

Spectur Business Update – Investor Briefing

ASX Announcement | 2 March 2023

Solar security, sensing and visual AI solutions and platforms company Spectur Limited (ASX: SP3) (“Spectur” or the “Company”) will be holding a live and interactive investor briefing today, Thursday 2 March at 12pm (AEDT).

Managing Director of Spectur, Gerard Dyson, will discuss the half year results, the newly signed contract with Optus and the acquisition of 3 Crowns Technologies – along with insights into the future.

Click the link below to register for the session or request a recording:

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

After registering, you will receive a confirmation email containing a calendar invitation and information about joining the webinar.

The attached presentation forms the basis of the market update.

Ends.

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

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

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About Spectur Limited

Spectur Limited (ASX:SP3) helps make communities safer in remote and unpowered areas by providing the only surveillance solution that can spot a problem, make a decision and take an action – without a cabled connection. The Company is an Australian-based developer of security, surveillance, safety and warning solutions powered by solar, IoT [Internet of Things] sensors, AI (artificial intelligence), camera and cloud-based technology.

The company’s solution is unique because it can sense, think and act without needing people, data cables or power cords.

To learn more, please visit: www.spectur.com.au



Spectur Limited (ASX:SP3)

Business Update, March 2023

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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





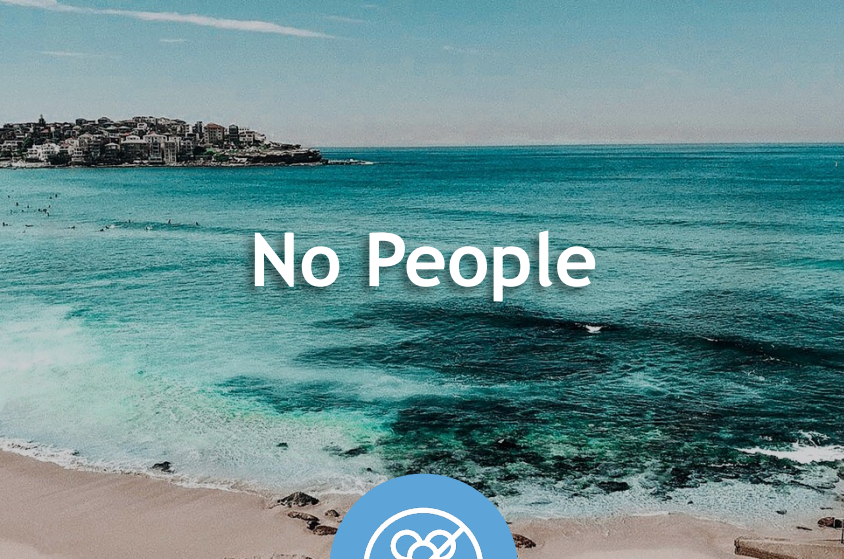
Our Mission

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

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

Revenue model - 57% ARR⁴

	 EQUIPMENT SALES	 SUBSCRIPTIONS	 RENTALS	 SERVICES	 3CT SALES	 3CT SUBSCR.
Description	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	Integrated hardware sales (requires subscription)	Access to data, analytics and visualisations (app, web, etc)
Client need	Prefers CAPEX / lowest lifecycle cost	Mandatory with equipment sales	Prefers OPEX / lowest up front cash costs	Bespoke solutions and other needs	Prefers to own hardware and data exclusively / lower lifecycle cost	Can be from multiple data sources. Core service to all customers
Revenue share¹	30%	18%	26%	11%	2%	13%
Growth Trend²	+38%	+16%	+21%	+27%	NA	NA

1: H1 FY23 including 3CT

2: H1 FY23 vs H1 FY22 revenue

3: Annualised recurring revenue

4: Incorporating non-consolidated 3CT revenues for the purpose of illustrating the model

ARR³

ARR³



Capital Structure

Key Metrics as at 01 March 2023

Share Trading Information

ASX code	SP3
Listed on ASX	01/08/2017
Current share price	\$0.035
Market cap	\$7.03m
52 week closing high	\$0.063
52 week closing low	\$0.028

Capital Structure

Current

Shares on issue	200.8m
Performance Rights on issue	29.0m
Unlisted Options	49.9m

Share Register

Top 20 shareholders	34.18%
% of register owned by Board & KMPs	4.00%

Top Shareholders (as at 01 March 2023)

Coastalwatch Holdings Pty Ltd (3CT Vendors)	4.01%
APPWAM Pty Ltd	2.62%
National Nominees Limited	2.24%
Mr Peter John Ferris	2.09%
Dr M Ameratunga	2.06%
Sandhurst Trustees Ltd <Equit Inv Dragonfly A/C>	1.89%
D & G Amarakoon <Duro Super Fund>	1.82%
Mr DJ Cooper (Non-Executive Chairman)	1.66%
D & G Liontos <Francis Alexandra S/F A/C>	1.65%
Mr Mark Damon Kawecki	1.59%
BNP Paribas Nominees Pty Ltd <IB AU NOMS Retail Client DRP>	1.59%
Dr GJ Dyson (Managing Director)	1.50%
Fry Super Pty Ltd <INXS Super Fund A/C>	1.49%
Jomaho Investments Pty Ltd	1.45%



Company Update

Sense Think Act



H1 FY23 Results

Business

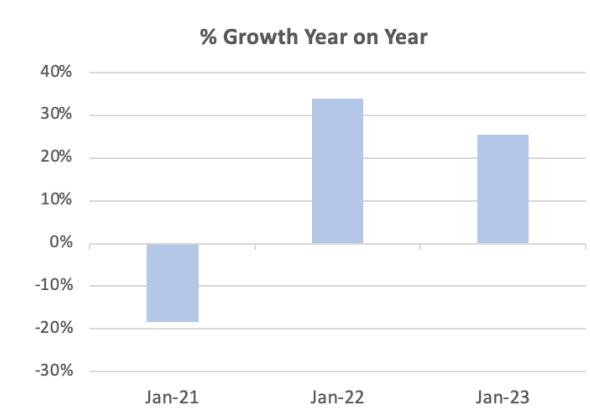
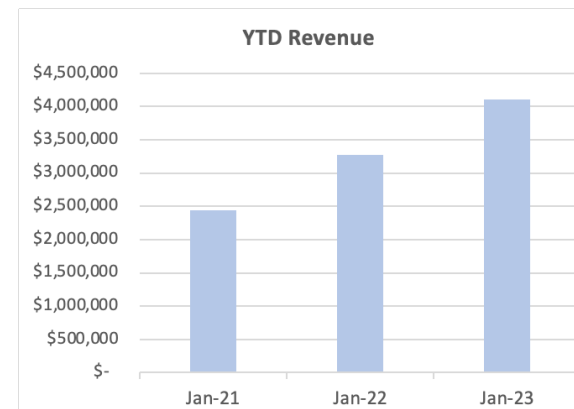
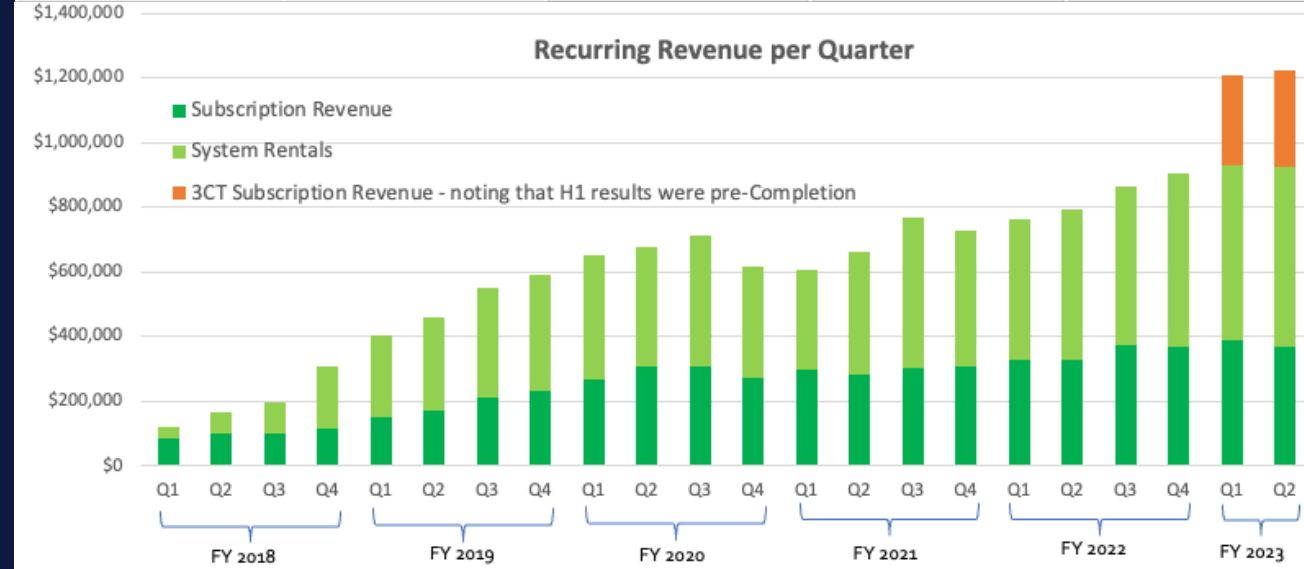
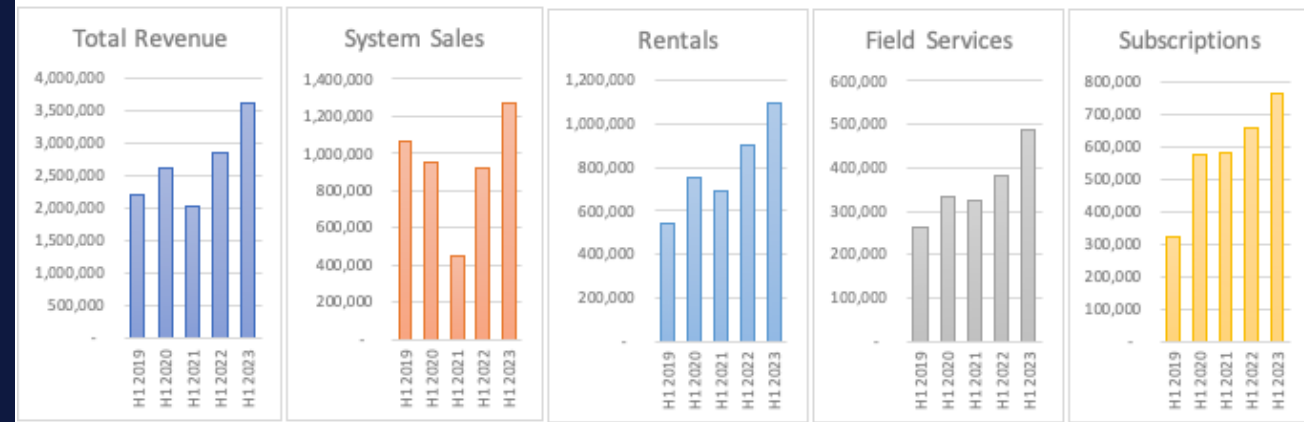
- Today: >2,700 devices deployed with >600 customers
- Growing share of institutional contracts
- Investments of 2022 bearing fruit
- Addition of 3CT capabilities and customers

Revenue (pre-3CT)

- Q2 FY23 all-time record (\$1.957m, +18% vs Q1 FY23)
- H1 FY23 all-time record (\$3.614m, +26% vs H1 FY22)
- January 23 all-time record (\$488k, +20% vs January 22)
- 51% of H1 FY23 revenue (\$1.857m) is recurring revenue

3CT Implications

- 3CT will bring ~\$1.3m (annualised) total revenue based on their H1 FY23 results - 88% of which is ARR (H1 FY23 ARR is \$571k).
- \$1.857m + \$0.571m = \$2.428m for a half. This implies that if 3CT was part of SP3 in H1 FY23, ARR would be \$4.856m.



Other H1 FY23 Metrics

Margin improvement

- Gross margin growth from revenue and % improvement
- Adjusted EBITDA improvement progressing the right way

Expenses

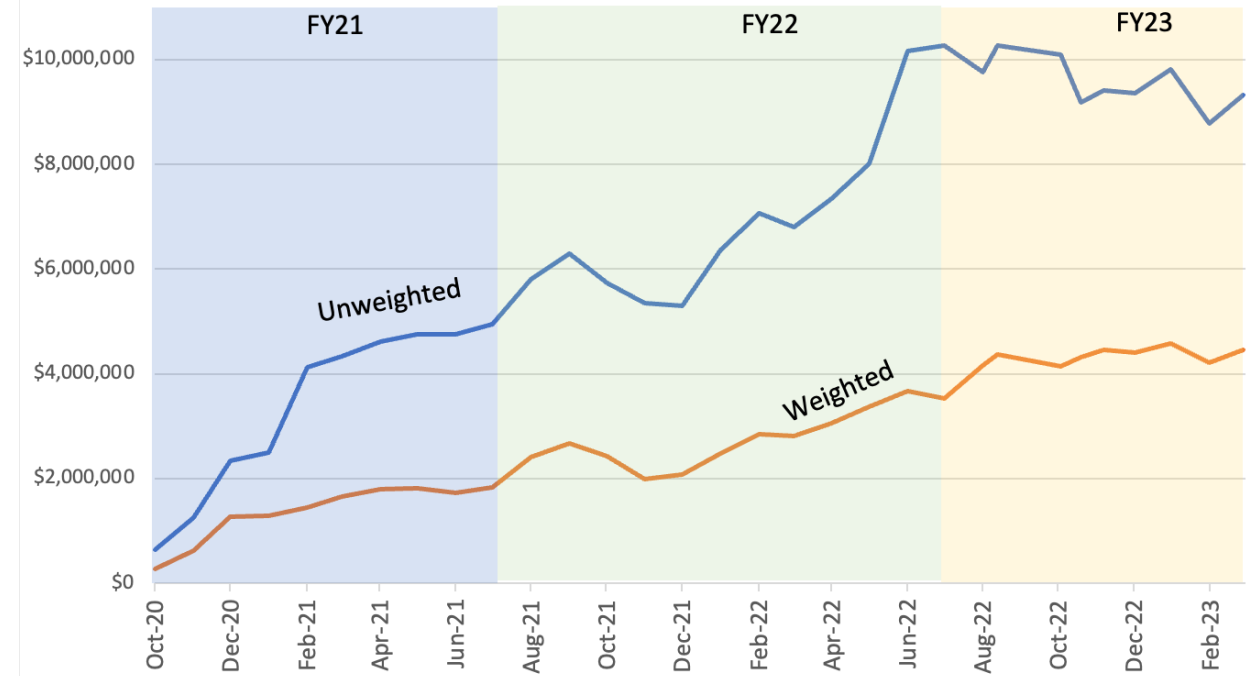
- \$148k of one-off expenses (ERP / 3CT / USA / legal)
- Primary growth in:
 - employee benefits in engineering
 - Share based payments (non-cash)

Half year Metrics	H1 FY23	H1 FY22	% improvement
Revenue	\$3.614m	\$2.862m	26%
Gross profit	\$2.033m	\$1.484m	37%
Gross profit %	56%	52%	8.5%
Expenses	\$3.028m	\$2.567m	(18%)
Adjusted EBITDA	(\$528k)	(\$743k)	29%

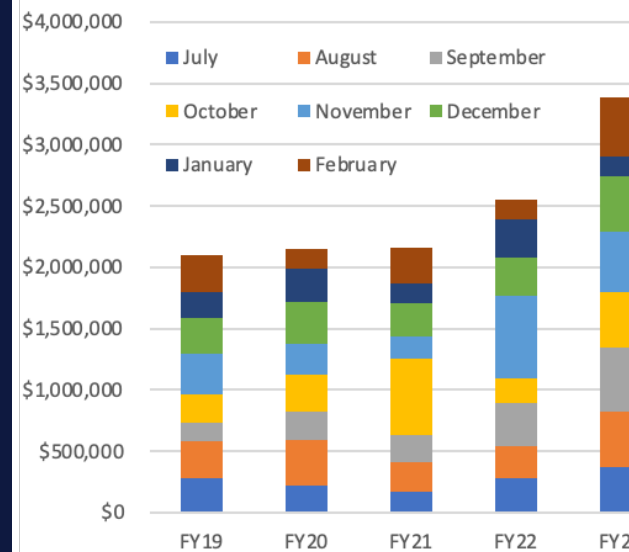
Foundations for growth

- Substantial, growing sales pipeline
 - Unweighted: \$9.3m (27 February 2023)
 - Weighted: \$4.5m (27 February 2023)
- Record YTD sales
 - \$3,383k new contracts¹
 - 33% increase on February YTD FY22
 - Optus contract not included in sales (remains within pipeline)
- Pipeline remains solid after substantial sales conversion
- Sales and pipeline does not include 3CT opportunities

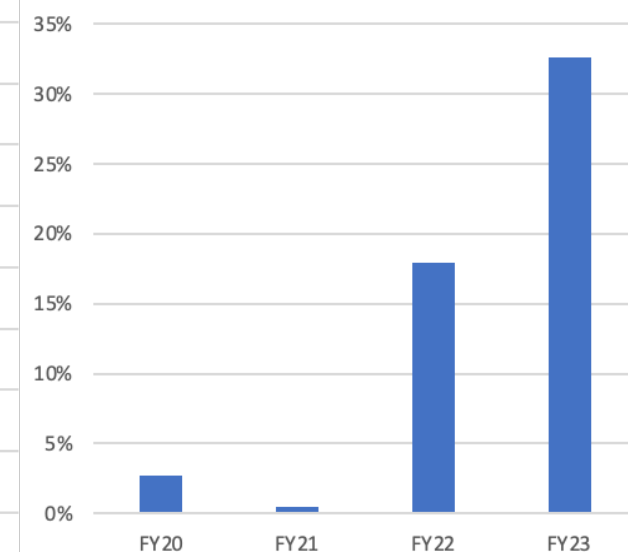
Sales Pipeline



YTD Sales



% Sales growth H1 year on year



Notes:

1. YTD 27 February 2023. Sales contracts can be for extended months, not singular revenue events. Sales do not convert to revenue until hardware is installed.

Recent Optus Extension

- Supporting Optus remote assets since 2020
- Grown from trials, to small purchases, to November 2021 milestone contract, to today (28 February 2023)
- Effective doubling of contract
- New Statement of Works (SoW)
 - value: \$2,023,755 up from \$1,068,140.
 - Expiry of SoW extended to 31 December 2025
 - Master Supply Agreement continues to 16 November 2026.
- Today 110 systems installed - expecting well in excess of 200 with the current variation order.
- Systems have proven value and ROI





3CT Acquisition

Sense Think Act

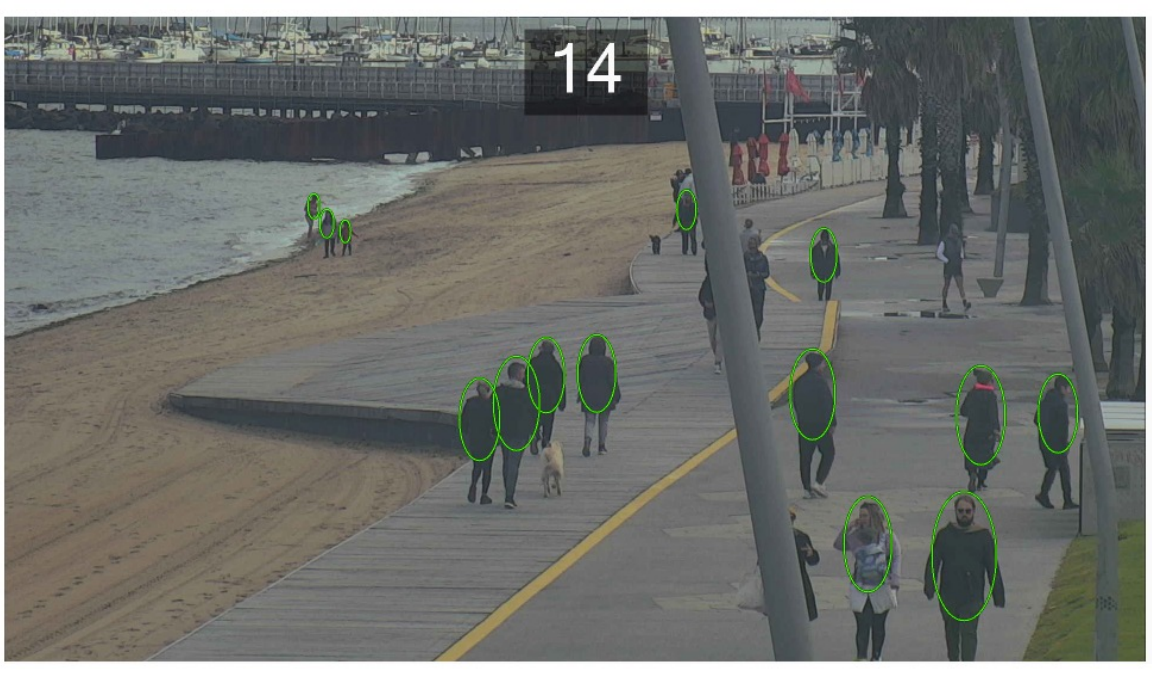


Who is 3CT

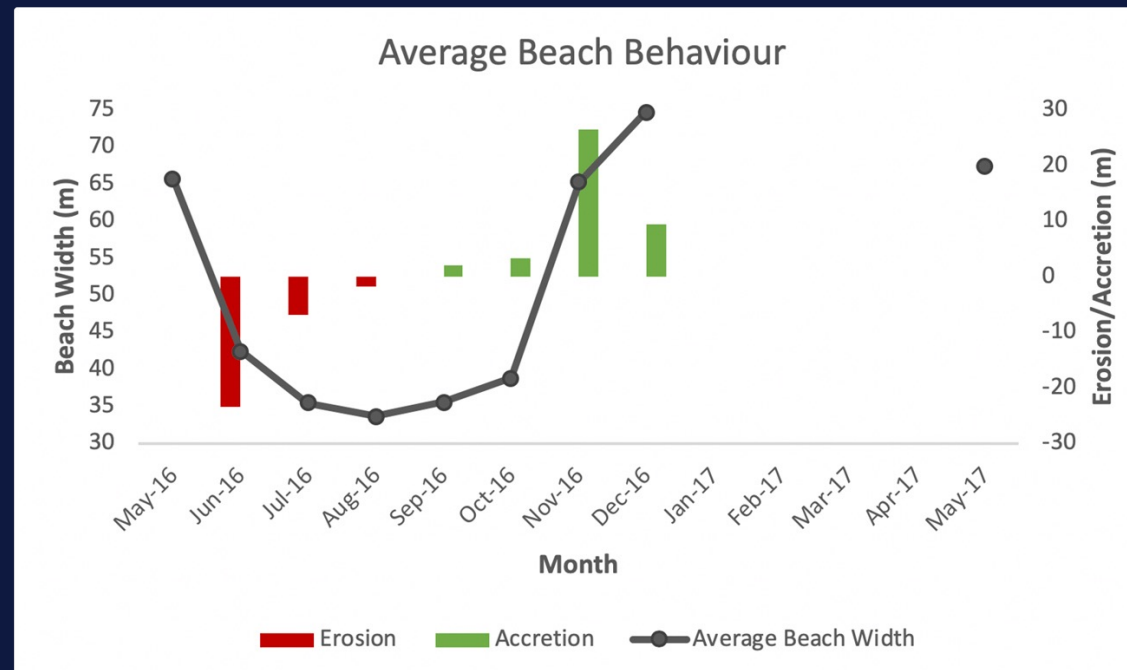
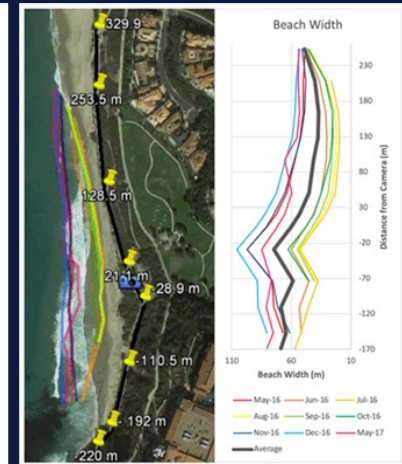
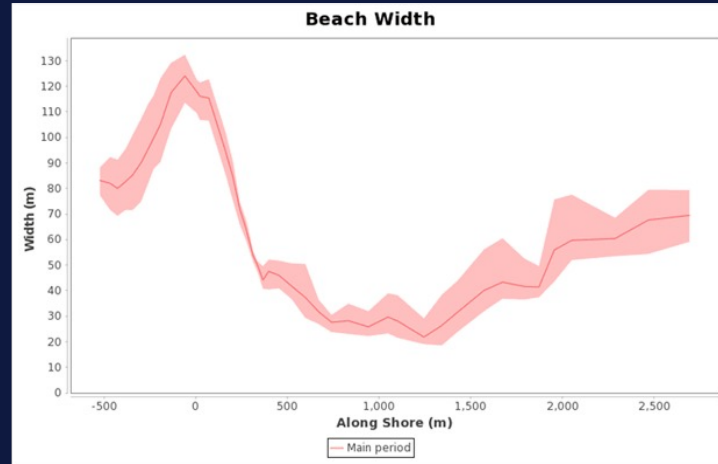
- An Australian technology company with a mission to improve understanding of the environment using technology and automation.
- Solve complex environmental monitoring challenges, with expertise in waterways and coastal areas
- Integrate, analyse and report complex data sets and video in real time - simply and easily
- Serve government, utility and related markets
- Focus on outdoor (including solar) applications
- Some examples...



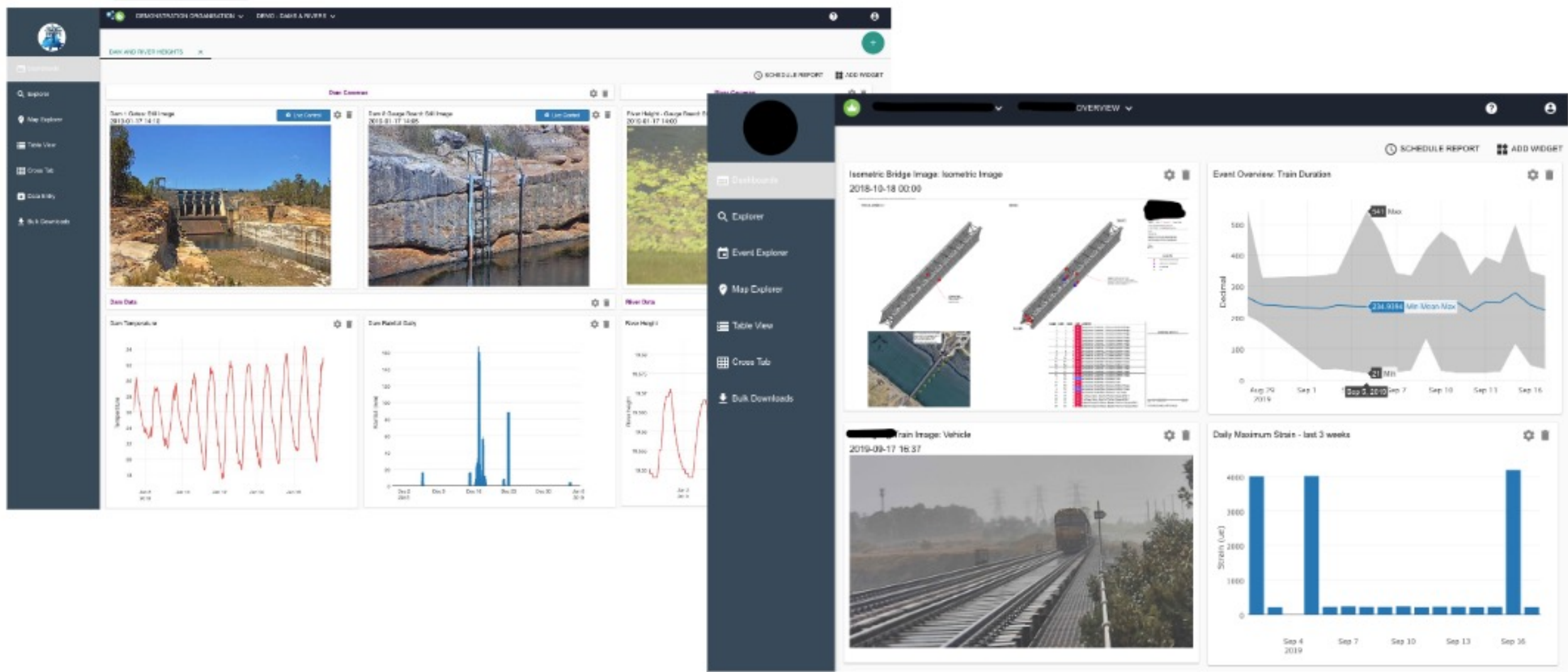
3CT solutions - People Counting in Real Time



3CT solutions - Shoreline monitoring in real time



3CT solutions - Integrated real time dashboards



3CT solutions - Live streaming to the public

CW CAMS & REPORTS SURF FORECASTS VIDEOS NEWS PHOTOS TRAVEL SHOP MORE

Bondi Beach Surf Cam & Surf Report

LIVE SURF CAM WIND WAVE BUDDYS



Camera Help

Live webcams

Transport for NSW has installed 2 web cameras in the South West Rocks area to ensure that skippers are given the best and most up-to-date information to assist in deciding to attempt a bar crossing in this area.

South West Rocks live webcam



South West Rocks and Macleay River

Sussex Inlet

Swansea

Tweed Heads

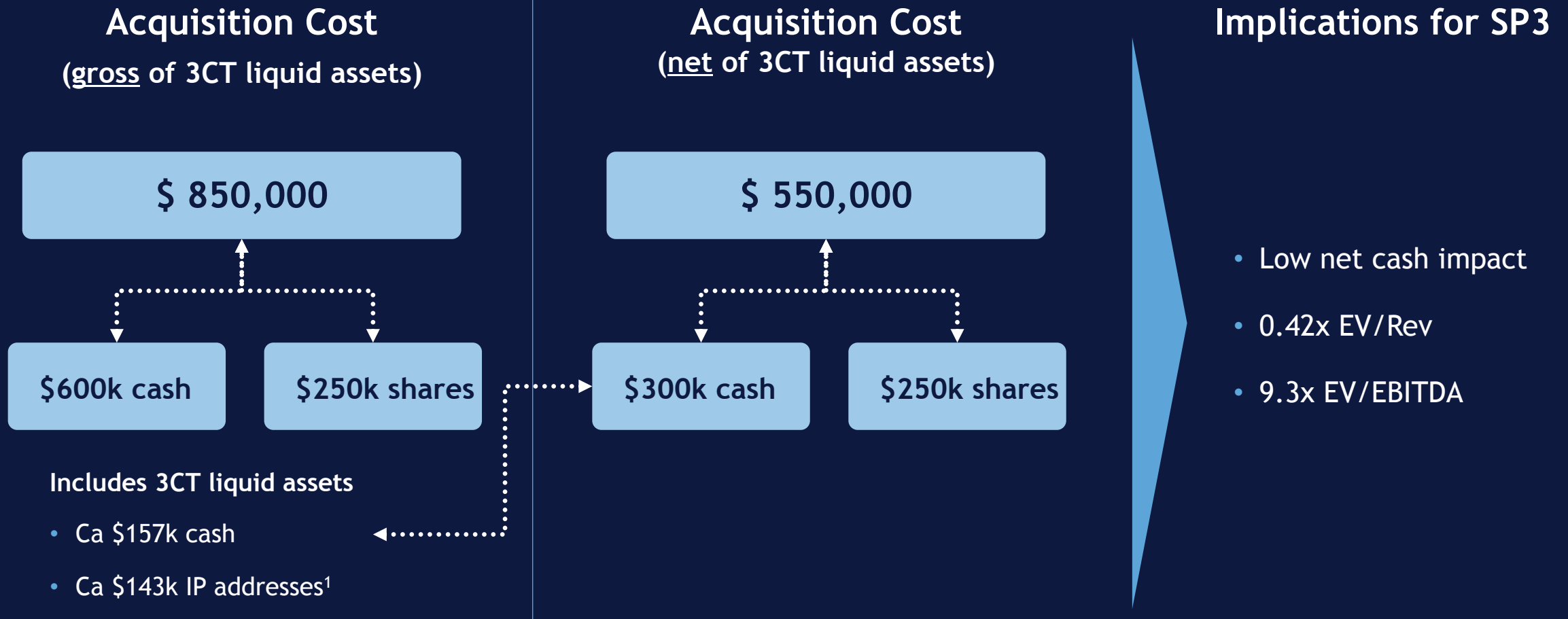
Tweed Heads entrance

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What we pay: 3CT Acquisition Terms



1: Note that some IP addresses will be retained in the medium term.

What we get: 3CT Acquisition Benefits

1. Revenue 'Bolt-on'

- Immediate addition of \$1.3m
- 88% of this recurring (H1 FY23)
- Attractive EV/Rev multiple

2. R&D Shortcut

- Great core tech + UI / UX
- Saves years of internal R&D
- De-risks internal development

3. Beach Safety QLD

- 3CT dominant provider in QLD
- Can now sell SP3 systems
- Cross selling opportunities

4. Synergies

- Revenues: cross-selling
- Cost: overheads and data
- Helps get to CF breakeven sooner

5. Talent

- 3CT has talent vital to SP3
- Important in a very tight labour market

6. US Foothold

- 3CT's client in California



Strategy Update

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

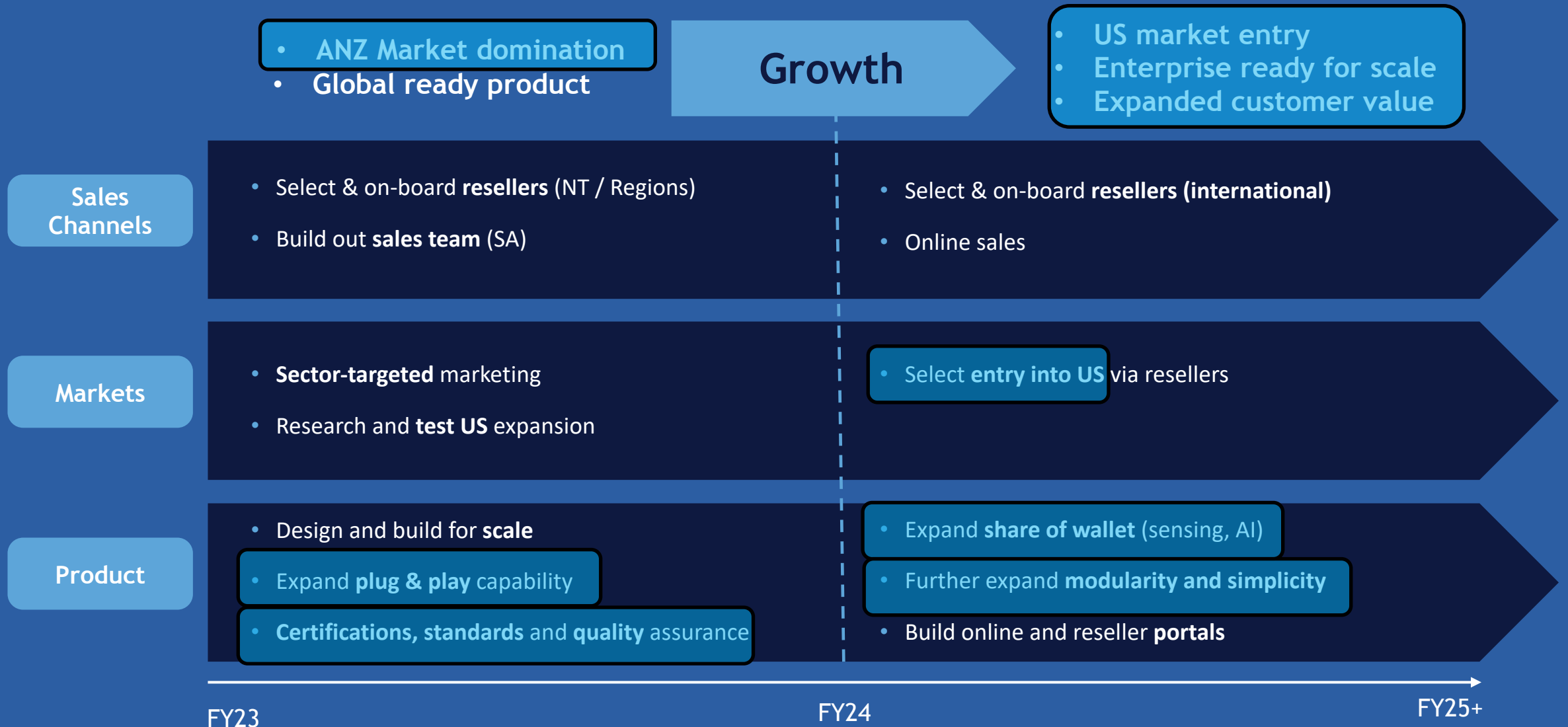
- Expand **share of wallet** (sensing, AI)
- Further expand **modularity and simplicity**
- Build online and reseller **portals**

FY23

FY24

FY25+

Strategy - our growth plan + 3CT



Unique competitive advantages + 3CT



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- Solves full problem
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Summary



Excellent revenue and sales into Q3 FY23, with healthy pipeline



Recent material win with Optus, underpinning business maturity



Technology moat and value proposition expands with 3CT acquisition.



Strategic growth initiatives accelerating



Focus on integration, sales and operations



Making communities safer, smarter and more sustainable



Sense Think Act



Contact Us

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Sense Think Act

