



Company Presentation

Presentation to Bell Potter
Emerging Leaders Conference

September 2020

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All amounts are in Australian dollars unless otherwise stated.

Company snapshot

ASX: EVS



Shares on issue:

1,024m

52 week high:

\$0.395

52 week low:

\$0.070

Last close:

\$0.22 (11/9/20)

Market Cap:

\$225m

Unlisted options:

148m (ex. price 10-40c)

Top 20 holders

48%

Directors & Management:

11% (undiluted)

A global leader in environmental intelligence

We harness the power of Environmental Intelligence so industries grow and communities thrive.



Air

- > Air Quality
- > Odour
- > Dust
- > Weather



Noise

- > Noise
- > Vibration



Water

- > Wastewater
- > Water Quality
- > Water Flow
- > Groundwater conditions



What is Environmental Intelligence?

Environmental Intelligence harnesses the power of big data, artificial intelligence and analytics to produce real-time visualisations, predictive modelling and actionable insights that enable companies, governments and communities to make fast, confident decisions that optimise operational and environmental outcomes.





The Company today

Offices and staff



260 staff in 11 countries




Solutions across

- | | | |
|---|---|---|
| 
Air | 
Noise | 
Water |
| > Air Quality | > Noise | > Wastewater |
| > Odour | > Vibration | > Water Quality |
| > Dust | | > Water Flow |
| > Weather | | > Groundwater conditions |

500 Customers worldwide



Financial information

-  Proforma annual revenue \$58m
-  75% revenues are recurring
-  < 2.5% attrition of recurring revenue

Focus Industry sectors



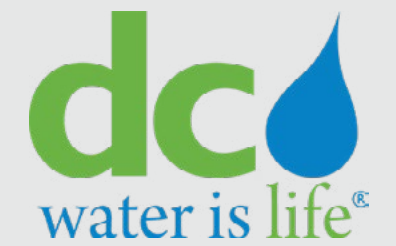
Airports



Cities



Water



Mining



Industry



Construction



Value proposition

Increasing value to customer



Optimise

Predictive solutions used to optimise customer operations



Engage

Stakeholder engagement enables social licence to operate



Comply

Monitoring and Measurement ensure regulatory compliance



Environmental Intelligence is changing the way our clients work

Comply

Teck  Canada

Environmental Intelligence (EI) is providing Teck Resources with highly accurate data and insights from fluctuating environmental conditions, allowing it to adjust operations to maintain compliance without stoppages.

Engage

Teams at Teck are now employing EI to shorten investigation time of costly environmental issues. Responding to community concerns and taking immediate action to ensure continued operations.

Optimise

EI is empowering teams at Teck to schedule operations based on changes in the weather, which is having a direct and positive impact on the bottom line.

Outcome


By harnessing environmental intelligence, clients across multiple industry sectors are expanding operations, achieving capital savings and lowering operational expenditure.

airservices  Australia

EI is enabling Air Services Australia to manage aircraft noise improvements in line with flight patterns and noise abatement plans which helps to minimise impact to the community.

Air Services Australia is using a suite of Envirosuite solutions to provide the public with local information about aircraft movement, flight paths and noise data to improve transparency and engagement.

EI is now informing several strategies to improve air traffic capacity, accommodate growth in the industry, and the wider modernisation program to ensure Australian airspace is managed safely and efficiently.

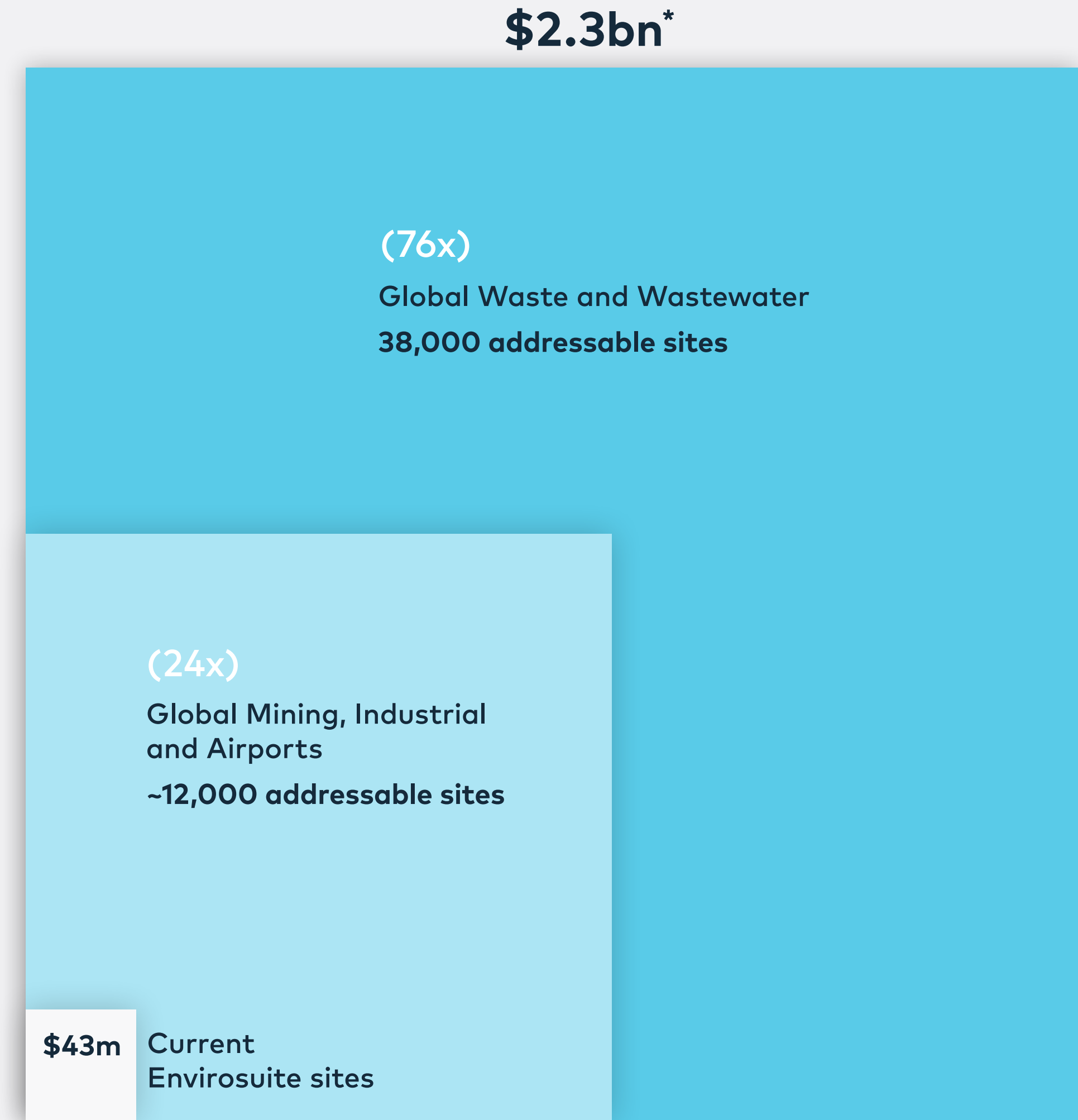
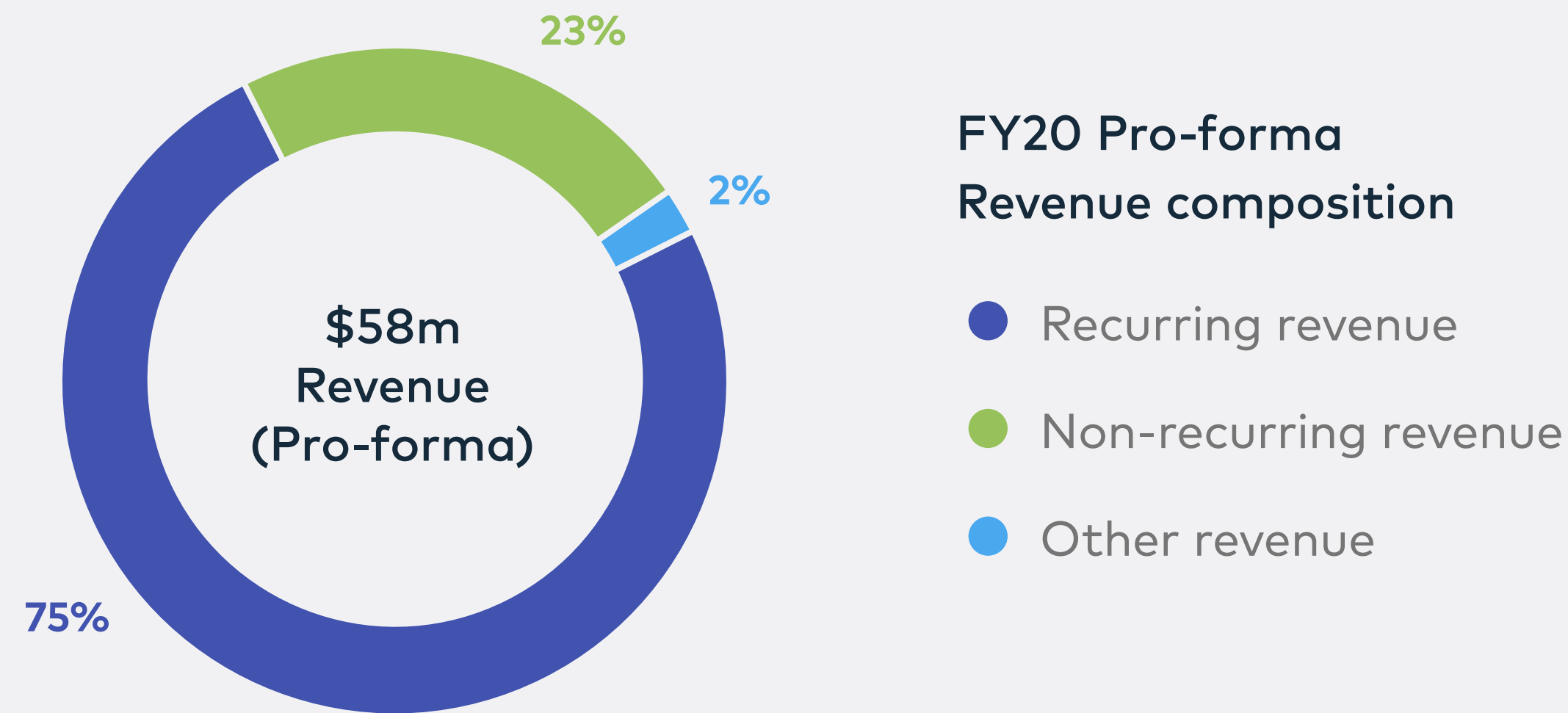
TATA  UK

Tata Steel are utilising EI for early warnings. Alerting staff of potential compliance breaches before they happen to make necessary adjustments while keeping the plant operating efficiently.

Envirosuite's solutions are allowing Tata Steel to showcase responsible environmental management practices supported by highly accurate data. This is reducing operational stoppages and costly investigations.

EI is providing Tata Steel with insights before air quality issues occur. Teams are now scheduling activities at the best times for efficiency and productivity gains, while operations can now respond rapidly and effectively.

Strong fundamentals to scale a SaaS driven business



	Airports	Non-Airports	Combined
ARPS**	\$205,872	61,420	123,155
Churn %	1.5%	3.8%	2.1%
Contribution margin***	84.0%	77.6%	82.2%

** Average Revenue per Site

***Contribution margin is recurring revenue less direct cost to sell which include variable external costs incurred that are directly attributable to the revenue generated.

*The Serviceable Addressable Market (SAM) has been defined through Company research. The sizing has been calculated based on number of serviceable sites, multiplied by average deal size within the applicable sector.

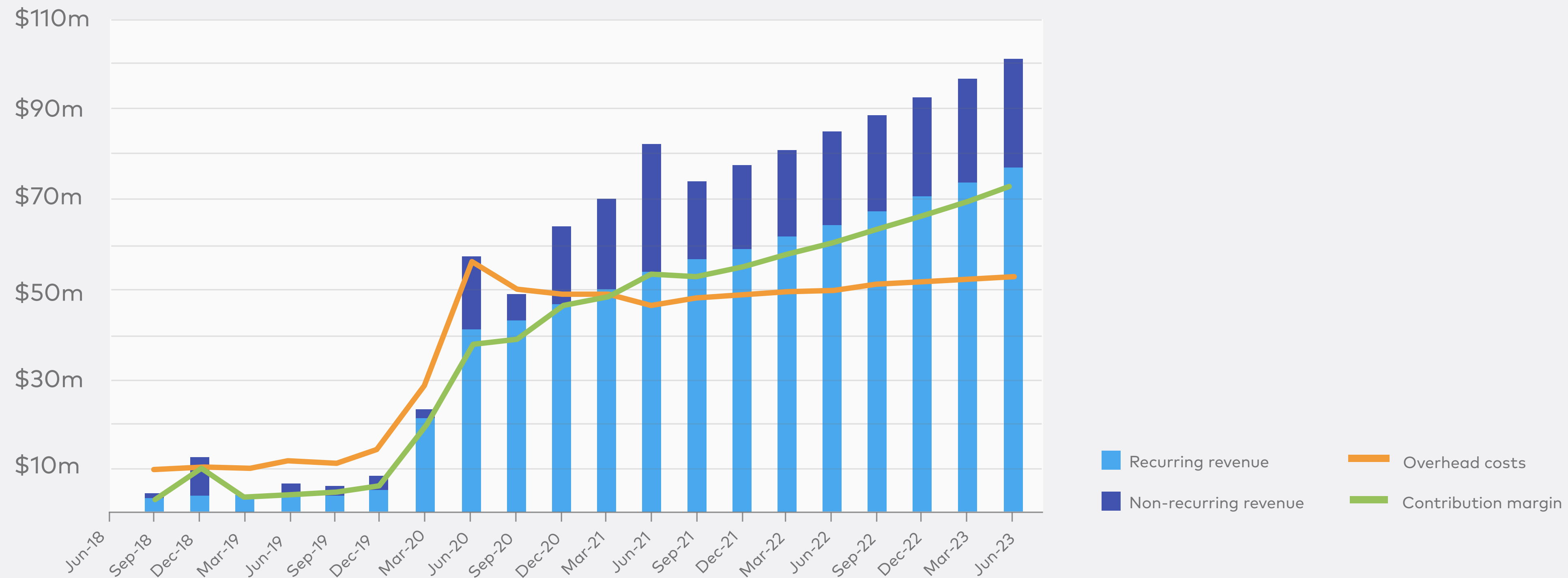
Medium term growth targets

- > \$100m revenue in FY23 with EBITDA margin 15-20%
- > Positive EBITDA by end Q3 FY21
- > Compound revenue growth 20%
- > Revenue diversification across 6 focus sectors

Target of \$100m of revenue by June 2023 is just the beginning

\$2.3bn market with Envirosuite increasing the ability to go deeper with existing and potential customers as a result of recent acquisitions and technology roadmap to move from compliance to value-driven ROI

Annualised Revenue vs Operating Cost



Contribution margin is revenue less direct cost to sell which include variable external costs incurred that are directly attributable to the revenue generated.

Operational costs represent all operating expenses and cost to sell which are not direct costs, including salaries and wages for personnel that support customers and excludes the impact of capitalising R&D costs.

How are we scaling our sales?

Direct Sales

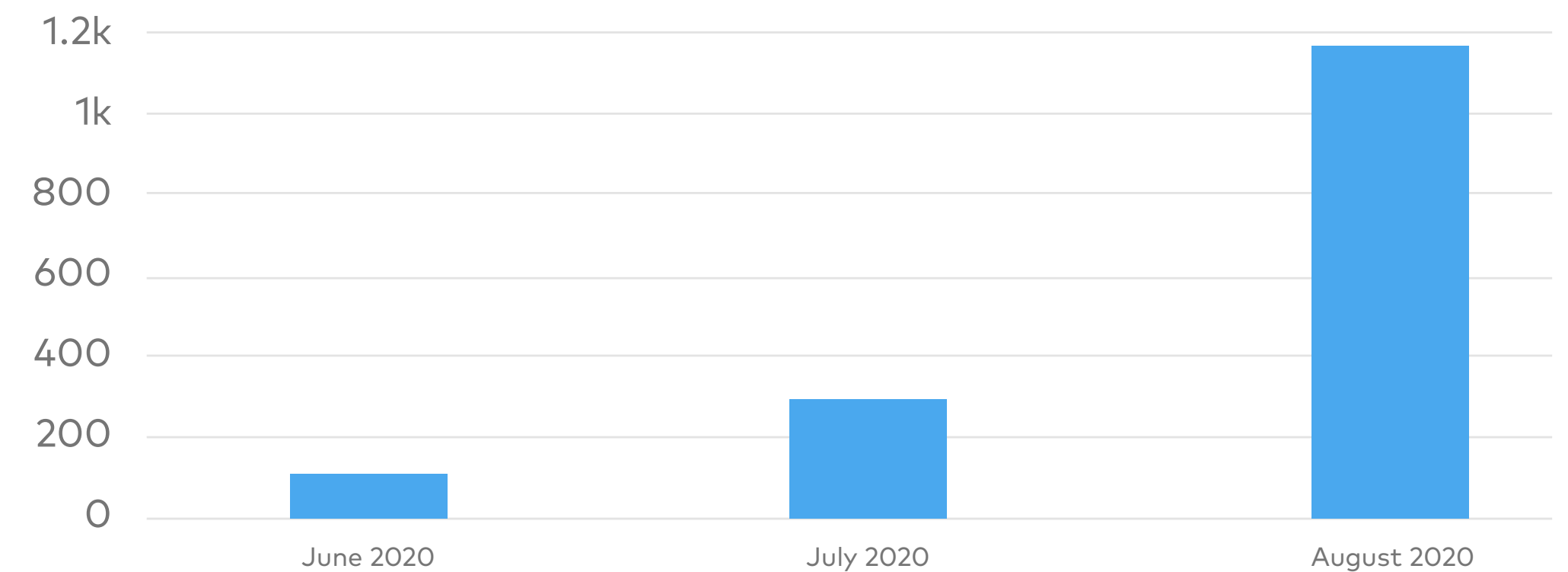
- > 22 Sales people across 12 countries
- > Split between account renewals of large airports, as well as new business development
- > Focus on waste and wastewater, mining and industrial as well as growth in existing airport business
- > Combined salesforce has been in place since May 2020



Marketing

- > Focus on Revenue Marketing to lower our customer acquisition cost and increase sales velocity
- > Major tasks include webinars, ad marketing and outbound sales development strategy
- > Early results are promising with an 800% increase in lead generation from revenue marketing in the first 3 months

Lead Generation – June to August



Envirosuite
2,298 followers
1mo • Edited •

Can you maintain compliance while also building trust with communities and maximising your productivity goals? ...see more

envirosuite
LIVE WEBINAR
3 strategies that will define how Environmental Managers take on the future
Wednesday 5 August 11:00pm AEST
89 dB
25 km NE
30 µg/m³
Air Quality Monitor OS
Register now

Register

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Learn how Envirosuite can help you gain control of your Air Quality and Odour. We are pleased to announce we will be hosting a webinar on July 7, 2020. ...see more

envirosuite
JOIN US FOR A FREE WEBINAR
Do you want control of your air quality and odour?
TUESDAY JULY 7, 2020, 1:00 – 1:30 PM GST
Gary Logan
Senior Sales Account Manager
UK, Ireland and the Middle East
REGISTER HERE FOR THE WEBINAR

Free Webinar: Do you want control of your air quality and odour?

Pipeline Snapshot – typical opportunities

- › Regional and Sector breadth of sales opportunities
- › Current pipeline \$30m of recurring revenue opportunities
- › Refer table for examples of the breadth of opportunities in pipeline, at 75% probability, and forecast to close by end October

	Opportunity	Sector	Region	ARR
1	Major airport upgrade	Airports	Korea	\$160,000
2	Major city airport	Airports	USA	\$260,000
3	Highway	Construction	Canada	\$230,000
4	Building	Construction	UK	\$200,000
5	Multinational copper mine	Mining	Chile	\$250,000
6	Bulk port	Ports	Australia	\$135,000
7	Municipality	Waste	USA	\$90,000
8	Municipality	Wastewater	China	\$100,000
9	Municipality	Wastewater	France	\$75,000
10	City	Wastewater	SE Asia	\$140,000

Investor Highlights



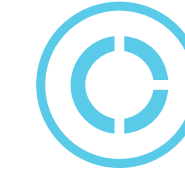
Global Market Leader

- › Across Air, Noise, Water, Vibration
- › Fragmented competitor base



Market

- › \$2.3 billion identified SAM and growing
- › Rising global tide of environmental regulation



Solution as a Service

- › High % of revenues recurring (75%)
- › Low churn rate (<2.5%)



Increasing Sales

- › Adopting Revenue Marketing to increase sales velocity
- › Developing Corporate Partnerships



Strong Financials

- › EBITDA positive by Mar 21
- › Targetting \$100m revenue by June 23
- › Well capitalised



Technology Platform

- › Investments into noise and vibration solution portfolio
- › Additions of Smart Water - SeweX and AqMB

For more information please contact:

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