

ASX Announcement

ARR flash update - ARR on target at \$4.6m

10 January 2018

Envirosuite Limited (ASX:EVS) ('Envirosuite' or 'the Company') is pleased to provide the market with an update on its progress against target of the Company's Annualised Recurring Revenue (ARR). As at 31 December 2018 the total ARR was \$4.6m.

As previously announced the Company is targeting to double ARR each financial year from 2017FY to 2020FY. For FY19 the targeted increase is \$3m to \$6m, following circa 100% growth in ARR in the previous financial year. The Company will provide further insights around the sales performance and contributing factors to its growth in the next sales update that will be released at the end of January.

Chief Executive Officer, Peter White commented that,

"I am very pleased to report that the Company is performing to its stated target in respect to ARR. With our mix of lower quantum run-rate deals mixed with larger deals including the material ones that we individually announce, I expect that our ARR will continue to fluctuate over the coming reporting periods though I reaffirm that we continue to target 100% annualised growth in ARR from FYE2017 to FYE2020."

As per previous announcements, due to the increasing demand of government and enterprise clients for a 'one-stop-shop' offering, the Company has adopted a "Solution-as-a-Service" model. This involves clients paying recurring subscriptions for a solution comprising the Envirosuite software platform and routine software updates, packaged as required with proprietary or third-party monitoring sensors and associated ongoing maintenance. The ARR is calculated as the annualised amount of all recurring revenues. ARR does not include one-off sales or other revenues that are not of a recurring nature. The company will continue to use the ARR metric both internally and externally as its key financial performance indicator.

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About Envirosuite

Envirosuite Limited (ASX:EVS) is an environmental management technology company that has developed a leading Solution-as-a-Service offering which translates data into action in real-time.

Using proprietary algorithms built on more than 30 years of environmental consulting experience, Envirosuite's platform provides a range of environmental monitoring, management and investigative capabilities.

Envirosuite's platform is used worldwide by a range of clients in the mining, oil refining, transportation and water management industries and by governments looking to regulate industry in accordance with community well-being.

To learn more, please visit: www.envirosuite.com