

# ANNUAL GENERAL MEETING

23 November 2023

The AGM presentations have been authorised for release by the Board.

# Maurie Stang

## Non-executive Chairman

Enterprise ESG reporting and compliance are driving demand for integrated solution providers.



# ESG opportunities driving value

Aeris builds capability contributing to:

- Decarbonisation via energy efficiency, measurement & verification (M&V)
- Sustainable operating cost reductions
- Compliance with mandated disclosure reporting
- ESG compliance for investors



# Delivering integrated ESG capabilities

Aeris is collaborating with a number of ‘best of breed’ technology leaders to deliver forward looking solutions.

- Focus on transition from deemed energy subsidies to M&V
- Scope 1 and Scope 2 performance and reporting (per IFRS)
- Aeris’ key capabilities in HVAC&R energy reduction and improved IEQ are being supplemented with adjacent technologies and capabilities to form an “Energy Efficiency Alliance”

# Aeris' strategic focus

- Accelerating annuity revenues
- Proactively managing OpEx
- Leveraging proven capabilities in delivering energy efficiencies
- Aligning a product pipeline to unmet customer needs
- Growing capabilities in mould remediation and environmental hygiene
- Developing a growing revenue base in China via our WOFE

# Aeris partnering for growth

- Targeting an emerging demand for M&V of energy efficiency and carbon reduction performance by customers globally
- Accessing a disruptive SaaS platform to deliver monitoring, control, and asset optimisation
- Aligning with industry leaders to integrate with Australian and international carbon credit and reduction schemes and incentives
- Expanding Aeris' manufacturing capabilities, domestically and in China to deliver both disruptive and cost competitive technologies.

# Aeris tomorrow

- Recognition of the necessity to rebuild shareholder value
- Comprehensive strategy to position Aeris both in the energy efficiency and environmental hygiene global markets
- Broadened capability with new agency products such as AtmosAir, EnviroGuard, and Ultrasol.
- Continue to examine a number of strategic opportunities for both growth and expanded capabilities.



# Board of Directors & Company Secretary



**Maurie Stang**

**Non-Executive Chairman**

Mr Maurie Stang has more than three decades of experience building and managing companies in the healthcare and biotechnology industry in Australia and internationally. His strong business development and marketing skills have resulted in the successful commercialisation of intellectual property across global markets.

Non-Executive Chairman of Nanosonics Limited (ASX:NAN) until 1 July 2022 (Deputy Chairman July to November 2022).

Non-Executive Deputy Chairman of Vectus Biosystems Limited (ASX:VBS) since December 2005



**Dr. Jenny Harry**

**Non-Executive Director**

Dr Harry (PhD GAICD) is a graduate of the Harvard Business School General Manager Program and the Australian Institute of Company Directors. She has 25 years' experience in executive management of companies in the biotechnology, diagnostic and biopharmaceutical sectors. Dr Harry is an experienced Non-Executive Director on the Boards of listed and unlisted companies.

Director since: 21 April 2021

Non-Executive Director of Neuren Pharmaceuticals Limited (ASX:NEU) since 2018



**Steve Kritzler**

**Non-Executive Director**

Mr Kritzler (M.Sc from the UNSW in the field of Polymer Chemistry) holds a number of international patents. He is the Technical Director of Novapharm Research. Mr Kritzler has over 40 years of experience in commercial R&D in the areas of pharmaceutical, medical, cosmetic and specialty industrial products. Under his technical direction, Novapharm Research has become a world-leader in infection control science.

Director since: 24 July 2002

Directorship of other listed companies held in the last three years: None



**Abbie Widin**

**Non-Executive Director**

Dr Widin (PhD (Physiology) and B. Med. Science (Hons), both from the University of Sydney, and a Diploma of Business Administration from AGSM, and GAICD). She has over 20 years' experience in the highly-competitive consumer goods and consulting markets. Dr Widin has held various marketing, commercial and management roles in both private and public companies, such as Procter & Gamble (Australia and Europe), SC Johnson, Reckitt Benckiser and Kellogg.

Director since: 2 March 2021

Directorship of other listed companies held in the last three years: None



**Rob Waring**

**Company Secretary**

Mr Robert J Waring (B.Ec, CA, FCIS, FFin, FAICD) has over 40 years of experience in financial and corporate roles, including over 30 years in company secretarial roles for ASX-listed companies and over 20 years as a Director of ASX-listed companies. Mr Waring spent nine years with an international firm of chartered accountants. He is a director of Oakhill Hamilton Pty Ltd, which provides company secretarial and corporate advisory services to a range of listed and unlisted companies. Mr Waring is also presently the Company Secretary of ASX-listed companies Vectus Biosystems Limited (ASX: VBS) and Xref Limited (ASX:XF1).

Company Secretary since: 25 July 2002



# Outlook

- Thanks to our Board and Aeris Team for not only their ongoing contributions, but their dedication to restoring value to our shareholders.
- Aeris has now undertaken the key recommendations from its strategic review and is once again positioned for growth.
- Your Company has a focus and a refined capability into supporting the challenges of its customers in delivering superior ESG outcomes for both its stakeholders and society.

# CEO's address: Andrew Just

Aeris in FY24 and beyond

# A foundation for growth

## *Key developments*

- Value proposition defined as employing advanced technologies to deliver energy efficiency and indoor environmental quality improvements for the built environment
- Go To Market Channels implemented in Australia and China
- Core competencies and strategic alignments to deliver superior customer outcomes through energy consumption reductions and better indoor environmental quality
- Focus on revenue growth and restoration of shareholder value

## *ESG driven opportunities*

- 2024 IFRS mandated reporting expands the market for our products and services
- Companies and their supply chains will benefit from Aeris solutions
- Energy usage reductions and indoor environmental quality improvements are the core Aeris deliverables.

# Expanded portfolio

## *Energy efficiency*

- Environmentally friendly chemistry to optimise equipment efficiency
- Products for thermal profile improvements
- Monitoring and management of energy consumption

## *Indoor Environmental Quality*

- Sanitisation of air delivery systems
- Active air & surface sanitisation products
- Real time monitoring of IEQ
- Significant R&D advances in mould remediation



## *ESG requirements*

### *Environmental*

- Emissions reductions
- Safe chemistry
- Pathogen removal

### *Social*

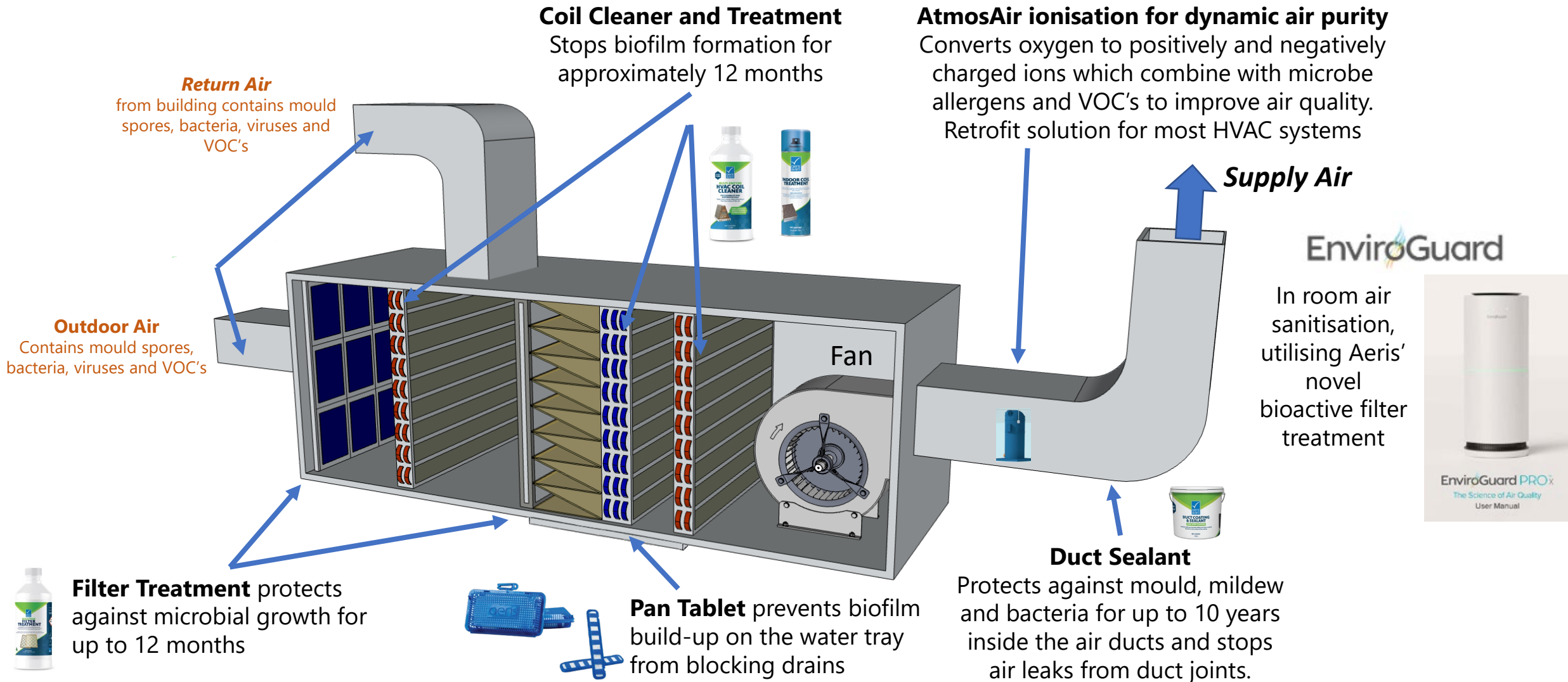
- Health and safety of occupants

### *Governance*

- Measurement & Verification (M&V) of baseline and changes

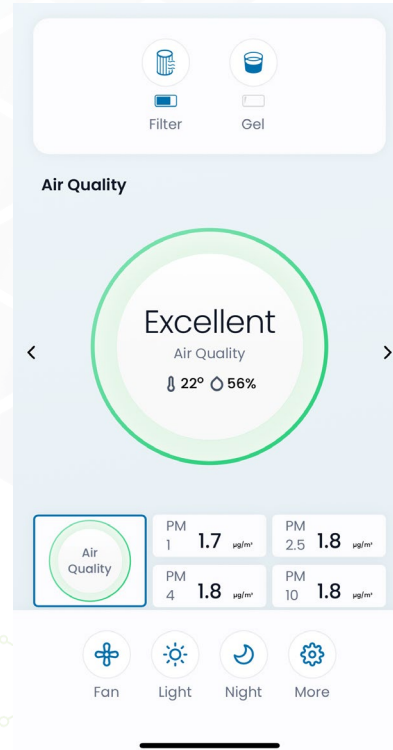
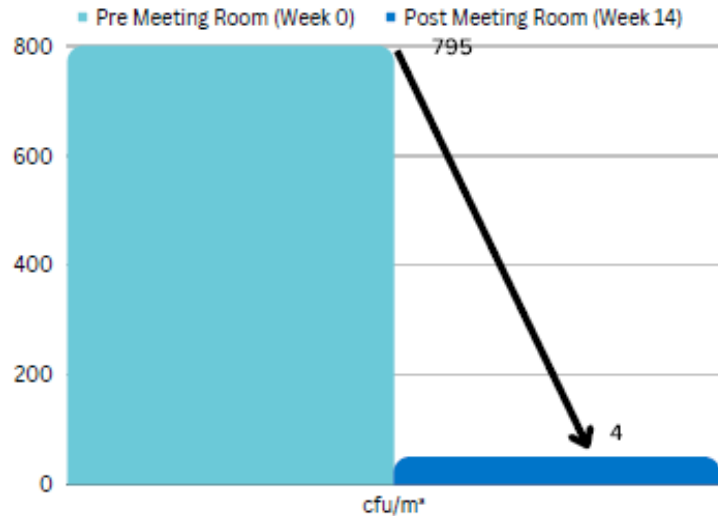
**Aeris solutions deliver on ESG metrics**

# HVAC&R portfolio



# Active air sanitisation – EnviroGuard PRO X

**>99% reduction in airborne fungi and bacteria**



**Efficacy and safety demonstrated**

- Multiple real-world trials affirm performance
- Mould remediation market the initial focus
- Business model: capital sale plus trailing consumables

**EnviroGuard delivers a safe, active, real-time kill of airborne bacteria and fungi**

## Initial install of AtmosAir successfully completed

- Outside air reduction
- Excellent air quality
- Compliance with WELL Standards



Abacus - Level 3 - 14 Martin Place

Indoor air quality is **excellent**

Enjoy the clean air!

Carbon Dioxide CO <sub>2</sub> 483ppm —	Humidity 53%
Large Particles PM <sub>10</sub> 2µg/m <sup>3</sup> —	Small Particles PM <sub>2.5</sub> 1µg/m <sup>3</sup> —
RESET Viral Index 95%	Temperature 23.6°C
TVOC TVOC 157ppb —	

**AtmosAir units are installed into existing ductwork**



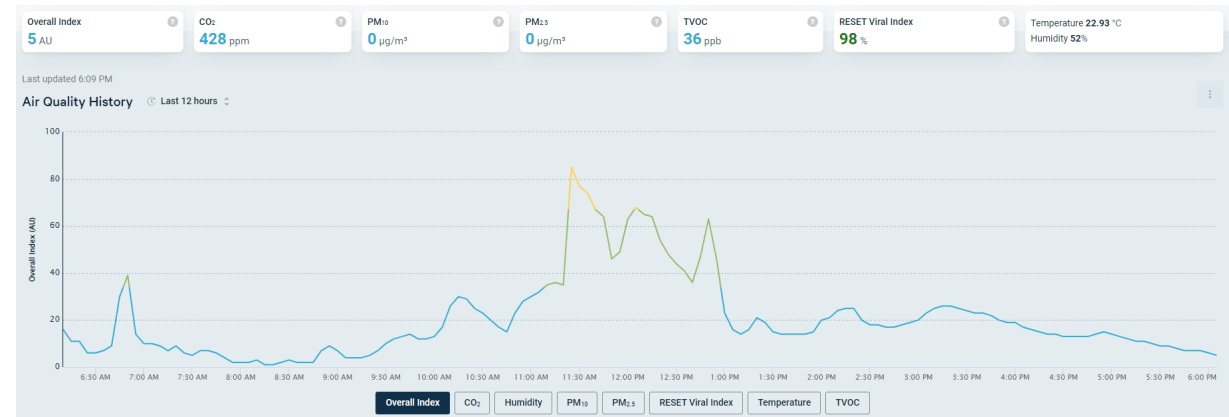
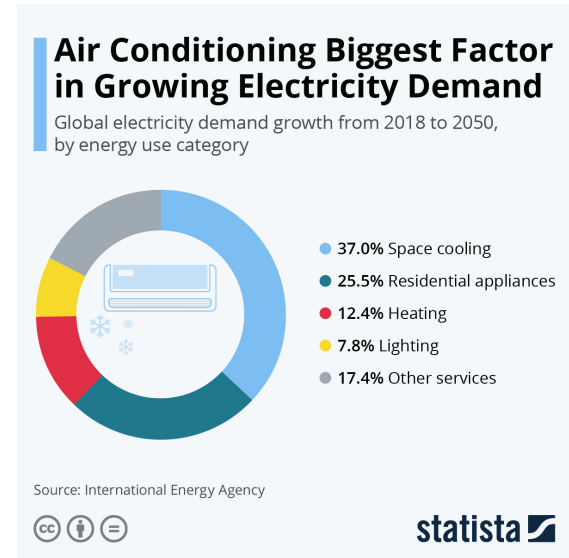
# Market opportunity

## Energy efficiency

- Commercial buildings
  - Enterprise customers
- Solution set for multiple problem areas e.g. HVAC, Refrigeration, Lighting

## Indoor Environmental Quality

- Elimination of harmful particulates
- Proactive, predictive monitoring
- Rising requirements for premium buildings

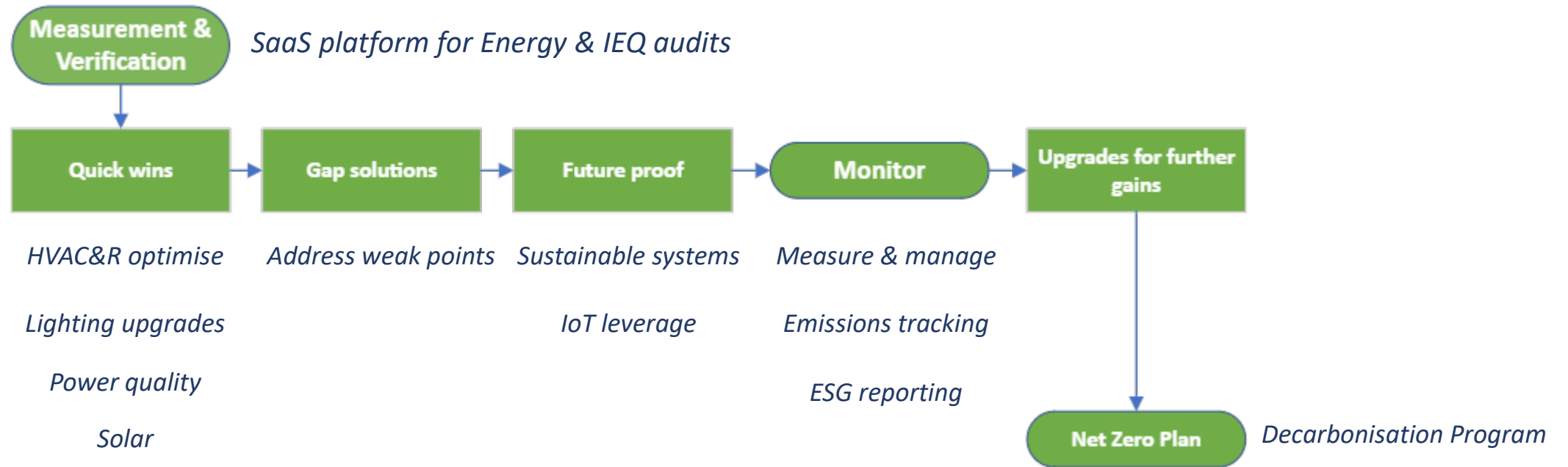


**HVAC&R energy loads carry a sense of urgency to improve.**

# Market approach

## Solutions

- Address the broader building envelope
- Products and services



**Build offering to deliver on Energy Efficiency and Indoor Environmental Quality.**

# Progress in capabilities: *HVAC&R*

## Treatment Program

- HVAC&R Treatment program delivers consistent energy savings to customers (10-30%+ savings)
  - 12 months of consistent protection against fouling, delivering annual energy savings

12% energy reduction



- 54% air flow increase
- Elimination of bacteria, mould and fungal growth.

## Corrosion Protection

- New Corrosion Protection product commences field trials
  - Aerosol version of proven product (CSIRO tested as Best In Class)



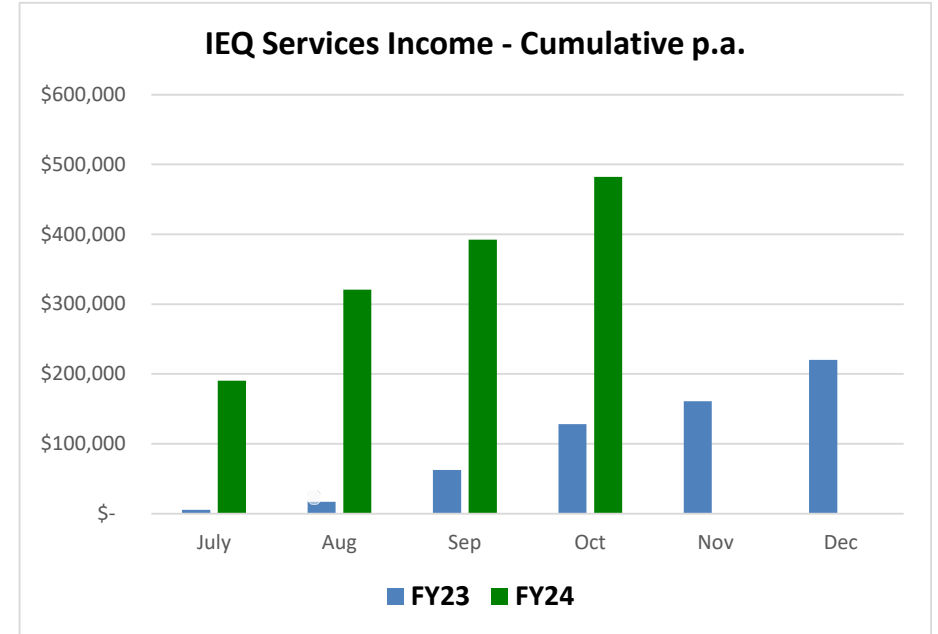
# Progress in capabilities: *Hygiene & Specialty*

## Hygiene market

- Mould Pro builds volumes in remediation market
  - Unlike competitors provides residual protection
- CitriPro embraced for high efficacy combined with food safety
  - Positioned for hospitality market (wipes)

## Specialty

- EnviroGuard PRO X launches and is embraced by the mould remediation market
  - 21 units sold in two months, trailing consumables attractive
- IEQ Services doubles revenues for hygiene consultancy
  - Queensland based Environmental Hygienists



### Hygienist consultancy services:

- Air & surface sampling
- Remediation protocol design
- Project supervision
- IICRC qualified hygienists



# China



- Products
  - Key products (5) directly registered by Aeris
- Supply Chain
  - Contract manufacturing partners secured
- Market channels
  - Multiple channel partners in place and active
- Markets:
  - Industrial B2B (specialty chemicals)
  - Healthcare
  - Commercial property
- China GDP and industrial production growing, improved outlook
- Sales:
  - Initial orders received from channel partners in excess of \$130k AUD
  - Significant (market leader) plant trial underway for core Aeris Hygiene products

# USA

- Products
  - Focus on Corrosion Protection range
  - Portfolio to be expanded in this range
- Supply Chain
  - Ex-Australia
- Market channels
  - Direct to OEM's
- Markets:
  - Industrial B2B (Specialty chemicals)
- USA inflation stabilizing, improved outlook
- Sales:
  - Initial orders received from OEM



# FY23 financials

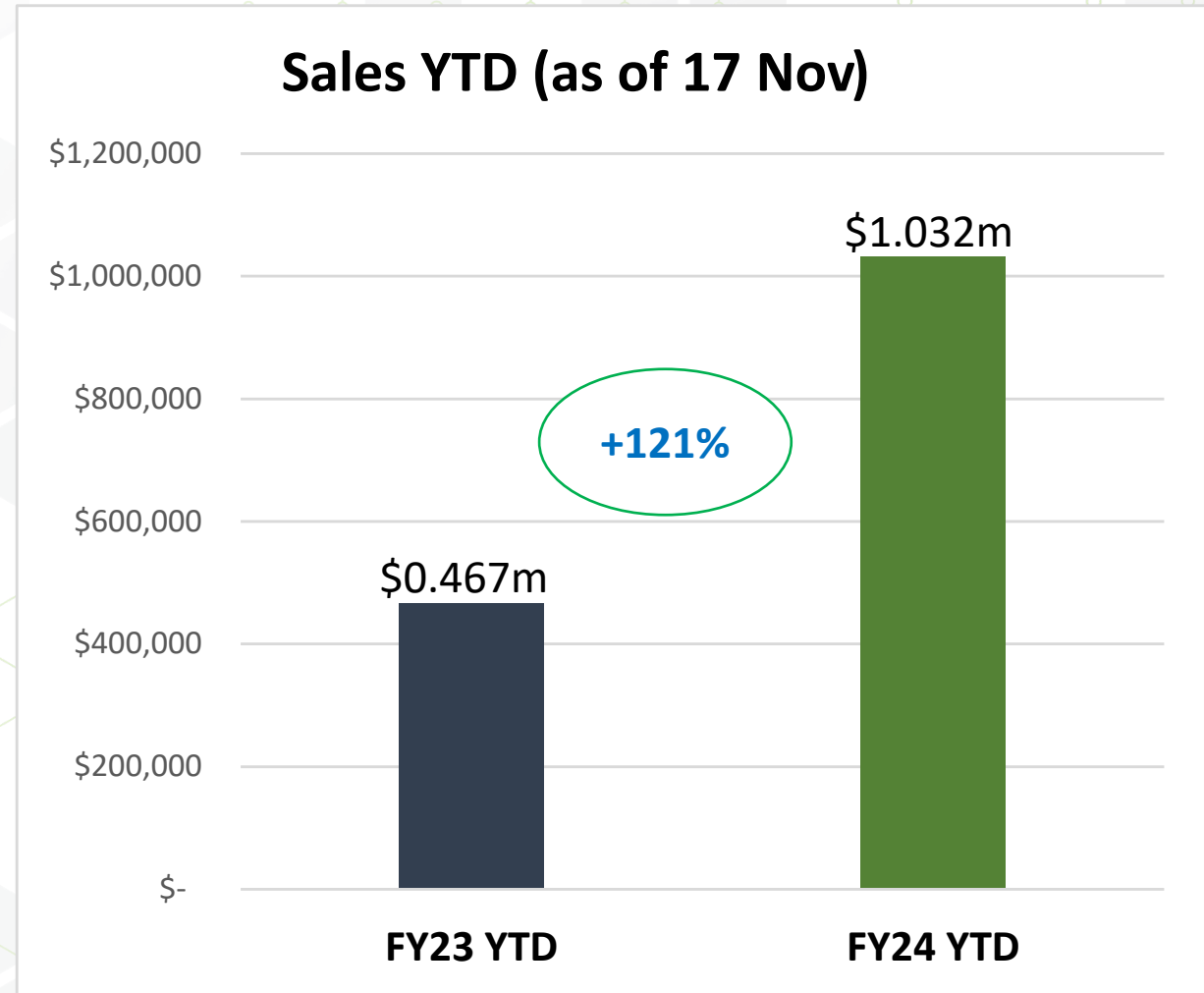
- Annual revenues for the 2023 financial year were \$2.1m (2022: \$2.7m)
- The Company made a loss before income tax of \$4.0m (2022: \$7.4m). The results were a combination of cash and non-cash items, notably post pandemic stock write downs.
- The 2023 year saw substantial challenges exiting from the pandemic economy.
- Gross margins improved to 53% (2022: 45%), within targeted range.
- Aeris remains net debt free.



# FY24 YTD

## FY24 YTD:

- \$0.25m net reduction in OpEx
- Fixed cost stabilisation
- Investment in growth
- Revenues +121% vs PCP (as of 17 Nov)
- Gross margin of 58% YTD FY24



# Key goals

- Positioning Aeris as an integrated provider of products, software and services in the B2B built environment market.
- Support the ESG needs and outcomes of our enterprise customers and distributors globally.
- Continue building our product and services portfolio.
- Drive the twin value proposition of energy efficiency and indoor environmental quality for the built environment market.
- Continue building the sales pipeline, with an enterprise focus.
- Develop international growth by focusing on specific country demand drivers, leveraging in-market manufacturing.
- Drive our culture for high performance and live our values of Customer, Teamwork, and Innovation.

# Shareholder value

- Aeris continues to build back its foundation for value
- Aeris' offering is now more comprehensive, and customer focussed, driving the value proposition of energy efficiency and air quality
- C-suite driven demand for ESG levers are a growth source for the Company and shareholder value.
- R&D tightly focused on practical and commercially relevant technologies and large-scale unmet demand
- Aeris is developing both organically in terms of its portfolio and offerings, and in parallel incorporating strategic opportunities for collaboration and partnership.



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