



INVESTOR PRESENTATION

First Quarter Fiscal Year 2025

February 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.

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

Known as an innovative force in the O&G industry's global search for energy reserves

Expanded to other markets including industrial sensing and IoT, smart water technologies and security and surveillance

400,000 SF of USA Manufacturing

OUR PURPOSE

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



Stock Statistics

NASDAQ: GEOS



**SHARES
OUTSTANDING**

13MM



**INSTITUTIONAL
OWNERSHIP**

67%



YEAR END

Sept. 30



NET DEBT

\$0



**PUBLICLY
TRADED**

1997

Source: NASDAQ as of December 31, 2024

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.



SMART WATER

20% 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



ENERGY SOLUTIONS

65% 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



INTELLIGENT INDUSTRIAL

15% of Revenue

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

Solution Offerings

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

Q1 FY25 Earnings Highlights

DELIVERED ANOTHER PROFITABLE QUARTER AFTER TWO CONSECUTIVE YEARS OF PROFITABILITY*



STOCK REPURCHASE PROGRAM COMPLETED early in the second quarter of fiscal year 2025. Through the program, the Company purchased roughly 716,000 shares at an average price of \$9.72 per share.



EXECUTIVE LEADERSHIP EXPANDED and strengthened with the recent notable hires of Todd Bushey as Senior Vice President and CTO as well as Gene Gradick as Senior Vice President of Sales & Marketing.



BUSINESS SEGMENT REPORTING began in Q1 with financial information provided on Smart Water, Energy Solutions and Intelligent Industrial segments.

CEO QUARTERLY COMMENTARY

Richard J. (“Rich”) Kelley, President and CEO of the Company said, “*Our companywide focus on driving profitability through strategic decisions continues to yield positive results. We just completed another profitable quarter after two consecutive years of profitability, excluding non-cash charges in the prior quarter.*”

* - excluding non-cash charges in the prior quarter

Quarter Over Quarter Results

FY25 Q1 REVENUE

\$37.2 Million

down 26% q-o-q

FY25 Q1 GROSS PROFIT

\$20.1 Million

down 9% q-o-q

FY25 Q1 NET INCOME

\$8.4 Million

down 34% q-o-q

FY25 Q1 ADJUSTED EBITDA

\$12.7 Million

down 30% q-o-q

Note: Q1 FY24 benefited from a \$30 million sale of the new Mariner ocean bottom nodes

TTM Results Ending Dec. 31, 2024

TTM REVENUE

\$122.8 Million

down 14% q-o-q

TTM GROSS PROFIT

\$50.51 Million

down 20% q-o-q

TTM NET INCOME (LOSS)

(\$10.9 Million)

down 143% q-o-q

TTM ADJUSTED EBIDTA

\$22.3 Million

down 49% q-o-q

Adjusted EBITDA

TTM Adjusted EBITDA	TTM Ending 12/2024		TTM Ending 12/2023
Income (loss) before income taxes	(\$10,752)		\$25,415
Depreciation Expense	12,984		15,341
Amortization of intangible assets	325		598
Interest Expense	176		151
Inventory Obsolescence	1,074		869
Stock-Based Compensation	1,247		1,410
Intangible Asset Impairment	2,761		
Loss on Sale of Subsidiary	14,539		
	\$22,354		\$43,784

Strong Balance Sheet & Liquidity



(\$ in millions, as of December 31, 2024)

Cash & Short-term Investments	\$ 22
Working Capital	\$ 78
Current Ratio	5.6X
Debt / Total Book Capitalization	0%
Stockholders' Equity	\$ 143

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 Q1 REVENUE

\$7.3 Million

up 72% q-o-q

FY25 Q1 OPERATING INCOME

\$0.4 Million

down 174% 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 Q1 Operational Highlights



GROWTH Year over Year

72% Increase

Over Same Period Last Year

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 Q1 REVENUE

\$24.3 Million

down 64% q-o-q

FY25 Q1 OPERATING INCOME

\$13 Million

down 12% q-o-q



Energy Solutions Q1 Operational Highlights

MARINE EXPLORATION

- Closed a \$16+ million sale of shallow water seabed node product - OBX-750E

LAND EXPLORATION

- First deployment of Pioneer units in the field in both West Texas and Canada

RESERVOIR INTELLIGENCE

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



OBX-750E



Intelligent Industrial Financials

FY25 Q1 REVENUE

\$5.6 Million

down 3% q-o-q

FY25 Q1 OPERATING INCOME

(\$0.9 Million)

down 350% 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 Q1 Operational Highlights



LEVERAGED CERTIFICATION

- Completed first ITAR contract manufacturing project on a machined component for a defense application



LOCATION CONSOLIDATION

- Business segment leaders decided not to renew the leased location in Florida associated with Quantum staff. No changes to staff are occurring.



CUSTOMER PARTNERSHIP

- Began large volume project to maximize value for a sensor customer by requalifying and recertifying reclaimed Geospace geophones.



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

20% Smart Water
65% Energy Solutions
15% Intelligent Industrial



Investor Relations

For questions or conversation regarding this briefing,
please contact InvestorQuestions@geospace.com