

ASX RELEASE

20 April 2022

Q3 Sales Update: Strong momentum continues

KEY HIGHLIGHTS

- Total new Q3 sales orders of \$3.7m, including new ARR of \$2.0m
- New ARR YTD of \$5.5m up 23.6% on PCP
- ARR of \$50.0m on a constant currency basis
- Significant and strategic customer wins across all 3 product streams
- Low churn maintained remaining at approximately 2%
- Strategic initiatives to provide for continued growth in scale and margin

Leading environmental intelligence technology company Envirosuite Limited (ASX:EVS) ('Envirosuite' or 'the Company') is pleased to announce another solid quarterly performance complemented by several strategic wins.

The Company signed \$2.0m of new ARR in the quarter delivering \$5.5m YTD (to 31 March 2022). This represents an increase of 23.6% on a PCP basis. On a Constant Currency Basis¹, ARR for the year has grown to \$50.0m and churn remains steady at approximately 2% for the financial year to date.

New ARR growth by product suite is as follows:

Product suite	New ARR Growth \$m			
	Q1	Q2	Q3	YTD
Aviation	0.5	0.3	0.7	1.5
Omnis	1.1	1.3	1.0	3.4
Water	0.1	0.2	0.3	0.6
Total	1.7	1.8	2.0	5.5

Non-recurring project sales were \$1.7m for Q3FY22 and \$6.9m YTD.

¹ - Refer Definitions on page 4



EVS Aviation

The global recovery in passenger numbers and flights towards pre-pandemic levels has been well covered in the mainstream media. The monitoring of noise and vibration that EnviroSuite provides is a critical operational licencing condition for commercial airports.

The recovery in global passenger travel and the changing community dynamics with more people working from home have brought flight noise back into the spotlight for airports.

EnviroSuite has seen an uptick in interest and notes two significant airport wins in Q3 in Cincinnati, USA and Gimhae, Korea. The latter is managed by Korea Airports Corporation (KAC), a state-owned company that manages 14 airports.

EVS Water

During the quarter, EnviroSuite signed PUB Singapore, the national water agency that manages Singapore's water supply chain. This is an important endorsement and milestone for EVS Water as it's a significant deployment by a globally recognised water utility and first mover innovator. EVS Water Plant Optimiser addresses the critical issue of improving the supply and quality of drinking water, along with emission reduction which is a crucial strategy in the response to climate change.

The EVS Water Plant Optimiser product leverages unique proprietary algorithms to optimise the high-cost inputs (chemicals and electricity) used in drinking water and desalination treatment facilities leading to significant savings and lower environmental impacts.

Significantly, EVS Water has also procured a fourth site with Western Australia's Water Corporation demonstrating the continued success in the commercialisation of the proprietary SeweX platform.

SeweX is another pure software offering to the Water sector that manages critical and costly corrosion, odour and safety concerns for utilities and is designed to save them significant expenditure, reduce operational risk and environmental footprint.

Jason Cooper commented,

"EVS Water is an exciting part of our business, particularly as it continues to be recognised as a key digital twin platform by international leaders in the water industry. We're delighted with the Singapore PUB contract and our expansion with Water Corporation that will enable us to build on the momentum of this product across all global markets. I look forward to updating the market further about EVS Water in the coming month".



EVS Omnis

EVS Omnis continues to deliver across multiple sectors including mining, industrial, cities, waste and wastewater with new ARR in Q3 over \$1.0m.

Teck Resources is adding a seventh site to its deployment to continue meeting its sustainability goals and improve air quality and dust management around its mine sites. Teck is now listed on the Responsible Mining Index as one of the top five global mining companies when it comes to environmental responsibility.

Envirosuite has signed a major Taiwanese manufacturing company to EVS Omnis that is expected to lead to further growth, showing positive indications of becoming a Land, Expand and Scale account with the client progressing discussions for further assets.

Two departments in the City of Chicago separately signed on for EVS Aviation and EVS Omnis to measure, monitor and manage noise around the airport and odour investigation across the city.

With ESG reporting and sustainability requirements increasing across industries, environmental management is becoming a critical and central pillar for the global smart city movement.

Operational highlights

North America continues to deliver strong results contributing over 40 percent of new ARR for the quarter with significant engagement in the USA market from potential customers and partners.

To provide for future operational growth and margin performance, Envirosuite is in the process of establishing an office in the Philippines, allowing the company to access the region's lower cost and highly educated talent pool and the established support and development capability used by many of world's largest organisations.

For the purposes of compliance with Guidance Note 8 of the ASX Listing Rules, the Company confirms that the commercial contracts referred to above are not individually financially material to the Company revenues. There are no other material contract provisions or conditions to be satisfied prior to the parties being legally bound to proceed, with any contract mentioned above.



ARR on a reported and Constant Currency Basis (refer 'Definitions' below)

Reported Basis

Product suite	ARR Reported \$m			
	Q4FY21	Q1	Q2	Q3
Aviation	31.8	32.9	32.0	31.8
Omnis	14.6	15.5	16.6	16.6
Water	0.1	0.2	0.4	0.6
Total	46.5	48.6	49.0	49.0

Constant Currency Basis

Product suite	ARR Constant Currency \$m			
	Q4FY21	Q1	Q2	Q3
Aviation	31.8	32.2	31.7	32.4
Omnis	14.6	15.3	16.5	17.0
Water	0.1	0.2	0.4	0.6
Total	46.5	47.7	48.6	50.0

Authorised for release by the Board of Envirosuite Limited.

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Definitions:

1 – ARR is Annual Recurring Revenue representing the recurring revenue at the reporting date that the Company expects to receive from customers based upon sales orders received. It is translated into AUD based upon foreign exchange rates as at the end of the reporting period. The movement in ARR between reporting periods includes the impact of new ARR sales, churn, the impact of discounts / unwinding of discounts and FX movements

2 – PCP is Prior Comparative Period (31 March 2021)

3 – For the purpose of quarter-to-quarter comparison during the financial year, Constant Currency Basis adjusts the ARR for the reporting periods to translate the ARR at the same foreign exchange rate as that existing as at 30 June 2021.



ABOUT ENVIROSUITE

Envirosuite (ASX:EVS) is a global leader in environmental intelligence and is a trusted partner to the world's leading industry operators in aviation, mining & industrial, waste and water.

Envirosuite is an ASX All Technology Index company, a multi-year Deloitte Tech Fast 50 company and winner of Frost & Sullivan's 2021 Global Digital Twin Technology for Water Entrepreneurial Company of the Year Award.

Envirosuite's proprietary software combines leading-edge science and innovative technology with industry expertise to produce predictable and actionable insights, allowing customers to optimise their operations, whilst remaining compliant and managing their environmental impact.

By harnessing the power of environmental intelligence, Envirosuite helps industries grow sustainably and communities to thrive.

www.envirosuite.com