



AGM Presentation | ASX:HTG

Solving Remote

Tuesday November 8, 2022

A person wearing a red helmet, a dark jacket, and roller skis, standing on a dark surface. They are carrying two large, striped rocket packs on their back. The background is a sunset or sunrise sky with orange and yellow clouds.

Welcome

A light gray network diagram background featuring interconnected nodes and lines, with some nodes highlighted by dashed circles.

Introduction to Board of Directors & Company Secretary



Directors

Jeffery Sengelman

Chairman & Independent Non-Executive Director

Paul Guilfoyle

Group Chief Executive Officer & Managing Director

Marcus Machin

Non-Executive Independent Director

Company Secretary

Jack Rosagro

Presentation of the HTG 2022 Annual Financial Statements

Shareholders are invited to ask questions and make comment on the annual financial statements.

HLB Mann Judd auditor, Danny Buckley, is available to answer questions relevant to the financial audit for FY2022.





Resolutions

Resolution 1 – Remuneration Report



To consider and, if thought fit, to pass with or without amendment, as a **non-binding** ordinary resolution the following:

'That the Remuneration Report be adopted by Shareholders.'

Results	
For	123,404,032
Against	4,261,606
Abstain	880,165
Chairman's Discretion (in favour)	1,097,500
Total	129,643,303

Resolution 2 – Re-election of Director – Marcus Machin



To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

‘That, in accordance with article 7.2(a) of the Constitution and Listing Rule 14.4 and for all other purposes, Marcus Machin retires as a Director at this Meeting and, being eligible and offering himself for election, is elected as a Director, on the terms and conditions in the Explanatory Memorandum.’

Results	
For	144,693,194
Against	1,006,727
Abstain	803,165
Chairman's Discretion (in favour)	1,097,500
Total	147,600,586

Resolution 3 – Approval of 10% Placement Capacity



To consider and, if thought fit, to pass with or without amendment, as a **special** resolution the following:

'That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.'

Results	
For	145,194,410
Against	1,082,848
Abstain	165,828
Chairman's Discretion (in favour)	1,157,500
Total	147,600,586

Resolution 4 – Ratification of Placement Securities



To consider and, if thought fit, to pass with or without amendment, each as a separate ordinary resolution the following:

“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of:

4(a) *38,520,166 Placement Options issued under Listing Rule 7.1; and*

4(b) *38,520,166 Placement Shares issued under Listing Rule 7.1A,*

on the terms and conditions in the Explanatory Memorandum.’

Results	4a	4b
For	56,712,116	56,707,116
Against	1,063,176	1,068,176
Abstain	177,074	177,074
Chairman's Discretion (in favour)	97,500	97,500
Total	58,049,866	58,049,866

Resolution 5 – Approval of Issue of Director Placement Securities



To consider and, if thought fit, to pass with or without amendment, each as a separate ordinary resolution the following:

‘That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of the Director Placement Securities to Paul Guilfoyle and Marcus Machin (or their respective nominees) as follows :

5(a) *up to 3,333,333 Director Placement Shares and 3,333,333 free attaching Director Placement Options to Paul Guilfoyle; and*

5(b) *up to 3,333,333 Director Placement Shares and 3,333,333 free attaching Director Placement Options to Marcus Machin’*

Results	5a	5b
For	144,342,144	127,758,185
Against	1,996,868	1,996,868
Abstain	164,074	164,074
Chairman's Discretion (in favour)	1,097,500	2,097,500
Total	147,600,586	132,016,627

Resolution 6 – Approval of New Plan



To consider and, if thought fit, to pass with or without amendment, each as a separate ordinary resolution the following:

‘That, pursuant to and in accordance with exception 13(b) of Listing Rule 7.2 and for all other purposes, Shareholders approve the new employee incentive scheme of the Company known as the "Harvest Technology Group Ltd Employee Securities Incentive Plan" (New Plan) and the issue of up to a maximum number of 58,992,654 Securities under the New Plan over a period of up to three years from the date of the Meeting, on the terms and conditions in the Explanatory Memorandum.’

Results	
For	138,251,030
Against	7,422,359
Abstain	215,500
Chairman's Discretion (in favour)	1,097,500
Total	146,986,389

Resolution 7 – Approval of Potential Termination Benefits under the New Plan



To consider and, if thought fit, to pass with or without amendment, each as a separate ordinary resolution the following:

"That, conditional on Resolution 6 being approved, for a period commencing from the date this Resolution is passed and ending upon the expiry of all Securities issued or to be issued under the "Harvest Technology Group Ltd Employee Securities Incentive Plan", approval be given for all purposes including Part 2D.2 of the Corporations Act for the giving of benefits to any current or future person holding a managerial or executive office of the Company or a related body corporate in connection with that person ceasing to hold such office, on the terms and conditions in the Explanatory Memorandum."

Results	
For	138,736,011
Against	7,537,657
Abstain	229,418
Chairman's Discretion (in favour)	1,097,500
Total	147,600,586

Resolution 8 – Modification of Existing Constitution



To consider and, if thought fit, to pass with or without amendment, each as a separate ordinary resolution the following:

‘That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, the constitution of the Company be modified by making the amendments contained in the document tabled at this Meeting and signed by the Chair for the purposes of identification, with effect from the date this resolution is passed.’

Results	
For	138,887,687
Against	7,375,825
Abstain	236,074
Chairman's Discretion (in favour)	1,101,000
Total	147,600,586



Final Poll



Chairman Address



Group CEO Address



Financial Summary



FY22 Results



- FY2022 marked a year of transition for the business in line with our strategy
- Revenue declined by \$3.5m due to planned cessation of Vessel Operations in Sept 2021
- Technology revenues, whilst relatively flat overall, comprised a more diverse and less concentrated customer base as we expanded into new industry channels and sales regions in the second half of FY2022

KEY FINANCIAL PERFORMANCE DATA (AUDm)	FY2021	FY2022	Mvmt%
Revenue – Remote communications technology	\$2.1	\$2.1	-
Revenue – Offshore subsea services (Discontinued)	\$6.2	\$2.7	(56.5%)
Total Revenue	\$8.3	\$4.8	(42.1%)
Loss after tax – Continuing Operations	\$6.9	\$13.7	(98.6%)
Loss after tax – Discontinued Operations	\$3.4	\$0.8	76.5%
Loss after tax - Group	\$10.2	\$14.5	(42.2%)
Cash Position	\$6.8	\$4.5	(33.8%)

Note: Minor rounding differences exist in the above table

FY22 Results *cont'd*

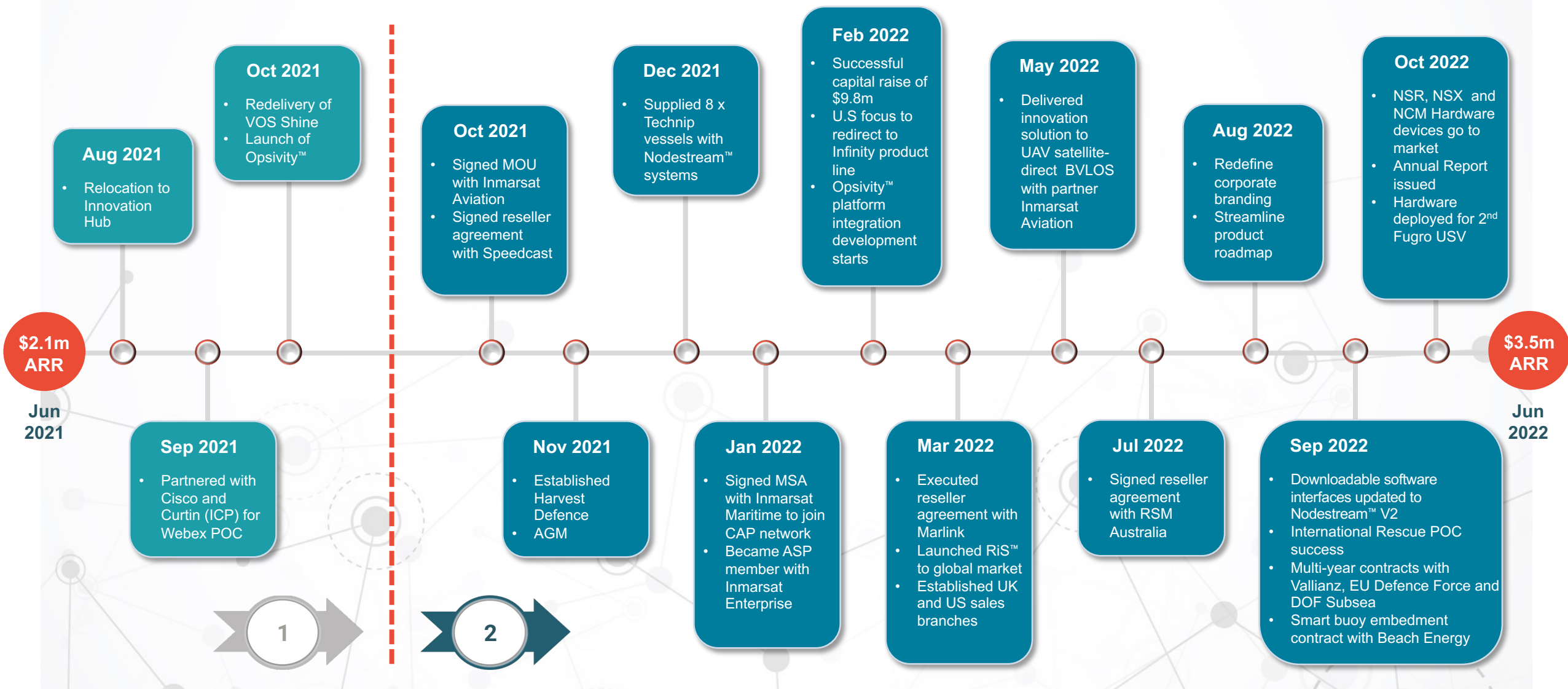


- The loss from discontinued Vessel Operations was reduced by \$2.6m during FY2022
- \$5.0m was invested in expanding R&D capability and product enhancements to drive future growth
- Increased marketing and BD activities as we expanded into new regions and industry channels
- The Reported Net Loss included \$2.2m of non-cash expenses (depreciation, amortisation and share based payments)
- Net cash flow included the impact of a number of non-recurring items:
 - Payment of final tranche of deferred consideration (\$0.8m) for the acquisition of Advanced Offshore Streaming
 - Invested \$0.8m in PP&E for the relocation to the Group's centralised innovation hub in Perth
- Successfully raised \$9.1m (net) in capital to help fund global growth ambitions and working capital needs



Operations

Key milestones



Our growth journey – delivering on strategy



Speed & Scalability

- ✓ Delivery of Wearwolf™ and Nodestream™ downloadable decoder software applications
- ✓ Building of scalable production and management systems
- ✓ Advancing development of existing Infinity product suite
- ✓ Ramping resources to support innovation, sales, marketing, BD, and regional expansion
- ✓ Establishing relationships with global industry partners, resellers and solutions providers

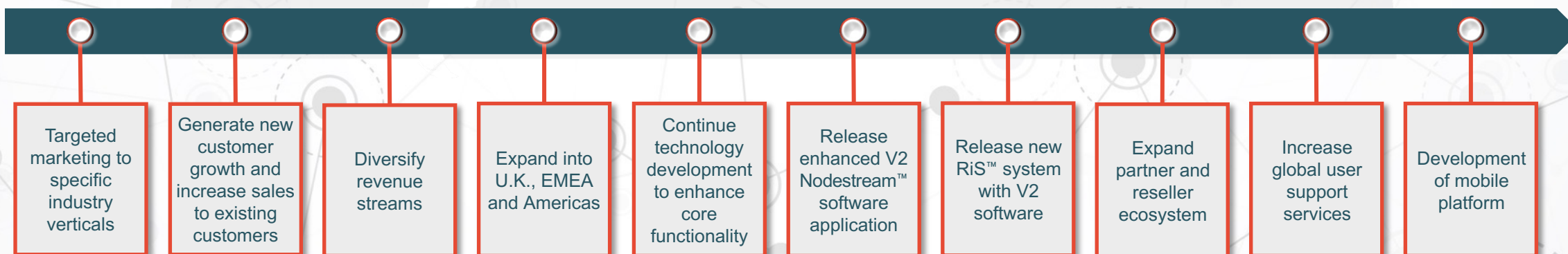


Income Diversity



Expansion & Growth

- Delivery of cloud-based platform
- Become a trusted provider within the Defence, Space and National Security communities
- Explore and develop third-party alliances and opportunities in the consumer market
- Commence initial exploration and development of business opportunities in Asia

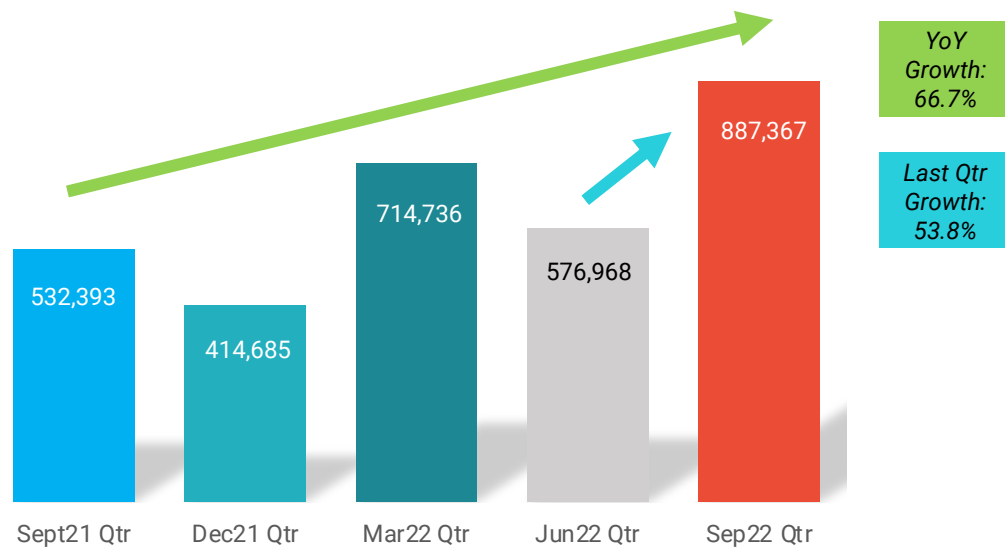


Growth accelerates as we scale

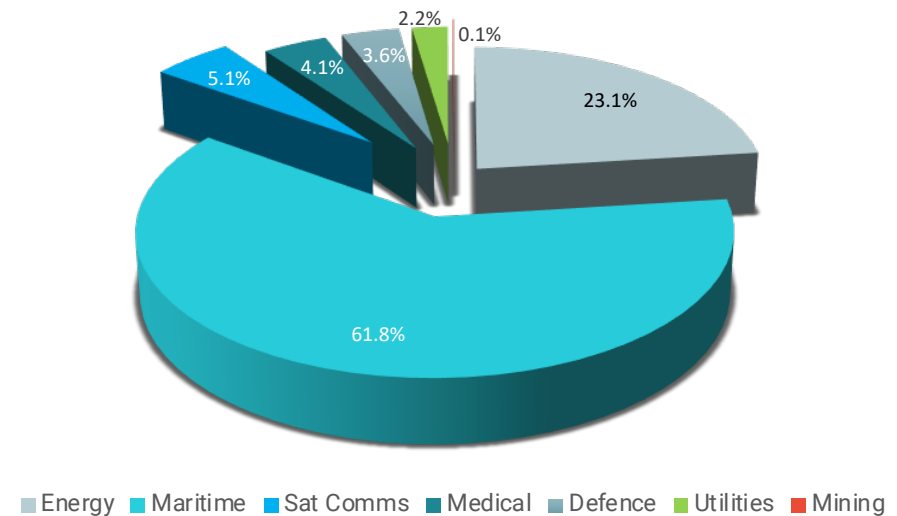


- Revenue continues to grow by quarter with increasing diversification of revenue and customer base
- Growth of 66.7% YoY / 53.8% in September Qtr 2022
- Sales pipeline continues to build as our targeted sales approach expands across regions and new sectors

Group Revenue by Quarter - Last 12 Months



Revenue by Sector (FY2022)



Sectors

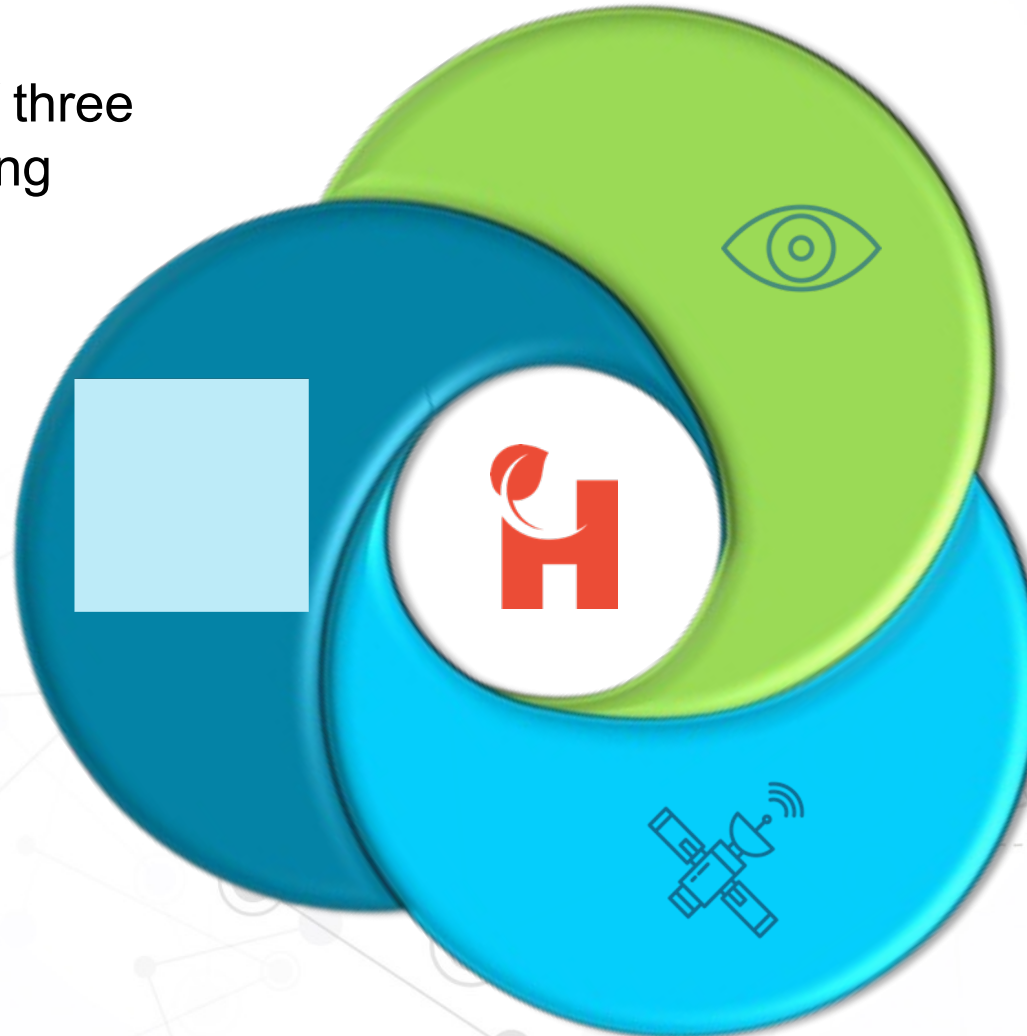


Harvest is positioning its technology at the centre of three high-growth sectors covering remote applications

UNIFIED COMMUNICATIONS

- **Market Size value in 2021:** USD 93.52 bn
- **Revenue forecast in 2028:** USD 344.84 bn
- **Growth Rate:** CAGR of 20.5%
- **Forecast period:** 2021 - 2028

**HTG anticipates to grow into this segment in 2023*



SURVEILLANCE

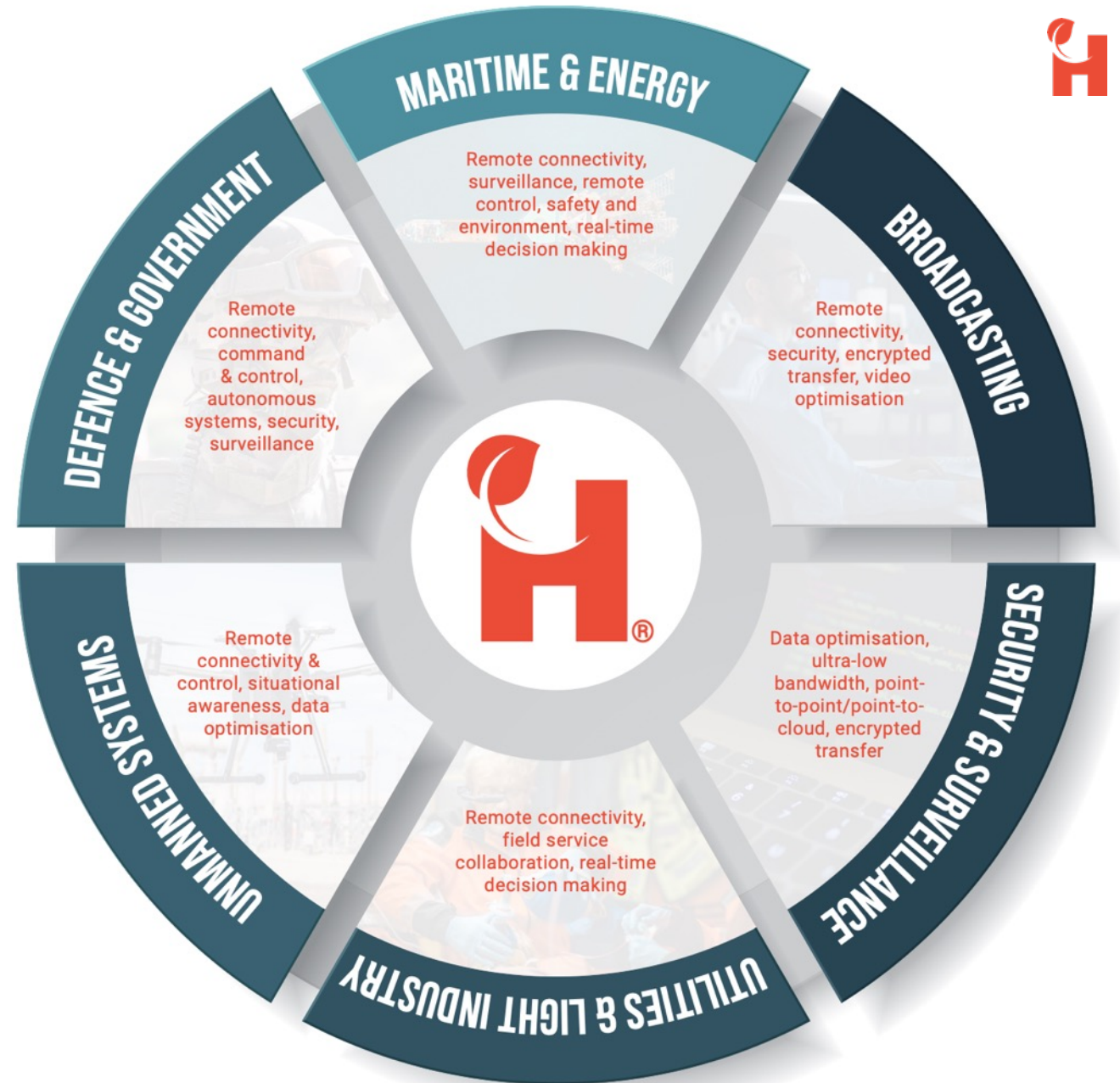
- **Market Size value in 2022:** USD 77.1 bn
- **Revenue forecast in 2030:** USD 159.6 bn
- **Growth Rate:** CAGR of 9.5%
- **Forecast period:** 2022 - 2030

SATELLITE COMMUNICATIONS

- **Market Size value in 2021:** USD 42.9 bn
- **Revenue forecast in 2026:** USD 69.1 bn
- **Growth Rate:** CAGR of 10% for period 2021-2026
- **Remote surveillance:** 8% of total market

Sector verticals

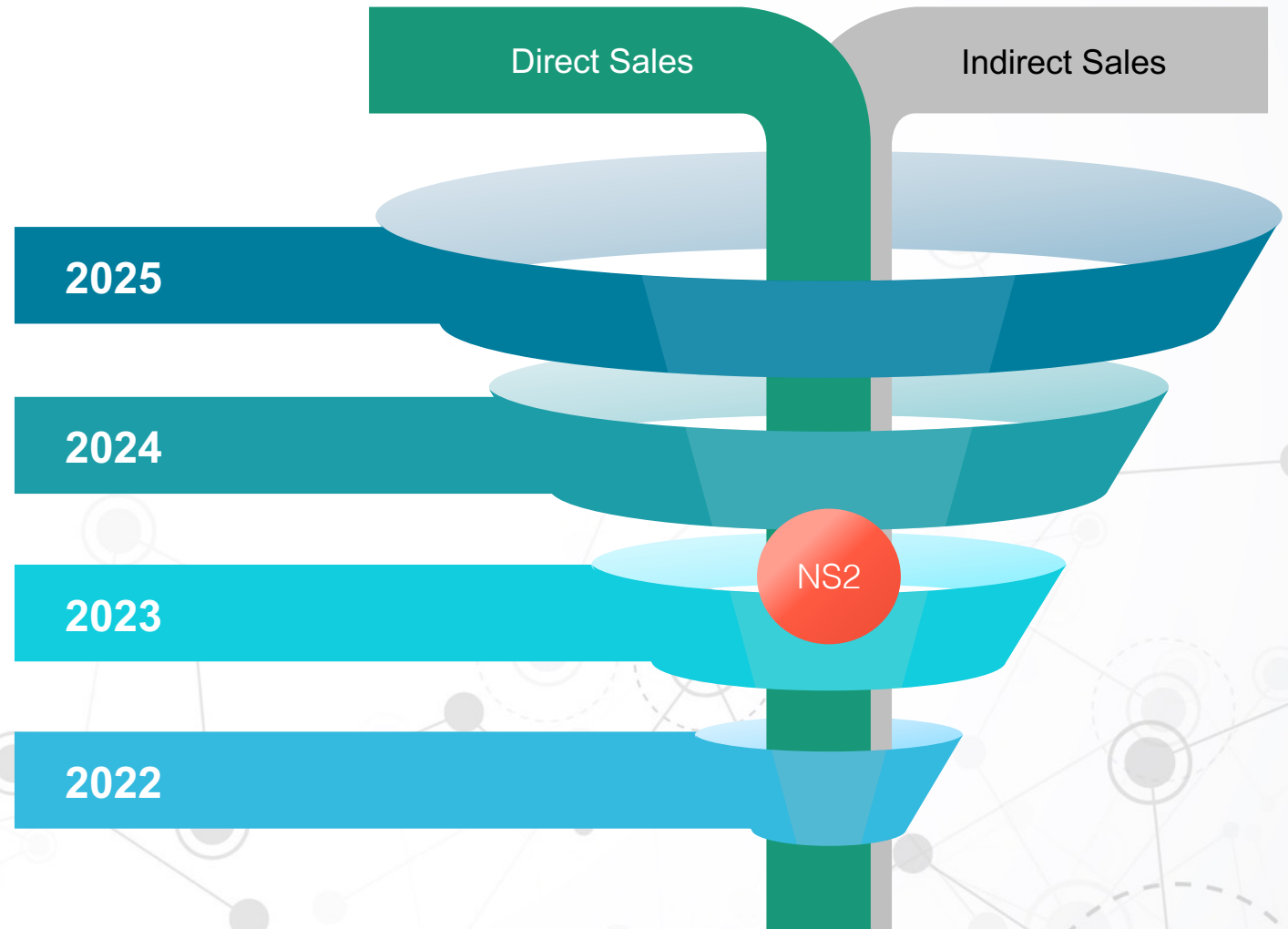
- Within our applicable markets we are diversifying our sales into new growth sectors.
- Current sales within the Maritime and Energy sectors contribute approximately 80% of revenue to date.
- We anticipate over the course of the next three years new sectors such as defence and government will increase from 15% to greater than 50% of our future revenue.



Opportunity pipeline



- Current pipeline value:
 - \$5.4M qualified for next 12mths
 - \$14M unqualified for next 0-2 years
 - Ongoing global lead generation to build pipeline
- Customer growth
 - 2020: 6
 - 2022: 33 (↑ 550%)
- Revenue growth:
 - 66.7% YoY
 - 53.8% in Sept qtr 2022



Fugro – a leading proponent of remote operations



From initial proof-of-concept through to present state, HTG has been a pivotal technology partner for Fugro's aspirations - delivering media transfer, communications and control solutions to make the transition possible.

2018

- 2 remote ops centres
- 2 conventional vessels with remote operations
- **8 systems on hire**

2020

- 6 remote ops centres
- 2 conventional vessels with remote operations
- 4 USVs
- **18 systems on hire**

2022

- Ownership stake in SeaKit International
- 9 remote ops centres
- 2 conventional vessels with remote operations
- 6 USVs
- **24 systems on hire**

~2025

IAW Fugro's planned transition to autonomy, they will conduct more more operations remotely, creating a safer, greener and more efficient service offering.

- 11 remote ops centres
- 8 conventional vessels with remote operations
- 10 USVs
- **36-44 systems on hire**

Ocean Infinity - building the world's largest fleet of unmanned seagoing surface robots



2021

Deployed first Beta products to Ocean Infinity

2021 - 2022

Significant delays to production schedule due to COVID

2022

Order for 2 x RiS systems for 2 x 78m Armada USV

2023 and beyond

Additional 6 x 78m USVs in operation
23 x 12/18m USVs in production



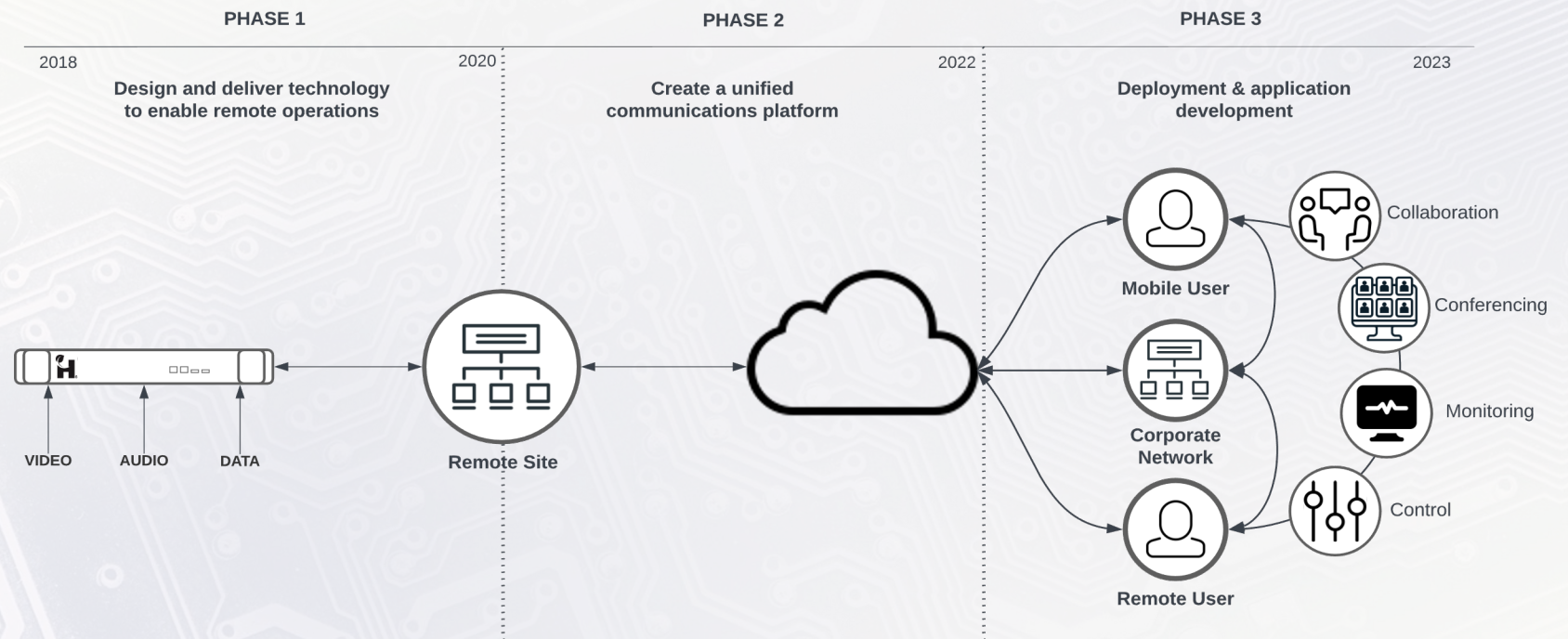
Products & Development



The Nodestream™ journey



- The flexibility and resilience of digital infrastructure is the key to delivering customer value, while simultaneously enabling business to rapidly and confidently respond to change.
- Meeting the digital demands of today requires a rethink of traditional I.T architecture.
- To meet the increasingly distributed and digitalised needs of today's modern digital businesses, there is a need to rethink the location of businesses digital edge solutions, placing it closer in proximity to the people, places, clouds, data and applications that business needs to succeed.



The digital desert



Remote sites and workers have largely been excluded from the digital transition due to:

- Cost prohibitive
- Lack of connectivity or insufficient bandwidth
- Technological barriers

Once these are solved there are then logistical and interfacing issues to overcome:

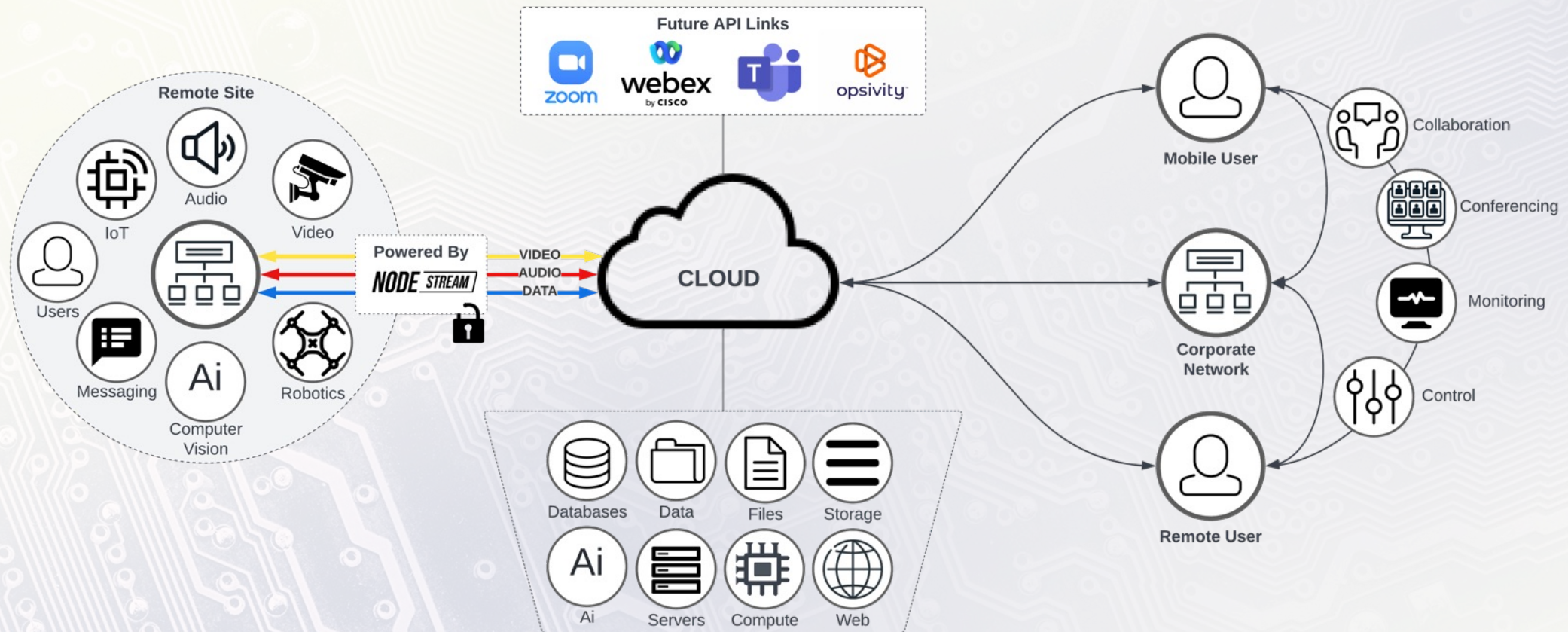
- How to leverage existing infrastructure and systems?
- How to combine multiple independent systems into a single simple interface?
- How to deliver functional value from them?
- How to integrate and leverage A.I. in legacy systems?

These are incredibly complex issues for a business to solve and require specific expertise and experience to understand. The cloud platform has been designed from the ground up to deliver a workable and scalable solution to market which breaks down many of these barriers.

The future of Nodestream™ - code name “NS2”



Investing in R&D to build a scalable unified comms platform



"NS2" cloud value proposition


Enabling multiple devices from any location to be connected simultaneously, whether on premise, mobile or from remote locations

Increasing collaboration and saving money by:

- Improving and extending communication capabilities securely for voice, data and video
- Saving costs by reducing both upload and download data requirements
- Extending data capabilities for autonomous devices e.g.
 - Drones
 - Subsea Vehicles
 - Surveillance
 - Mobile Devices
 - Internet enabled smart-devices
 - Collaboration tools e.g. Teams, Zoom, Webex
 - Any other connected device



Offering industry leading secure and encrypted data capabilities



Leveraging technology, we enable safer, greener, and more efficient remote operations to make a better tomorrow for people and the environment.



Questions & Answers



References



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- Source Analysis Report by Component (Equipment, Services), by Application (Broadcasting, Airtime), by Vertical, by Region, and Segment Forecasts, 2022-2030 ID: 5390564_June 2022
- Source – grand View Research, Report ID 978-1-68038-164-1_Unified Communications Market Size, Share & Trends Analysis Report By Product (Hosted, On-premise), By Solution, By Organization Size, By End Use, By Region, And Segment Forecasts, 2021 - 2028

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Thank you

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