

Envirosuite Limited
Investor Presentation

August 2019

FY19 Results

New orders signed totalling \$3.1m
achieves gross ARR growth over 100%

86% ARR YoY net growth rate

FY19 Total Operating Revenue of
\$7.1m, EBITDA \$4.87m, Cash \$7.6m

Year in review

Total contracted ARR \$5.6m at FYE19

Clients quadrupled in 2 years

First Smart City project
goes live

Business focus for FY20

FY2020 Target ARR \$12m

Total Sales pipeline \$14m

Group well positioned for
sustained growth



Results summary - Profit & Loss

- Total trading revenue up **126%**
- Other revenue is R&D rebate
- Change in CoGS \$3.9m
 - \$1.1m re-allocation from SG&A
 - \$1.5m due to increased hardware sales
 - \$0.5m due to 12 month operations of Odotech ops (6 months last year)
 - \$0.5m due to increased staffing

YEAR ENDED 30 JUNE 2019	Consolidated Group	
	30 June 2019 '000	30 June 2018 '000
Continuing Operations		
Trading revenue	7,116	3,152
Other revenue	585	681
Total operating revenue	7,701	3,833
Cost of revenue	(5,521)	(1,607)
Gross profit	2,180	2,226
Sales and marketing	(3,981)	(3,643)
General and administration	(3,168)	(3,944)
Due diligence and acquisition costs	-	(178)
Foreign Currency (losses)/gains	101	12
Total operating expenses	(7,048)	(7,753)
EBITDA	(4,868)	(5,527)



Results summary - Balance Sheet

- Cash at end of Jun 2018: **\$3.7m**
- Capital raise 1HY19: **\$9.5m***
- Cash at end of Dec 2018: **\$9.2m**
- Cash at end of Jun 2019: **\$7.6m**
- Average monthly net operational cash shortfall: **\$465k**
- Nil bank debt

*net proceeds

AS AT 30 JUNE 2019

ASSETS

Current Assets

Cash and cash equivalents	7,564
Trade and other receivables	1,501
Other assets	172
Inventories	328

Total current assets

9,565

Non Current Assets

Property, plant and equipment	277
Deferred tax asset	453
Intangible assets	5,555

Total non-current assets

6,285

Total Assets

15,850

LIABILITIES

Current Liabilities

Trade and other payables	1,201
Revenue in advance	1,483
Provisions	625
Borrowings	42

Total current liabilities

3,351

Non-current Liabilities

Provisions	63
Borrowings	107

Total non-current liabilities

170

Total liabilities

3,521

Net assets

12,329

EQUITY

Issued capital	36,060
Reserves	132
Retained losses	(23,863)

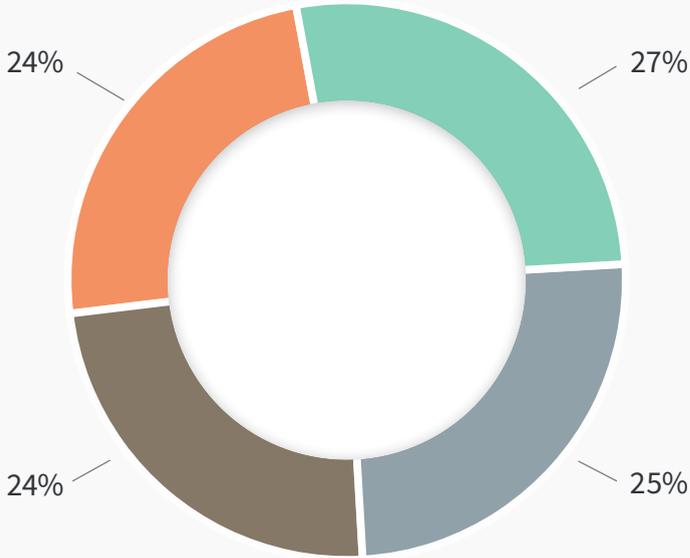
Total equity attributable to equity holders of Envirosuite Limited

12,329



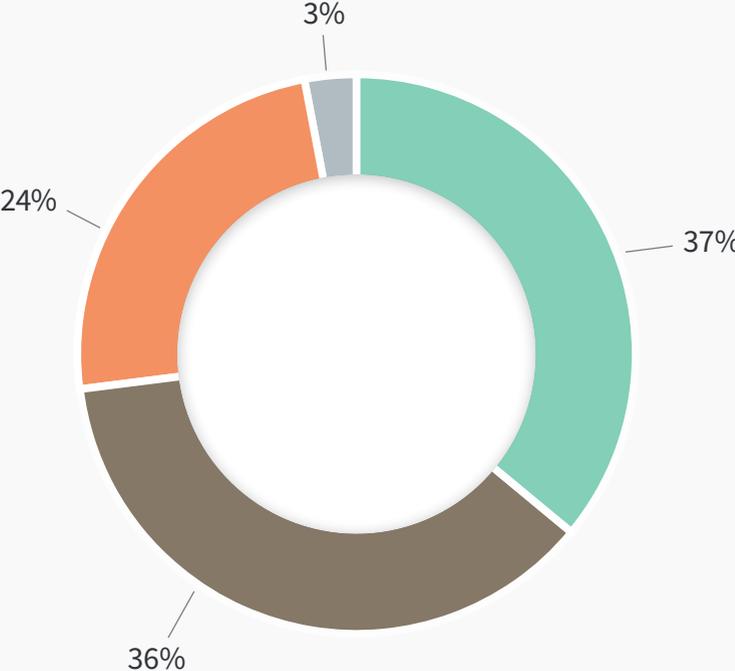
Contracted ARR

Total ARR by Region



- Europe & Middle East
- North America
- ANZ
- South America

FY19 ARR Growth by Region

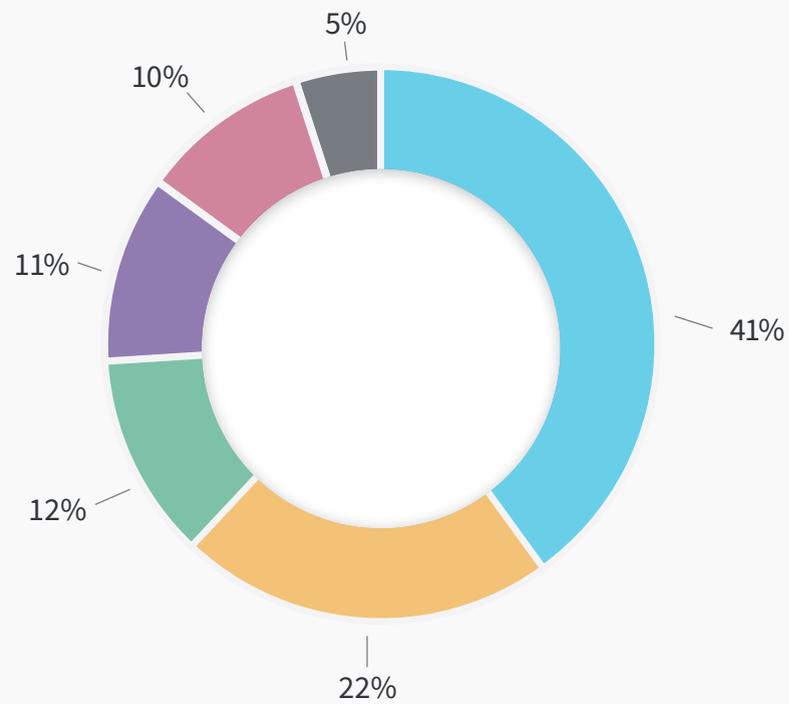


- Europe & Middle East
- South America
- North America
- ANZ



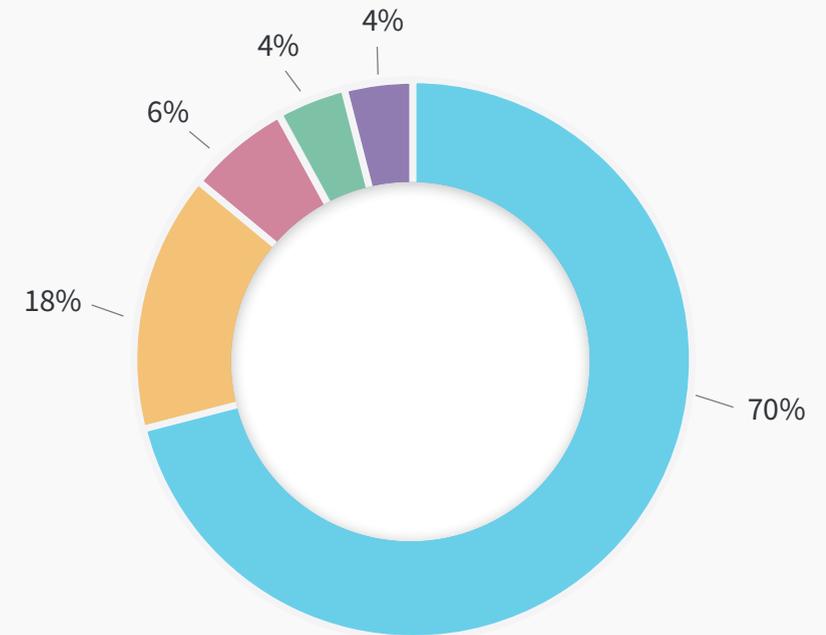
Industry sector

Total ARR by Industry Sector



- Waste & Wastewater
- Mining
- Agriculture
- Regulatory
- Industrial
- Ports

FY19 ARR Growth by Industry Sector



- Waste & Wastewater
- Mining
- Industrial
- Agriculture
- Regulatory



Strategic wins during year show wide applicability of Envirosuite's solution:

- ✓ **Southern Water, UK** - first multi-site deal
- ✓ **Kuwait City, Kuwait** - trial converted into Smart City project
- ✓ **Cerrejon mine, Colombia** - addition of Water Quality and Groundwater Pressure solutions
- ✓ First project in China via Veolia
- ✓ **Tata Steel, UK** - signed up one of the biggest steel makers globally



Strategic sector focus

During FY19 focus narrowed to two key sectors:

 Mining

 Waste & Wastewater

These sectors chosen for:

- EVS experience
(mining sites >25 sites, wastewater sites >50)
- Best fit for EVS value proposition
- Potential for enterprise sales
- Willingness to adopt new technologies
- Experiencing increasing pressure from communities



Growing number of leaders in our target markets adopting Envirosuite

Client	Region	Industry
 Minería responsable	South America	Mining
	South America	Agriculture
	Europe	Waterwater
	Middle East	Regulatory
	Europe	Waterwater

Client	Region	Industry
	Middle East	Regulatory
	South America	Agriculture
	ANZ	Mining
	North America	Waterwater
	North America	Mining



Regional updates



North America

- Consolidation of Odotech Canada and Envirosuite USA
- R&D collaboration with US EPA
- Growth in new clients adopting wastewater solutions
- Introductory opportunities in the Oil and Gas sector
- Increased number of landfill projects



Europe/Middle East

- Three new UK Water Authorities to complement Thames Water
- TATA Steel (Wales) Win. Entry into one of the world's biggest steel producers
- Two new projects signed with Veolia and further significant opportunities
- Build-up of "business-as-usual" WWTP projects in Spain
- Successful conversion & delivery of the Kuwait City trial



Regional updates



APAC

- South Australia Water extending to additional sites
- Canterbury Council (NZ) signed
- New sales resources hired to ready the company for expansion into Asia Pacific
- First project in China



South America

- Carbones del Cerrejon became Envirosuite's largest client, by implementing new solutions in the Water Quality and Groundwater Pressure
- Envirosuite established its new entity in Colombia
- Wins in heavy industry, mining and agriculture in Chile



Company snapshot

ASX code:	Industry code:	Shares on issue:	Market cap:	Unlisted options:	Debt:
EVS	Software & Services	370m	\$46m	15m	Nil

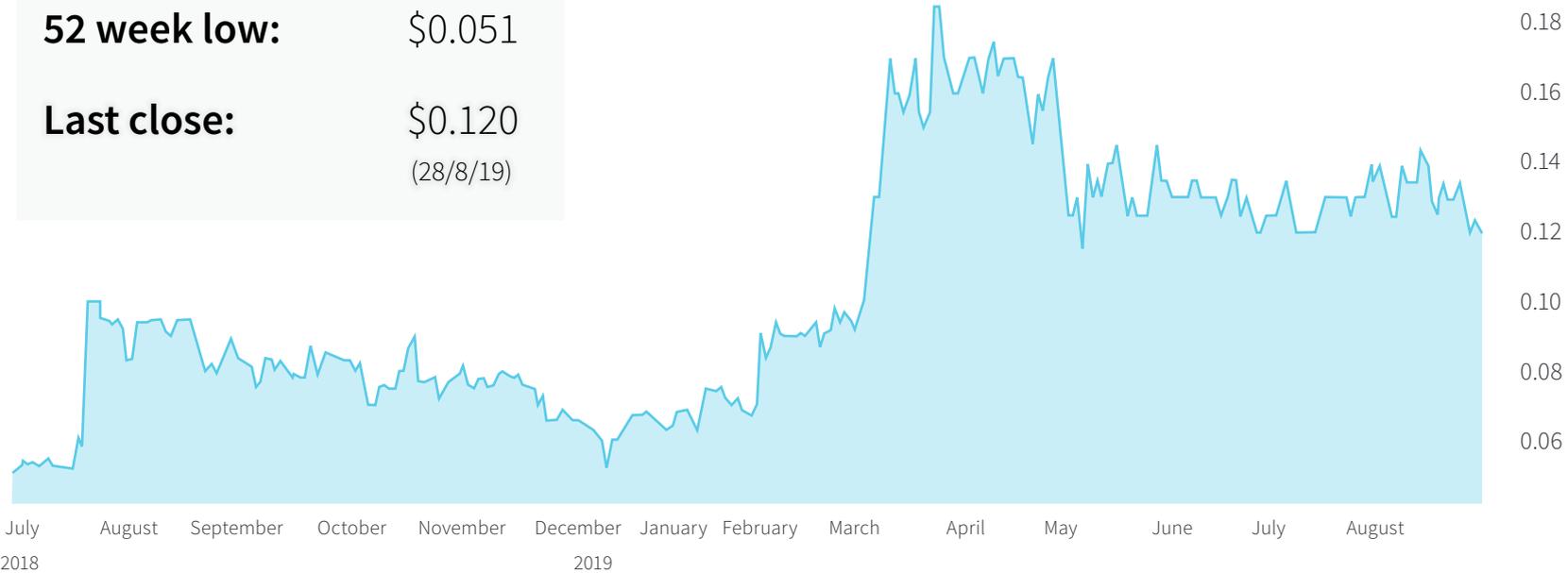
52 week high:	\$0.190
52 week low:	\$0.051
Last close:	\$0.120 (28/8/19)

Top 20 Holders

36.5%

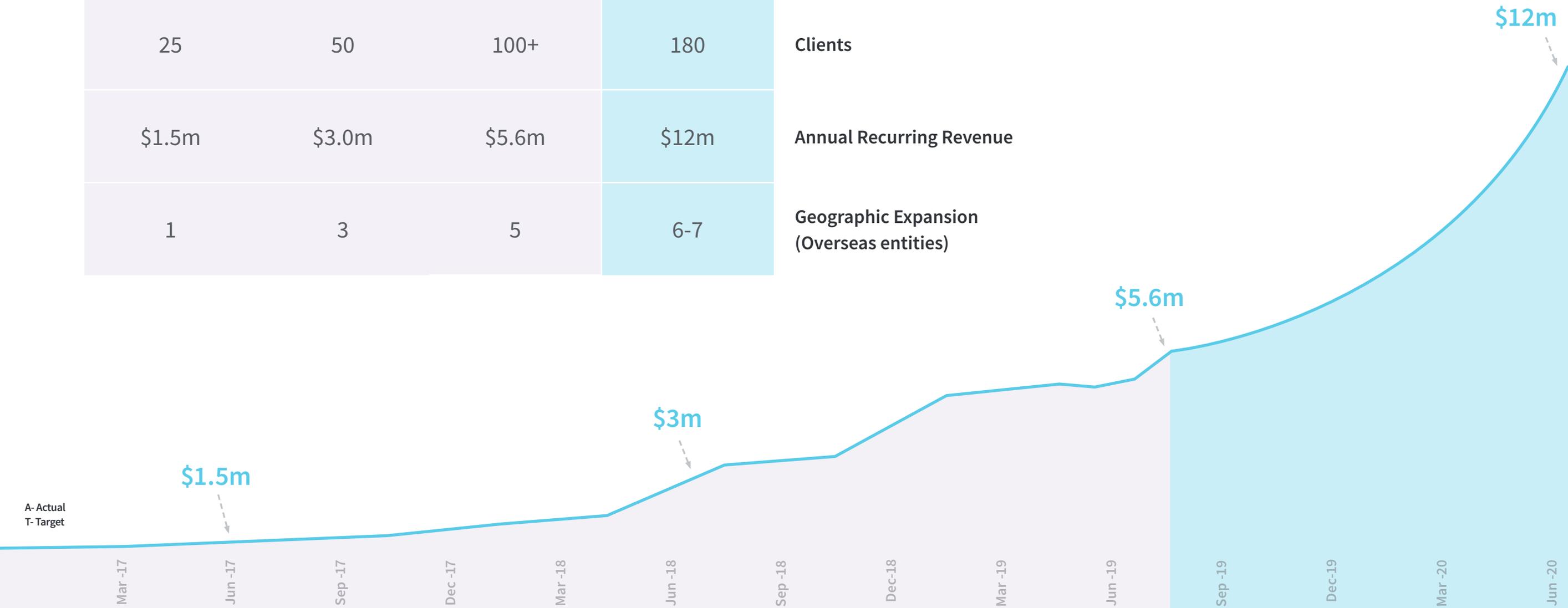
Directors & Management

18%



Three year growth plan commenced 1 July 2017

FY17 ^A	FY18 ^A	FY19 ^A	FY20 ^T	
25	50	100+	180	Clients
\$1.5m	\$3.0m	\$5.6m	\$12m	Annual Recurring Revenue
1	3	5	6-7	Geographic Expansion (Overseas entities)



A- Actual
T- Target

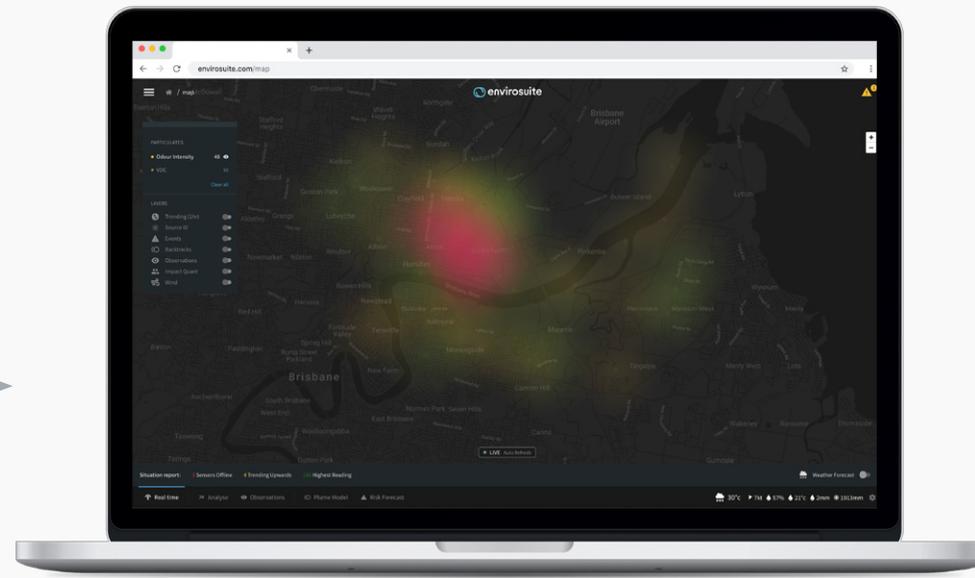
FY20 growth strategy

- Increased focus on corporate deals and multi-site licences
- Further expansion into Asia and Middle East
- Broadening roadmap for Wastewater and Mining
- Bundling software and hardware as a 'Solution as a Service'
- Expansion into adjacent sectors - Landfill and Oil & Gas
- Potential for client acquisition through corporate transactions



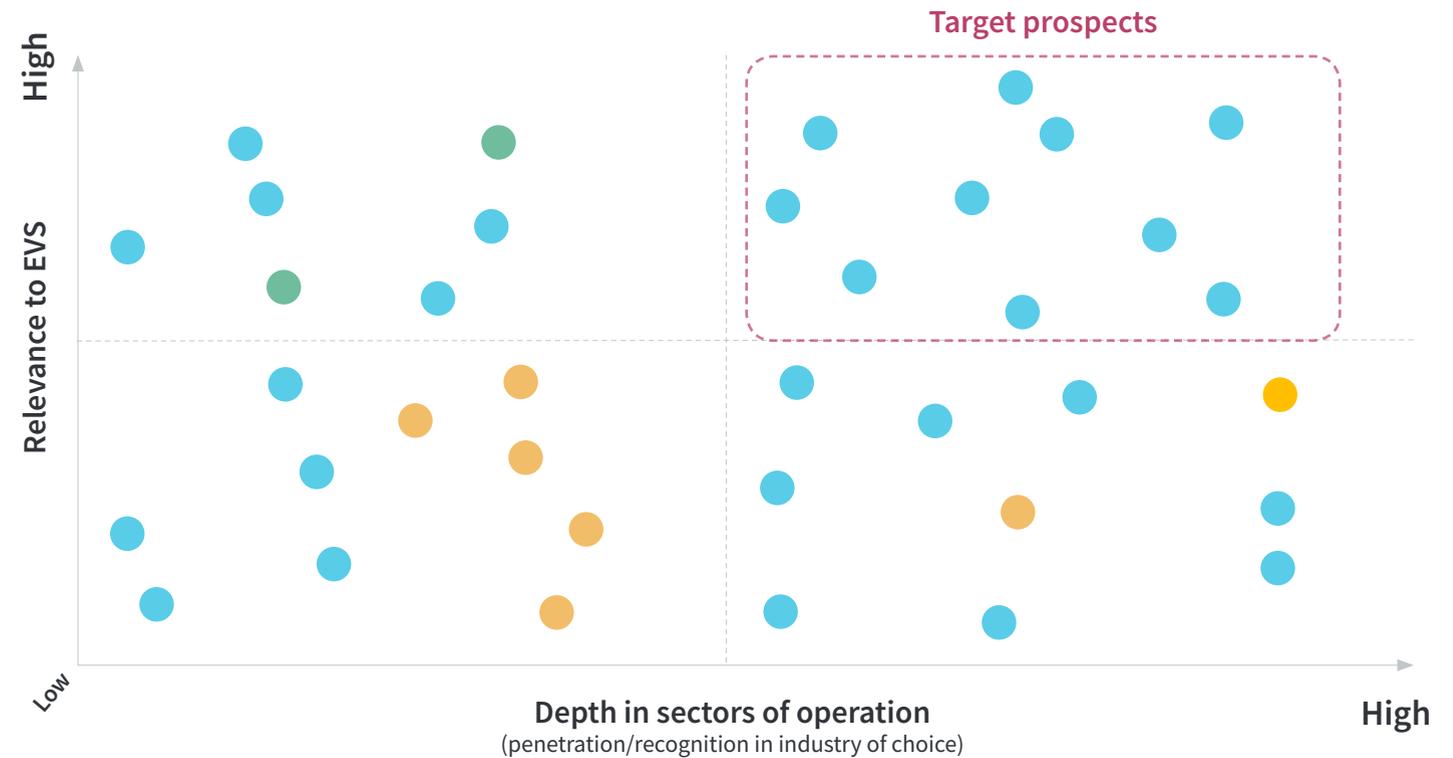
Deeper marketing offering

- Larger clients requesting full end to end solution
- EVS moving to solution as a service (combining software with hardware and maintenance)
- Typical offering 70% software (100% GM) and 30% hardware rental (50% GM)
- Adapting and refining world leading sensor technology from Odotech acquisition
- Aiming to increase average subscription value



Acquisition strategy

- Odotech now successfully integrated
- EVS moving to a more active approach to potential acquisitions
- Cheaper, faster client acquisition
- One platform approach
- Adjacent sector expansion
- Regional critical mass
- Reviewing and prioritising global prospects list



Well-defined addressable market in key verticals > \$1.3bn p.a.

Region	Mining	Odour	Smart Cities	Oil & Gas
Australia & New Zealand	●	●		
Europe		●	●	
Middle East		●	●	●
North America	●	●	●	●
South America	●	●		
Asia	●	●	●	●

● Future prospects

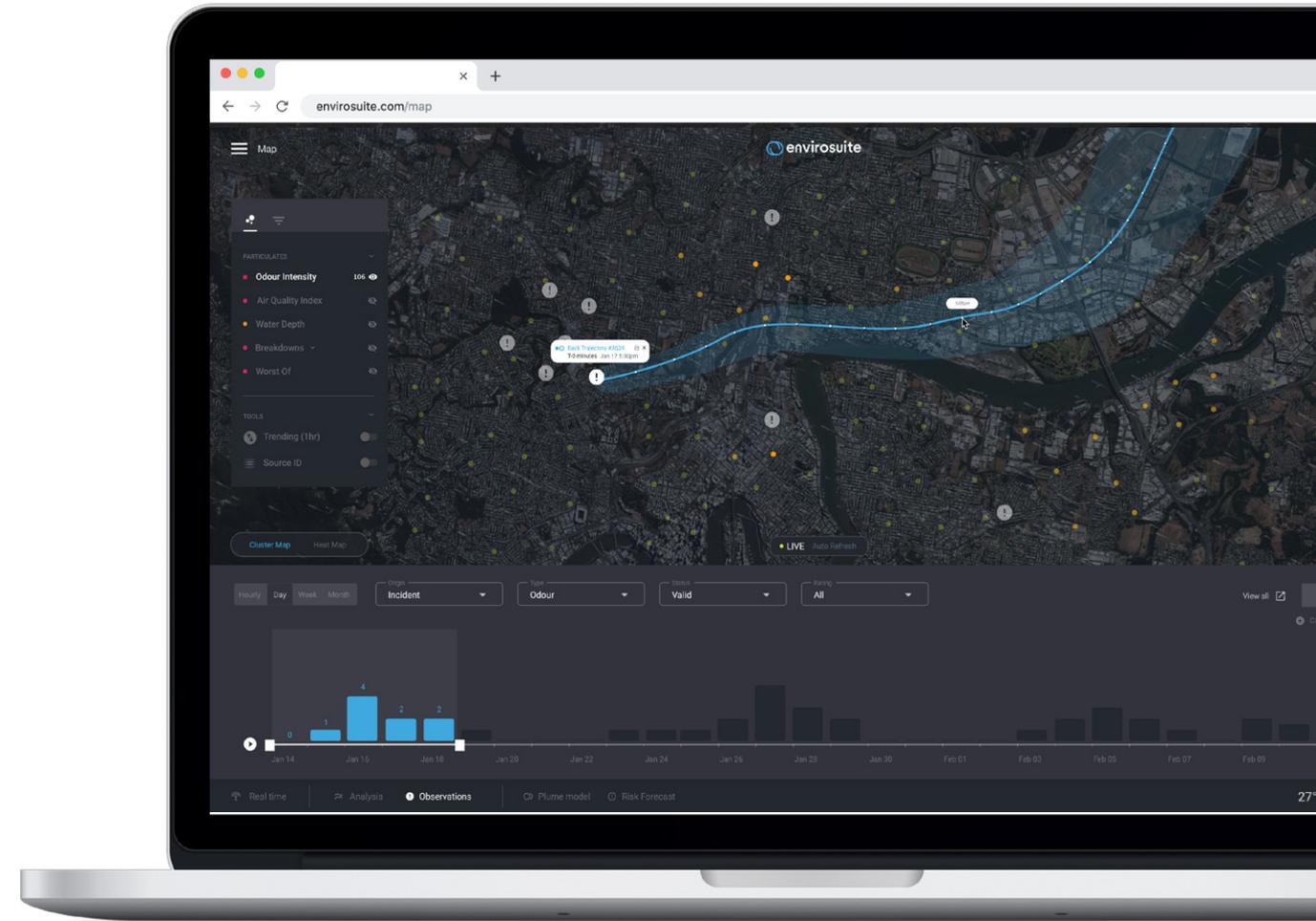
● Initial Sales

● Expanding Sales



FY20 business objectives

- ✓ Achieve \$12m ARR
- ✓ Accelerate South American Mining sector growth
- ✓ Secure multi-site Licence in WWTP or Landfill
- ✓ Sales to 2 new countries in Middle East (2 at present)
- ✓ 2 new projects in Asia (ex China)
- ✓ Secure further projects in China
- ✓ Win major Oil & Gas contract
- ✓ Pilot water functionality in Mining solution
- ✓ Pilot anti-corrosion functionality in Wastewater solution



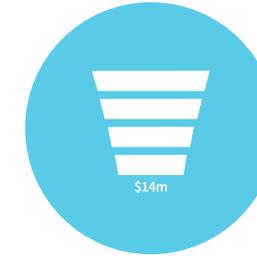
Summary



86% growth FY19, on top of 100% growth FY18



\$12m ARR target FYE20



\$14m opportunity pipeline



Expanding into new geographies and adjacent sectors



Target increased share of wallet per client subscription



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