



## **H1 results for six months ended 31 December 2022**

*Strong organic growth and acquisition of Untie  
Nots supports continued expansion*

**Eagle Eye Solutions Group plc**

# Agenda

- 1 Introduction & Untie Nots overview
- 2 Financial Review
- 3 Strategic focus
- 4 Summary & Outlook
- 5 Q&A



Tim  
Mason  
CEO



Lucy  
Sharman-Munday  
CFO

# A strong H1: Delivering on our opportunity

*Current year performance ahead of expectations*



AIR

**UNTIE NOTS**  
an eagleeye company



## Significant international growth

- **US now the largest part of our business** – but just the beginning
- **Wins** in new geographies
- **Increased sales and marketing activities** to drive pipeline growth

## Increased competitive moat

- Investment in **speed and capability** of our **world-class platform**
- Increasing profile, through our activities and the **successes of our blue-chip customers**

## First acquisition

- Completed **acquisition of Untie Nots** post period end
- Adding a powerful **‘win’** product and entry into French market
- Already **delivering increased pipeline opportunities**

## Growing profits and cash generation

- Proving the success of our **Win, Transact and Deepen** model
- **Increasing EBITDA margins, profits and cash generation**
- Greater scale to **increase our investment**

## Supportive market drivers

- Ideally positioned to capitalise on increasing demand towards **digital marketing, personalisation and proven ROI**

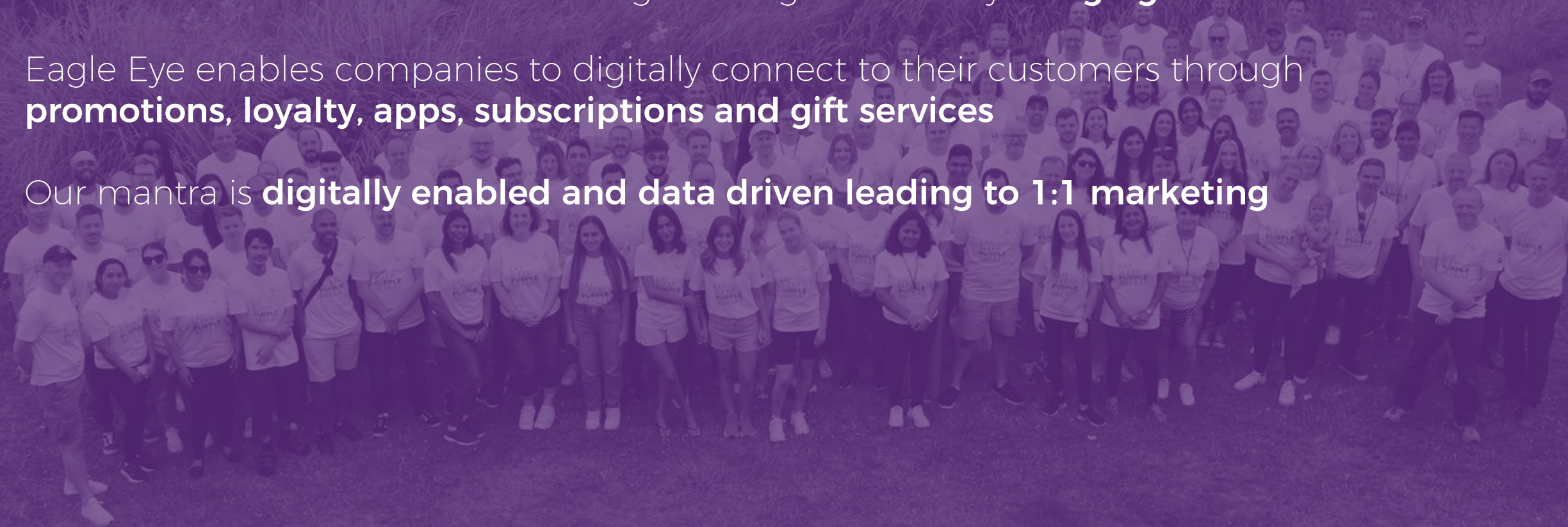


# We are Eagle Eye

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**



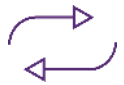
# Execute your strategy with a Retail Nervous System

Inputs

Outputs



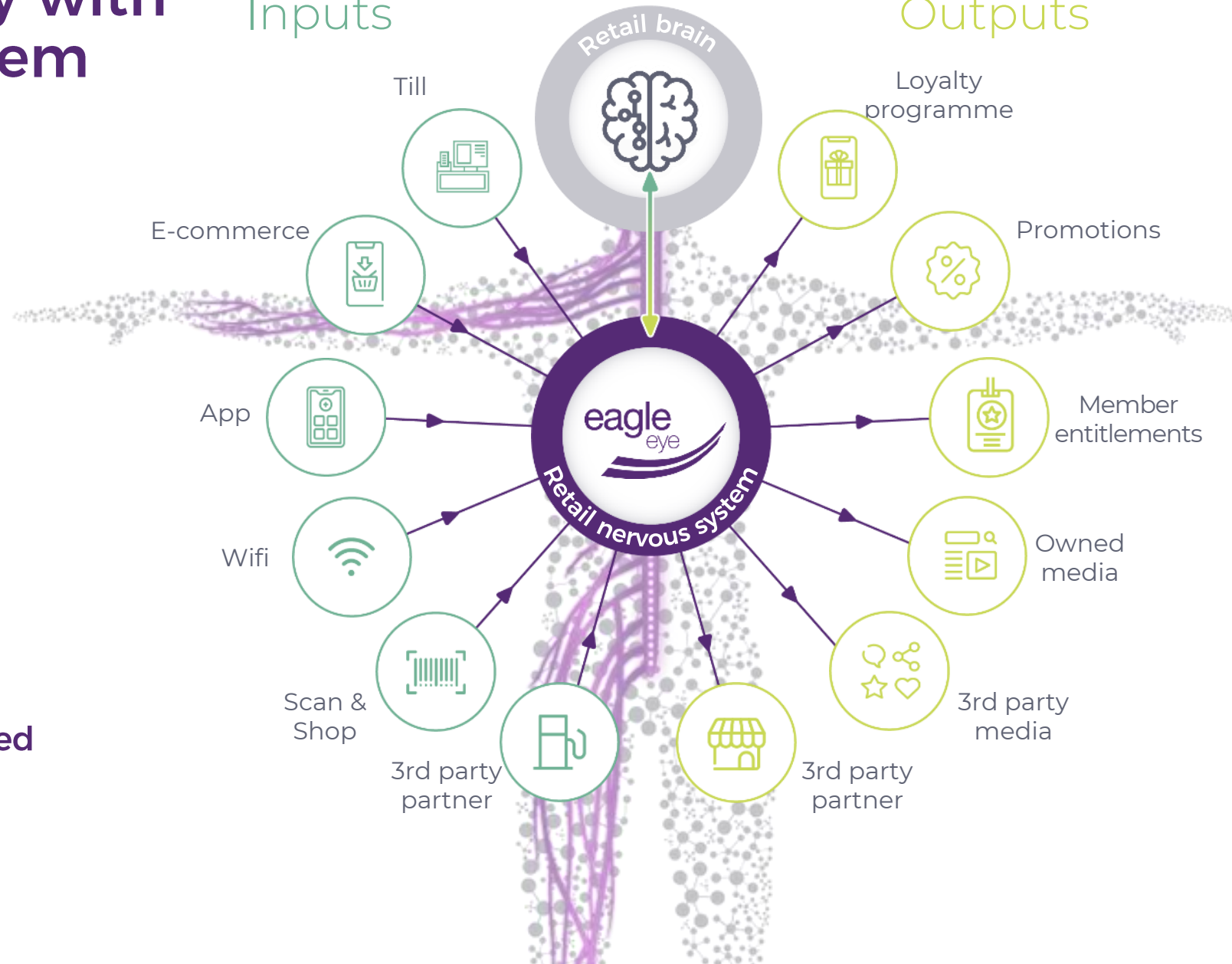
**24/7, real time** connection between the 'Brain' and the 'Nervous System'



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**



# Digital toolkit for enterprise retail marketing

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

## Eagle Eye AIR

Charity donations



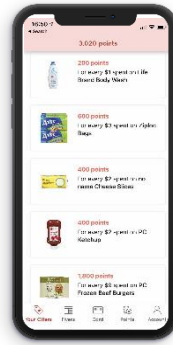
Coupon on receipt



Coalition loyalty



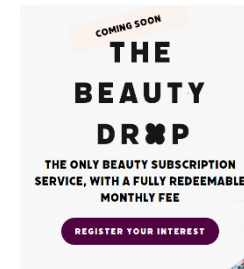
Personalised lifecycle triggers



Personalised continuity



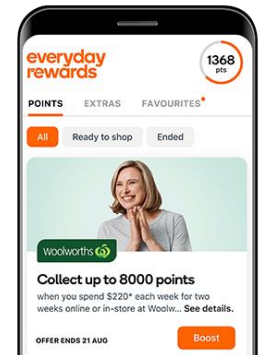
Subscription programmes



Gamification enablement



Next-generation loyalty



Untie Not's deepens our personalised continuity & gamification capabilities

# Untie Nots

*Better together*

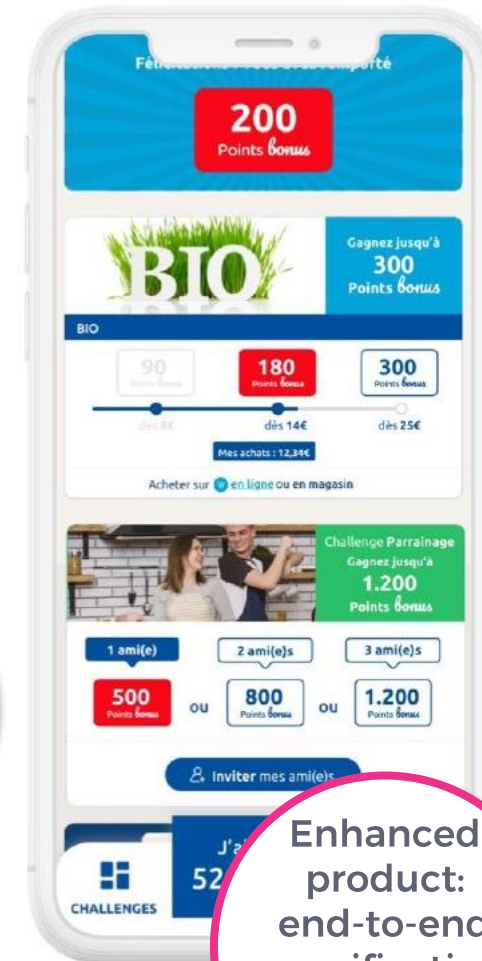
# Untie Nots bring Customers, Country, Capability

Highly compelling strategic rationale



Blue chip Enterprise customers

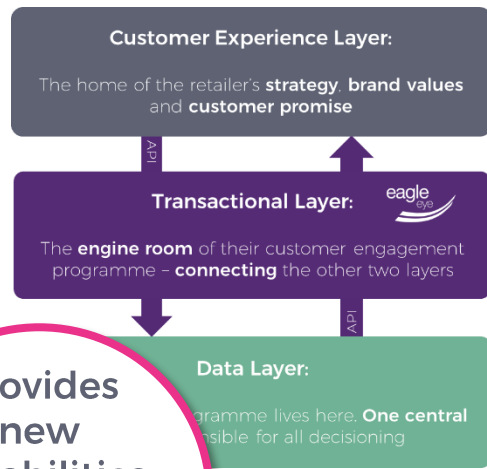
53% revenue CAGR FY19-21



Delivers a strong foothold in France & new opportunities in the US & APAC



Provides new capabilities in the CX and Data layers



A talented team with deep market knowledge

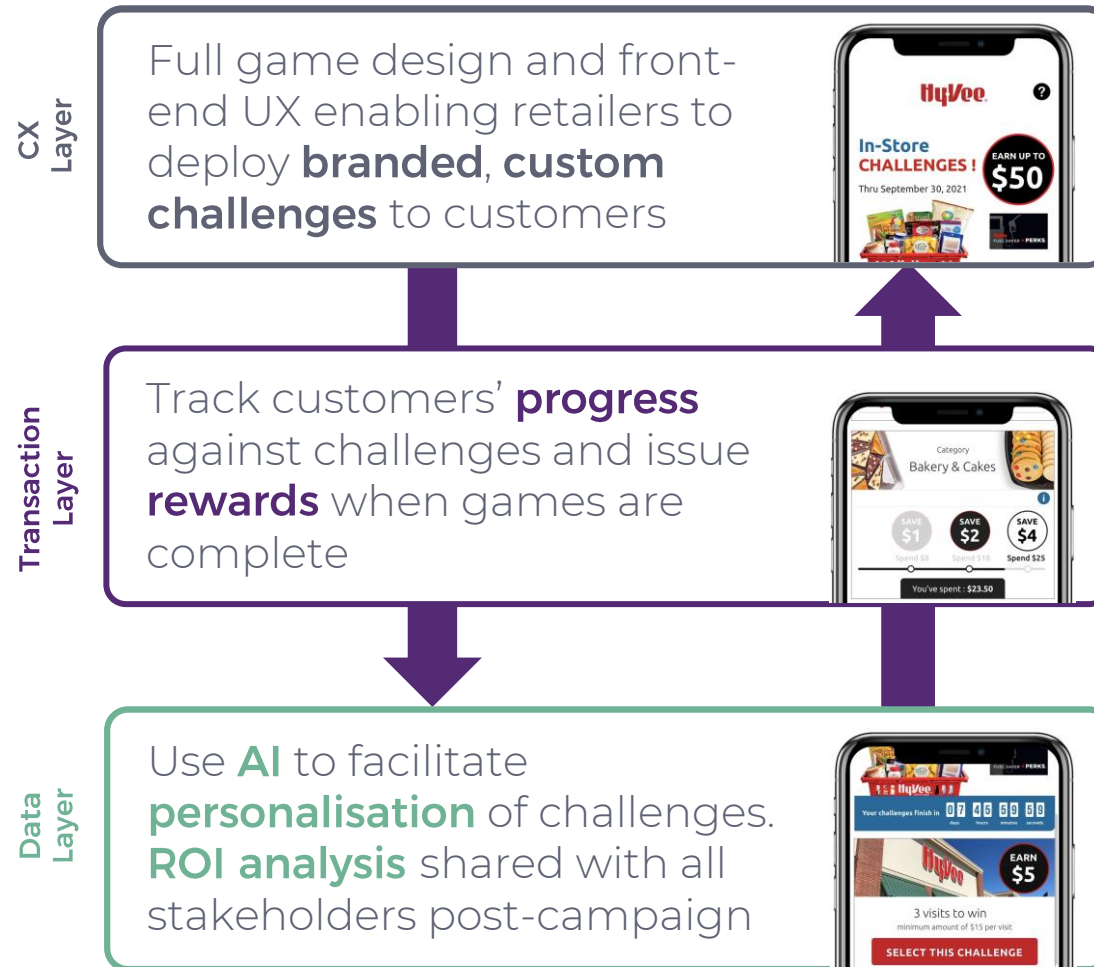


Enhanced product: end-to-end gamification out of the box



# A proven end-to-end solution

*Delivering value within each of the three layers*



Hosted in the Google Cloud

# Financial Review

# Key KPIs for six months ended 31 December 2022

32%

**Revenue growth** to £20.0m  
(H1 22: £15.1m)

0.0%

**Churn**  
(H1 22: 0.1%)

78%

**Recurring revenue**  
(H1 22: 76%)

£5.7m

**Adj. net cash**  
(H1 22: £0.04m)

£4.7m,  
23%

**Adjusted EBITDA**  
(H1 22: £3.1m, 21%)

£0.9m

**Profit before tax**  
(H1 22: £0.6m)

127%

**NRR**  
(H1 22: 130%)

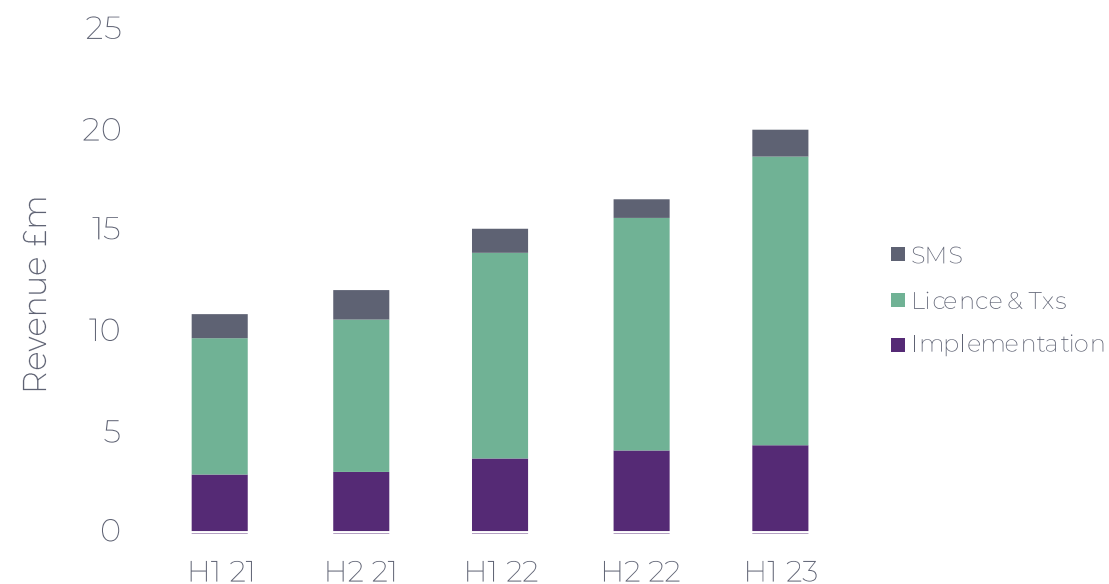
£26.2m

**ARR**  
(H1 22: £18.9m)

# Revenue split by business model

*Strong growth in recurring licence and transaction fees – supporting SaaS business model*

	H1 23	H1 22	% Change
One off implementation fees	<b>£4.3m</b>	£3.7m	19%
<b>Recurring revenue:</b>			
Licence fees	<b>£7.4m</b>	£5.7m	30%
Transaction fees	<b>£7.0m</b>	£4.6m	52%
SMS fees	<b>£1.3m</b>	£1.2m	8%
<b>Total</b>	<b>£20.0m</b>	£15.1m	32%



# H1 23 - Income Statement

- Revenue growth of **32%** year-on-year
- **94% Gross profit margin**, +1 ppt, reflecting impact of growth in higher margin AIR business
- **£14.1m net operating expenses, 30% higher**
  - **Net staff costs** increase to £7.8m (55% of net opex) (H1 22: £6.4m) reflecting increased headcount, annual pay awards and bonus/commission due to wins
  - **Infrastructure costs** grew by 43% to £4.1m due to investment in speed, stability and security of platform
  - **Product investment** - £3.1m, representing 16% of revenue, (H1 22: £2.4m)
- **Adjusted EBITDA profit £4.7m, 23% margin** (H1 22: £3.1m, 21% margin)
- **Profit after tax of £1.0m** (H1 22: £0.1m) after £0.2m tax credit, after the Untie Nots acquisition costs

£'000	H1 23	H1 22	VAR %
<b>Revenue</b>	<b>20,015</b>	<b>15,112</b>	<b>32%</b>
Cost of Sales	(1,172)	(1,122)	(4)%
<b>Gross profit</b>	<b>18,843</b>	<b>13,990</b>	<b>35%</b>
<b>Gross profit %</b>	<b>94%</b>	<b>93%</b>	
Operating costs	(16,602)	(12,965)	(28)%
Capitalised costs	2,462	2,113	17%
Net operating costs	(14,140)	(10,852)	(30)%
<b>Adj. EBITDA</b>	<b>4,702</b>	<b>3,138</b>	<b>50%</b>
Amortisation, depreciation, SBP, interest	(2,780)	(2,560)	(9)%
Untie Nots acquisition costs	(1,068)	-	-
<b>Profit before tax</b>	<b>855</b>	<b>578</b>	<b>48%</b>
Tax	165	19	
<b>Profit</b>	<b>1,020</b>	<b>597</b>	<b>71%</b>

# Better, Simpler, Cheaper

## *Opportunity to apply our financial model to Untie Nots*

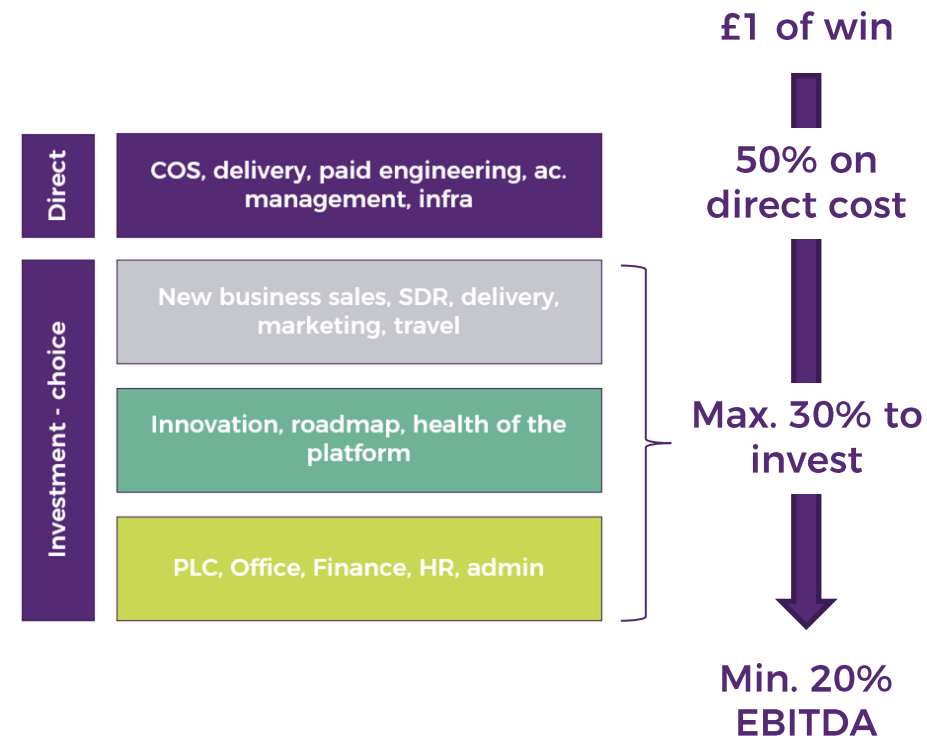
The **success of our defined operating model** has been consistently demonstrated by the growth in EBITDA margin

Continued progression in the period – **H1 23: 23%** (H1 22: 21%)

Our new methodologies have enabled us to supplement our local teams by our global resource pool, **enabling us to open up these geographies in a cost-efficient and scalable manner**

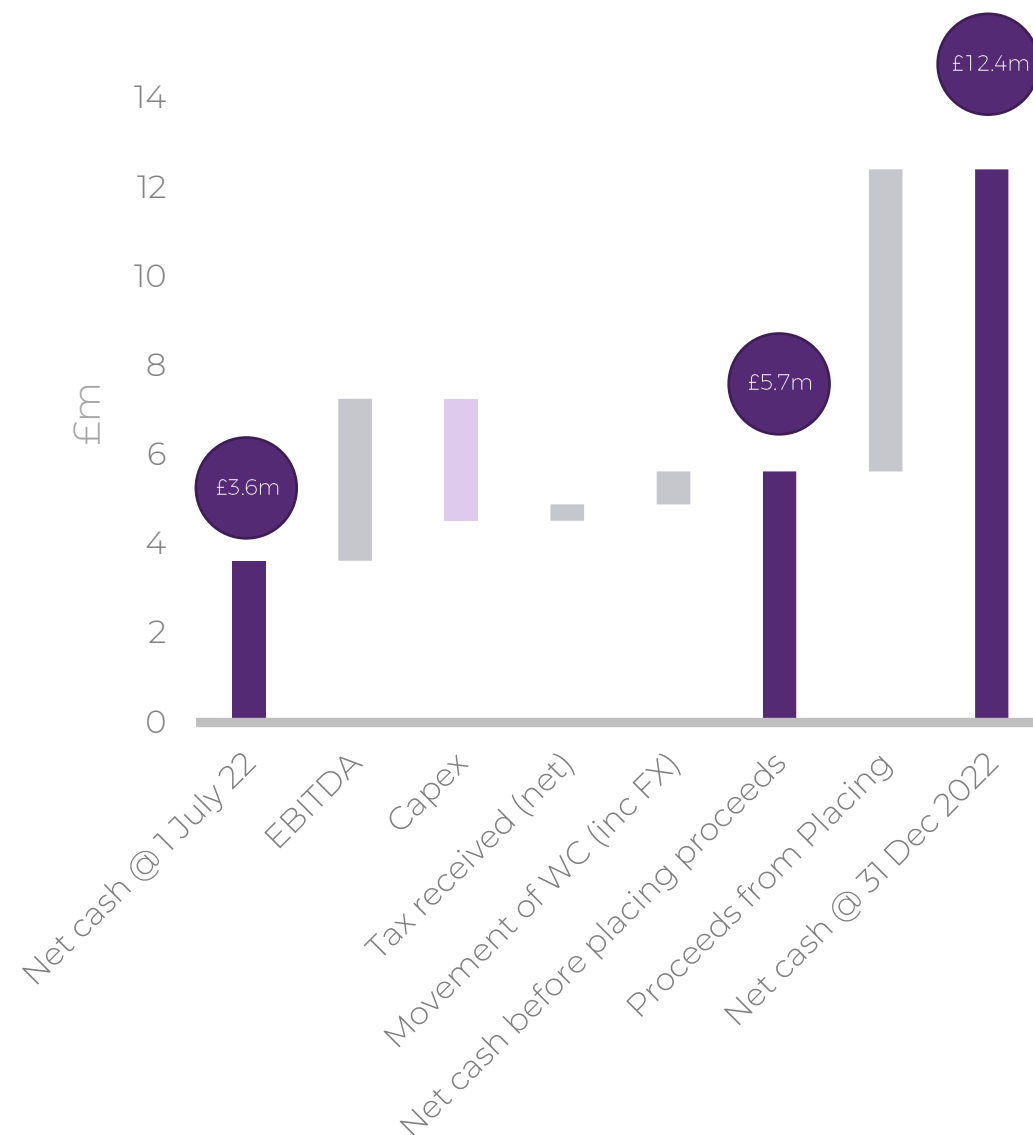
### Untie Nots opportunity

- Move towards key **EE SaaS metrics**
- **Longer contracts & deepen opportunities**
- Sales and Marketing & Google **synergies**
- Move to **profitability**



# Net cash bridge – cash generative

- Profit performance driving cash generation
- **£2.1m overall cash inflow, up 100%**, excluding c.£6.8m placing raised to part-fund the acquisition of Untie Nots (H1 22: £1.0m inflow)
- **Driven by the increase in EBITDA** netted by acquisition costs of c. £1m
- Updated **gross cash position at 10 March 23** **£7.8m** (including £1.6m of Untie Nots cash)
- **£5m facility drawn down by £2m** – no further draw down requirements



# ESG

*Creating value for our customers – we have a high standard of ESG focused on materiality and making a difference*

## Purple Pathways



## Best Companies



## Board evolution

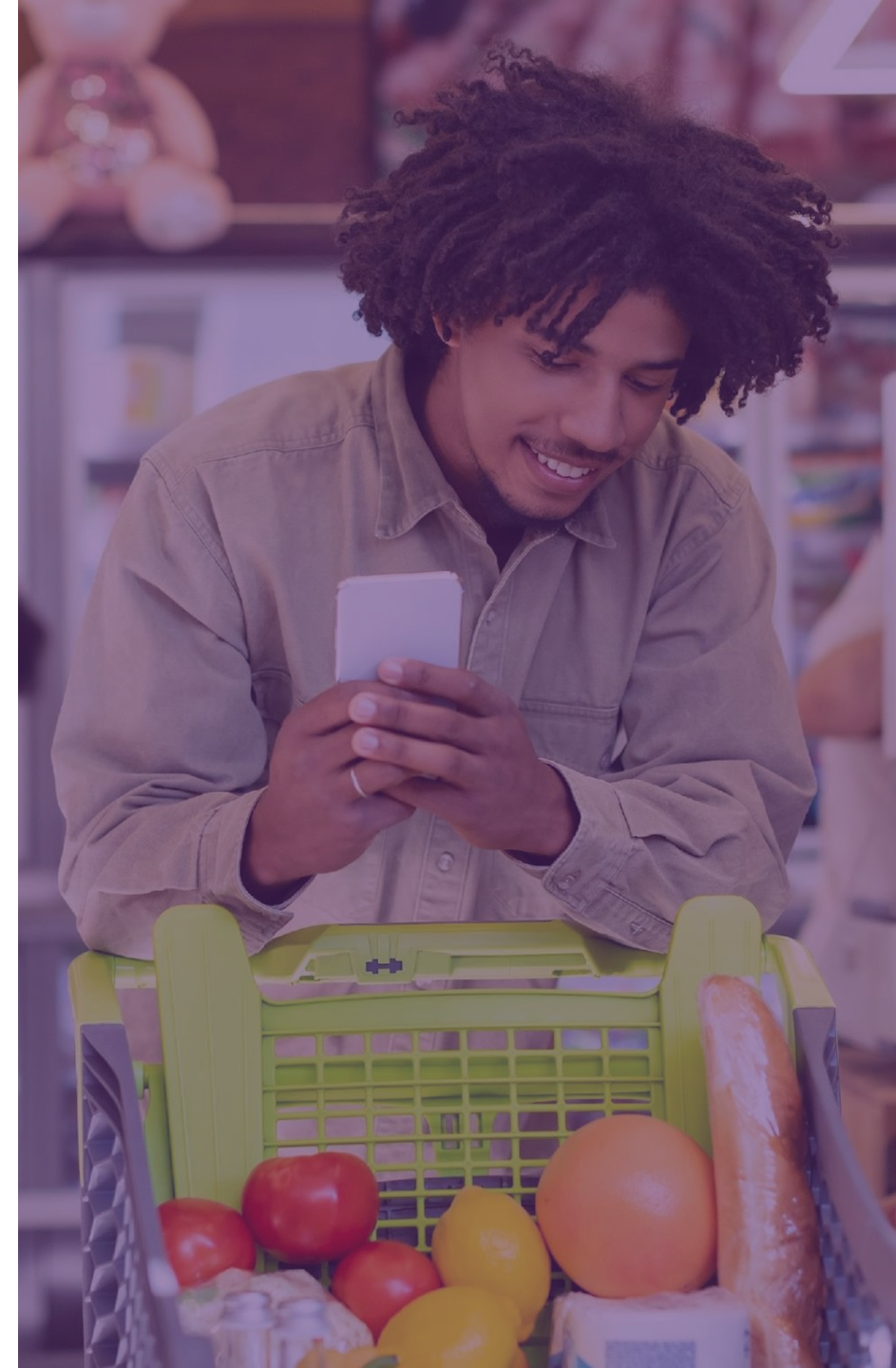




# Strategic Focus

# 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

Wins include **a large retailer in Canada, Hobbycraft UK and IKEA Taiwan.**

**Increasing Win related activities**, such as **Google partnership** and **increased marketing**

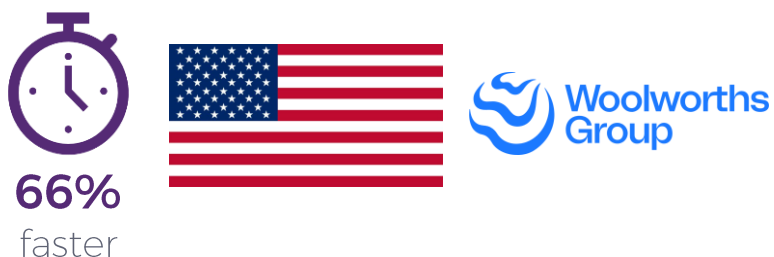


## Transact

Chargeable AIR redemption and interaction volumes **grew 147% to 1,570m (H1 2022: 635m).**

Further roll-out of **large U.S. grocer.** Significant **Woolworths Group** programme in Australia fully live in Q1

**Speed of** POS Connect response times increased for a 200 item basket by **66%**



## Deepen

Deepening with customers resulted in NRR growth **to 127% (H1 FY22: 130%).**

Key deepening activities:

- National roll-out of **Asda loyalty programme**
- **Staples US Retail** Multi-channel loyalty
- **Mitchells & Butlers** Staff Rewards app



# AIR now fully live with Australia's largest retailer

*5 year agreement, with initial launch within a year*

## What's new?

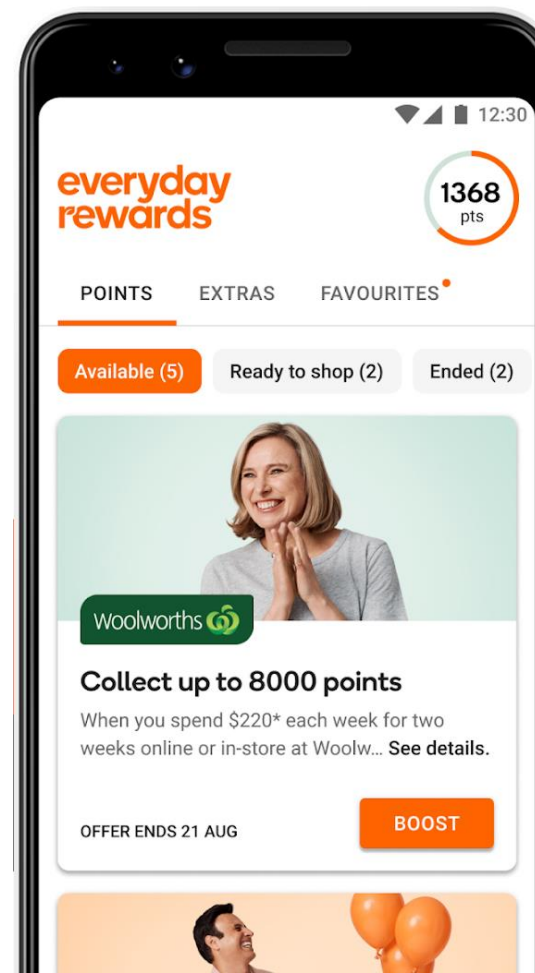
- **New offer types** including points, discounts, cash back, collectibles, behavioural, fuel vouchers, sustainability, gamification and charity donations
- **Real time connection** with POS, e-Com, Wallet and 'scan & go' functionality – supporting **instant offer activation and redemption**
- **Centralisation** of offers and loyalty functions into **one system across the Woolworths Group**

Historically offers were credited in **1-4 days** vs now in **real time**

**13x** more personalised offers created

**14.1m** members (+6%)

**+57%** active weekly users vs. last year



"It's Eagle Eye, for those interested in the tech [...] a next-generation loyalty platform. And it can be instantaneous. It can reconcile full history. And it's not constrained in terms of the offers we can provide or how we can repurpose it, so we have an incredibly powerful platform."

**CEO, Brad Banducci**


# Driving our Win rate

*Creating a richer pipeline, with more qualified leads, internationally*


1. **Bought a 'Win' product:** Untie Nots
2. **Invested in new geographies:** Germany & Singapore
3. **Invested in lead generation machine:** Tradeshows, digital advertising, PR, content
4. **Google partnership bringing opportunities:** Marketplace listing, joint sales engagement, trade shows



**Untie Nots**

**Asia Breakfast Briefings**




**Euroshop**




**NRF & FMI**




**Lead Generation**




**Google Partnership**



# Confident outlook

- Entered H2 in a **strong position**, with the continued growth in ARR providing good visibility on **sustainable profitable growth**
- Combined sales & marketing with Untie Nots is delivering **increased pipeline opportunities**
- **Growing international momentum** provides significant opportunity
- Trading since the Period end has **continued to be strong**
- Board confident in delivering another year of profitable growth, with revenue and adjusted EBITDA for FY23 now **expected to be ahead of current market expectations**

There's a **mega trend** going on **globally** right now and it's primarily enabled through apps and capabilities like **Eagle Eye**...it's a space that I think will continue to **evolve** and we need to continue to evolve with it.

Brad Banducci, CEO of Woolworths Group, November 2022



# Thanks.

eagleeye

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