

## Spectur Business Update – Investor Briefing

ASX Announcement | 27 June 2024

**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 27 June at 5pm (AEDT).

Managing Director of Spectur, Gerard Dyson, will introduce the business, discuss performance this year and provide insights and guidance into the future.

Click the link below to register for the session:

[https://zoom.us/webinar/register/4017186961305/WN\\_qhxpodpARLKedFKLO2Rb0w](https://zoom.us/webinar/register/4017186961305/WN_qhxpodpARLKedFKLO2Rb0w)

To ask a question or find out more, visit our investor hub at:

<https://investorhub.spectur.com.au/s/60af29>

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

### For further information, please contact:

#### **Spectur Limited**

Gerard Dyson – Managing Director

p: +61 (08) 9414 9059

To stay up to date on company news and announcements, and ask questions, investors are encouraged to subscribe at the Spectur [InvestorHub](#).

### About Spectur Limited

Spectur Limited (ASX:SP3) is an Australian-based developer and manufacturer of security, surveillance, warning, environmental monitoring and AI solutions and platforms, 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, surveillance, environmental monitoring and AI 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 or satellite technology to a cloud-based platform.

Spectur has nearly 40 employees across Australia and New Zealand, with offices in Brisbane, Sydney, Melbourne, Adelaide, Perth and Auckland. The company services more than 600 active customers with close to 3,000 camera systems currently deployed.

The Company design, codes, manufactures, sells, installs and maintains our hardware and software technology – providing a single point of contact able to configure to suit customer needs.

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

**Forward-Looking Information:**

This announcement contains forward-looking information that is based on Spectur’s expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to Spectur’s business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, negotiations, and product/service development. Generally, this forward-looking information can be identified using terminology such as ‘outlook’, ‘anticipate’, ‘project’, ‘target’, ‘potential’, ‘likely’, ‘believe’, ‘estimate’, ‘expect’, ‘intend’, ‘may’, ‘would’, ‘could’, ‘should’, ‘scheduled’, ‘will’, ‘plan’, ‘forecast’, ‘evolve’ and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that Spectur’s actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause Spectur’s actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.





# Spectur Limited (ASX:SP3)

Company Update, 27 June 2024

Presented on InvestorHub at <https://investorhub.spectur.com.au/announcements>



# Disclaimer

This document has been prepared as a summary only and does not contain all information about Spectur Limited's (the "Company's") assets and liabilities, financial position and performance, profits and losses, and the rights and liabilities attaching to the Company's securities. This document should be read in conjunction with any public announcements and reports (including financial reports, third party studies and disclosure documents) released by the Company.

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This document does not purport to be complete and is for informational purposes only: it does not represent financial advice. Persons needing advice should consult their stockbroker, bank manager, solicitor, accountant or other independent financial advisor.

Certain statements made in this presentation are forward-looking statements. These forward-looking statements are not historical facts but rather are based on Spectur Limited's current expectations, estimates and projections about the industry in which Spectur Limited operates, and its beliefs and assumptions. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates" and similar expressions are intended to identify forward-looking statements.

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.

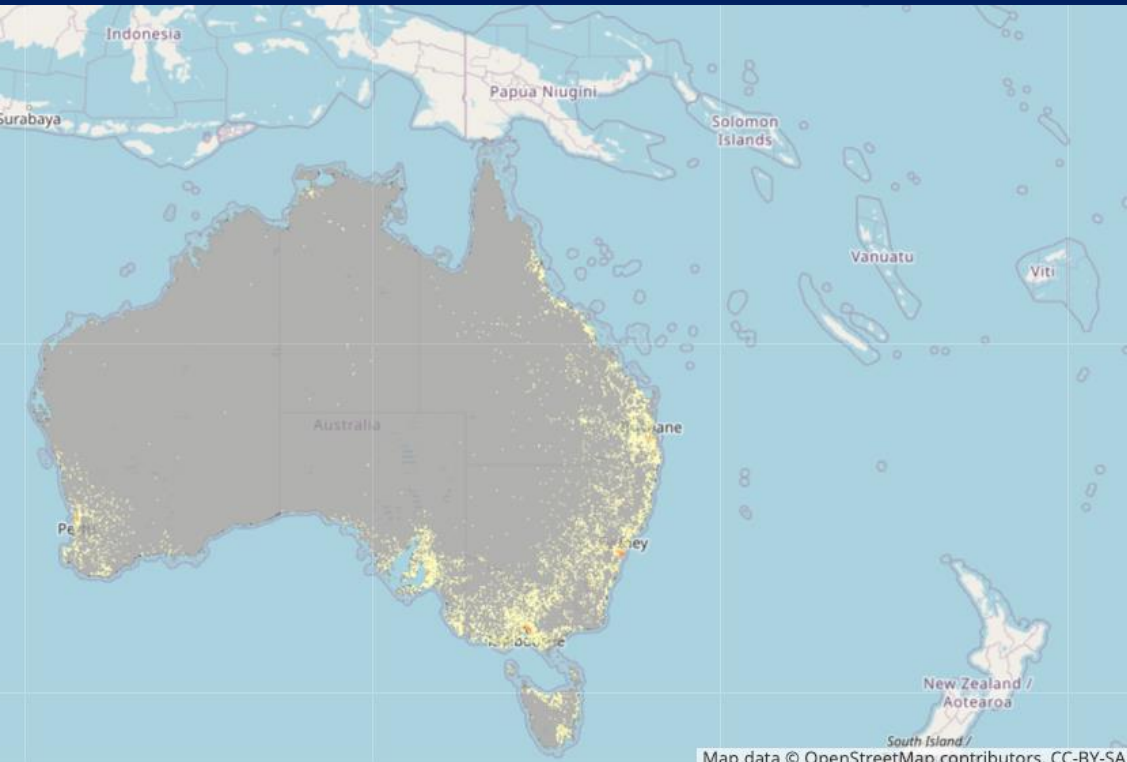






# Growing addressable market

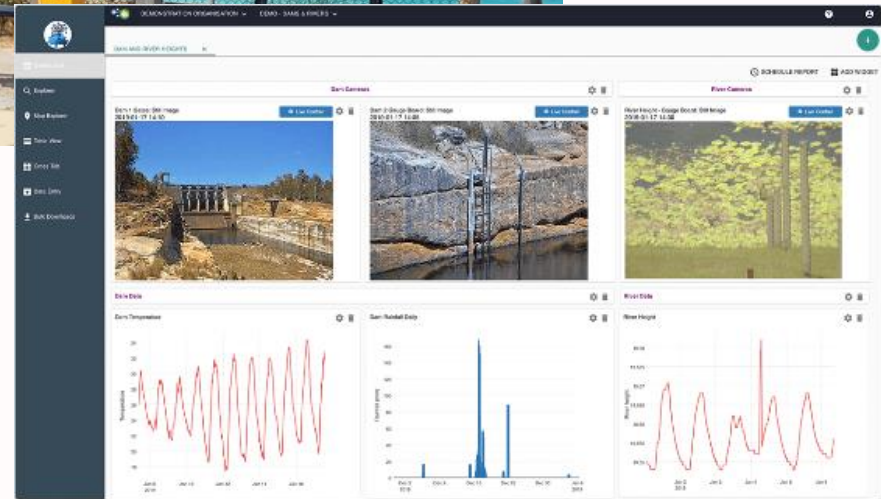
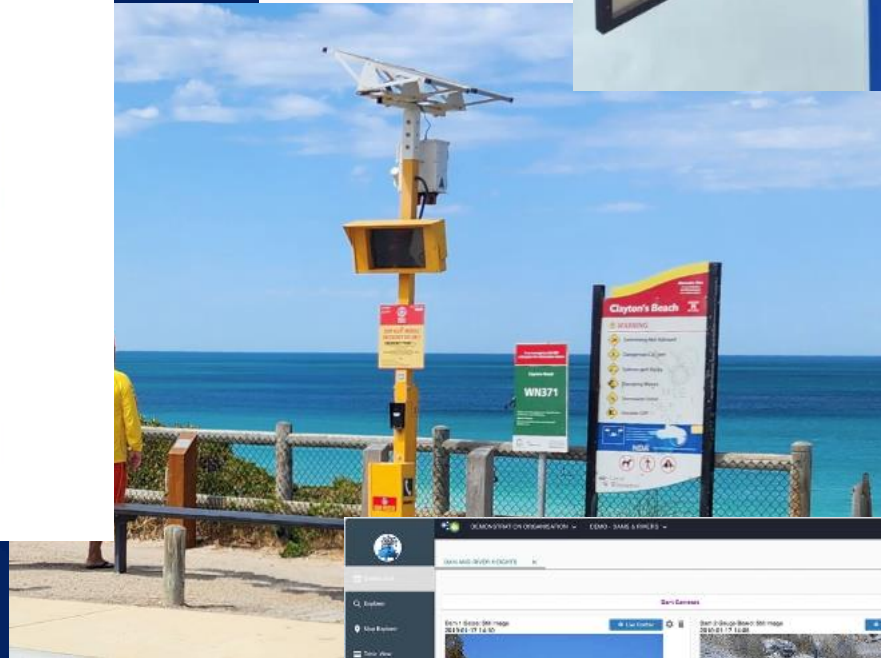
- Safety, security and sustainability concerns growing
  - Hard to find the right people
- Technology solutions can complement people in remote, temporary or unwired locations
  - Technology needs connectivity and power



**VISION:** Empower safer, smarter and more sustainable communities

**MISSION:** Provide simple, economic solutions for remote, temporary or wireless locations using autonomous sensing, thinking and acting platforms.

# Some examples



# What we do is difficult

## Whats happening?

- Hardware is hard, cycle times long
- Environmental conditions are harsh
- Power and connectivity economic starvation
  - Capital intensive
- Wired markets are orders of magnitudes larger
  - There are many "rifle shot solutions"

## How it benefits Spectur

- Fewer competitors, experience counts
- Reliability, longevity and performance challenges thin the herd further
- Excludes most software-centric companies
- The behemoths go for todays volume, leaving the unwired niche underserved
- But no common, cost-effective, reliable and open platforms

# And that's great



# Profitable growth strategy

**UVP:** Reliable, simple and cost-effective platforms and solutions for end customers and resellers. Enabled by a modular hardware and software sensing, thinking and acting platform

**CUSTOMERS:** Government, utilities, construction, not-for-profits and the resellers that service these sectors. Testing the energy and resources space.

**WHERE:** Major capitals in Australia and New Zealand (for full Service Spectur). Resellers with an increasingly global remit.

## Offerings

### Solutions

- Security
- Safety
- Warning
- Smart City
- Sustainability
- Environmental

### Hardware platforms

- Sensing
- Vision
- AI
- Solar
- Battery power

### Software platforms

- Camera and sensor management
- Data ingestion
- Apps
- Workflow
- Integrations and reporting systems



# FY24 Performance

## Revenue

- Total FY24 revenue forecast to be circa \$8.2m<sup>1</sup>
- \$5.3m of annualized recurring revenue

## Operating cash and balance sheet

- Reduced operating cash use to \$631k for YTD FY24 (first 11 months)
- More than \$650k (annualized) removed from operating costs in H2 restructuring (before one-off restructuring costs)
- Repaid primary debt - essentially debt free (excluding minor vehicle debt)
- Costs are expensed (not capitalized), acquired intangibles written off

## Sales Growth

- YTD Sales growth is 56% greater than prior corresponding period (as at 31 May 2024)

## New Technology stack

- Fully replaced and upgraded hardware / firmware technology stack

Note:

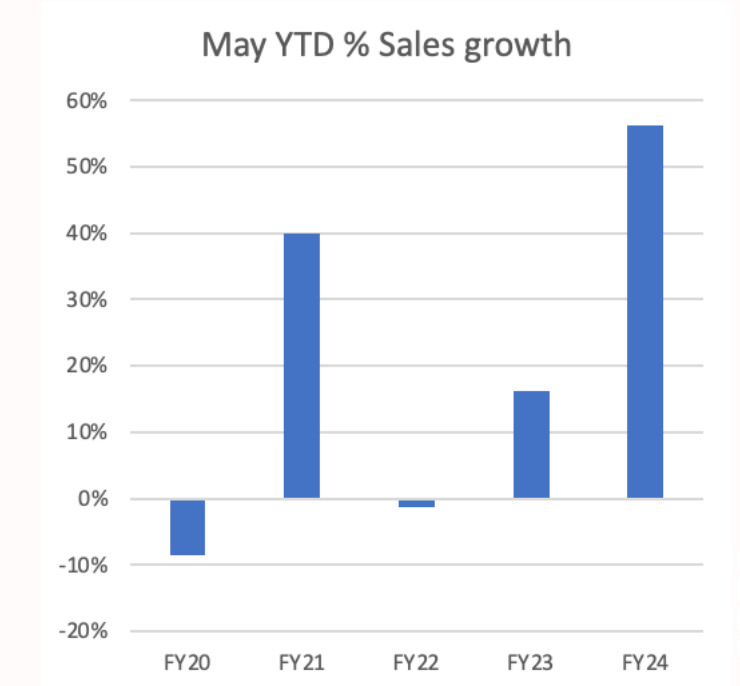
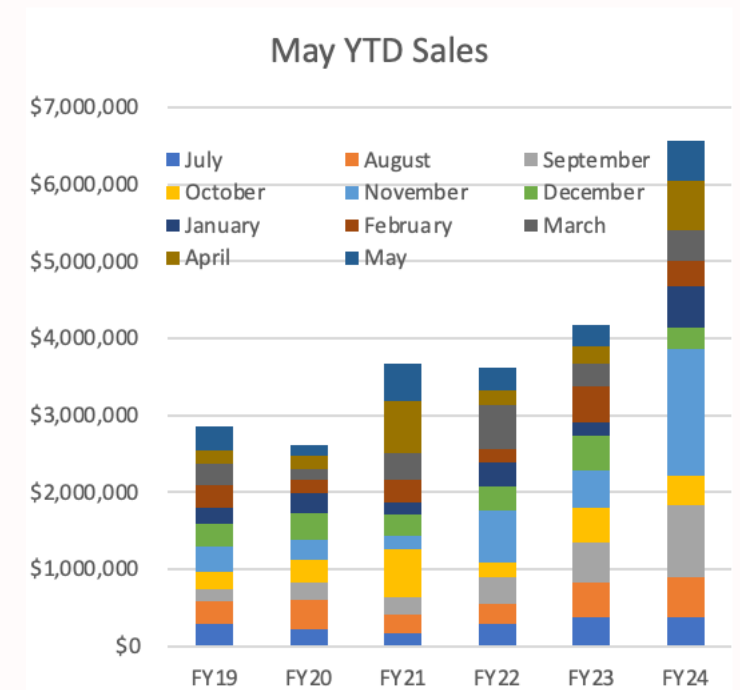
1. Subject to audit



# Strong sales and pipeline

- Highest May YTD sales growth rates in Company history (56% May YTD)
- Substantial forward sales underpinning future revenues
- Reseller, OEM and distribution partners all growing
- Solarcam coming in Q1 FY25

*As at 31 May 2024 Spectur had more than \$11.6m of unweighted opportunities recorded in the Company CRM, each with a potential contract value greater than \$500k, that were expected to be won, lost, closed or otherwise resolved within the next 12 months*



# Strategic shifts and emphasis for FY25

## Sales and Marketing:

- Marketing integrated Spectur solutions to segments where we can lead. (margin/market dominance)
- For commoditized solutions, we have Solarcam. (scale)

## Technology:

- Double down on simplicity, reliability and performance (AI, UI) (customer satisfaction and retention)
- Modular and efficient hardware and software (expanding to support OEM hybrids and integrators) (scale)

## Operational:

- The #1 service experience. (customer satisfaction, retention and advocacy)
- Installation and reseller network built out (scale)
- Highly productive teams (ERP and associated processes)

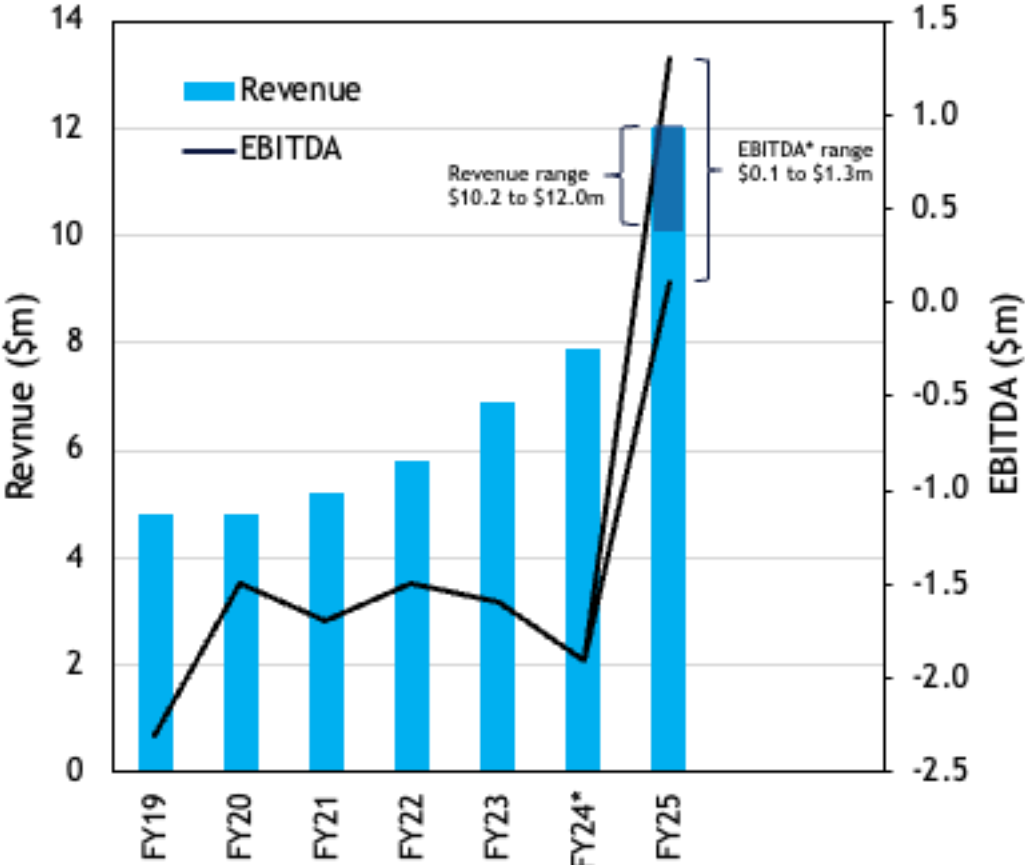
## M&A:

- Ready for the next one(s)
- Accelerate penetration of Spectur into target markets (scale, margin, market dominance)





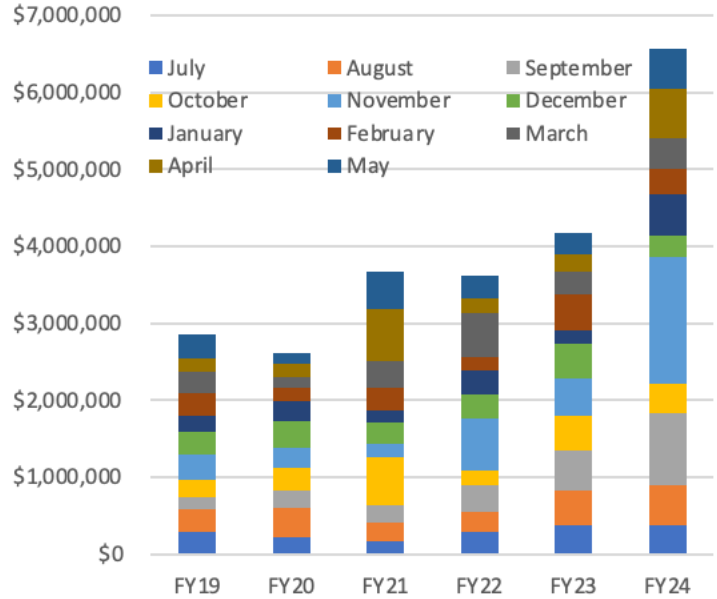
# Market Guidance for FY25



### Observations

- Growth in revenues consistent with sales trajectory
- Upside could be higher pending conversion rate and timing of sales pipeline

May YTD Sales

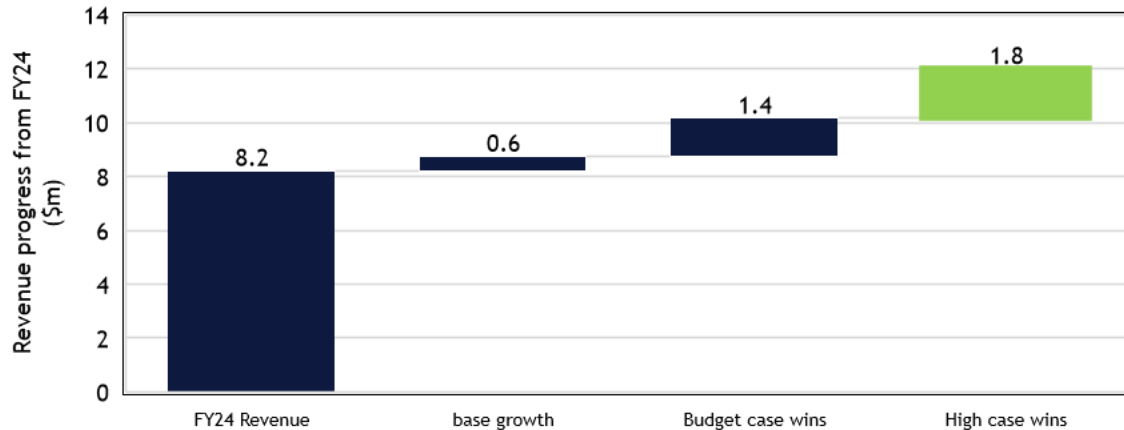


Note:  
 1. Revenue and EBITDA are consolidated  
 2. EBITDA is "adjusted EBITDA", defined as earnings before interest, tax, depreciation, amortisation, and share-based payments  
 3. FY24 and FY25 EBITDA forecasts exclude pending full year adjustments



# Progression from FY24 to FY25

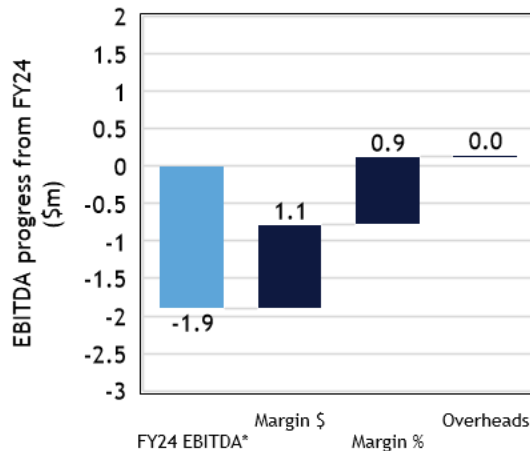
Revenue progression



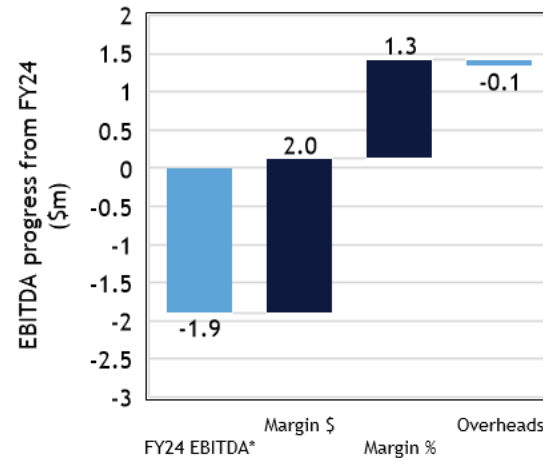
## Revenue progression

- Base growth of only 7% in Revenue
- Budget case adds 50% of project revenue from conversion of 3 known potential projects in the current sales pipeline.
- High case adds to mid case, with 50% of project revenue from conversion of a further 4 known projects - all of which are also in the current sales pipeline.

Budget EBITDA progression



High EBITDA progression



## EBITDA progression

- Margin \$ refers to gross margin increases related directly to revenue increases, assuming the GM% remains stable
- Margin % refers to gross margin increases related to the difference in forecast gross margin. This is from:
  - Reduced headcount and productivity improvements;
  - Improved material costs and pricing;
  - Improved reliability / reduced warranty costs
- Net overheads are largely flat.

Note:

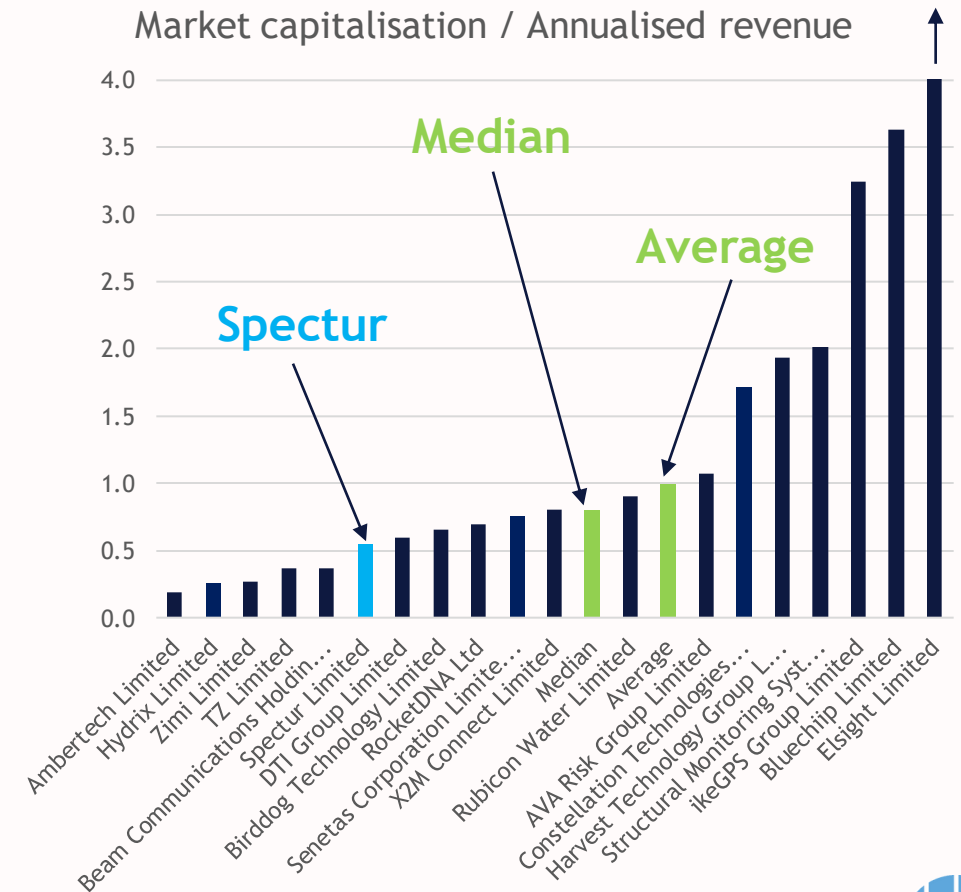
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# Valued below peers

*“We look to other surveillance technology companies of similar market capitalisation for Spectur’s peers. These include Elsiht, Harvest Technology Group, RocketDNA and X2M Connect, which are collectively trading at a premium to SP3 on an EV/Sales basis (5.4x). SP3 is also trading at a discount to the S&P/ASX All Tech Index which on an EV/Sales historical basis is trading on 5.7x, compared with SP3’s 0.4x currently and 0.5x at the end of FY23.”<sup>1</sup>*

Valuation is below the database for “tech hardware and equipment” companies under a \$100m market cap.<sup>2</sup>



Notes:

1. Based on independent RaaS report dated 2 May 2024
2. Based on 19 companies ASX published data as at 25 June 2024 utilizing annualized H1 FY24 total revenue





# Capital Structure

## Key Metrics as at 25 June 2024

### Share Trading Information

ASX code	SP3
Listed on ASX	01/08/2017
Current share price	\$0.017
Market cap	\$4.55m
52 week closing high	\$0.029
52 week closing low	\$0.015

## Capital Structure

### Current

Shares on issue	267.5m
Performance Rights on issue	59.9 m
Unlisted Options	83.2m

## Share Register

Top 20 shareholders	49.8%
% of register owned by Board & KMPs	5.5%

## Top Shareholders (as at 24 June 2024)

APPWAM Pty Ltd	13.24%
Jomaho Investments Pty Ltd	3.75%
Coastalwatch Holdings Pty Ltd	3.01%
Sandhurst Trustees Ltd <Equit Inv Dragonfly A/C>	2.59%
Mr DJ Cooper (Non-Executive Chairman)	2.57%
National Nominees Limited	2.34%
Mr Peter John Ferris	2.17%
S&K Hodges Investments Pty Ltd	1.91%
Mr George Lontos & Mrs Cristina Lontos	1.72%
Fry Super Pty Ltd <INXS Super Fund A/C>	1.57%
Dr GJ Dyson (Managing Director)	1.53%
Anneis Pty Ltd (Non-Executive Director)	1.40%
D & G Amarakoon <Duro Super Fund>	1.36%
Putney Bridge Investments Pty Ltd	1.31%
Mr Benjamin Young (Executive Sales & Marketing Manager)	1.28%



# Summary

We are a growing and soon to be profitable technology stock, with an appropriately de-risked balance sheet, leaner operations and solid sales backlog and pipeline.

**Compelling** and proven value proposition

**Undervalued** relative to ASX peers

**Accelerating** performance and sales growth underpinning future revenue and profitability.



# Contact Us

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**Sense Think Act**

