

## GeoJunxion publishes its 2022/23 Annual Accounts for the year ending 30 June 2023, showing exceptionally positive results but also first signs of slow down for the new financial year.

Capelle aan den IJssel, The Netherlands, 26 October 2023 - GeoJunxion (GOJXN.AS) publishes its 2022/23 Annual Accounts for the 12-months accounting year ending 30 June 2023, showing 42% revenue growth YoY with all its financial KPIs positive.

We are pleased to present the GeoJunxion Annual Report for the accounting year 2022-23. It covers the 12-months period from 1 July 2022 to 30 June 2023. The comparative financials for the prior accounting year 2021-22 covers the 12-months period from 1 January 2021 to 30 June 2022.

A full copy of the **Annual Report** is attached to this press release and can be found on the company's website [www.geojunxion.com](http://www.geojunxion.com), under the Investor Relations and Financial News sections, in PDF and iXBRL tagged versions.

The 2022-23 accounting year was, once again, an eventful period during which the company continued its transformation and turnaround. For the fourth year in a row, we realized a substantial top line growth, while keeping operating expenses essentially flat, on a like for like basis. We closed with Net Profit and achieved a remarkable Cash-Flow positive. In addition all financial KPIs are positive. This is even more remarkable, given the increasing concerns about the global economy and the turmoil that crossed the Tech Industry during 2022, with losses for all the Tech giants and extensive reduction in forces.

A summary of the key financials is provided in the table below:

(x € 1,000)	2022/23	2021/22	V%
Recurring License and Royalty Rev.	740	664	
Recurring Service Rev.	287	268	
Non-Recurring Service Rev.	2,336	1,439	
Non-Recurring Data Rev.	5	-	
<b>Revenue</b>	<b>3,368</b>	<b>2,371</b>	42%
Maps and Sources	(116)	(128)	
Personnel expenses	(2,148)	(2,036)	
Depreciation	(131)	(128)	
Amortization	(825)	(737)	
Other operating expenses	(404)	(450)	
<b>Total operating expenses</b>	<b>(3,624)</b>	<b>(3,479)</b>	4%
Capitalised development costs	656	533	
Impairments	-	-	
<b>Net operating expenses</b>	<b>(2,968)</b>	<b>(2,946)</b>	1%
<b>Operating result</b>	<b>400</b>	<b>(575)</b>	170%
Interest income	2	-	
Interest expense	(338)	(296)	
Other financial result (expense)	(31)	31	
Extra-ordinary Income (expense)	-	-	
Exchange result on Participations	-	-	
<b>Result before tax</b>	<b>33</b>	<b>(840)</b>	104%
Income taxes	(5)	-	
<b>Net profit (Loss)</b>	<b>28</b>	<b>(840)</b>	103%
<b>Profit / (loss) attributable to:</b>			
Shareholders of the parent	28	(840)	
<b>Cash Flow</b>	<b>530</b>	<b>131</b>	305%

## DETAILED RESULTS

Revenue increased year-over-year by 42% to €3.368.000 in 2022-23 compared to €2.371.000 in the same period in 2021-22. This relevant growth was in large part due to the non-recurring services: the non-recurring part of the revenue (services and data together) showed an increase of almost 63% compared with the past accounting year. The recurring part was also higher than last year, showing a global increase in revenues of about 10%.

Costs for maps and data was slightly reduced compared to the 12-months period of the prior year. These costs are always related to content purchased to maintain and enrich the database and to hosting cost for delivering our data solutions via the cloud.

Personnel expenses increase just of 5,5% in 2022-23, compared to the same period in 2021-22 despite 42% higher revenue. The main driver of such a small, but very profitable increase, was the need to execute on a timely manner on a big contract booked at the beginning of the financial year for a big Tech Company.

The depreciation cost on tangible fixed assets remained nearly flat year over year while amortization costs on intangible assets slightly increased. This increase is due to higher capitalized development costs, in continuous increase, and the amortization of these assets. Capitalized development costs are amortized over a period of 7 years, while in the past (2018), they were amortized over a longer period (15 to 20 years). Note that the book value of the database is subject to impairment testing. This means that the book value is compared to the value in use for the company.

Other operating expenses decreased of about 10% compared to the same period in 2021-22. This is the result of the continuous execution of a strict spending review, cost control measures, integration of tools and simplification of the group structure.

Total Operating Expenses showed an increase of just 4% and Net Operating Expenses showed an increase of 1%, i.e. essentially flat, compared with the previous 12-months period, despite the significant increase in revenues. This confirms the general positive mood in which the company has been capable to continue operating in the last two accounting years, with the clear goal of “delivering more with less”.

Operating Result finally became fully positive, €400K, compared with the still negative result of €575K of the last year, while the Net Loss of €840K of 2021-22 finally turned into a Net Profit of €33K in 2022-23.

The net cash flow from operating activities in 2022-23 amounted to a positive cash inflow of €530.000 compared to cash inflow of €131.000 in the same period in 2021-22. This is primarily due to the significant improvement in the operating result and more favorable invoicing and collection terms negotiated with our customers and suppliers. Like in the past year, during the accounting year 2022-23 there were no financing transactions.

As an independent player, GeoJunxion keeps its focus on creating “map agnostic” products, i.e., designed to be fully integrated into any commercial and open-source brand of maps or utilized in developing smart solutions for a large variety of use cases in different industries and market sectors.

GeoJunxion activities are directed towards establishing long-term relationships with its customers, through the creation of a recurring business model rather than one-off projects or transactions. Although the relationship may start with a proof-of-concept or a one-off project, most of our high value datasets require frequent and continuous updates to maintain or increase their value. As a result, the one-off project or proof-of-concept is often only a first step, followed by a recurring service or a license contract. As a result, converting the initial, one-off project into a recurring, predictable and sustainable revenue stream. In most cases, GeoJunxion also retains the IP and ownership of the newly developed datasets which can then be resold to other customers, thereby leveraging the initial investment and converting it into a virtuous business cycle. The GeoJunxion mission remains focused on improving road safety and contributing to a more sustainable world, reducing the environmental impact through intelligent solutions which enable more environmentally conscious decisions. GeoJunxion has valued diversity, integration and investment in social responsibility for years. We are committed to offering our daily contribution towards a better and more sustainable work environment.

## **FINANCIAL OUTLOOK**

According to the ECB: "Growth will be sluggish for the rest of 2023 in the face of tighter financing conditions and weak foreign demand. As inflation falls, household income recovers and foreign demand strengthens, the euro area economy should grow by 0.7% in 2023, by 1.0% in 2024." In the last 18-24 months, "the global economy has been severely impacted by a number of issues, including the economic crisis, recession and widespread layoffs, in the middle of historically unprecedented times." In particular, during 2022, "tech companies stumbled, making that year the worst year that the tech industry had experienced since the financial crisis of 2008, with global losses of trillions in market value". As consequence, several companies have been forced to cut costs and reduce their labor force. While GeoJunxion was only just marginally impacted during the last two financial years, a "long-wave effect" of the economic downturn has impacted the company at the start of financial year 2023-24, showing the first signals of slow down. For this reason, the company expects a challenging year in 2023-24: With a slow start on order intake, revenue is under pressure and likely to decline year over year or remain flat at best. However, we remain confident in the quality of our products, their relevance in the market, the dedication and diligence of our teams and the trust we have established with our customers to overcome these short- and medium-term challenges and continue executing on our long-term growth strategy.

## **DELISTING FROM EURONEXT AMSTERDAM**

In a communication issued to the markets on 11 October 2023, Euronext Amsterdam has announced a delay in the delisting of GeoJunxion NV (GOJXN) from 6 November 2023 to 18 January 2024. The date of the delisting has been adjusted to provide GeoJunxion and other companies in the same situation, more time to conclude an agreement with an OOB licensed auditor.

GeoJunxion is currently not in negotiations with any of the OOB licensed auditors in the Netherlands to enter into an agreement for the audit of its 2023-2024 annual accounts. We are however working on the completion of a transaction with some of the lending providers to take the company private through a sale of the sole operating entity GeoJunxion BV, and

a subsequent liquidation of the listed company GeoJunxion N.V. Upon the completion of such transaction GeoJunxion NV, would no longer be a listed company, nor would it require its' annual accounts to be audited.

## **CONVERTIBLE LOAN**

The announcement by Euronext in April 2023 of the planned delisting of the company has constituted an event of default, and as a result, the convertible loan has become due. Since that date, we have received suspension of rights letters from the lenders as a result of which the company was not required to pay back the loan as a result of such event of default. As of 4 August 2023, the convertible loan has reached its contractual maturity date. At this date, the contractual 25% cash payment agio has been added to the principal amount. This is in addition to the PIK (Payment in Kind) interests which have been added to the principal loan amount on a quarterly basis throughout the duration of the convertible loan. The new principal amount of the convertible loan per 4 August 2023, is equal to EUR 1,771,000. This increased principal amount has become interest bearing since that date and PIK interests are added to the principal amount monthly.

The company has agreed with one of the lending providers to pay its portion of the outstanding amounts under the convertible loan.

Following and subject to the completion of the envisaged transaction with some of the lending providers to take the company private through a sale of the operating entity and a subsequent liquidation of the listed company, the remaining (bulk) portion of the outstanding convertible loan will be converted into equity. Pending completion (or until the transaction agreement relating to such transaction is terminated in accordance with its terms) the remaining lending providers have agreed to suspend their enforcement rights and have also agreed to suspend the default interest payable on the convertible loan since its maturity date. This increased principal amount has become interest bearing since that date at increased interest rates of 19%, of which 3% is paid in cash and 16% is paid in kind (PIK). PIK interests are added to the principal amount monthly and become interest bearing as of that moment.

## **OTHER TOPICS**

We advise and recommend to read the full Annual Report 2022/23, attached to this Press Release, in order to get complete and exhaustive information about the financial and business results and any other relevant topics, such as the convertible loan, the delisting process and more. In addition, we draw your attention to the other press releases issued today, in parallel to this one, about the transaction and the convocation of the EGM.

## **FORWARD-LOOKING STATEMENTS / IMPORTANT NOTICE**

This document contains certain forward-looking statements with respect to the financial position and results of GeoJunxion. We have based these forward-looking statements on our current expectations and projections about future events. This includes assumptions regarding our present and future business strategies, operations, and the environment in which we will operate in the future. These forward-looking statements are subject to risks

and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements, and you should not place undue reliance on them.

Many of these risks and uncertainties relate to factors that are beyond the company's ability to control or estimate precisely, such as timing of placement of orders of our customers, exchange-rate and interest-rate fluctuations, labor and other cost inflation, changes in tax rates, regulatory and legal changes, the rate of technological change, the competitive landscape, political developments in countries in which the company operates and the risk of a slowdown in the market.

The forward-looking statements contained herein speak only as of the date they are made. We do not assume any obligation to update any public information or forward-looking statement in this document to reflect events or circumstances after the date of this document, except as may be required by applicable laws.

Signed by

The Management Board

The Supervisory Board

Attachment: **GEOJUNXION ANNUAL REPORT 2022/23**

*This is a public announcement by GeoJunxion N.V., pursuant to article 17, paragraph 1 of the European Market Abuse Regulation (596/2014). This public announcement does not constitute an offer, or solicitation of an offer, to buy or offer securities in GeoJunxion N.V.*

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## **About GeoJunxion**

GeoJunxion is the crossroads where fundamental, location-aware content connects with superior, customized intelligence and highly focused innovations to empower exceptional experiences. With an emphasis on safety and sustainability, we are constantly expanding our portfolio to meet the demands of a diverse and fast-evolving market. Building on decades of experience in mapping, the company focuses on high value, dynamic content and building environmentally conscious applications, which enrich safety in everyday life. With location-aware content at our core, we know where our strengths lie and have the know-how and technology needed to offer unrivalled, intelligent products and services.

GeoJunxion NV is listed on the regulated market of Euronext Amsterdam, under the symbol **GOJXN.AS**

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