

## Spectur Limited (ASX:SP3) Investor Presentation

ASX Announcement | 2 August 2022

### Highlights

- Unweighted sales pipeline grows to \$10.3m at 31 July 2022 (weighted \$3.5m), underpinning expectations of continuing growth into FY23.
- Successful placement of \$1.86m in July, Securities Purchase Plan to raise \$500k now open to shareholders, closing 5pm (WST) Wednesday 3<sup>rd</sup> August 2022.
- Join Managing Director Gerard Dyson for a live investor briefing on Tuesday 2<sup>nd</sup> August at 12pm (AEST). Register: <https://spectur.investorportal.com.au/investor-briefing/>

Solar security, sensing and visual AI solutions and platforms company Spectur Limited (ASX: SP3) ("Spectur" or the "Company") is pleased to lodge an updated investor presentation.

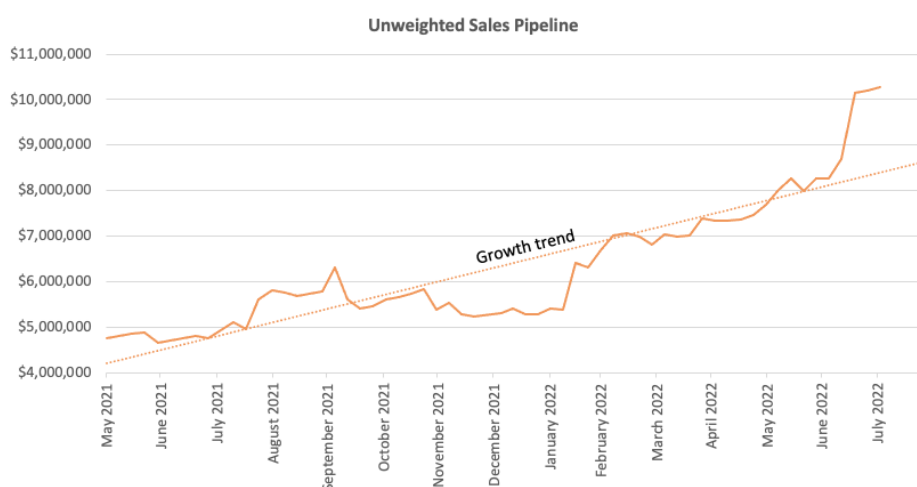
Managing Director Gerard Dyson will be holding a live investor briefing on Tuesday 2<sup>nd</sup> August at 12pm (AEST) to discuss the Company's progress. A copy of the investor presentation to be used is attached to this announcement.

Register: <https://spectur.investorportal.com.au/investor-briefing/>

### Ongoing growth in sales pipeline

Spectur's unweighted pipeline of sales opportunities was \$6.8m at the end of Q3, \$8.35m at the end of Q4 and \$10.3m at 31 July 2022. At 31 July 2022, the probability weighted pipeline<sup>1</sup> was \$3.5m - up from \$3.35m at the end of Q4 and \$2.82m at the end of Q3. This corresponds to more than 50% growth in unweighted pipeline in 4 months and 24% growth in weighted pipeline over a similar period.

Overall growth since consistent reporting commenced in May 2021 is shown in the chart below.



<sup>1</sup> The methodology through which Spectur probability-weights its sales pipeline was disclosed via ASX announcement on 30 August 2021.

The recent increase in sales pipeline is related to submitted tenders for large utility projects which have been assigned 10% weighting (less than usual weighting). Other well-advanced items in the sales pipeline include opportunities related to beach safety, large construction projects and transportation projects.

### Capital raising activities

On 19 July 2022, Spectur announced a placement of \$1.862m with sophisticated and institutional investors, followed by a Securities Purchase Plan (**SPP**) to raise \$500k that enables existing shareholders to participate in securing additional funds under the same terms as the placement. The terms of the Placement and the SPP Offer will also entitle applicants to receive one free-attaching unquoted option for every two Shares subscribed, each entitling the holder to acquire one Share at an exercise price of A\$0.066 within two years from issue (**Bonus Options**).

Any remaining Shares and corresponding Bonus Options not taken up by Eligible Shareholders under the SPP Offer (**Shortfall**) will be made available by way of a separate offer under the Prospectus (**Shortfall Offer**). The Shortfall Offer will be open to the public, including Eligible Shareholders who wish to apply for Shares above their maximum allocation under the SPP Offer (\$30k).

These funds will be deployed to accelerate the growth of the business towards EBITDA and cash breakeven. Particular applications of the funds are to:

- finance market expansion across South and regional Australia;
- globalisation and modular platform development;
- expansion of the current marketing program, including research into a USA market entry;
- purchase of additional inventory to mitigate supply chain risk; and
- associated raising costs and working capital.

**Applications for the SPP close on Wednesday 3<sup>rd</sup> August 2022.**

Shareholders may request an electronic copy of their personalised SPP Application Form by registering here: <https://spectur.investorportal.com.au/register-spp/>

The Company has appointed Reach Corporate Pty Ltd as Lead Manager. If you have any questions on the Offer, please contact them on [advisers@reachmarkets.com.au](mailto:advisers@reachmarkets.com.au) or 1300 805 795.

### Join a briefing

Join Spectur Managing Director Gerard Dyson for a live and interactive investor briefing on Tuesday 2<sup>nd</sup> August at 12pm (AEST) where he will provide a company update.

Click here to register for the session: <https://spectur.investorportal.com.au/investor-briefing/>

**Ends.**

This ASX release is authorised by the Board of Directors of Spectur Limited

### For further information, please contact:

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To stay up to date on company news and announcements, register your details on the [Spectur investor portal](#).

### **About Spectur Limited**

Spectur Limited (ASX:SP3) is an Australian-based developer of security, surveillance and warning solutions powered by solar, IoT [Internet of Things], camera and cloud-based technology. The Company owns the rights to its innovative hardware and disruptive cloud-based systems which are deployed to provide solutions to industries including government and utilities, and the building, construction and civil sector.

Spectur's core products are solar powered warning, deterrence and surveillance systems and associated cloud-based platforms. These systems incorporate cameras, lighting, audible warnings and a hardware IoT platform, remotely accessed and connected via 3G/4G technology to a cloud-based platform. The offering is complemented by a longer distance, 24-hour thermal camera deterrence solution, suitable for customers with long perimeters.

Spectur is used and trusted by small business to multinationals and the Company is currently implementing a strategic growth plan to build market dominance in the Australian government and utilities sector to meet demand for innovative, remote camera and IoT solutions.

To learn more, please visit: [www.spectur.com.au](http://www.spectur.com.au)





# Spectur Limited (ASX:SP3)

Investor briefing, August 2022



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Although the Company believes that its expectations reflected in the forward-looking statements are reasonable, such statements involve risk and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. These statements are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Spectur Limited, are difficult to predict and could cause actual results to differ materially from those expressed or forecast in the forward-looking statements. Spectur Limited cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Spectur Limited only as of the date of this presentation.

The forward-looking statements made in this presentation relate only to events as of the date on which the statements are made. Spectur Limited will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this presentation except as required by law or by any appropriate regulatory authority.



# About Spectur

**Sense Think Act**





# Our Mission

We make **communities safer in remote and unpowered areas** by providing the only surveillance solution that can sense a problem, make a decision and take an action - without a cabled connection.





# Who we are

- Surveillance solutions that **don't need people, power or data cables**
- End-to-end solution, using AI to **sense, think and act**
- **Unique technology** - #1 alternative to “do nothing and wear consequences”
- **Proof of concept** in Western Australia & **growing rapidly**
- Sizeable **market opportunity** to roll out in ANZ and US



No People



No Data Cable



No Power Cord



# The challenges we solve

## How to improve safety and security in off-the-grid settings?

- Trespassing
- Theft
- Illegal dumping
- Hooligans
- Bushfire
- Vandalism
- Floods
- Tsunamis
- Shark attacks
- Earthquake

## Pain points

- Increasing frequency and consequences of events
- Peoples' sensitivity to risk growing
- Many areas where current solutions fail



# More threats impacting everyday life in Australia

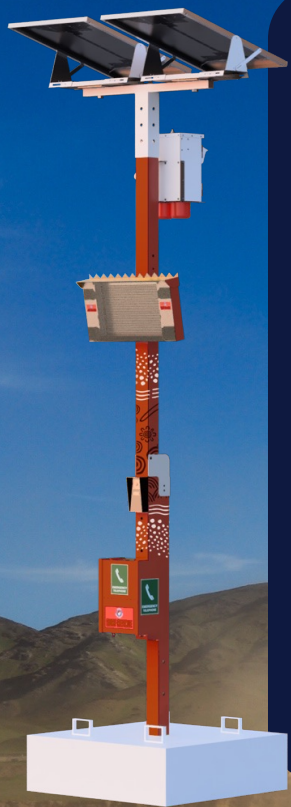
- Natural disasters getting more frequent and worse<sup>1</sup>:
  - 2019 Black Summer Bushfires: \$2.5bn+
  - 2022 VIC, QLD Floods: \$2.5bn+
- Crime has a real-life impact:
  - In 2021 copper theft left 2,000 households in SA without power<sup>3</sup>
  - \$80m clean-up cost for illegal dumping in 2019<sup>2</sup>

1: <https://www.abc.net.au/news/science/2022-03-10/floods-nsw-queensland-climate-change-worst-ever-natural-disaster/100894956>  
2: <https://www.insidewaste.com.au/index.php/2019/06/21/opinion-australias-80m-illegal-rubbish-dumping-issue-tackled-through-tech/>  
3: <https://www.abc.net.au/news/2021-06-08/copper-theft-leaves-2000-without-power-kingston-cold/100198596>  
Source for articles: ABC News



# How we address these challenges

## ON DEVICE



### Sense

- Up to 360-degree vision
- Many different sensors
- Always sensing

### Think

- On-the-edge AI
- Recognises risk & decides action
- Optimises power & data usage

### Act

- On-site (sirens, lights, etc)
- Off-site (via cloud)

ON DEVICE



- WiFi
- 3G, 4G
- Satellite

## Cloud

- Cloud sense
- Cloud think
- Cloud act
- User settings
- Storage



## Client

- App
- Web
- VMS
- Alerts



## 3<sup>rd</sup> Parties

- AI via APIs
- First responders
- External parties



OFF SITE



# Unique competitive advantages



## Sense - Think - Act

- Solves full problem
  - **Sense:** multiple sensors
  - **Think:** make decisions
  - **Act:** do something useful
- No humans needed



## Deployable remotely

- No grid/recharging needed
- Runs 24/7
- Rapid deployment
- Cost, power & data efficient



## One integrated solution





- One device, one interface
- Easy use via app or web
- APIs for multiple integrations
- Fully programmable



## 100% Australian

- 100% Australian designed, coded and manufactured
- Eliminates security issues from foreign technology
- Zero native competitors

# Alternatives compared

	 CONVENTIONAL CCTV	 PERSONNEL	 DO NOTHING	 SPECTUR
Senses	✓	✓	✗	✓
Thinks	✗	✓	✗	✓
Acts	✗	✓	✗	✓
Works without power cable	✗	✓	N/A	✓
Always on	✓	✗	N/A	✓
OK in harsh environments	✓	✗	N/A	✓
Cost effective	✓	✗	N/A	✓
Comment	Needs high degree of human interaction	Not feasible in most environments	#1 competitor	The only cost-effective end-to-end solution







# Company Update

**Sense Think Act**





# Revenue model

	 <b>EQUIPMENT SALES</b>	 <b>SUBSCRIPTIONS</b>	 <b>RENTALS</b>	 <b>SERVICES</b>
<b>Description</b>	Full system (requires subscription)	Use of service after purchase (app, data etc)	Limited-time use (rental and lease models)	Development, customisation, integration, installation, relocation, support
<b>Client need</b>	Prefers CAPEX / lowest lifecycle cost	Mandatory with equipment sales	Prefers OPEX / lowest up front cash costs	Bespoke solutions and other needs
<b>Revenue share<sup>1</sup></b>	29%	25%	33%	12%
<b>Growth Trend<sup>2</sup></b>	-8% <sup>4</sup>	+10%	+26%	+3%

1: FY22

2: FY22 vs FY21

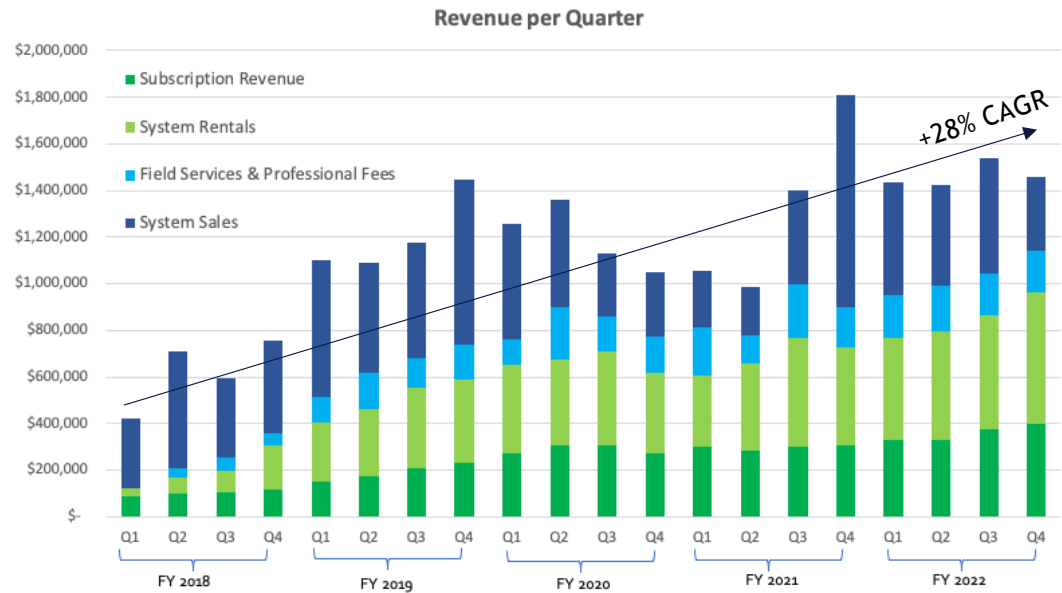
3: Annualised recurring revenue

4. Note that Q4 FY21 had record sales revenue (see earlier chart)

**ARR<sup>3</sup>**

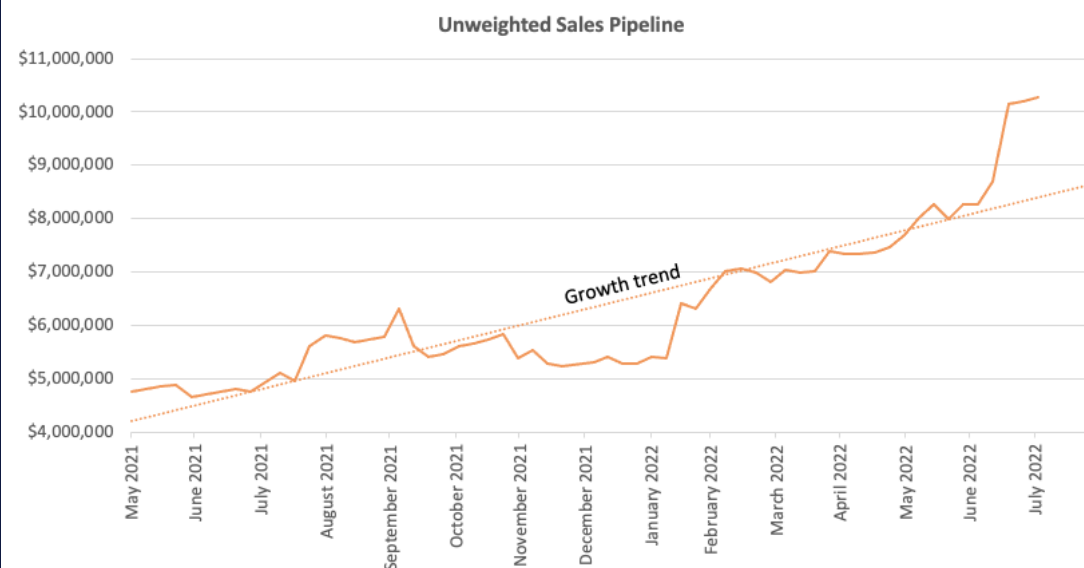
# Strong history of quality revenue growth

- Today: >2,500 devices deployed with >600 customers
- Revenue growing fast and sticky. 58% of revenue is ARR @ 70% GM% - FY22
- Growing share of institutional contracts
- Dominant WA position (\$2.6m FY22 rev, ~25% market share)



# Foundations for growth

- More than \$3m of cash to underpin next phase
  - Cash balance \$737k (31<sup>st</sup> July 2022)
  - Proceeds from July 2022 placement \$1.862m<sup>1</sup>
  - Proceeds of SPP (currently underway, targeting \$500k+)
- Substantial, growing sales pipeline (31<sup>st</sup> July 2022)
  - Unweighted: \$10.3m (120% increase on June 21)
  - Weighted: \$3.5m (100% increase on June 21)
- Record sales for July 2022 (\$405k new contracts)<sup>2</sup>



## Notes:

1. Available subject to shareholder approval at General Meeting to be held on or about 31 August 2022
2. Sales contracts can be for extended months, not singular revenue events. Sales do not convert to revenue until hardware is installed.

# Recent wins in dominated niche

- Recent (June) sale of additional 8 Emergency Response Beacons to SLSNSW
- 33 beach warning systems deployed (18 more to be deployed soon)
- Pipeline with >40 additional beach warning systems
- Potential for >90 beach warning systems deployed before the end of 2022...
- Spectur is the dominant name in solar beach camera-based platforms.







# Market Opportunity

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# Industry applications and use case examples

## Target industries

- Construction and building
- Local, state, federal government
- Utilities
- Community services
- Asset managers
- Transport and logistics
- Industrial, energy, resources
- Security service providers
- AI companies

## Use case examples



# Scope of opportunity

## Selected scope indicators in Australia

### STATUS QUO

### SCOPE OF OPPORTUNITY



Beaches

**33** devices installed



**12,000** beaches



Construction

**253** companies signed up



**5,750** medium & large companies (20+ FTEs)



Mobile towers

**108** sites protected



**21,472** towers



Military

**4** DoD bases protected



**63** bases and hundreds more DoD assets



Councils

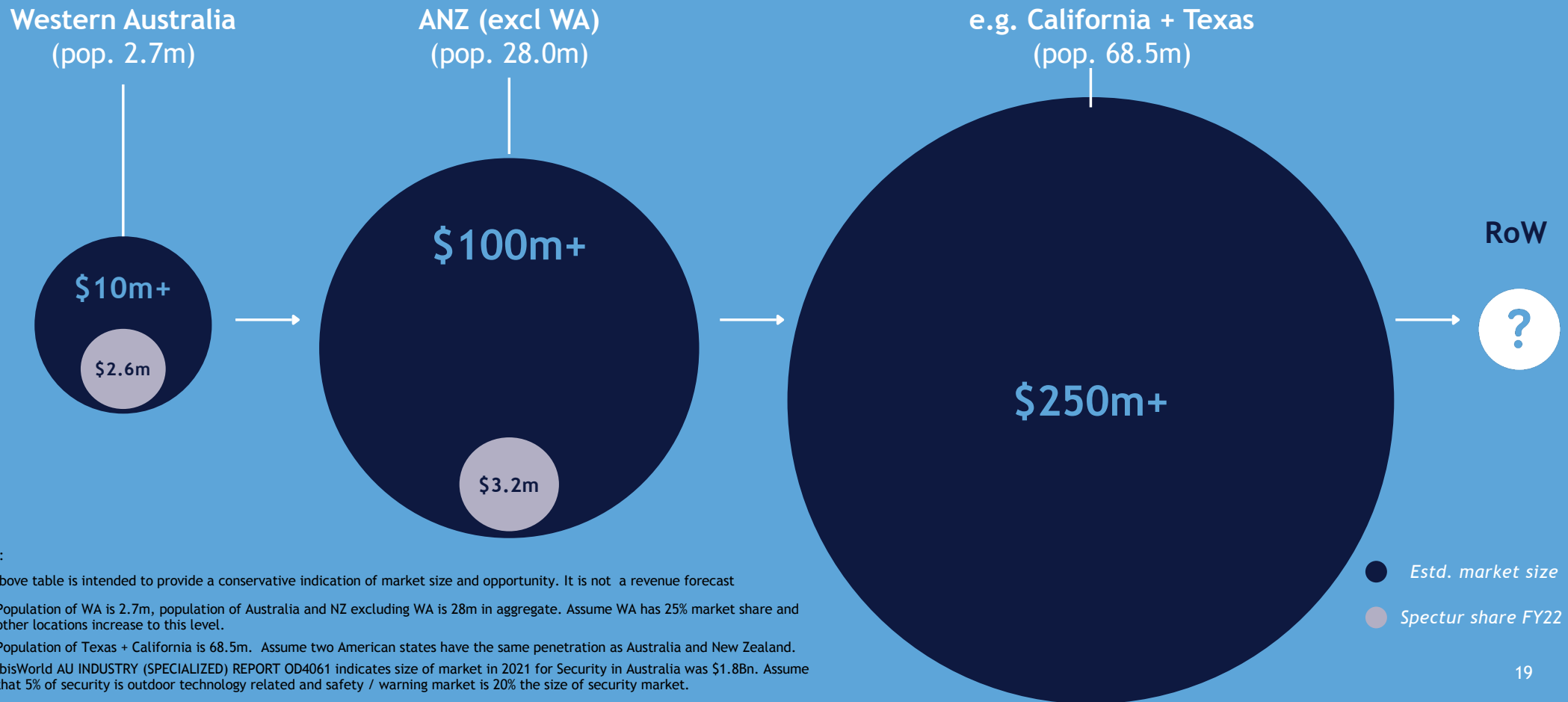
**49** councils served



**562** councils

# Near-term target market - estimated size

Western Australia is a blueprint for expansion in ANZ and beyond







# Strategic Outlook

**Sense Think Act**



# Strategy - our growth plan

- ANZ Market domination
- Global ready product

## Growth

- US market entry
- Enterprise ready for scale
- Expanded customer value

### Sales Channels

- Select & on-board **resellers** (NT / Regions)
- Build out **sales team** (SA)

- Select & on-board **resellers (international)**
- Online sales

### Markets

- **Sector-targeted** marketing
- Research and **test US** expansion

- Select **entry into US** via resellers

### Product

- Design and build for **scale**
- Expand **plug & play** capability
- **Certifications, standards** and **quality** assurance

- Expand **share of wallet** (sensing, AI)
- Further expand **modularity and simplicity**
- Build online and reseller **portals**

Today

12 months

24 months



# Summary & investment thesis



Superior turnkey solution to a range of global challenges



Significant moat in a large & growing market



Proof of concept demonstrated in WA



High-margin product with recurring revenues and growing pipeline



Strategic plan for organic growth in ANZ, US



Experienced, aligned & highly motivated team



**Sense Think Act**





# Capital Structure

## Key Metrics as at 14 July 2022

### Share Trading Information

ASX code	SP3
Listed on ASX	01/08/2017
Current share price	\$0.051
Market cap	\$5.4m
52 week closing high	\$0.120
52 week closing low	\$0.035

### Capital Structure

Shares on issue	106.3m
Performance Rights on issue	7.7m
Unlisted Options	6.6m

### Share Register

Top 20 shareholders	41.27%
% of register owned by Board & KMPs	4.62%

## Top Shareholders (as at 4 July 2022)

National Nominees Limited	3.8%
D & G Amarakoon <Duro Super Fund>	3.4%
Dr M Ameratunga	3.1%
Mr CRW Wilkins (Founder)	2.6%
Mr PJ Ferris	2.6%
Mr DJ Cooper (Non-Executive Chairman)	2.4%
Fry Super Pty Ltd <INXS Super Fund A/C>	2.3%
Mr G Lontos & Mrs C Lontos <Francis Alexandra S/F A/C>	2.0%
A Gunawardena & T Fernando <Serotutor Superfund A/c>	1.6%
Dr GJ Dyson (Managing Director)	1.6%
Mr L Cunneen	1.5%
BNP Paribas Nominees Pty Ltd <IB AU NOMS Retail Client DRP>	1.4%



# Contact Us

Investor enquiries  
Spectur Limited (ASX:SP3)

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**Gerard Dyson**  
MANAGING DIRECTOR

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**Sense Think Act**



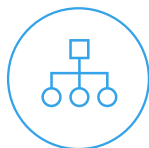


## Use of funds (\$2.15m, Placement + SPP)

Growth Capital Item	Investment Required
SA and regional expansion	\$450,000
Globalised modular platform	\$800,000
Expansion in marketing	\$200,000
Inventory for supply chain risk	\$250,000
USA entry preparations	\$285,000
Capital raise costs	\$165,000
<b>Total</b>	<b>\$2,150,000</b>

**Note:**

- This is the current intention and is subject to change depending on future events.
- Any amount raised lower than the target amount would result in reductions of investment across all items



### SA and regional expansion (\$450k)

- Additional sales, installation and facilities
- Access underserved market and build dominance
- Improved margins and revenue



### Globalised modular platform (\$800k)

- Scalability / reliability / global standards / simplicity
- Enables sales through resellers and global markets
- Reduced cost to supply and support per system
- Increased revenue



### Expansion in marketing (\$200k)

- Globalise digital assets
- Increase content



### Inventory risk mitigation (\$250k)

- Acquire long lead electronics componentry
- De-risk ability to supply and reduce out-of-cycle re-engineering overheads



### USA entry preparations (\$285k)

- Market entry travel and study
- Business and channel establishment



### Working capital (\$165k)

- Broker, ASX, registry and legal costs