

# INVESTOR BRIEFING

SECOND QUARTER FISCAL YEAR 2025

MAY 2025

# Forward-Looking Statements

This presentation includes forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. All statements other than statements of historical facts included herein, including statements regarding the Company's future financial position and results of operations, future product development initiatives, the Company's business strategy, the future mix of product revenues, future demand for the Company's products and general conditions in the energy industry, in general, and the seismic industry, are forward-looking statements. These forward-looking statements are often identified by terminology such as "may", "will", "should", "could", "intend", "expect", "plan", "budget", "forecast", "anticipate", "believe", "estimate", "predict", "potential", "continue", "evaluating" or similar words. Forward looking statements should be read carefully because they discuss our future expectations, contain projections of our future results of operations or of our financial position or state other forward-looking information. Examples of forward-looking statements include, among others, statements that we make regarding our expected operating results, the adoption and sale of our products in various geographic regions, our ability to diversify into non-O&G businesses, potential tenders for PRM systems, future demand for OBX systems, the completion of new orders for channels of our GCL system, the fulfillment of customer payment obligations, the availability of financing under our credit facility, the Company's ability to manage changes and the continued health or availability of management personnel, volatility and direction of oil prices, anticipated levels of capital expenditures and the sources of funding therefore, and our strategy for growth, product development, market position, financial results and the provision of accounting reserves. These forward-looking statements reflect our current judgment about future events and trends based on the information currently available to us. However, there will likely be events in the future that we are not able to predict or control. The factors listed under the caption "Risk Factors" and elsewhere in our most recent Annual Report on Form 10-K, which is on file with the Securities and Exchange Commission, as well as other cautionary language in any subsequent Quarterly Report on Form 10-Q, or in our other periodic reports, provide examples of risks, uncertainties and events that may cause our actual results to differ materially from the expectations we describe in our forward-looking statements. Such examples include, but are not limited to, continued low oil and gas demand and price levels, the failure of new products to achieve market acceptance, delayed or cancelled customer orders, product obsolescence resulting from poor industry conditions or new technologies, bad debt write-offs associated with customer accounts, lack of further orders for our OBX systems, and infringement or failure to protect intellectual property. The occurrence of any of these events could have a material adverse effect on our business, results of operations and financial position, and actual events and results of operations may vary materially from our current expectations. We assume no obligation to revise or update any forward-looking statement, whether written or oral, that we may make from time to time, whether as a result of new information, future developments or otherwise.





## OUR PURPOSE

Geospace partners with customers to solve their toughest challenges, delivering innovative solutions and sustainable long-term value to our key stakeholders.

## BACKGROUND ON GEOSPACE

- Founded in 1980 in Houston, Texas
- Publicly Traded on NASDAQ - GEOS
- Earned a reputation for paradigm-shifting approaches to seismic data acquisition
- Expanded to other markets including industrial sensing and IoT, smart water technologies and security and surveillance
- 400,000 SF of USA Manufacturing

# Stock Statistics NASDAQ GEOS



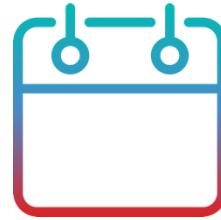
**SHARES  
OUTSTANDING**

13MM



**INSTITUTIONAL  
OWNERSHIP**

67%



**YEAR END**

Sept. 30



**NET DEBT**

\$0



**PUBLICLY  
TRADED**

1997

Source: NASDAQ as of March 31, 2025

We're Divided Into

# THREE BUSINESS SEGMENTS

We boast a history of technology innovation and robust manufacturing with solid adoption in varied markets including oil and gas exploration, smart water, imaging, and security and surveillance.



## 30% of Revenue

Our smart water solutions enable the global smart meter connectivity water utility market with robust water-proof connectors and cloud-based remote shut-off valves.

## Solution Offerings

Utility Water Management, Asset Protection, Smart Meter Connectivity



## 49% of Revenue

Our energy solutions technologies deliver actionable information for energy exploration and mitigate risk in the new energy economy.

## Solution Offerings

Reservoir, exploration, energy transition



## 21% of Revenue

Applying vibration sensing products to provide intelligence for security and surveillance applications.

## Solution Offerings

Intelligence & Surveillance, Industrial Sensing, Electronic Pre-Press Equipment



Segment Percentages shown as YTD



# Q2 FY25 Earnings Highlights

Second Quarters typically dip for Geospace. \$18.0 million Revenue generates a Net loss for the Quarter (\$9.8) million, or \$(0.77) per diluted share.



**RECORD PERFORMANCE** in our Smart Water segment, with our Hydroconn® universal connectors continuing to outperform year over year. Q2 increase of 47.8%.



**SURPASSED 27 MILLION HYDROCONN®** universal AMI connectors sold, driving confidence in the ability to grow Geospace's role in providing enablement technologies to the water management market.



**CONTINUED DISCUSSIONS** with potential clients for future PRM systems. The Company is currently performing engineering services for two Front-End Engineering and Design (FEED) studies for a major oil producer.

## CEO QUARTERLY COMMENTARY

Richard J. (“Rich”) Kelley, President and CEO of the Company said, *“Points specifically fueling optimism for future periods include Hydroconn® universal connectors achieving their highest first six-months revenue ever and continuing growth, a recently announced Mariner contract with interest in possible future requirements, and the on-going PRM studies, which reinforces the market’s interest in our technology. Additionally, our current backlog places us in a strong position going into the second half of the year.”*

# Quarter Over Quarter Results

## FY25 Q2 REVENUE

\$18.0 Million

down 26% q-o-q

## FY25 Q2 GROSS PROFIT

\$1.7 Million

down 70% q-o-q

## FY25 Q2 NET INCOME (LOSS)

(\$9.8 Million)

increase 126% q-o-q

## FY25 Q2 ADJUSTED EBITDA

(\$6.5 Million)

down 129% q-o-q

Note: Q2 FY25 impacted by revenue reversal of Mariner ocean bottom node rental contract.

# TTM Results Ending March 31, 2025

## TTM REVENUE

\$116.5 Million

down 15% y-o-y

## TTM GROSS PROFIT

\$46.4 Million

down 17% y-o-y

## TTM NET INCOME (LOSS)

(\$16.4 Million)

down 202% y-o-y

## TTM ADJUSTED EBIDTA

\$16 Million

down 53% y-o-y



# Adjusted EBITDA

TTM Adjusted EBITDA	TTM Ending 3/2025	TTM Ending 3/2024
(\$'s in thousands)		
Income (loss) before income taxes	(\$16,360)	\$16,444
Depreciation Expense	11,846	14,840
Amortization of intangible assets	222	465
Interest Expense	176	144
Inventory Obsolescence	1,383	515
Stock-Based Compensation	1,436	1,459
Intangible Asset Impairment	2,761	
Loss on Sale of Subsidiary	14,539	
	\$16,003	\$33,867

# Strong Balance Sheet & Liquidity

*(\$ in millions, as of March 31, 2025)*

Cash & Short-term Investments	\$ 20
Working Capital	\$ 71
Current Ratio	5.6X
Debt / Total Book Capitalization	0%
Stockholders' Equity	\$ 133

## Debt Free Real Estate Holdings:

- Houston – owned buildings 387,000 sq. ft.
- International – 3 owned buildings 72,000 sq. ft.

FINANCIAL STABILITY and staying power

NO LONG-TERM DEBT with ability to borrow up to \$15M

LONG-TERM TRACK RECORD of conservative cash flow management

# Smart Water Financials

## FY25 Q2 REVENUE

\$9.5 Million

up 48% q-o-q

## FY25 Q2 OPERATING INCOME

\$1.4 Million

down 15% q-o-q

Note: As a result of the business segment realignment, a change in allocation of manufacturing costs and other costs of revenue was introduced causing misalignment in period over period operating profit.

# Smart Water Q2 Operational Highlights

**Growth Year over Year** Hydroconn® connectors achieving their highest first six-months revenue to date.

**Surpassed 27 million** Hydroconn® connectors sold into smart water meter market establishing the product as the industry preferred connector cable.

## **BUILD AMERICA, BUY AMERICA**

Geospace certifies BABA compliance for Hydroconn® smart water meter connector cabling product line as manufactured in the USA.



## **Vision for Smart Water**

“We see significant future potential in the municipal and multi-family markets for our water management solutions and intend to grow both organically and through potential acquisition to realize our long-term vision for this vertical.”

- Rich Kelley, CEO



# Energy Solutions Financials

## FY25 Q2 REVENUE

\$2.6 Million

down 77% q-o-q

## FY25 Q2 OPERATING INCOME(LOSS)

(\$6.7 Million)

down 242% q-o-q

# Energy Solutions Q2 Operational Highlights

## MARINE EXPLORATION

\$7.6 million sales contract for Mariner® ocean bottom wireless nodes to Caspian Engineering Company to be delivered by the end of FY 2025.

## LAND EXPLORATION

A global energy technology company purchased Insight by Optoseis products for use in a high temperature application in the Middle East.

## RESERVOIR INTELLIGENCE

Actively engaged in PRM Front-End Engineering and Design (FEED) study



# Intelligent Industrial Financials

## FY25 Q2 REVENUE

\$5.9 Million

down 13% q-o-q

## FY25 Q2 OPERATING INCOME (LOSS)

(\$1.3 Million)

down 82% q-o-q

Note: As a result of the business segment realignment, a change in allocation of manufacturing costs and other costs of revenue was introduced causing misalignment in period over period operating profit.

# Intelligent Industrial Q2 Operational Highlights

## EVENT ENGAGEMENT

Maintained relationships and expanded visibility of homeland security and national defense offerings at leading industry events including Sea, Air, Space and the Border Security Expo which featured Secretary Kristi Noem and Border Czar Tom Homan.

## TARIFF IMPACT

Our Intelligent Industrial segment is negatively impacted by tariff concerns. The Company is actively working to optimize supply chains to minimize the impact to company and customers.





# Why Invest In Geospace Technologies?



## Financially Solid

Conservatively run company with strong balance sheet, no debt.



## Market Leader

History of technology innovation and robust manufacturing with solid adoption in varied markets.



## Diverse Revenue Streams

30% Smart Water  
49% Energy Solutions  
21% Intelligent Industrial

# Explore Investing in GEOS

For questions or conversation regarding  
this briefing, please contact  
[InvestorQuestions@geospace.com](mailto:InvestorQuestions@geospace.com)