust, building loyalty
- 03 Innovation Keeping things fresh
- 04 Passion Enjoying the ride
- 05 Teamwork Passing Purple on
- 06 Kindness Bonding us together

purpose
people

Our Customer Promise

We Deliver A Service We Are Proud Of

Security



Security by design gives you peace of mind when it comes to your crown jewels - your data

Stability



No downtime for us means no downtime for your customer strategy

Scalability



More scale means more capacity for you to do more to delight your customers and keep them coming back

Support



Our Eagle Eyes are monitoring our service 24/7 so you don't have to - but we're here for a chat anytime if you need us



Share

We'll always communicate openly and honestly with you, even when it's difficult

Simple

We strive for simplicity and seek to demystify the complex

Sensible

We price fairly and transparently

We're Transparent

Status Quo

We thrive on challenging the status quo to innovate and do things better, simpler & cheaper

Satisfied?

We love to hear your feedback because it makes us better. We promise to act on it so give it freely!

Success

Long-term, trusted partnerships are our thing. We win when you win

We Try

Eagle Eye: The Retail Nervous System



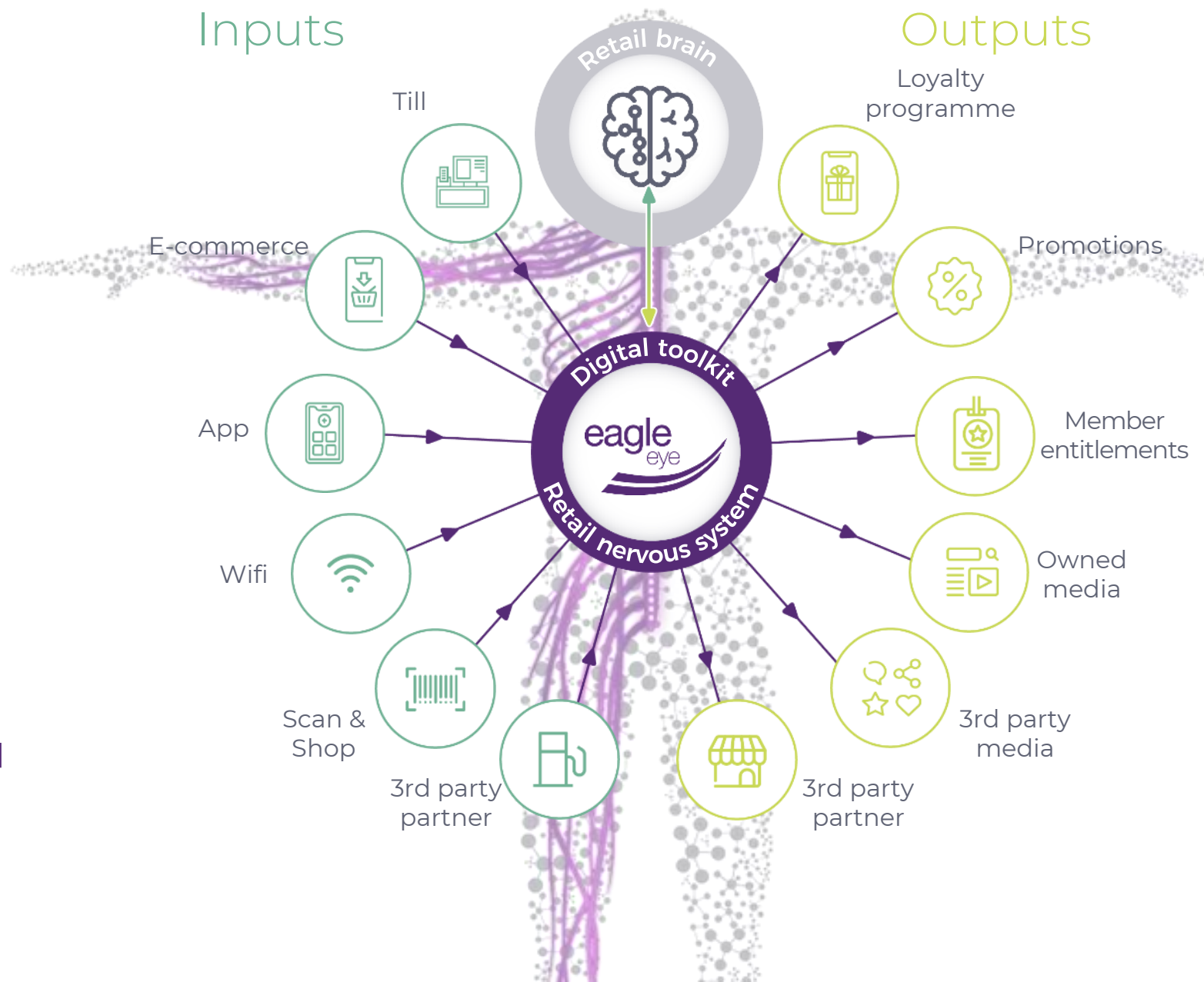
24/7, real time connection between the Brain and the Nervous System



The Nervous System passes **data inputs** into the Brain from all **connected channels**



Personalised decisions are passed from the Brain to the Nervous System to be **executed via the digital toolkit**

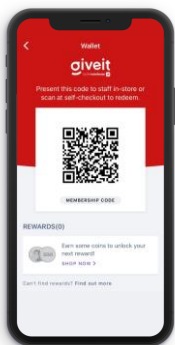


Enterprise grade digital toolkit for retail marketing

Providing retailers with the capability to personalise the end-to-end customer experience

Eagle Eye AIR

Charity donations



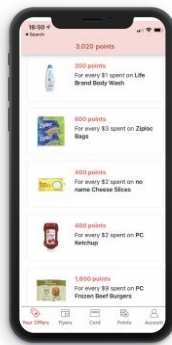
Coupon on receipt



Coalition loyalty



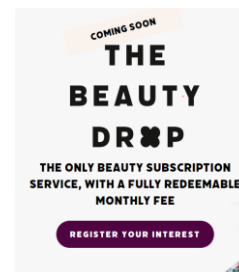
Personalised lifecycle triggers



Personalised continuity



Stored Value Subscriptions



Discounter Loyalty



Deepening Loyalty



Market opportunity and competitive strength

As personalisation and value come to the fore in the current climate

- **The global shift towards personalised digital marketing continues at pace**, and will accelerate in the face of tough economic times for consumers – coupon redemption seen to increase in the 2008 financial crisis*
- The overarching **competitive strength of the AIR platform** is its ability to **deliver real-time loyalty** i.e., personalised marketing messages to consumers securely, at an **enterprise scale, via a multitude of channels.**
- In the U.S., a key differentiator is **AIR's ability to facilitate personalised digital coupons for Consumer Packaged Goods** companies, who have traditionally spent heavily on paper



An Outstanding Year

- **Acceleration of revenue growth of 39%** – driven by all areas of the customer strategy
- ARR up 41% to £23.9m and maintained low churn at less than 1% reflecting **strength of the Group's SaaS business model**
- **Considerable progress in North America**, our fastest growing region, now with five clients, contributing **56% of Group ARR**
- **Continued investment** to support further growth and meet the needs of the world's largest retailers
- **Robust balance sheet** with £8.6m of cash headroom
- **Strong new business pipeline**

39%
**Revenue
growth**

76%
**Recurring
revenue**

54%
**Adj.
EBITDA*
growth**

*EBITDA has been adjusted for the exclusion of share-based payment charges along with depreciation, amortisation, interest and tax from the measure of profit

Financial Review

Key KPIs

39%

Revenue growth to £31.7m
(FY21: £22.8m)

0.2%

Churn
(FY21: 0.3%)

76%

Recurring revenue
(FY21: 74%)

£3.6m

Net cash
(FY21: £0.8m)

£6.5m,
20.5%

Adjusted EBITDA
(FY21: £4.2m, 18.5%)

£0.6m

Maiden profit after tax
(FY21: £0.1m loss)

145%

NRR
(FY21: 105%)

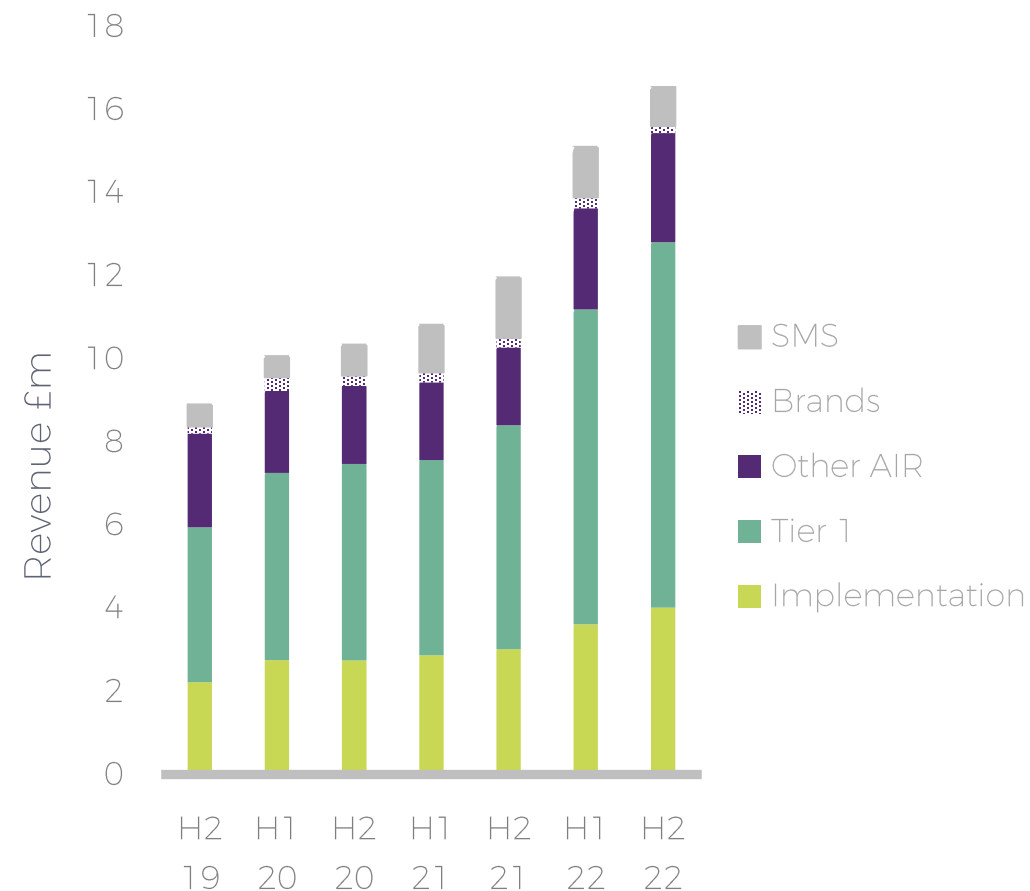
£23.9m

ARR
(FY21: £16.9m)

Revenue split by business model

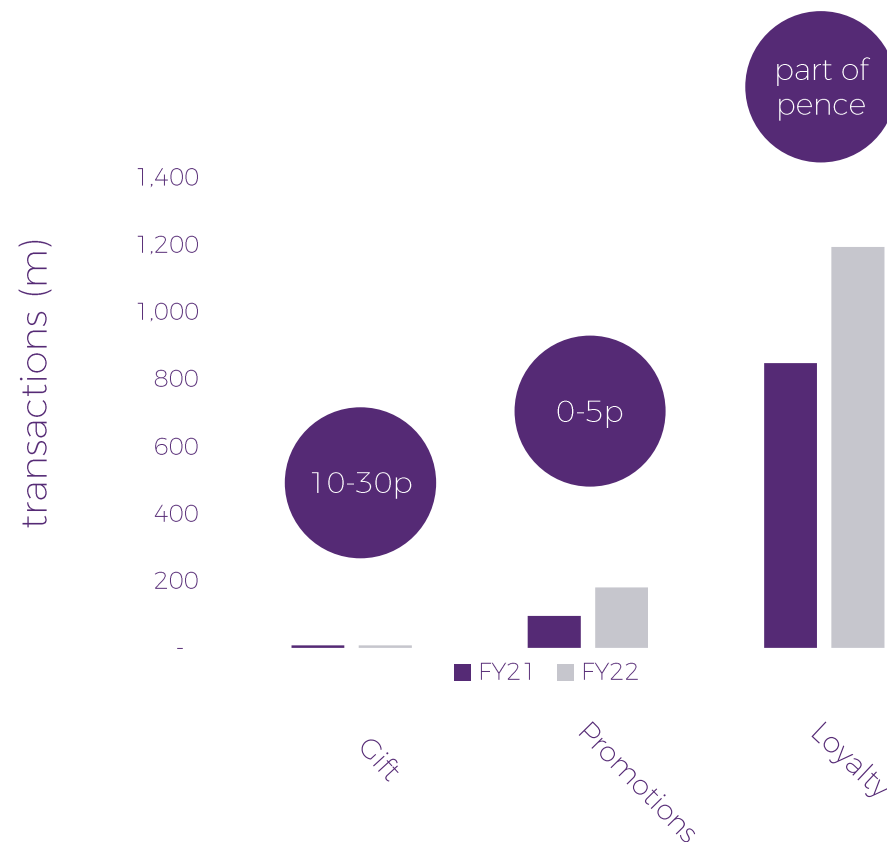
Strong growth, 53%, in recurring licence and transaction fees – supporting SaaS business model

	FY 22	FY 21	% Change
One off implementation fees	£7.6m	£5.9m	29%
Recurring revenue:			
Licence fees	£12.3m	£7.9m	56%
Transaction fees	£9.6m	£6.4m	50%
SMS fees	£2.2m	£2.6m	(15)%
Total	£31.7m	£22.8m	39%



Chargeable interaction and redemption volumes

- **Overall chargeable AIR redemption and interaction volumes increase by 62% to 1.7bn in FY22** (FY 21: 1.0bn)
- **Growth in loyalty** delivered by **Woolworths** going live and **additional services** for Tier 1 clients remunerated by banded transaction model.
- **Promotions increase reflects new US client, deepening with existing clients and Covid bounce back** on F&B and brand clients, with significant seasonal Black Friday and Christmas impact



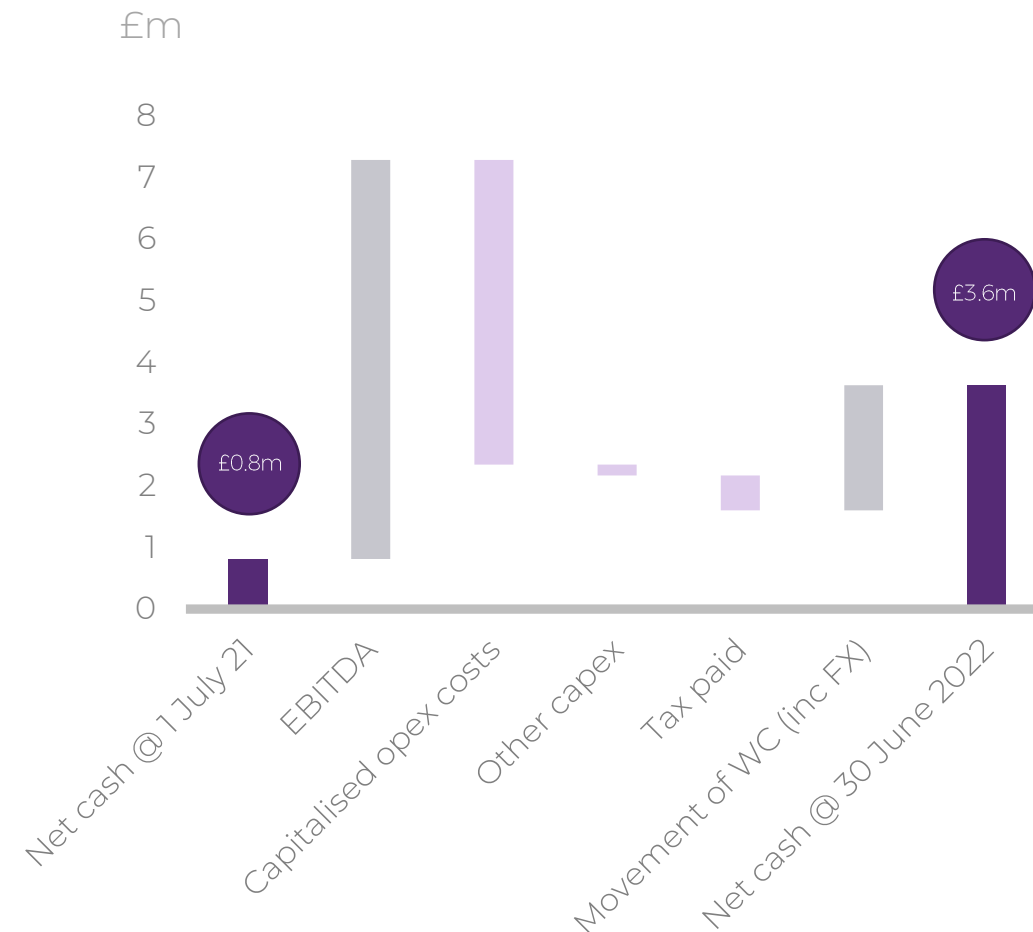
FY 22 - Income Statement

- Revenue growth of **39%** year-on-year
- **94% Gross profit margin**, +3ppt, reflecting impact of growth in higher margin AIR business
- **£23.1m net operating expenses, 41% higher**
 - **Net staff costs** increase to £13.9m (60% of net opex) (FY 21: £10.5m) reflecting increased headcount, annual pay awards and bonus/commission due to wins
 - **Infrastructure costs** grew by 57% to £6.5m due to investment ahead of projects going live
 - £5.2m, representing 17% of revenue, invested into **product**, (FY21: £4.3m)
- **Adjusted EBITDA profit £6.5m, 20% margin** (FY 21: £4.2m, 18% margin)
- **Maiden profit after tax of £0.6m** (FY 21: loss of £0.1m) after £0.1m tax charge

£'000	FY 22	FY 21	VAR	VAR %
Revenue	31,667	22,800	8,867	39%
Cost of Sales	(2,037)	(2,134)	97	5%
Gross profit	29,630	20,666	8,964	43%
Gross profit %	94%	91%		
Operating costs	(28,098)	(19,277)	(8,821)	(46)%
Capitalised costs	4,944	2,826	2,118	75%
Net operating costs	(23,154)	(16,451)	(6,703)	(41)%
Adj. EBITDA	6,476	4,215	2,261	54%
Amortisation, depreciation, SBP, interest	(5,791)	(4,089)	(1,702)	(42)%
Profit before tax	685	126	559	444%
Tax	(131)	(183)	52	28%
Profit/(loss)	554	(57)	611	1,072%

Net cash bridge

- **£2.8m overall** cash inflow including c.£0.4m final COVID-19 repayments; (FY 21 £0.7m outflow)
- **Operating cash inflow of £7.4m:** EBITDA £6.5m, working cap inflow £1.5m, £0.6m overseas corporate tax payments
- **£5.1m capex:** £2.2m capital expenditure on AIR, IFRS 15 contract costs capitalised £2.7m
- **Headroom of £8.6m**
 - **£3.6m** net cash at 30 June 2022
 - **£5.0m SVB facility** - sufficient headroom remains to support existing growth plan
 - **Facility** in place to September 2024



Committed to high standards of Environmental Social Governance (ESG)

With a focus on change that makes Eagle Eye a better business



- Our **environmental footprint is low** - we eliminate paper with our digital solution
- **Key tech suppliers** take environmental targets seriously
- **'Virtual First'** reduces our carbon footprint from travel – planted trees to offset



- Our goal is to make this a great place to work – **people are our greatest asset**
- Charity of the year – raising over **£40,000 for 52 Lives** helping individuals and families in need
- **Purple Women** – To increase representation of women across the business by supporting them in their career



- **Strong governance framework** - QCA code followed
- **Board level ownership** - Malcolm Wall sponsors the ESG initiative and Lucy Sharman-Munday the exec owner
- **KPIs** to assess and monitor key aspects of ESG

Strategic Update

Strategic focus

1. To **win** new customers, **transact** through our platform, **deepen** with additional products from our portfolio
2. To develop **new products** to provide further upsell opportunities across our customer base and strengthen our competitive positioning
3. To enter **new geographies**
4. To run the business **Better, Simpler, Cheaper**
5. To assess **complementary acquisition opportunities** as they arise



Delivering on all aspects of our customer strategy – Win, Transact, Deepen

Win

Increased win rate in UK and international geographies – resulting in uplift in **“win” related revenue**

Wins include **Halfords Group plc** and **two new US customers**



Transact

Chargeable AIR redemption and interaction volumes **grew 62% to 1.7bn**

Increased loyalty transactions as previous wins move to next stage of deployment - **Woolworths, Staples, Southeastern Grocers and Virgin Red**




Deepen

Deepening with customers resulted in NRR growth **to 145%**

Increase in interest in loyalty offerings, such as **Asda, Pret** and **Pizza Express**, as they seek to retain their customers in the post-pandemic environment.



Powering unique solutions for Asda

“Rewarding customers with money for buying the products they love”



Build up a **‘cash pot’** when purchasing a **‘star product’** or completing an in-app **‘mission’**



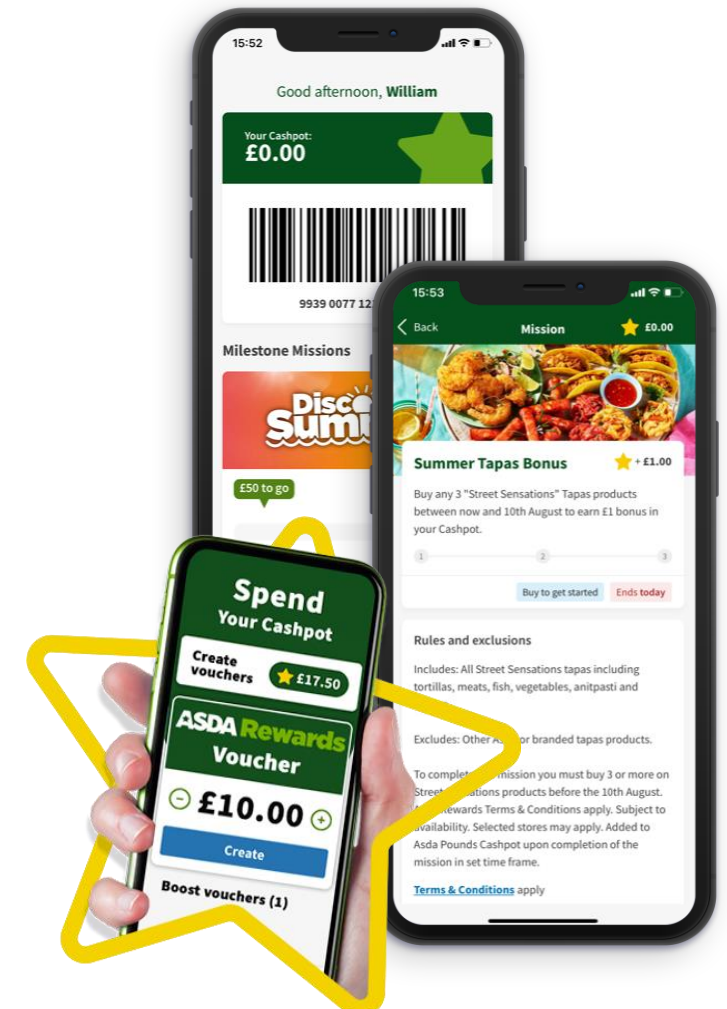
Earn **special rewards** for purchasing selected products across a range of brands



Redeem **cash** by converting your cash pot into a voucher which can be redeemed in-store or online for a truly **omnichannel** experience



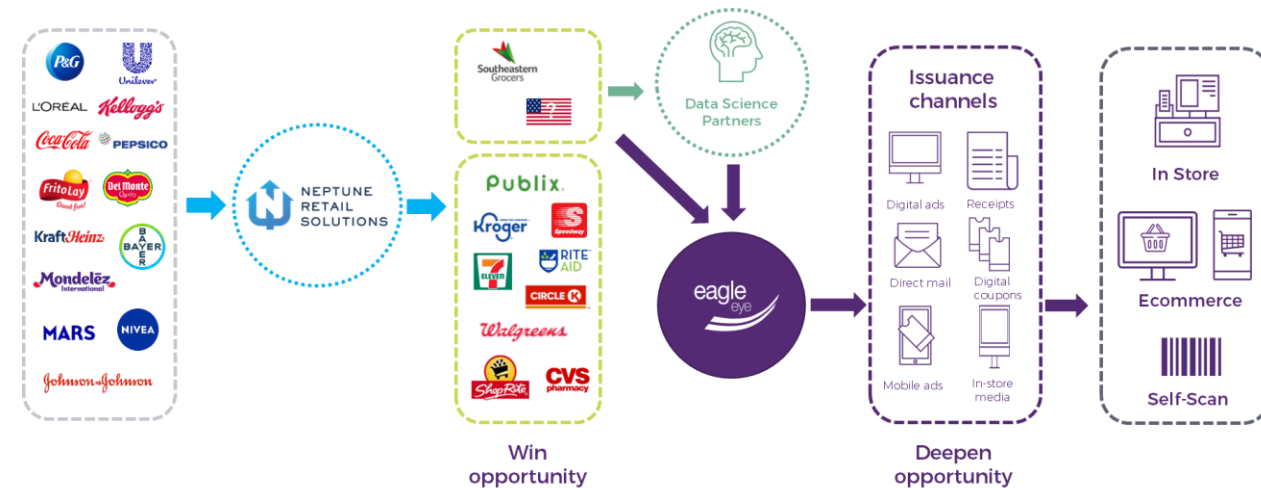
Mission enrolment and progress **automatically** updates in **real-time** with **POS Connect** when you purchase featured item(s)



Growing US momentum

CPG offering in partnership with Neptune provides significant opportunity

- Together with **Neptune Retail Solutions** we are modernising how **CPG companies** can engage shoppers digitally through personalised promotions
- Partnership now delivering over **200 million** personalised offer recommendations monthly to **Southeastern Grocers'** loyalty members
- Signed **second client with Neptune**, one of the largest national U.S. grocers and successfully **went live within months**



Growing US momentum

Loyalty and personalised promotions

- **Targeting more traditional loyalty and promotions markets**
 - AIR is part of an extensive, complex ecosystem requiring customisation and flexibility
- **Loblaw** is a successful example of this solution. They renewed their **three-year contract** during the year to power **the PC Optimum™** loyalty programme
- In **January 2022** signed **Giant Eagle** to facilitate its new digital loyalty platform and enable increased promotional capabilities
- **Sales pipeline in North American market continues to expand for both services**



Over 470 retail locations

Supermarkets, gas stations and convenience stores

One of the 40 largest family operated companies in the US

Expansion into new geographies

Planned investment into substantial addressable markets



Asia Pacific

- **Two of the largest retailers** in the region of Australasia are customers – progressing well
- Deepened our relationship with **Woolworths** with enhancements including more personalised offers and real-time boosting of offers
- Platform for **South East Asia expansion**
- Early signs of success in Indonesia



Europe

- Continued momentum with **UK Tier one** grocery
- **New wins** across Europe
- Increasing mainland Europe customer demand through **targeted marketing activities**
- Sales investment into **Germany and wider DACH region**

Customer-focused Innovation

Fundamental to our success and central to how we grow

Platform speed and scale

- Improvements to our **POS Connect** solution to deliver highly personalised offers at huge scale
- **Increased the speed** of our platform **by five times**

Product flexibility

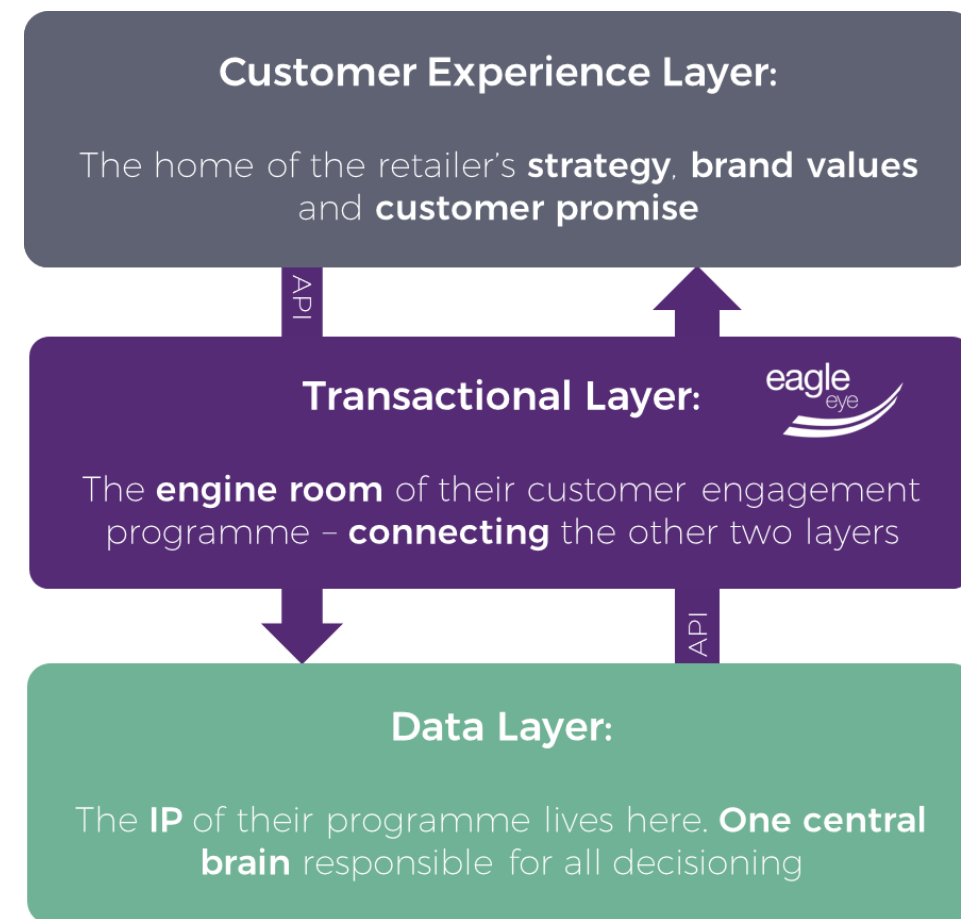
- Focused on extending **Gamification services** to deliver a more engaging customer journey
- Developing the **next generation of marketing** – contextual personalisation

Data and Reporting

- Launch of Eagle Eye Analytics improves the way a customer tracks the performance of its loyalty and promotional activities

Integrations and partnerships

- Continue to engage with partners all over the world to ensure we deliver the maximum value to customers



Summary and Outlook

- We are **successfully navigating** the macro-economic challenges
- **Underlying growth and flexible business model** allows us to invest into the business with confidence to support future growth
- **Customer loyalty and effective promotions are** more relevant than ever, in current difficult economic environment
- **Strong SaaS metrics** – ARR of £23.9m and NRR of 145% give confidence in future growth
- Focused on being an **exceptional place to work**
- **Growing US momentum** provides significant opportunity
- **Strong new business pipeline** in all regions



“The prospects for Eagle Eye are increasingly positive and we have entered FY23 in a significantly stronger position, with trading in the first few months of the year in line with Board expectations.”

Thanks.

eagleeye

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