



LOCATION
SCIENCES

LOCATION SCIENCES GROUP PLC
H1 2018 REVIEW

5 September 2018

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AGENDA



Introduction

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KPIs Update

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CFO Update

...

CEO Update

...

Product Review

...

Market Opportunity

...

Q&A



Mark Slade
CEO



David Rae
CFO



LOCATION SCIENCES
INTRODUCTION



“WE ARE A LOCATION DATA AND INSIGHTS BUSINESS”

We offer **independent** and **media-agnostic** measurement, verification and optimisation solutions to our clients.

Our proprietary mobile technology collects **ultra-precise, anonymised and consented 1st party location data** on millions of real world consumers.

This data powers our platform and products, enabling us to **attribute and verify** consumers' behaviours.

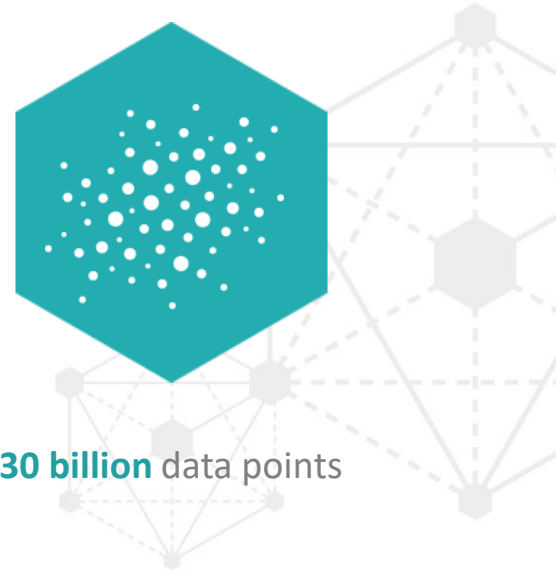
2018 KPIs ON TRACK



Launch and monetise our
2 new products



702k sales target



30 billion data points

LOCATION SCIENCES CFO UPDATE

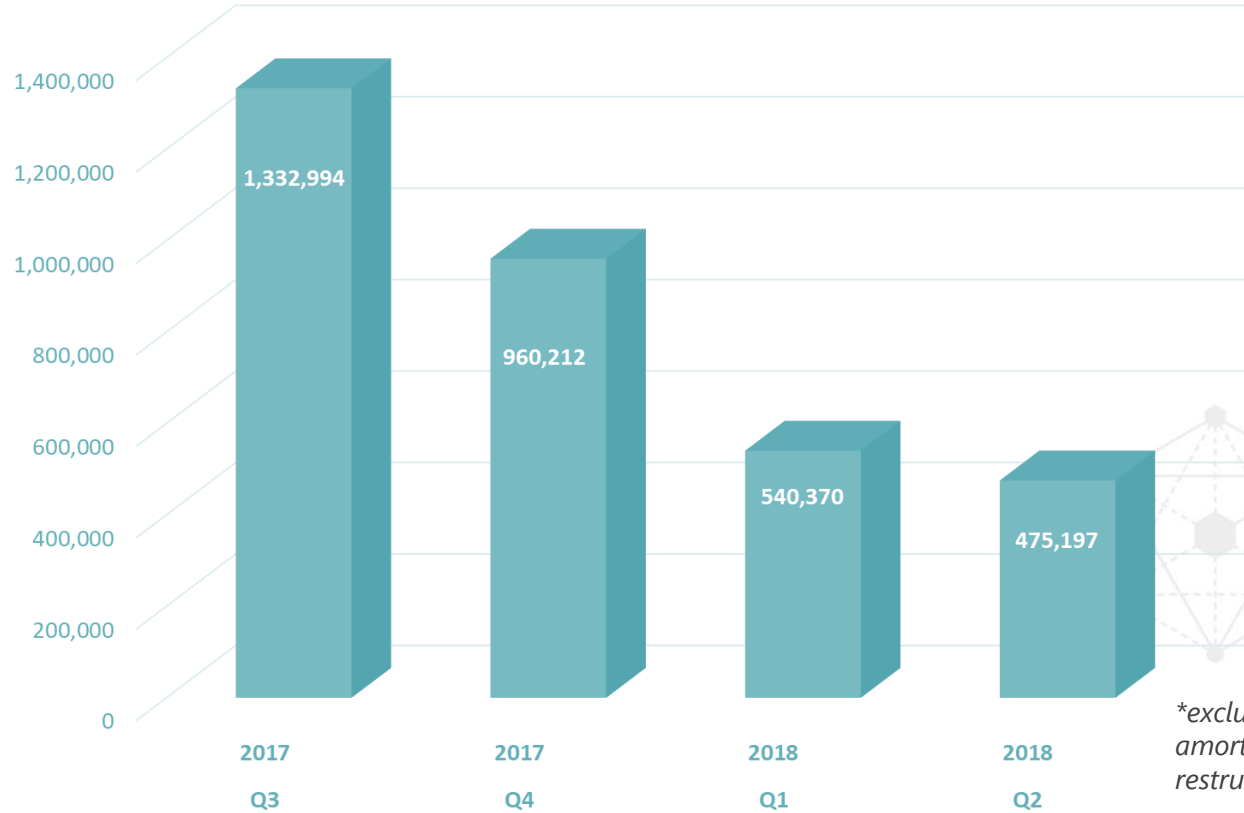


- Revenue of £234,307 (H1 2017: £48,952)
- Sales run rate of close to £50k per month and growing
- Gross profit of £141,408 (H1 2017: nil), equating to a 60% gross margin
- Administrative costs reduced by 45% to £1,273,841 (H1 2017: £2,323,574)
- Raised £412,372 before expenses by way of a placing in June 2018 to provide resources to launch and grow Verify product in the UK
- Further cost savings implemented which will be realised in H2 2018
- Cash balance as at 30 June 2018 of £720,461 (H1 2017: £407,582)



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OVERHEADS UNDER CONTROL*



**excludes depreciation, amortisation, finance costs and restructuring expenses*



KEY OVERHEAD REDUCTIONS

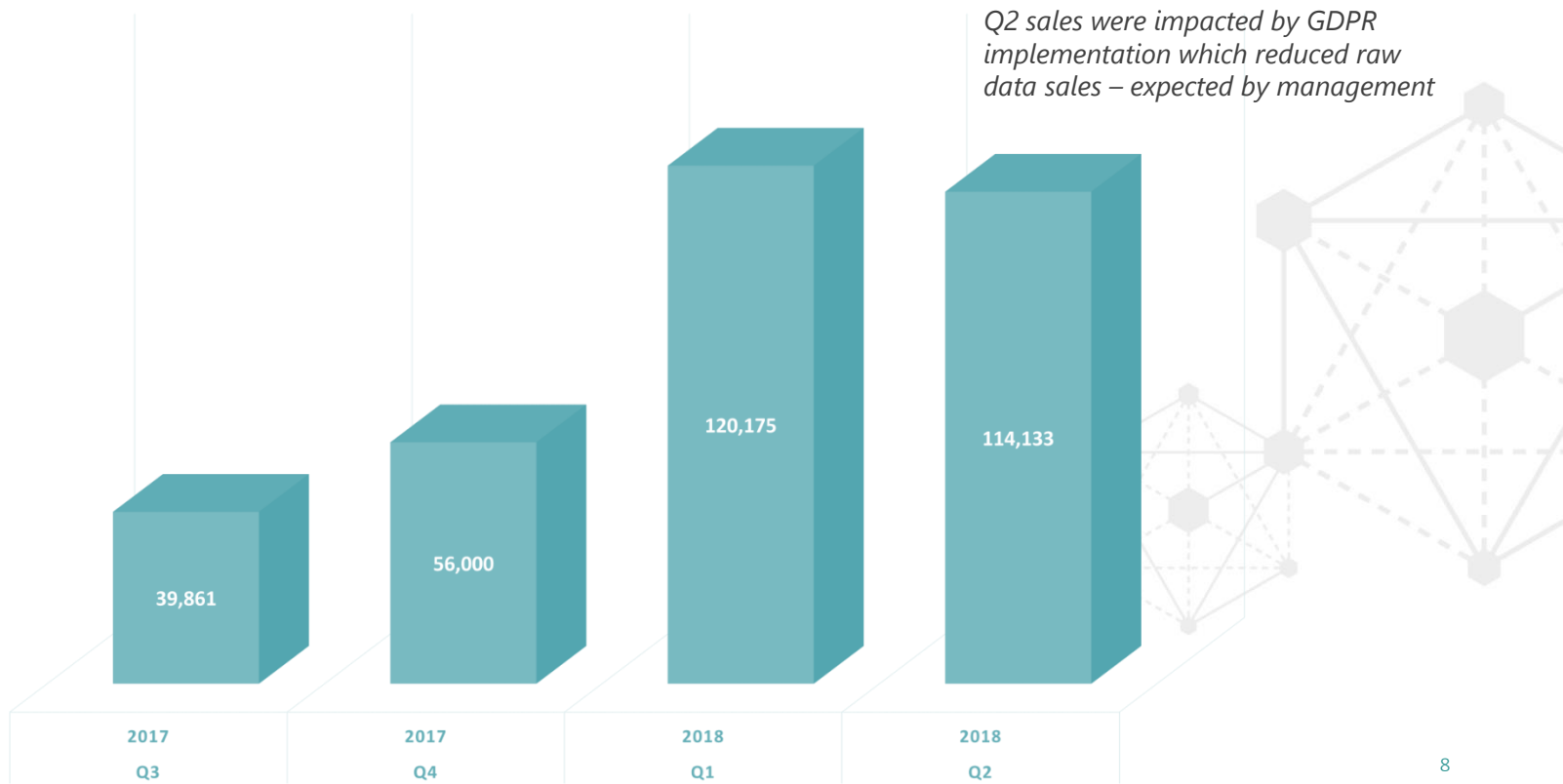


Cost reductions from Q4 2017 to Q2 2018 are:

- Personnel costs reduced by 52%
- Office costs reduced by 75%
- Legal and professional costs reduced by 70%
- Infrastructure costs reduced by 60%
- Further personnel cost reductions since 30 June 2018
- Overhead run-rate now approx. £400k per quarter



UPWARDS SALES TRAJECTORY



SALES MOMENTUM IN ALL PRODUCT AREAS



- 2017 sales - raw data product only
- Attribution largest growth product in period
- Q2 2018 data sales impacted by GDPR (as expected)
- Audience and insight product sales commenced in Q2 2018
- No verification sales in H1 2018 (as expected)
- Sales run rate of close to £50k per month and growing
- Q4 2018 sales should be boosted by Christmas advertising spend
- On target to meet 2018 market expectations



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CEO UPDATE



- Lean and focused team
- On track to complete the turn around
- Real momentum across all our core products
- All our products are now available self serve – building a scalable platform business
- Verify is already proving to be a global opportunity
- Run rate growth is on track to hit market expectations
- Location data is just at the start of a journey into mainstream and will take time to grow
- The list of uses and opportunities for the data is endless



LOCATION SCIENCES ONLINE TO OFFLINE

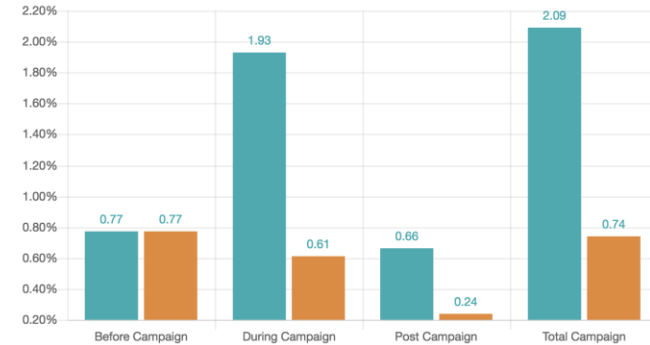


Tracking the impact of digital adverts on driving visits to store

- Our number one growth product in H1 2018
- Retail brands now demand reports
- Huge operational efficiency gains
- Significant R&D and learning
- Increasing market traction and brand loyalty
- Clients include Google, McDonalds, Toyota, Starbucks, Samsung, O2 and Heineken
- Repeat booking rate above 70%
- Objective is to move our clients to a self serve platform



Increase in Visitors over Entire Campaign



Request Completed Upload

Attribution Uplift

Please provide the input parameters for your Attribution uplift report

Pre-Campaign Start/End: 08/20/2018 - 09/03/2018

Campaign Start/End: 08/20/2018 - 09/03/2018

Post-Campaign Start/End: 08/20/2018 - 09/03/2018

POI CSV: ODRTalonsMcDonaldsStoreList.csv

Exposed Audience CSV: ODRexposedMcD.csv

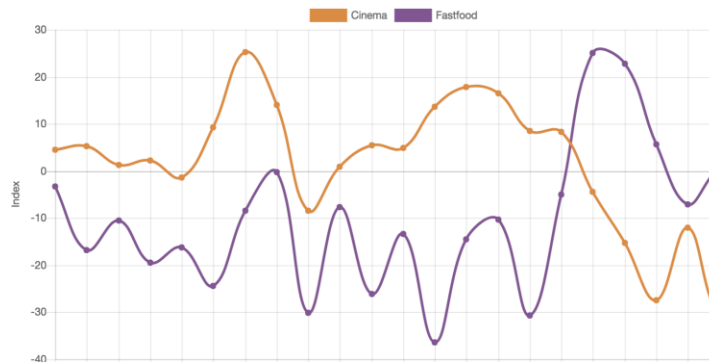
OUT OF HOME ADVERTISING



Smarter out of home advertising planning and buying

- OOH market has been flat at £1 billion for many years
- Mobile location data is seen as a way of stealing share from digital
- LS data is no. 1 in the market for scale, accuracy and GDPR compliance
- LS data been used extensively across the market
- In discussion with three of the leading players about exclusive partnership
- The big opportunity, but a slow sector to embrace new data sets

Out of home - Audiences Over Time



← Previous

OOH Exposure

Please provide the input parameters for your OOH Exposure Analysis

Pre-Campaign Start/End

Campaign Start/End

Post-Campaign Start/End

POI CSV

Exposed Audience CSV

Radius from POI

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INSIGHTS & AUDIENCES



Insight reports through device location behaviour analytics

- Significant demand from multiple sectors
- In discussions with the main data business in the UK
- POC and evaluation work completed
- Dashboard delivering live actionable insights
- Full SaaS offering

Traffic and Place Attachment Algorithm

For purpose of the analysis, we use a sample of 762K events between 01/01/2018 to 31/03/2018.

The plot below shows a scatterplot map of all events.



Home Location Algorithm and Catchment Area

The sample data contains 55k distinct hashed IDs and IDs with home locations are 53k (circa 97%). We can calculate that 45k IDs (circa 85%) live within 50km distance from Lakeside (the blue circle).

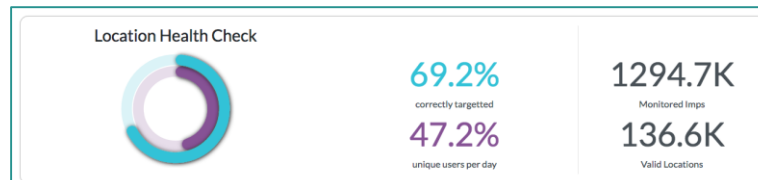


LOCATION SCIENCES VERIFY



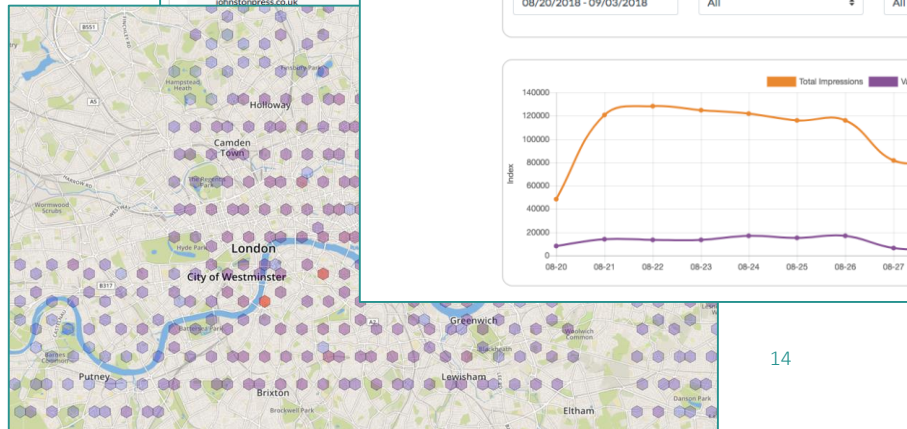
Verification of mobile advertising location data

- Tapping into the growth of location based advertising
- Built to be globally scalable
- Live in the UK market with three leading agency groups
- Senior advisor in NY and activation plan for US market
- Resellers in South Africa, Singapore and France
- Marketing push following June placing
- Disruptive technology will take time to gain traction
- First mover advantage



Publisher Quality

App	Good Location %	Total Impressions
Trinity Mirror - Regional Titles	0	31995
mirror.co.uk	0	17298
Gumtree.com		
newsquest.co.uk		
dailyrecord.co.uk		
Chroniclelive.co.uk		
Liverpool Echo		
johnstonpress.co.uk		



TRANSACTIONS IN VERIFICATION



MOAT

Acquired by Oracle
Viewability
\$850m

grapeshot

Acquired by Oracle
Brand Safety
\$300m

DV

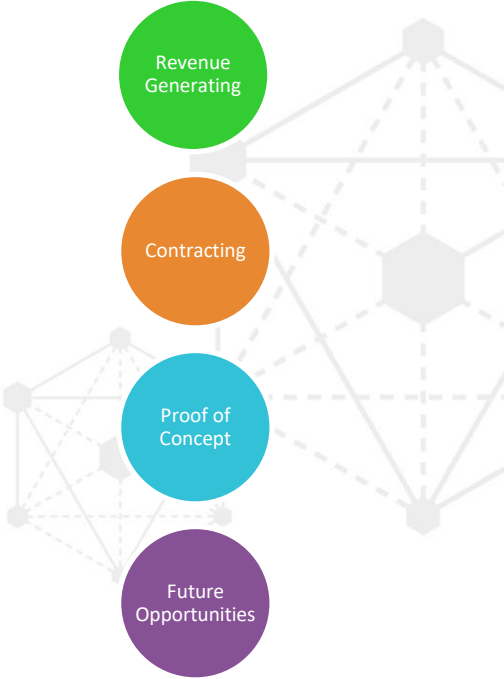
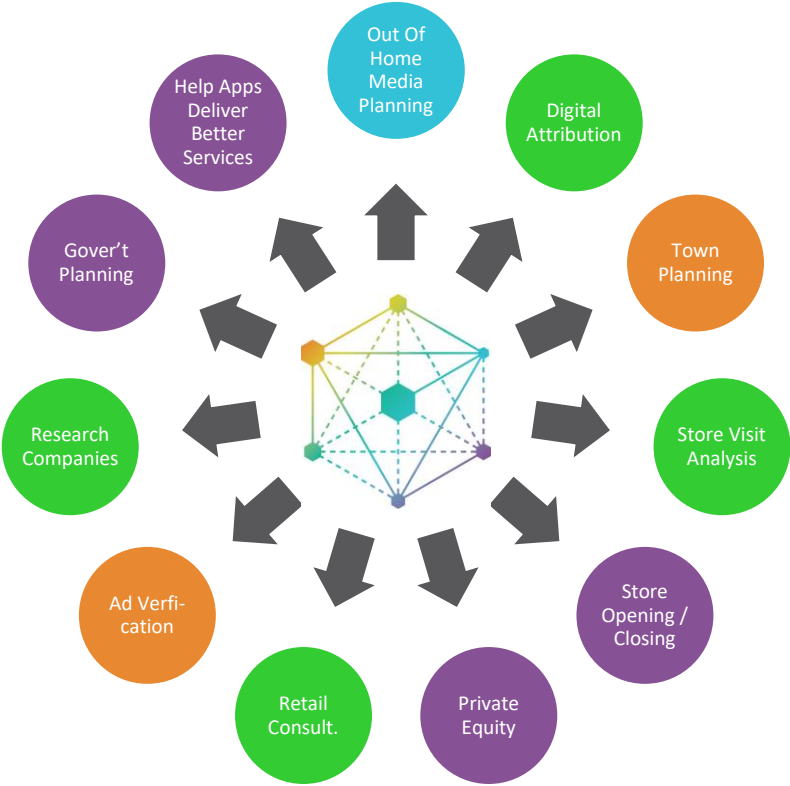
DoubleVerify

Majority stake by Providence Equity
Viewability
\$300m valuation

IAS Integral Ad Science

Majority stake by Vista Equity Partners
Brand Safety
\$850m valuation

LOCATION SCIENCES MULTIPLE MARKETS



LOCATION SCIENCES SUMMARY



Performance on track to meet market expectations

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Costs under control

...

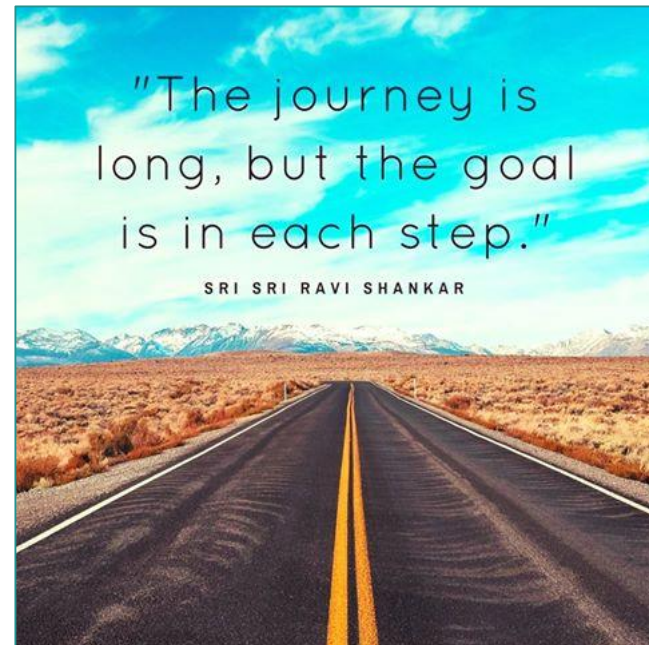
Real momentum across all our core products

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Verify is already proving to be a global opportunity

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The list of uses and opportunities for the data is endless



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