

ASX RELEASE

3 December 2021

Envirosuite raises A\$10.5 million to accelerate EVS Water

KEY HIGHLIGHTS

- Placement attracted strong demand from both existing and new institutional investors
- Funding will be used to accelerate Envirosuite's investment into growing sales in the high-margin EVS Water business to support accelerated incremental growth in the next 12 months
- The Placement raised ~ A\$10.5 million at an Offer Price of A\$0.20 per New Share

Envirosuite Limited (ASX:EVS) ("Envirosuite" or the "Company") is pleased to announce the successful completion of an institutional placement ("Placement") of new ordinary shares in Envirosuite ("New Shares") to expedite the growth of the EVS Water business.

Wilson's Corporate Finance Limited and Bell Potter Securities Limited acted as Joint Lead Managers to the Placement.

The Placement closed on Thursday, 2 December 2021, raising approximately A\$10.5 million. The Offer Price was A\$0.20 per New Share.

Proceeds of the Placement, will fund plans to accelerate Envirosuite's investment into growing incremental sales in the high-margin EVS Water business to support its growth in the next 12 months. With strong market interest and validation of the EVS Water portfolio, with clients such as Water Corporation, a desalination plant in Asia and the recently announced GHD strategic agreements, the raising will support:

- Investment into further growing the direct sales team focusing on the Optimiser and SeweX products
- Additional product and technical roles to support growth and future development requirements
- Creation of further strategic partnerships to support implementation and success for this portfolio.



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Envirosuite Chief Executive Officer, Jason Cooper, said:

“This capital raising is about growth. The EVS Water business is on the cusp of a tremendous market opportunity as the benefits from our Environmental Intelligence technology platform are recognised more and more by Governments and corporates seeking to improve the well-being of their citizens and customers, and by key global industry service providers like GHD who recognise the benefits of our products. We are tooling up to meet that opportunity.

That we have been able to raise capital in a highly sought-after Placement at a materially superior price than the previous tranche of growth funding is indicative of the trajectory of the business and investors’ appreciation of the opportunity that lies before us”.

The Placement comprised the issue of approximately 52.3 million New Shares. The New Shares subscribed for under the Placement are expected to settle on Friday, 10 December 2021, with allotment and normal trading on ASX to commence on Monday, 13 December 2021. New Shares issued under the Placement will rank equally with existing Envirosuite shares on issue. The Placement was undertaken within EVS’ existing placement capacity under ASX Listing Rule 7.1.

Further Information:

Further details of the Placement are set out in the Investor Presentation lodged on ASX on Friday, 3 December 2021. The Investor Presentation contains important information including key risks and foreign offer restrictions with respect to the Placement. For other questions, you should consult your broker, solicitor, accountant, tax adviser, financial adviser, or other professional adviser.

investors@envirosuite.com or visit

www.envirosuite.com

Authorised By:

Rachel Ormiston
General Counsel and Company Secretary



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ABOUT EVS WATER

EVS Water comprises three products: EVS Water Plant Optimiser, EVS Water Plant Designer and SeweX. EVS Water products are designed to make complex science useful for real-time decision making, through a combination of machine learning and leading water modelling approaches, that are easy to implement and provide accurate forecasts to assist organisations to make better decisions, reduce operational risk and save time and money.

Envirosuite is recognised by Frost & Sullivan as the 2021 Entrepreneurial Company of the Year for Global Digital Twin technology for the water industry.

ABOUT ENVIROSUITE

Envirosuite (ASX:EVS) is a global leader in environmental intelligence and is a trusted partner to the world's leading industry operators in aviation, mining & industrial, waste and water.

Envirosuite is an ASX All Technology Index company and ranked 12th in Deloitte's Technology Fast 50 winners for 2020.

Envirosuite's proprietary software combines leading-edge science and innovative technology with industry expertise to produce predictable and actionable insights, allowing customers to optimise their operations, whilst remaining compliant and managing their environmental impact.

By harnessing the power of environmental intelligence, Envirosuite helps industries grow sustainably and communities to thrive.

www.envirosuite.com

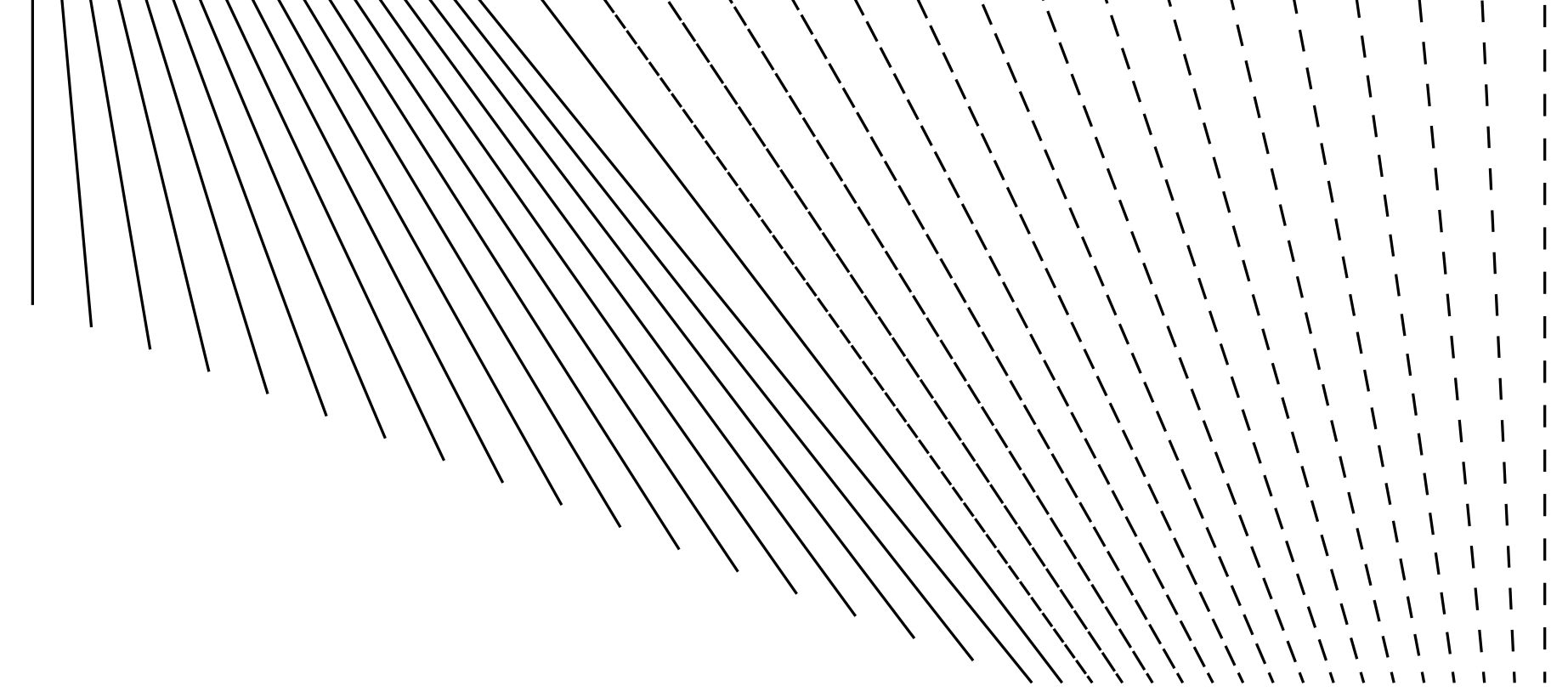
This announcement is not financial product, legal, tax or investment advice and has not taken into account your objectives, financial situation or needs. You should seek appropriate professional advice before making any investment decision.

This announcement contains certain "forward-looking statements", which can generally be identified by the use of words such as "will", "may", "could", "likely", "ongoing", "anticipate", "estimate", "expect", "project", "intend", "plan", "believe", "target", "forecast", "goal", "objective", "aim", "seek" and other words and terms of similar meaning or by using future dates in connection with any discussion of, among other things, expectations regarding the completion of the Placement and the use of proceeds. Envirosuite cannot guarantee that any forward-looking statement will be realised. Achievement of anticipated results is subject to risks, uncertainties and inaccurate assumptions. See the Investor Presentation for a description of key risks with respect to the Placement. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from past results and those anticipated, estimated or projected. You should bear this in mind as you consider forward-looking statements, and you are cautioned not to put undue reliance on forward-looking statements.

This announcement has been prepared for release in Australia and may not be distributed or released in the United States. This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or in any jurisdiction in which such an offer would be illegal. The securities referred to in this announcement have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the new shares to be offered and sold in the Placement may not be offered or sold, directly or indirectly, to persons in the United States or to any person acting for the account or benefit of any person in the United States, unless those securities have been registered under the U.S. Securities Act (which Envirosuite has no obligation to do) or are offered and sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

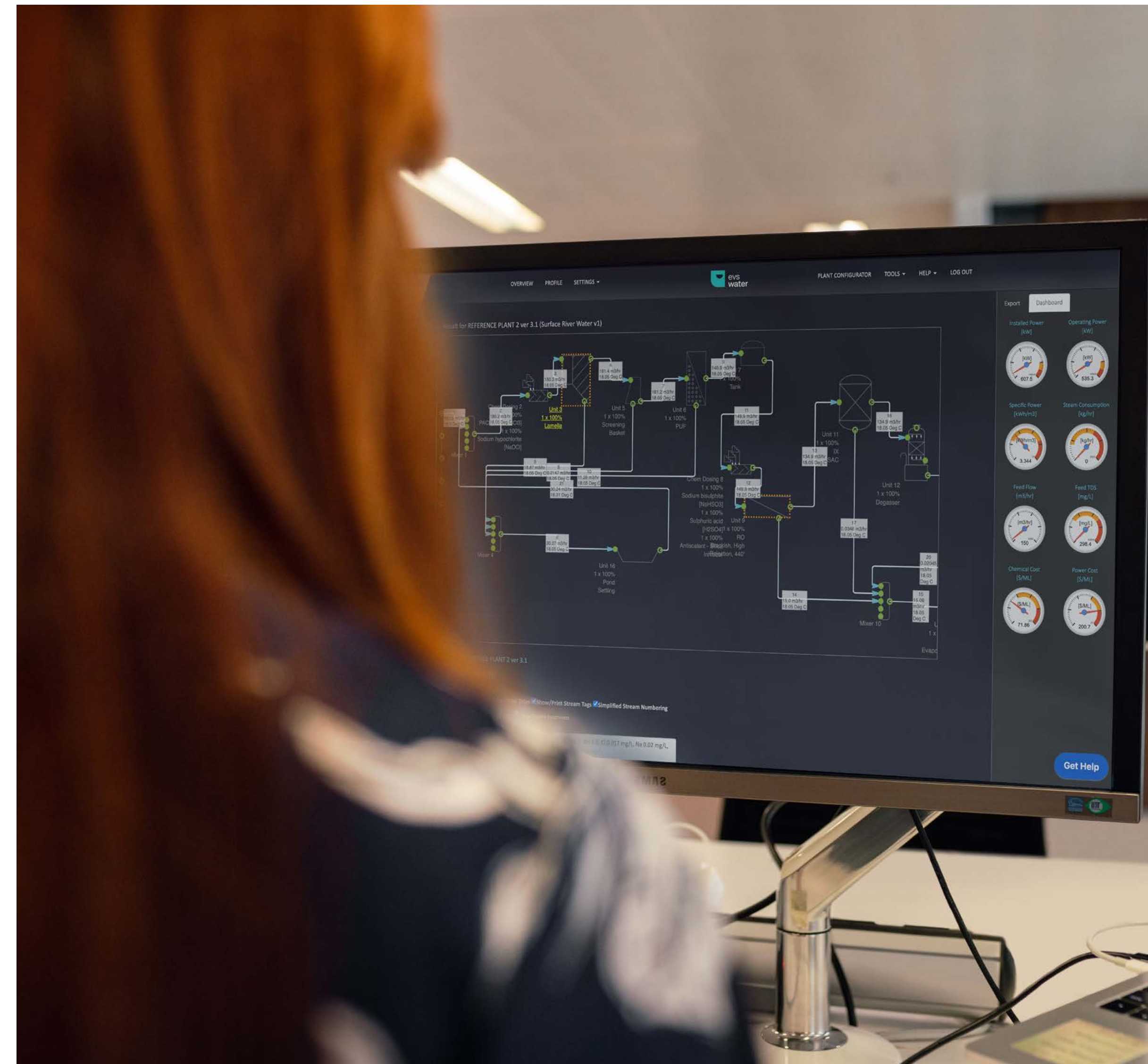
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Our time
is now



Capital Raise

EVS Water Growth & Scale





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This Presentation has been prepared by Envirosuite Limited (ABN 42 122 919 948) (**Envirosuite**) and is dated at 29 November 2021. This Presentation has been prepared in connection with Envirosuite's proposed equity raising (**Offer**) of new ordinary shares in Envirosuite (**New Shares**), comprising a placement of New Shares to institutional and sophisticated investors (**Placement**) under section 708A of the Corporations Act 2001(Cth)(**Corporations Act**).

Summary Information

This Presentation: (i) contains summary information about Envirosuite and its activities current as at the date of this Presentation; (ii) is for information purposes only and is not, and does not comprise all of the information which

would be required to be disclosed in a prospectus, product disclosure statement or other offering document under Australian law or any other law and will not be lodged with ASIC or any foreign regulator; (iii) does not and will not form any part of any contract for the acquisition of New Shares; and (iv) should be read in conjunction with Envirosuite's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (**ASX**), which are available at www.asx.com.au.

Market and industry data

Certain market and industry data used in connection with this Presentation may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. None of Envirosuite, its representatives or advisors have independently verified any such market or industry data provided by third parties or industry or general publications.

Not an offer

This Presentation is for information purposes only and is not an invitation or offer of securities for subscription, purchase or sale in any jurisdiction in which it would be unlawful. This Presentation is not a prospectus, product disclosure statement or other disclosure document under the Corporations Act (and has not been lodged with ASIC) or any other law.

The distribution of this Presentation in other jurisdictions outside Australia may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. By accepting this Presentation you represent and warrant that you are entitled to receive such presentation in accordance with the above restrictions and agree to be bound by the limitations contained therein.

International Offer Restrictions

This document does not constitute an offer of new ordinary shares (New Shares) of Envirosuite Limited (Company) in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia, except to the extent permitted below.

Not for release or distribution in the United States of America

This Presentation may not be distributed or released in the United States or to any person acting for the account or benefit of a person in the United States. This Presentation and the information contained herein does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which such offer would be illegal. The securities referred to in this Presentation have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the Securities Act) or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of any person in the United States unless the securities have been registered under the Securities Act (which Envirosuite has no obligation to do or procure) or are offered or sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable securities laws of any state or other jurisdiction of the United States.



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New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the “FMC Act”).

The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Not investment or financial product advice

This Presentation is not financial product or investment advice or a recommendation to acquire Envirosuite shares or accounting, legal or tax advice. Each recipient of this Presentation should make its own enquiries and investigations regarding all information in this Presentation including but not limited to the assumptions, uncertainties and contingencies which may affect future operations of Envirosuite and the impact that different future outcomes might have on Envirosuite. Information in this Presentation is not intended to be relied upon as advice to investors or potential investors and has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek financial, legal and taxation advice appropriate to their jurisdiction. Envirosuite is not licensed to provide financial product advice in respect of the New Shares. Cooling off rights do not apply to the acquisition of the New Shares.

Financial data

All dollar values are in Australian dollars (A\$ or AUD) unless stated otherwise. This Presentation includes certain historical financial information (**Historical Financial Information**) as at 30 June 2021 unless stated otherwise, being:

the annual recurring revenue, statutory revenue and gross profit for the statutory reporting period 30 June 2021, and

the Adjusted EBITDA for the 3 months ending 30 June 2021 (Q4 FY21), 31 March 2021 (Q3 FY21), 31 December 2020 (Q2 FY21), and 30 September 2021 (Q1 FY21) and associated Adjusted Ebitda Positive amount.

The Presentation also includes a proforma balance sheet as at 30 June 2021, assuming the completion of the Offer (net of transaction costs).

The items above are collectively referred to as the Financial Information (the **Financial Information**).

The Financial Information has been included in this Presentation in relation to the Offer and should not be used for any other purpose. The Financial Information is intended to present investors with information to assist them in understanding the underlying historical financial performance and position of Envirosuite.

The Historical Financial Information was derived from the consolidated financial statements of Envirosuite for the year ending 30 June 2021, which was prepared in accordance with Australian Accounting Standards (**AAS**) and were audited by PKF in accordance with Australian Auditing Standards and on which an unqualified audit opinion was issued.

The Pro Forma balance sheet has been derived from the historical consolidated statement of financial position as at 30 June 2021 and adjusted for pro forma adjustments relating to the Offer less transaction costs as if they had occurred as at 30 June 2021.

The Financial Information is presented in an abbreviated form insofar as it does not include all the presentation and disclosures, statements or comparative information as required by the AAS, the International Financial Reporting Standards (including the interpretations of the International Financial Reporting Interpretations Committee) (**IFRS**) and other mandatory professional reporting



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requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act. The Pro Forma balance sheet provided in this presentation is for illustrative purposes only and is not represented as being indicative of Envirosuite's views on its future financial condition and/or performance.

Certain financial measures included in this Presentation are (i) "non-IFRS financial information" under ASIC Regulatory Guide 230: "Disclosing non-IFRS financial information". These measures include Adjusted EBITDA and Annual Recurring Revenue (ARR). While Envirosuite believes that this non-IFRS financial information provide useful information to users in measuring the financial performance and conditions of Envirosuite, non-IFRS financial measures do not have standardised meanings prescribed by AAS or IFRS, may not be comparable to the calculation of similar measures of other companies. Therefore, you should not place undue reliance on any non-IFRS financial information included in this Presentation or construe them as alternatives to other financial measures determined in accordance with AAS or IFRS.

Subsequent events

The Financial Information has been prepared based upon conditions existing at 30 June 2021 and considering those events occurring subsequent to that date, that provide evidence of conditions that existed as at 30 June 2021. No adjustments have been made to the Pro Forma balance sheet as at 30 June 2021 for events that occurred post 30 June 2021 other than pro forma adjustments relating to the Offer less transaction costs as if they had occurred as at 30 June 2021.

This Presentation contains pro forma financial information (including a pro forma balance sheet). Investors should note that the pro forma financial information included in this Presentation is for illustrative purposes only, is not represented

as being indicative of Envirosuite's views on its future financial condition or performance, and any pro forma historical financial information included in this Presentation does not purport to be in compliance with Article 11 of Regulation

S-X of the rules and regulations of the U.S. Securities and Exchange Commission.

Effect of Rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Presentation are subject to the effect of rounding.

Future performance and forward looking statements

This Presentation may contain certain "forward-looking statements" that are based on management's beliefs, assumptions and expectations and on information currently available to management. The words "expect", "likely", "should", "could", "may", "will", "aim", "intend", "propose", "believe", "opinion", "consider", "predict", "plan", "scenario", "project", "outlook", "guidance", "forecast", "anticipates", "target" "estimate" and other similar expressions within the meaning of securities laws of applicable jurisdictions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Such forward-looking statements include statements regarding Envirosuite's expectations about the financial and operating performance of its businesses, statements about the plans, objective and strategies of Envirosuite's management, statements about the industry and markets in which Envirosuite operates (including without limitation the potential impact and duration of the COVID-19 pandemic) and statements about the timetable and the outcome of the Offer and the proceeds thereof.

Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements.

Any forward-looking statements, opinions and estimates in this Presentation speak only as of the date hereof and are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates.

No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including Envirosuite or any of its advisers). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or



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implied in any forward-looking statements in this Presentation will actually occur. Actual operations, results, performance, targets or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Except as required by law or regulation (including the ASX Listing Rules), Envirosuite disclaims any obligation or undertaking to update forward-looking statements in this Presentation to reflect any changes in expectations in relation to any forward-looking statement or change in events, circumstances or conditions on which any statement is based.

You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and significant volatility, uncertainty and disruption caused by the outbreak of COVID-19.

Any such statements contained in this Presentation are not indications, guarantees or predictions of future performance and involve known and unknown risks, contingencies and uncertainties and other factors, many of which are beyond the control of Envirosuite, and may involve significant elements of subjective judgment and assumptions as to future events, which may or may not be correct. Forward-looking statements may also assume the success of Envirosuite's business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond Envirosuite's control, and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward-looking statements may have been prepared or otherwise. Refer to the key risks in the "Key Risks" section of this Presentation for a non-exhaustive summary of certain general and company-specific risk factors that may affect Envirosuite.

There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements, including (without limitation) the risks and uncertainties associated with the ongoing impacts of the COVID-19 pandemic, the Australian and global economic environment and capital market conditions and other risk factors set out in this Presentation. Investors should consider the forward-looking statements contained in this Presentation in light of those risks and disclosures. The forward-looking statements are based on information available to Envirosuite as at the date of this presentation.

Past Performance

Past performance and historical financial information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of Envirosuite's views on its future performance or condition. Investors should note that past performance, including past share price performance, of Envirosuite cannot be relied upon as an indicator of (and provides no guidance as to) future performance of Envirosuite including future share price performance. The historical financial information contained in this Presentation is, or is based on, information that has previously been released to ASX.

Investment Risk and other risks

An investment in New Shares is subject to investment and other known and unknown risks, some of which are beyond the control of Envirosuite. Envirosuite does not guarantee any particular rate of return or the performance of Envirosuite nor does it guarantee any particular tax treatment. Investors should have regard to the "Key Risks" section of this Presentation when making their investment decision. These risks, together with other general risks applicable

to all investments in listed securities not specifically referred to, may affect the value of shares in Envirosuite (including New Shares) in the future. There is no guarantee that the New Shares will make a return on the capital invested, that dividends will be paid on the New Shares or that there will be an increase in the value of the New Shares in the future.

Disclaimer

No party other than Envirosuite has authorised, permitted or caused the issue, submission, dispatch or provision of this Presentation or makes or purports to make any statement in this Presentation.

To the maximum extent permitted by law, each of Envirosuite and its respective affiliates or related bodies corporate, and each of their respective advisers, directors, officers, partners, employees and agents (each a Limited Party):



Important Notice and Disclaimer

- expressly exclude and disclaim all responsibility and liability, including, without limitation, for negligence or in respect of any expenses, losses, damages or costs incurred by you as a result of your participation in the Offer and the information in this Presentation being inaccurate or incomplete in any way for any reason, whether by way of negligence or otherwise; and
- make no representation or warranty, express or implied, as to the fairness, currency, accuracy, reliability or completeness of information in this Presentation or any constituent or associated presentation, information or material, or the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects or returns contained in, implied by, the information in this Presentation or any part of it, or that this Presentation contains all material information about Envirosuite, the Offer or that a prospective investor or purchaser may require in evaluating a possible investment in Envirosuite or acquisition of New Shares.

The Limited Parties make no recommendations as to whether you or your related parties should participate in the Offer nor do they make any representations

or warranties to you concerning the Offer. There is no statement in this Presentation which is based on any statement by any Limited Party. You represent, warrant and agree that you have not relied on any statements made by a Limited Party in relation to the Offer and you further expressly disclaim that you are in a fiduciary relationship with any Limited Party. You undertake that you will not seek to sue or hold any Limited Party liable in any respect in connection with this Presentation or the Offer (to the maximum extent permitted by law).

Investors acknowledge and agree that determination of eligibility of investors for the purposes of the Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Envirosuite. Envirosuite and each of its affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

Statements made in this presentation are made only as at the date of this presentation. None of the Limited Parties have any obligation to update the statements in this Presentation. The information in this Presentation remains subject to change without notice. Envirosuite reserves its rights to withdraw or vary the transactions described in this presentation without notice.

Hugh W. Robertson holds the position as a senior advisor at Bell Potter Securities, and is also a director of the Company and holds approximately 1.7% of the shares and options in the Company (on a diluted basis).

The JLMs advise that persons associated with them may have an interest in the above securities and that they may earn brokerage, commissions, fees and other benefits and advantages whether pecuniary or not and whether direct or indirect, in connection with the making of a recommendation or a dealing by a client in these securities, and which may reasonably be expected to be capable of having an influence in the making of any recommendation, and that some or all of our Proper Authority holders and/or representatives may be remunerated wholly or partly by way of commission.

Withdrawal and cooling-off

Envirosuite reserves the right to withdraw, or vary the timetable for, the Offer without notice. Cooling-off rights do not apply to the acquisition of New Shares.



We believe **environmental intelligence** is the key to improving the wellbeing of people and the planet.



Envirosuite's four key strategic focus areas Delivered in FY21

GROWTH

- Implemented new sales process and training globally around proven value based selling
- Improved deal velocity with focused customer acquisition programs and customer segmentation of Ideal Customer Profiles
- Launch of Land, Expand and Scale sales strategy to prioritise account pursuit and strategic growth of key accounts
- Investment into sales functions through new, experienced scale up hires with domain expertise

PRODUCT

- Launched new EVS Aviation platform, ANOMS X, which is in use by 30+ Airports
- Creation of EVS Water with acquisition of AqMB and delivered initial customers onto platform
- Combined EVS and EMS solutions into EVS Omnis portfolio to build the most comprehensive EI platform and to derive operational efficiencies
- Created united product strategy team accelerating transition to a Product-led, Sales Focused organisation

CUSTOMER

- Implemented global customer success strategy to build engagement over customer lifecycle to increase retention and upsell opportunities
- Launch of Environmental Intelligence Services to further embed Envirosuite platforms to provide actionable, data-driven insights and improved customer outcomes
- Improved customer support and service delivery capabilities across three regions through an increased customer focus to improve retention, quality and satisfaction

SCALABILITY

- Alignment on single cloud environment and digital transformation with project on schedule for go-live
- Consolidation of the regions from 5 to 3 to gain cost reduction benefits and drive improved process alignment
- Significant improvement of Gross Profit through cost out, process improvement and product consolidation
- Implemented greater focus and discipline into the operating model and across the organisation



Key Metrics

As at 30 June 2021

\$46.5m

Annual Recurring Revenue

+ 8.1% YOY

+373

Client sites

+ 13.4% YOY

\$48.6m

Statutory Revenue

+ 104% YOY

42.4%

Gross Profit

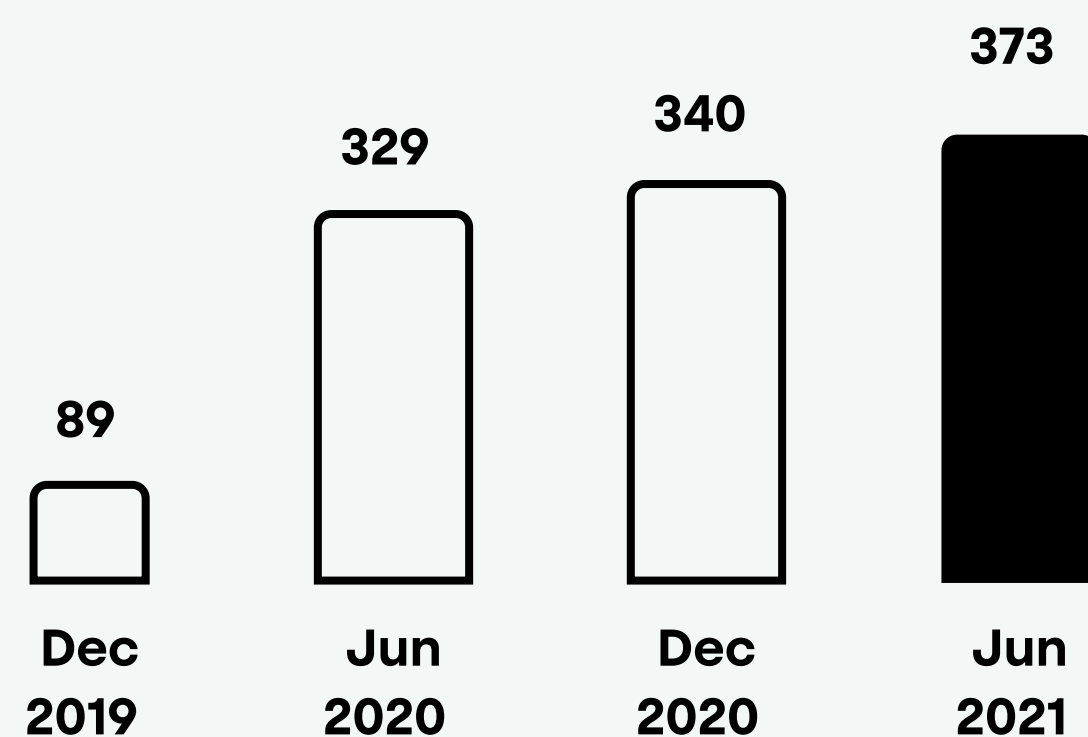
+ 36.8% YOY

\$(4.5)m

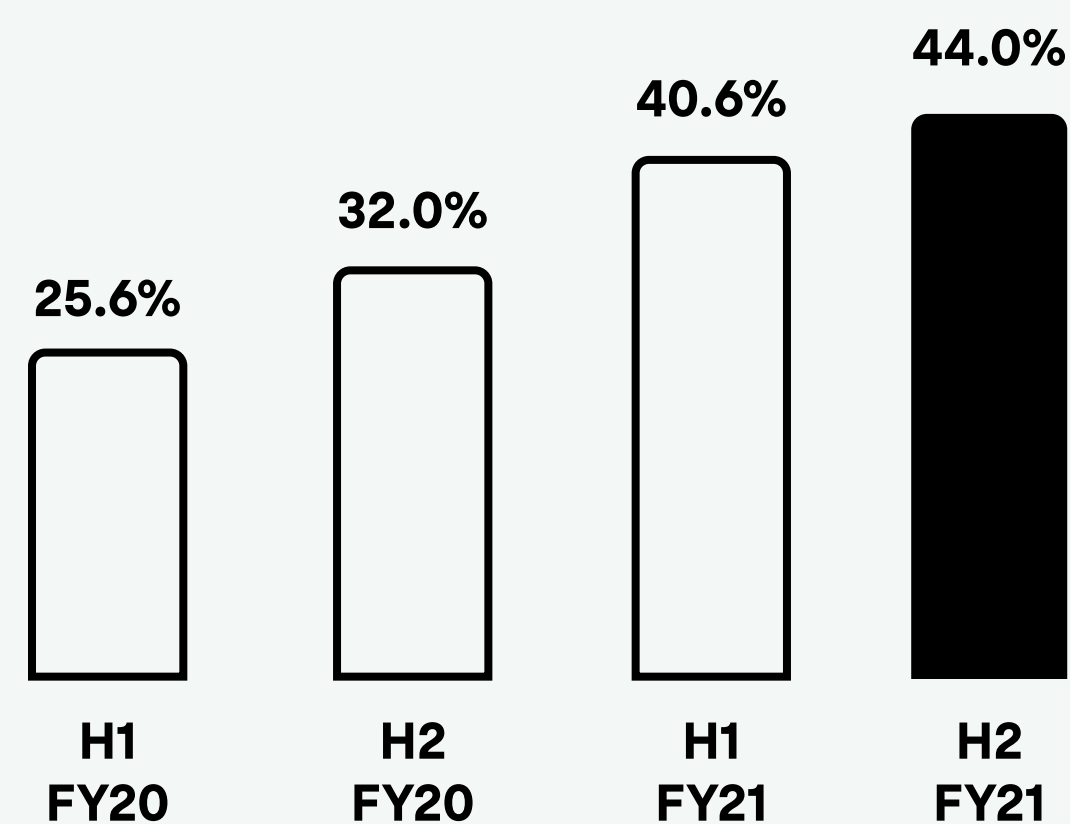
Adjusted EBITDA (loss)

+ 56% YOY

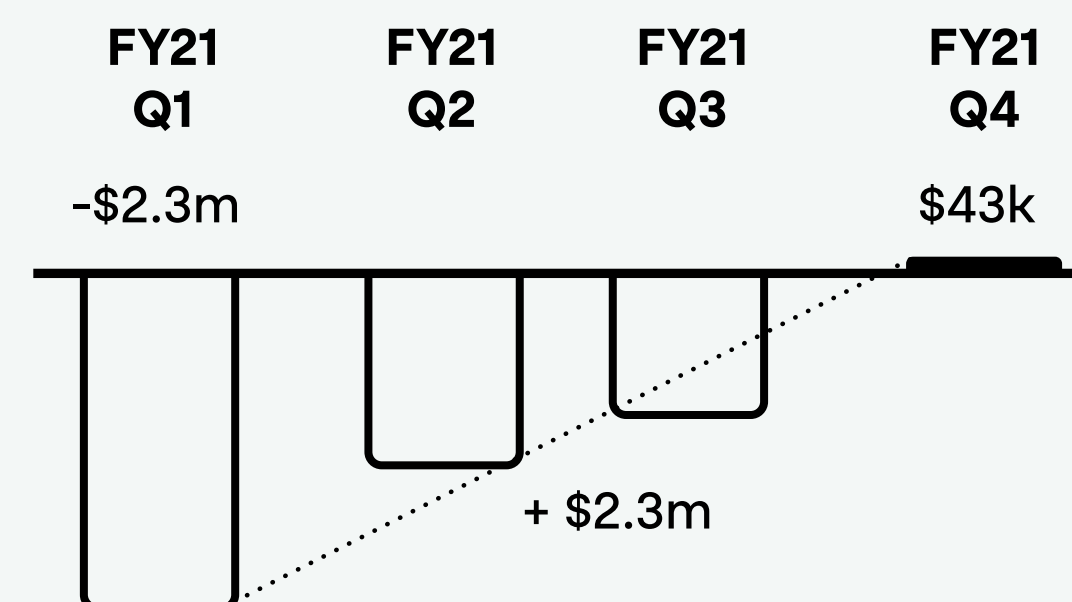
TOTAL SITES



GROSS PROFIT %



ADJUSTED EBITDA POSITIVE IN Q4



All Key Metrics have previously been published in Envirosuite's Annual Report and the Annual Report Investor Presentation released to the ASX on 18 August 2021.

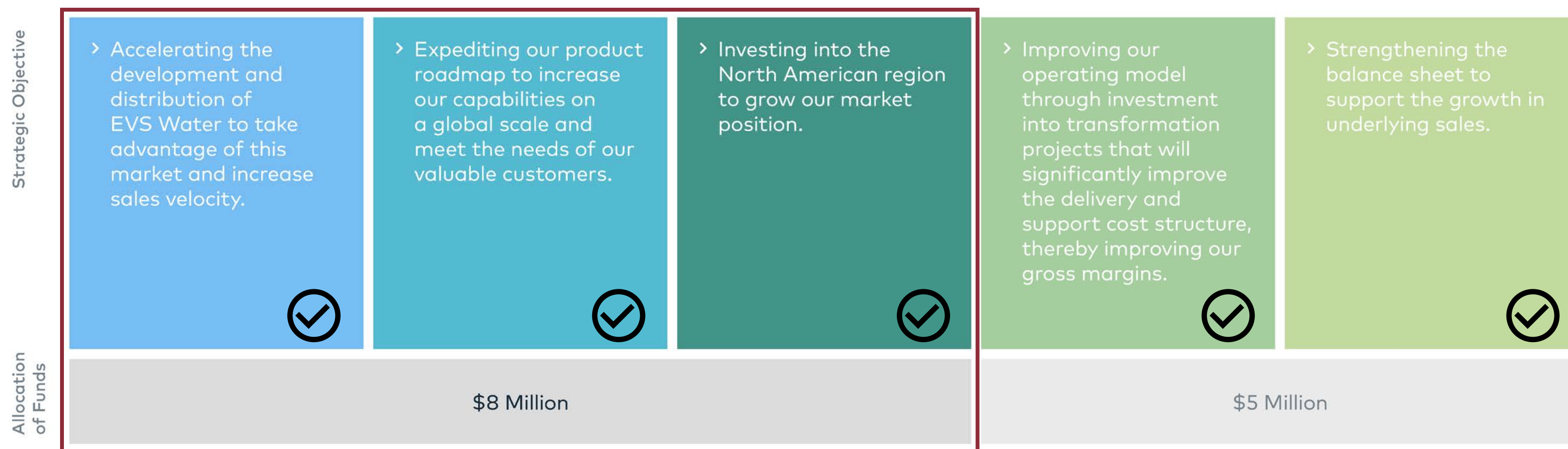
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May/June Cap Raise - \$13m

Expediting our product roadmap to increase our capabilities on a global scale

Envirosuite is raising \$14m of additional capital (\$13m net of transaction costs) to accelerate its investment into growing underlying sales in the EVS Omnis and Water product group and strengthen its balance sheet to fund transformation and working capital as the company grows. This includes:





EVS Water



➤ Accelerating the development and distribution of EVS Water to take advantage of this market and increase sales velocity.

INVESTMENT

- Expanded sales and distribution capabilities
- Grew the water engineering team
- Developed product / technical support resources
- Confidence to foster strategic partnerships

RESULTS

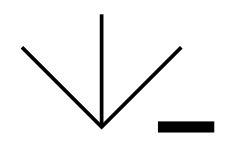
- Initiated SeweX development 3 quarters earlier than planned
- Optimiser development expedited
- WA Water Corporation – SeweX proof of concept
- GHD Partnership
 - Implementation partner
 - Referral partner
- Asian desalination plant

COMPANY BENEFITS

- First mover advantage
- Exclusivity of IP
- Strong pipeline on the back of sales people
- Stronger than expected demand for SeweX particularly in APAC
- Strategic partnerships improve the business model and accelerate customer acquisition
- Customer validation points on technology



Product



› Expediting our product roadmap to increase our capabilities on a global scale and meet the needs of our valuable customers.

INVESTMENT

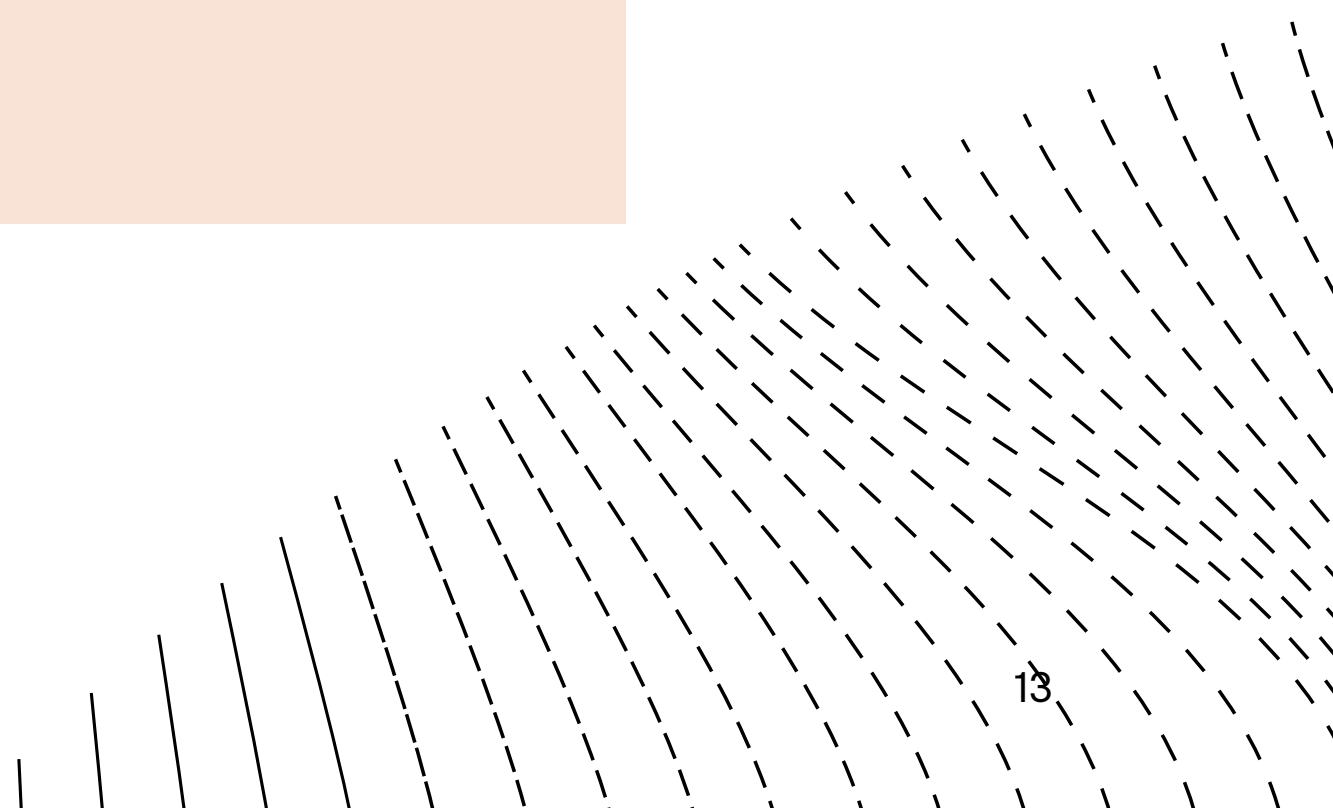
- Grew product and engineering teams
- Accelerated Cloud transformation
- Product analytics embedded into platforms
- Product Management best-practices
- Focused development - 3rd party engagement

RESULTS

- Land, Expand and Scale working on the back of enterprise discussions
- Refined and consolidated roadmap
- User feedback driving product adoption
- Strategic partnerships
- Cloud computing efficiencies brought forward

COMPANY BENEFITS

- Improved customer engagement model
- Stronger differentiation
- Accelerated roadmap
- Business model improvement





North America



› Investing into the North American region to grow our market position.

INVESTMENT

- Implemented an accelerated SDR program to increase lead generation
- Focused marketing with improved opportunity list
- Water Sector lead appointed
- Focused on Land, Expand & Scale
- Enterprise relationships and sales engagement

RESULTS

- Pipeline growth
- Conversion rate improvement
- NASA
- Teck
- Inbound leads
- Customer validation and network effect

COMPANY BENEFITS

- Network effect within EVS Omnis on the back of the customer promotion
- Customer satisfaction and high retention
- Highest employee engagement score

Momentum Building

Two consecutive record breaking quarters

\$4.4m
of new ARR in H2FY21*

Land, Expand and Scale sales strategy delivering results with over

56% of new ARR
in Q4FY21*
coming from existing customers

Completed a successful capital raise

of \$14m to support the investment into product development, the acceleration of our EVS Water product suite and to support the growth agenda for North America.

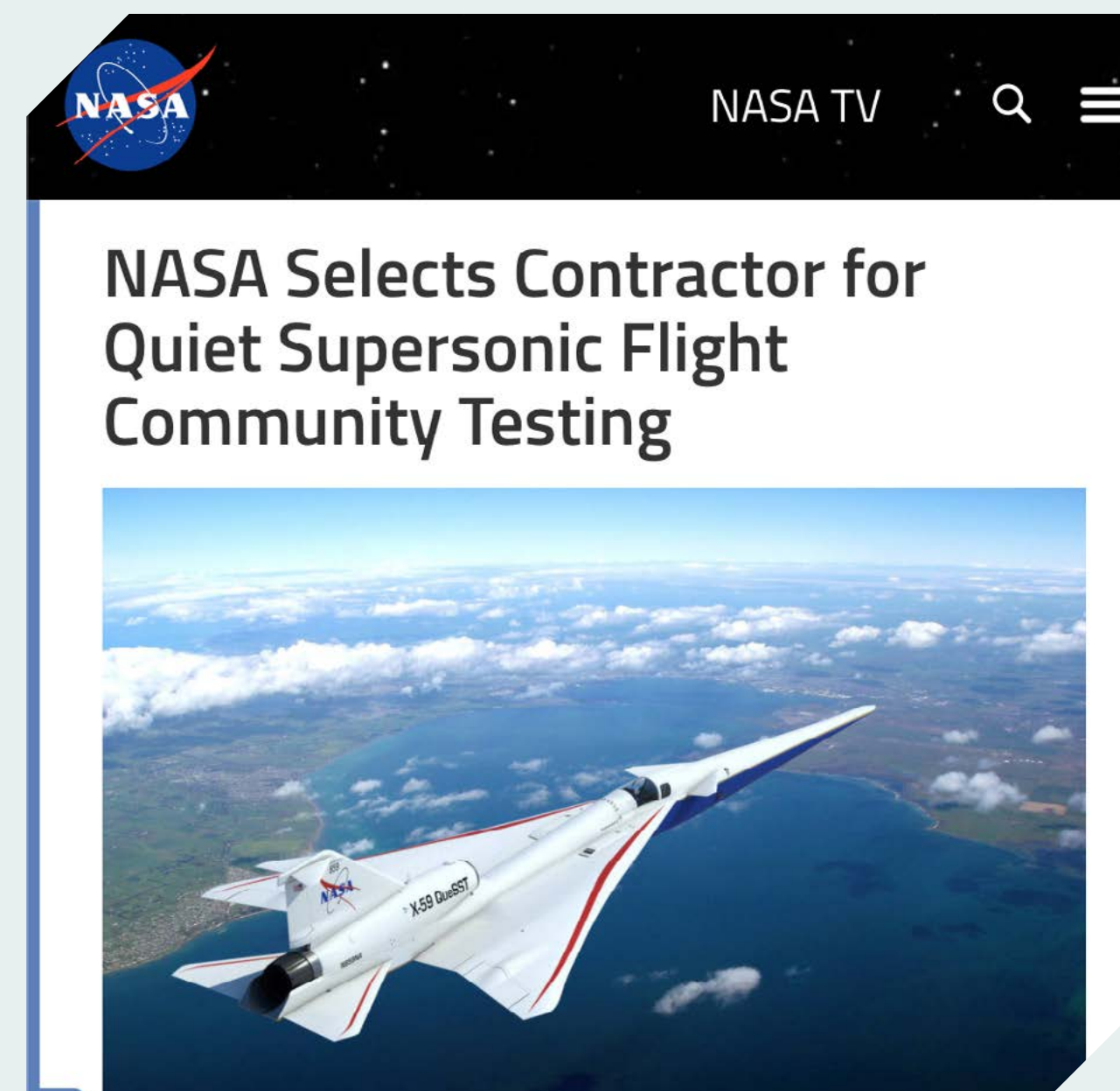
ARR for EVS Omnis grew

24%
year-on-year*

Frost & Sullivan

Winner of the Global digital twin technology for water - entrepreneurial company of the year award¹.

Adjusted EBITDA positive in Q4FY21*

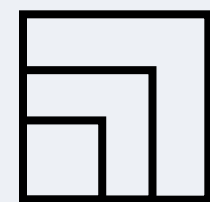


* All Financials have previously been published in Envirosuite's Annual Report and the Annual Report Investor Presentation released to the ASX on 18 August 2021.

1 - <http://www.apacbp-awards.com/>



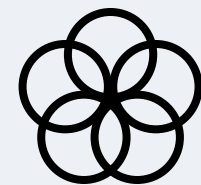
Our strategy addresses significant market opportunities



Combined, Envirosuite's key sectors have a Serviceable Addressable Market of \$4bn*



Acceleration of Environmental, Social, Governance Practices



Advancement of Sustainable Development Goals

With strong tailwinds from the recent US\$1 trillion bipartisan infrastructure plan that includes \$97bn of additional funding¹ (A\$132bn) into Envirosuite's key sectors.

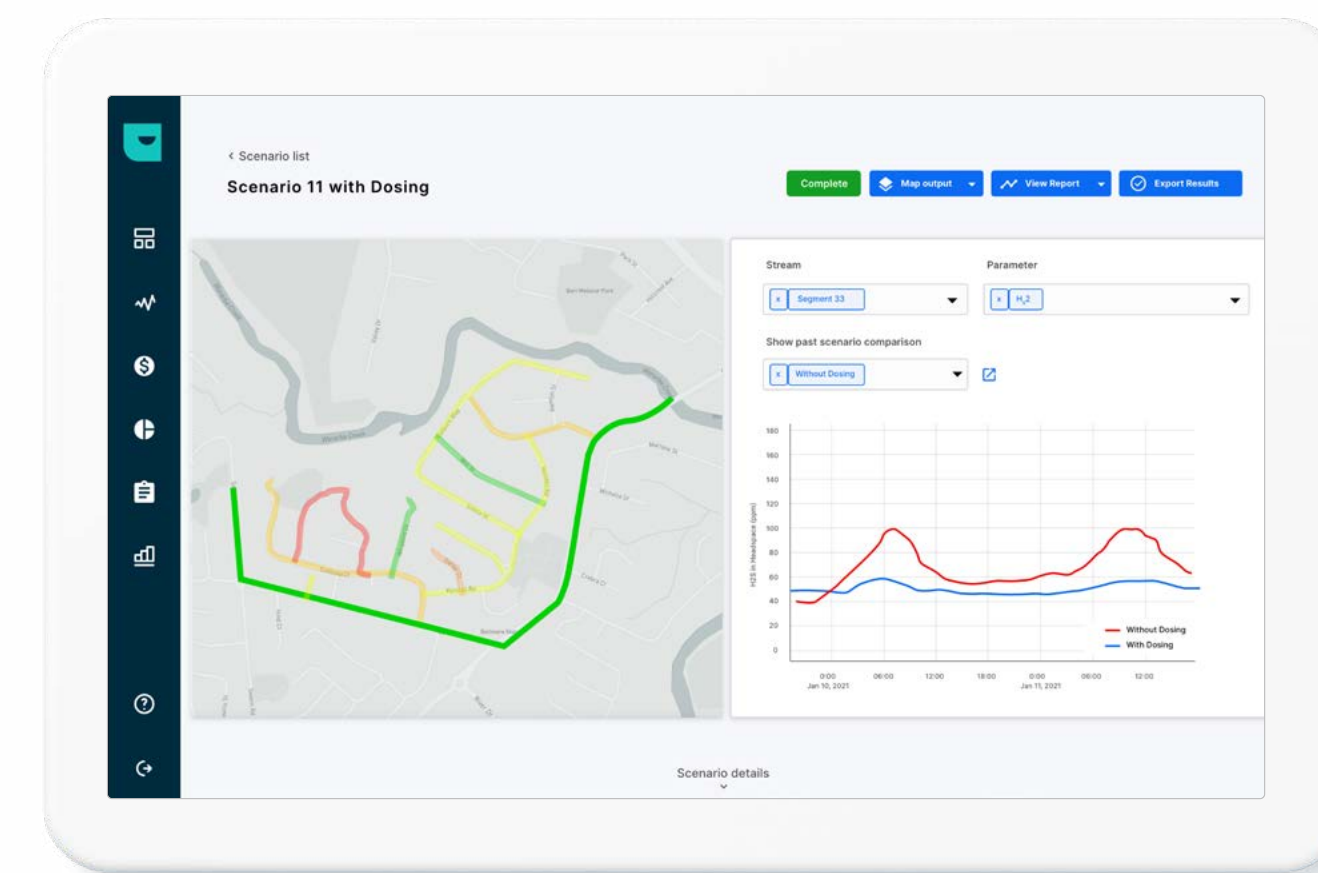
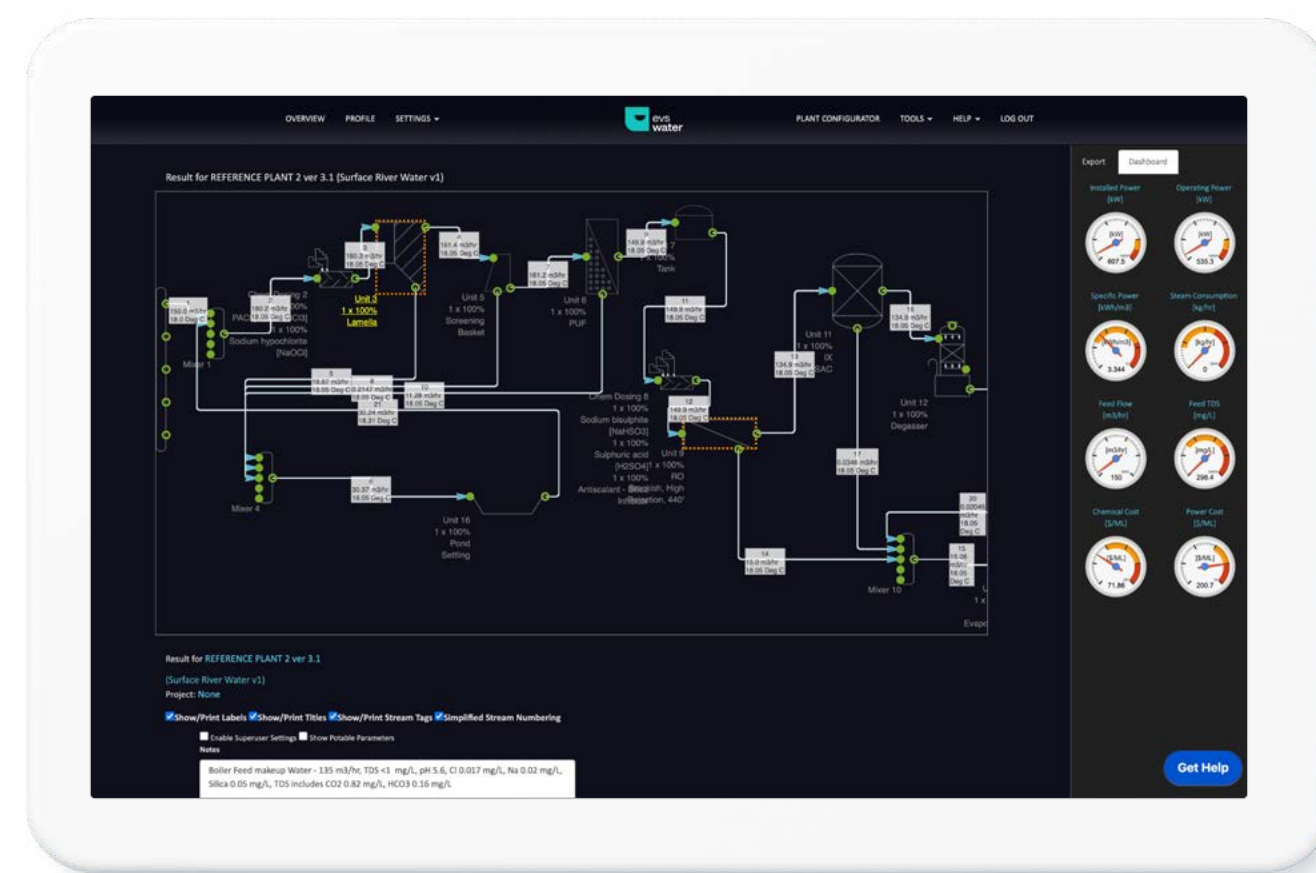
* See Definitions of Terms for definition of Serviceable Addressable Market

1 - <https://www.whitehouse.gov/briefing-room/statements-releases/2021/07/28/fact-sheet-historic-bipartisan-infrastructure-deal/>



OUR TIME IS NOW







Market Validation

Accelerated market support and validation of EVS Water suite of products with marquee customers, which has a \$2.8bn serviceable addressable market (SAM).

Envirosuite recently recognised by Frost & Sullivan as the 2021 Entrepreneurial Company of the Year for Global Digital Twin technology for the water industry.



**SeweX Proof
Of Concept**

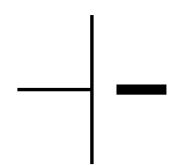


**Strategic
Partnership**



**Desalination
Plant in Asia**

Capital Raise Thesis



1. Strategic Partnerships

- GHD Strategic partnership expected drive increased number of opportunities, geographic expansion, development of IP, and additional process modelling capabilities.

2. SeweX accelerated development to capitalise on the immediate opportunities being presented by water utilities. Market opportunity exists now to leverage first-mover advantage.

3. Optimiser currently being validated with initial customers revealing a compelling ROI and reduced climate change impact for their water facilities around the world.

4. Further strategic opportunities are in various stages of discussions that are addressing different segments of the market.





Scaled Opportunity

- 1. Baseline - Current investment cycle
- 2. Accelerated direct sales
- 3. Partnerships

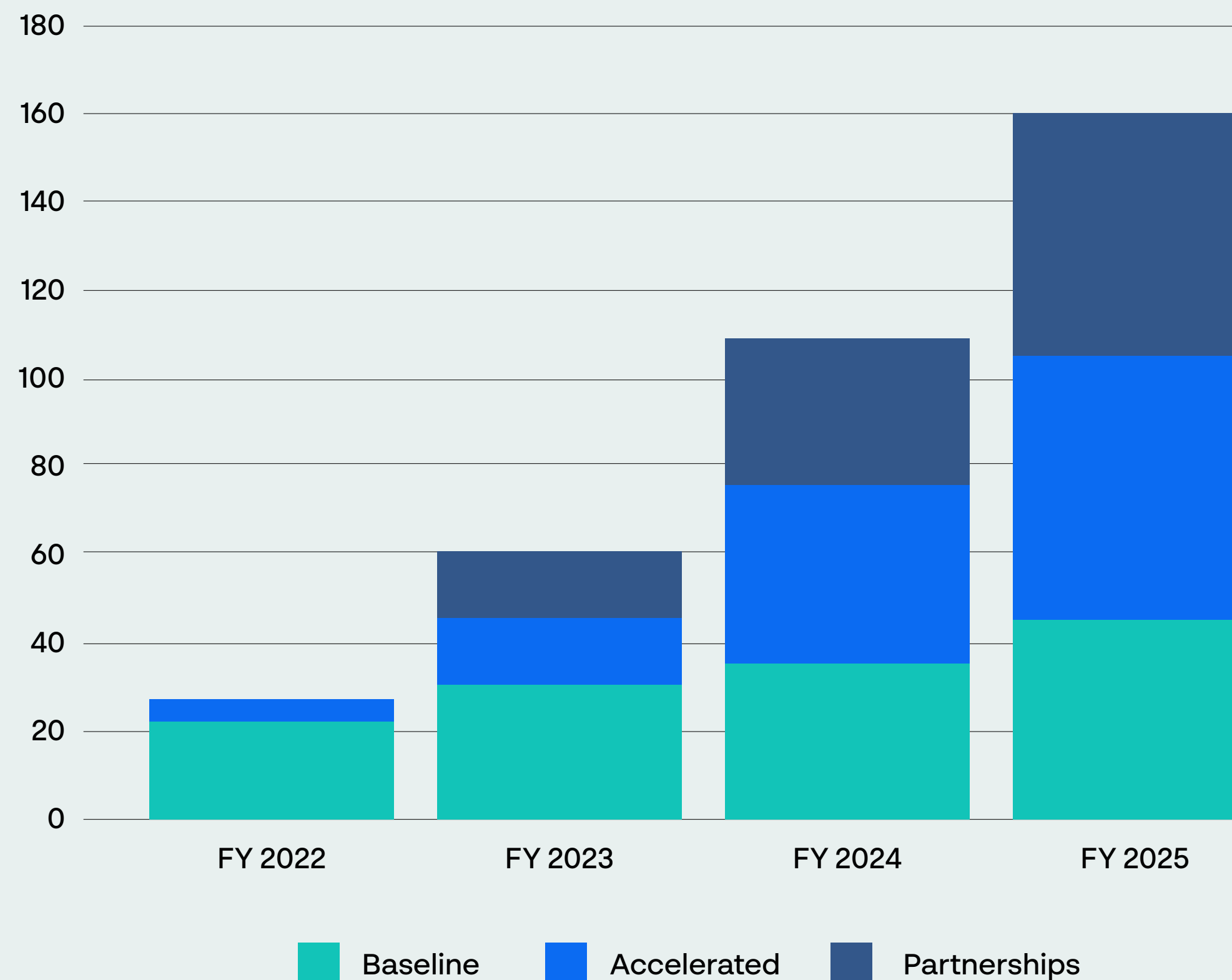
Key metrics:

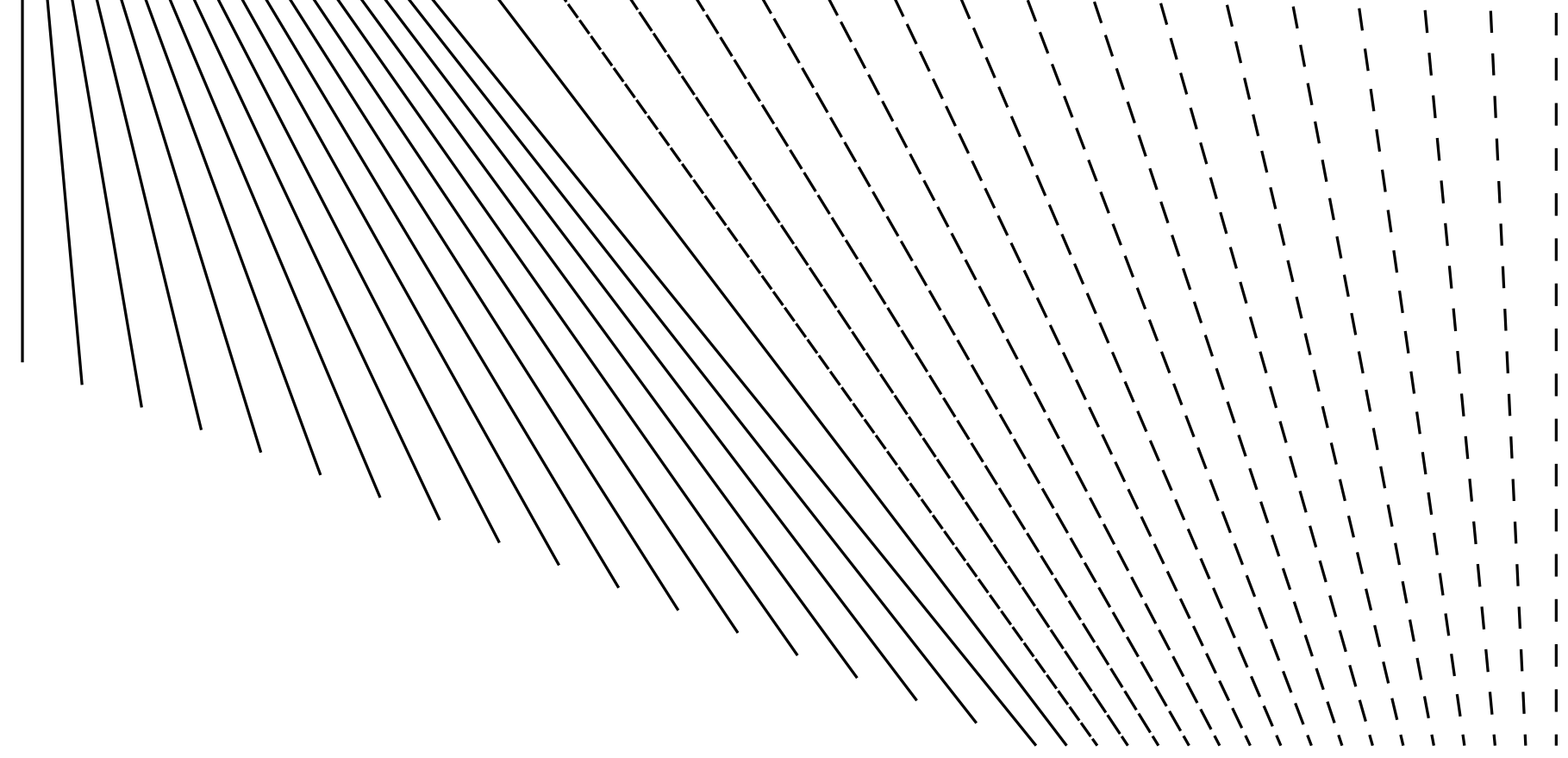
ARPS: Range of \$40k - \$80k ARR

Projected GM on ARR: 80-90%

* The projected number of new sites is based upon the expected impact of additional sales resources dedicated to the EVS Water business, the expanded reach and global coverage new partnerships can provide and the impact of greater investment into development of the EVS Water product suite, all of which is expected to enable the company to service a wider range of customers throughout a greater geographic area than the company is able to do currently.

Projected number of net new EVS Water sites per annum*





EVS Use of Funds

Envirosuite is raising \$10m of additional capital to accelerate its investment into growing incremental sales in the EVS Water business to support its growth in the next 12 months.

Direct Sales

Investment into further developing the direct sales team that will be focused on growth opportunities for Optimiser and SeweX in our chosen markets.

\$3m

Product Development

Investment into additional product and technical roles to support the growth expectations and future development requirements.

\$5m

Strategic Partnerships

Creating a strategic partnerships team that is focused on supporting our partners implementation and success. Support current and future partnerships opportunities.

\$2m



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Key Offer Details

Placement summary	<ul style="list-style-type: none">• Institutional placement (Placement) of new fully paid ordinary shares (New Shares) to raise approximately A\$10.5 million• Approximately 52.3 million shares to be issued under the Placement utilising Envirosuite's existing placement capacity under ASX Listing Rule 7.1, representing 4.4% of existing shares on issue• The Placement price of \$0.200 represents:<ul style="list-style-type: none">• A discount of 11.1% to Envirosuite's closing share price on 1 December 2021 of \$0.225 per share• A discount of 11.0% to Envirosuite's 5-day VWAP to closing trade on 1 December 2021 of \$0.225 per share
Use of proceeds	<p>Funds raised are to accelerate Envirosuite's investment into growing incremental sales and product development in the EVS water business:</p> <ul style="list-style-type: none">• \$5m – product development and technical roles• \$3m – direct sales• \$2m – strategic partnerships
Ranking	New Shares issued under the Placement will rank equally with existing shares on issue
Joint Lead Manager	Bell Potter Securities Limited and Wilsons Corporate Finance Limited are joint lead managers to the Placement
Underwriting	The Placement is not underwritten



Key Offer Details

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Event	Date / time
Trading Halt	10am, Thursday, 2 December, 2021
Allocations Completed and Confirmation Letters Issued	4pm, Thursday, 2 December, 2021
Confirmation letters due	6pm, Thursday, 2 December, 2021
Announcement of Capital Raise and resumption of trading	10am, Friday 3 December, 2021
Settlement (New Shares under the Offer)	Friday, 10 December, 2021
Allotment and Issue of New Shares under the Offer	Monday, 13 December, 2021
Normal trading commences (New Shares)	Monday, 13 December, 2021

All times are AEDT unless otherwise stated



Summary Pro-forma Balance Sheet

A\$000	30-Jun-21	Impact of equity raising	31-Jun-21 Pro-forma
Cash and cash equivalents	17,640	9,800	27,440
Other current assets	16,025		16,025
Total Current Assets	33,665	9,800	43,465
Non-Current Assets	116,178		116,178
Total Assets	149,843	9,800	159,643
Current Liabilities	16,083		16,083
Non-Current Liabilities	6,460		6,460
Total Liabilities	22,543		22,543
Equity	127,300	9,800	137,100

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Key Risks

Key Business Risks

Customer contract risk

Envirosuite's revenue is dependent on the arrangements it enters into with its customers. Envirosuite cannot be assured that a customer will re-engage Envirosuite on future projects or services once the project is completed or that the customer will not unilaterally reduce the scope of, or terminate, existing contracts on short-term notice (generally 30 days, but sometimes less). The duration of customer agreements and ability for customers to terminate arrangements in certain circumstances may expose the Company to greater risk in respect of the continued retention of customers and ability to maintain a sustained customer base and associated revenue.

Some customer contracts may be limited in nature and may not contain adequate protections for the services and products which Envirosuite provides. This may result in an increased risk to Envirosuite, for example, if a counterparty or third-party claims against it.

In addition, a customer's inability to pay its accounts when they fall due, or inability to continue purchasing services or products from Envirosuite due to financial distress, may expose Envirosuite to adverse financial outcomes arising from the customer credit risks.

Customer projects

Some of Envirosuite's revenue model is driven by project demands of customers and can be unpredictable throughout any financial year due to the timing of projects, length of sales cycles and the product-release cycles of Envirosuite's clients. Revenues may be impacted from quarter to quarter, and year to year depending on customer demand or on the completion rate of projects. Recently, Covid-19 has impacted the ability of some customers to commission projects in the timeframe originally committed, a consequence of which may be the delay by Envirosuite in receipt of the revenue for such projects.

Foreign exchange

Envirosuite's financial reports are prepared in Australian dollars. However, a substantial proportion of Envirosuite's sales revenue, expenditures and cash flows are generated in, and assets and liabilities are denominated in, foreign currencies. Any adverse movements of these currencies against the Australian dollar as well as other adverse exchange rate fluctuations or volatility, particularly during the period between when an invoice is issued and when payment is made, can have an adverse effect on Envirosuite's future financial performance and position.

Impact of changing technology on Envirosuite's competitive position

Envirosuite's businesses are significantly influenced by changing technology, evolving industry standards and the emergence of new technologies. These changes can impact the ways in which the Envirosuite offers its services. In order to remain competitive and relevant, Envirosuite needs to enhance and expand its offering to meet their customers' needs. If Envirosuite is unable to do so, it may impact on its competitive position.

Trade secrets

Envirosuite relies upon its staff protecting Envirosuite's trade secrets. The protective measures Envirosuite employs may not always be sufficient to protect its trade secrets. If Envirosuite's trade secrets become public, this could erode its competitive advantage. Envirosuite also cannot be certain that others will not independently develop similar technologies on their own, or gain access to trade secrets, or have disclosed to them such technology, or that Envirosuite will otherwise be able to meaningfully protect its trade secrets and unpatented know-how and keep them secret. This could allow competitors to commercialise products and services that compete with Envirosuite. Although Envirosuite implements reasonable endeavours to protect its intellectual property, these measures may not always be sufficient.

Key person risk

The successful operation of Envirosuite's business relies on its ability to retain experienced and high performing key management and operating personnel with Envirosuite. Envirosuite may not successfully retain existing, and / or attract new, key management personnel. The unexpected loss of any key members of management or operating personnel may have a material adverse effect on the financial performance of Envirosuite.

Brand and reputational risk

The reputation and branding of Envirosuite is an important factor for its success. Anything that diminishes Envirosuite's reputation or brand would likely be adverse to Envirosuite and may diminish the demand for Envirosuite's services thereby detrimentally affecting Envirosuite's profitability and prospects for growth.

Competition and future business performance

Envirosuite operates in a competitive industry. Envirosuite competes on the basis of a number of factors, including the quality of its services and products, reputation and price. However, there is no assurance that competitors will not succeed in offering services or products that are more economic or otherwise more than those being offered by Envirosuite.

An increase in competition could result in Envirosuite experiencing a decline in its ability to attract or retain customers and a loss of market share – which in turn may impact the growth of Envirosuite or expose it to lower than anticipated revenue and earnings. More broadly, there is no guarantee as to the future performance of Envirosuite and there is a risk that Envirosuite will not execute or deliver on its sales strategy in the future. Failure to successfully implement this strategy could result in adverse consequences for Envirosuite's financial performance, condition and prospects.

Intellectual property

The ability of Envirosuite to leverage its innovation and expertise depends on its ability to protect its intellectual property and any improvements to it as well as Envirosuite's confidential information. Intellectual property that is important to Envirosuite includes, but is not limited to, copyright in its software, know how, trademarks, domain names, its website and webpages, business names and logos. Envirosuite relies on contractual arrangements and laws regulating intellectual property to assist in protecting its intellectual property. However, such intellectual property may not always be capable of being legally protected. It may be the subject of unauthorised disclosure or unlawfully infringed, or Envirosuite may incur substantial costs in asserting or defending its intellectual property rights or protecting its confidential information.

Data management, privacy and cyber security risks

Information technology, and the continued and efficient operation of that technology, is essential to Envirosuite's business. Threats to information security are constantly evolving and techniques used to perpetrate cyber-attacks are increasingly sophisticated. As such, Envirosuite may be subject to network and systems interference from a number of sources, such as cyber-attacks, security breaches or system defects, which could result in commercial, financial, health and safety, environmental or reputational impacts. The potential consequences of such interference include operational downtime, delays, destruction or corruption of data, disclosure of commercially sensitive information, data and privacy breaches or a breach of regulatory compliance obligations.

While Envirosuite has disaster recovery and business continuity plans in place, such interference could have a material impact on Envirosuite's business, operations or financial condition and performance. The protection of customer, employee, third-party and company data is also critical of Envirosuite's operations and failure to protect such data could damage its reputation.



Key Risks

New product development risk

Envirosuite may from time to time seek to develop new products to enhance its business and operations. This may require a material amount of capital, time, resources and various approvals – the combination of which could materially delay or derail a successful product development. There is also no guarantee as to the success and performance of a new developed product (into which such time, money and resources have been invested).

Customer Concentration Risk

Envirosuite generates approximately 1/3 of its revenue from its top 5 customers and approximately 20% of its revenue from the Australian government and companies controlled by the Australian government (based on results for FY21 ending on 30 June 2021). A loss of or reduced scope within a key customer contract could have a material negative impact to the Group’s revenue and cashflow.

Research and development activities

Envirosuite also engages in a range of research and development initiatives. Research requires expenditure of materials, services, labour and time as well as potential opportunity costs. These initiatives are inherently speculative in nature and there is no guarantee that Envirosuite’s investment in these initiatives will be able to be commercialised or generate any future benefits for Envirosuite. In addition, Envirosuite’s eligibility for tax incentives associated with research and development activities is subject to changes in regulation (and interpretation of regulation).

Recent and future acquisitions & integration

In undertaking its business, from time to time Envirosuite may pursue strategic acquisitions and other growth initiatives. To finance such future acquisitions, Envirosuite may incur additional indebtedness and may seek to raise capital. Such actions and the terms on which such funding could be obtained may have a material adverse impact on Envirosuite’s financial position.

To the extent Envirosuite grows through acquisition, it will face operational and financial risks commonly encountered with such a strategy, including but not limited to continuity or assimilation of the operations and personnel of the acquired business, dissipation of Envirosuite’s management resources and impairment of relationships with employees and customers of the acquired business as a result of changes in ownership and management. In addition, depending on the type of transaction, it may take a substantial period of time to completely realise an acquisitions full benefit, or it may never be realised.

It may also be possible that any due diligence enquiries conducted by Envirosuite may not identify one or more material issues or liabilities or they may be more than expected, and that the standard protections negotiated by Envirosuite prior to the relevant acquisition are inadequate in the circumstances. Such issues or liabilities could adversely affect Envirosuite’s financial performance and position and future prospects.

Risk management strategy

Envirosuite has risk management strategies and internal controls in place to identify, monitor and mitigate risks to which it is subject, including market risk, strategic risk and operational risk. However there are inherent limitations with any risk management framework as the nature and scope of risks continue to evolve (and in some cases, in an unpredictable way). If Envirosuite’s risk management processes and procedures are ineffective or not appropriately implemented, Envirosuite could suffer unexpected losses and reputation damage which could impact its financial performance and condition.

COVID-19

Envirosuite generates approximately 65% of its revenue from customers in the Airports sector (based on results for FY21 ending on 30 June 2021). The COVID-19 pandemic has resulted in a material reduction in airline traffic which has impacted the revenue generated by Airports. As the reduction in airline traffic continues, there is a risk that reduced scope of services could impact Envirosuite’s revenue.

Changes to regulatory framework

Envirosuite must comply with a range of Commonwealth, State and Territory laws and regulations in its operations, many of which are complex and subject to change. There is a risk that when regulatory restrictions change, they become more burdensome. If this occurs, Envirosuite may be required to dedicate more time and resources to ensuring that it complies with these regulations, which could adversely affect its financial performance and future prospects. Failure to comply with these regulations may result in compliance orders being issued against Envirosuite and associated reputational damage.

Foreign operations

Envirosuite also conducts business in a number of jurisdictions and is subject to the risks specific to those jurisdictions. Envirosuite’s financial performance may be negatively impacted by changes in general business and operating conditions, laws, regulations or policies associated with a jurisdiction in which it operates from time to time.

Insurance

Envirosuite holds insurance policies for material risks faced by the business at levels at which it considers are commensurate with industry standards and are necessary having regard to its business activities. There can be no assurance that any insurance currently maintained will be available in the future on a commercially reasonable basis. If Envirosuite incurs uninsured losses or liabilities, its assets, profits and prospects may be adversely affected.

General risks

General economic conditions

Envirosuite’s operating performance and financial performance is influenced by a variety of general economic and business conditions including the level of inflation, interest rates, exchange rates and government fiscal, monetary and regulatory policies. Prolonged deterioration in general economic conditions, including an increase in interest rates or decrease in consumer and business demand, could be expected to have an adverse impact on Envirosuite’s business, results of operations or financial condition and performance. In particular, this may impact on Envirosuite’s ability to develop products and establish business operations in the expected time frame or at its current levels.

There also continues to be considerable uncertainty as to the duration and further impact of COVID-19, including but not limited to in relation to government, regulatory or health authority actions, work stoppages, lockdowns, quarantines and travel restrictions. The impacts of COVID-19 are beyond Envirosuite’s control, and may affect Envirosuite’s ability to operate and manage its business effectively. Increased economic uncertainty resulting from the impacts of COVID-19 may also result in a reduction in sales inflows, which may in turn impact on Envirosuite’s financial condition and operations.

General investment risks

There are general risks associated with investments in equity securities. No assurances can be given that any new shares will trade at or above the price at which they are issued. None of Envirosuite, its directors or any other person guarantees the market performance of any new shares issued of Envirosuite. The trading price of shares in Envirosuite may fluctuate with movements in equity capital markets in Australia and internationally. This may result in the market price for the any new shares being less or more than the price at which they are issued.

Generally applicable factors which may affect the market price of Envirosuite shares (and over which Envirosuite and its directors have limited or no control) include:



Key Risks

- the impact of COVID-19 (or other pandemics or epidemics), and the measures taken to control their spread, including on the health of the workforce, and customers and impact on supply chains;
- general movements in Australian and international stock markets;
- investor sentiment and the demand for ASX-listed securities generally, and the risk of contagion;
- Australian and international economic conditions and outlook, including aggregate investment and economic output, employment levels and labour costs, commodity prices, inflation, interest rates, and exchange rates;
- changes in interest rates and the rate of inflation;
- changes in exchange rates, employment levels and consumer demand;
- changes in government legislation, regulation and policies, including fiscal, regulatory, trade and monetary policies and tax laws;
- announcement of new technologies and displacement of existing technologies;
- natural disasters, extreme weather events and catastrophes;
- geo-political instability, including international hostilities and acts of terrorism;
- demand for and supply of Envirosuite shares;
- announcements and results of competitors; and
- the expectations of securities analysts and analysts' reports.

Volatility and liquidity risk

While Envirosuite shares are currently listed on ASX, there is no guarantee that there will at all times be sufficient buyers

of shares to enable shareholders to dispose of Envirosuite shares in a timely manner at a price that the shareholder may have expected to achieve. The price of shares may go up and down by a material amount, even over a short period of time. No assurance can be given that the shares issued under the placement will trade at or above the price they are offered or that there will be an active market in Envirosuite shares. None of Envirosuite, its directors nor any other person guarantees the performance of any new shares issued under the placement.

Litigation risk

Legal proceedings and claims may arise from time to time in the ordinary course of Envirosuite's business and may result in high legal costs, adverse monetary judgements and damage to Envirosuite's reputation which could have an adverse impact on Envirosuite's financial position and financial performance and the price of its shares.

Risk of dilution

Shareholders' interests in Envirosuite will be diluted as result of the capital raising currently contemplated. Shareholders may have their investment diluted by future capital raisings by Envirosuite. Envirosuite may issue new securities to finance future acquisitions or pay down debt which may, under certain circumstances, dilute the value of an investor's interest.

Dividends

Envirosuite has not previously declared a dividend. The payment of any dividends in respect of Envirosuite's shares is affected by several factors, including Envirosuite's profitability, retained earnings, ability to frank dividends, capital requirements and free cash flow. Any future dividends will be determined by Envirosuite's Board having regard to these factors, among others. There is no guarantee that any dividends will be paid by Envirosuite.

Adverse changes to tax laws

Existing tax law and future changes in taxation laws, including changes in interpretation or application of the law

by the courts or taxation authorities in Australia and any other jurisdiction in which Envirosuite operates now or in the future, may affect the taxation treatment of an investment in Envirosuite shares, or the holding or disposal of Envirosuite shares. Further changes in tax laws in Australia or in any jurisdictions in which Envirosuite operates now or in the future, may impact the future tax liabilities of Envirosuite.

Accounting standards

Accounting standards may change. This may affect the reporting earnings of Envirosuite and its financial position from time to time. Envirosuite has previously and will continue to assess and disclose, when known, the effect of adopting new accounting standards in its periodic financial reporting.

Operational risks

Operational risk relates to the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events which impact on Envirosuite's business. Envirosuite is exposed to operational risks including risks arising from process error, fraud, system failure, failure of security and protection systems including cyber and physical security protections. Operational risk has the potential to have an effect on Envirosuite's financial performance and position as well as reputation.

Force majeure events

Events may occur within or outside Envirosuite's key markets that could impact upon the global economies and the operations of Envirosuite. The events include, but are not limited, to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, cyclones, changes in weather patterns or other severe weather events, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or manmade events or occurrences that can have an adverse effect on market conditions, the demand for Envirosuite's product offering and services and Envirosuite's ability to conduct business.

Other risks

The above risks should not be taken as a complete list of the risks associated with an investment in Envirosuite. The risks outlined above and other risks not specifically referred to may in the future materially adversely affect the value of Envirosuite shares and their performance. Accordingly, no assurance or guarantee of future performance or profitability is given by Envirosuite in respect of Envirosuite shares.



Definition of terms

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ARPS	Average Revenue Per Site which is calculated by taking the ARR divided by the number of sites.	Adjusted EBITDA	Earnings Before Interest Depreciation and Amortisation adjusted to (a) exclude share-based compensation, which is a non-cash expense; (b) exclude foreign exchange gains/losses, and transition expenses (redundancy payments and integration costs connected with acquisitions) which are deemed to be non-recurring in nature, and (c) add back depreciation and interest connected with leases recognised under IFRS 16 Leases as these are deemed to be recurring operating cash expenses.
ARR	Annual Recurring Revenue represents the monthly recurring revenue at the reporting date that the company expects to receive from customers based on sales orders received net of any churn.	Software as a Service	Refers to a method of software delivery and licensing in which a cloud-based software solution is accessed via a recurring subscription fee.
Site	A separate and distinguishable site (e.g., airport, mine site, waste and wastewater facility, construction site, etc.) at which Envirosuite’s environmental monitoring software and/or solutions are deployed. A single customer may have multiple sites which can be through separate contracts or under one master contract with Envirosuite. A site is only counted once it is included within the calculation of ARR.	Service Addressable Market (SAM)	The service addressable market is the portion of the Total Addressable Market (TAM) that can be meaningfully reached by Envirosuite’s software and solutions. It is calculated by taking the applicable global Sites (mines, wastewater treatment plants etc.) where Envirosuite’s software and solutions could meaningfully apply and multiplied by the current market Annual Recurring Revenue (ARR) price for that software/solution.
Recurring revenue	Revenue that the company expects to continue for more than 12 months based on term of the contract entered into with the customer or experience with the customer on other similar sites. Once revenue is treated as recurring revenue, it will continue to be accounted for as recurring revenue until the contract is terminated.	Total Addressable Market	The Total Addressable Market (TAM) refers to the total market demand for EVS products if 100% of the available market is addressed. It is calculated by multiplying the total number of global Sites (mines, waste water treatment plants etc) by the theoretical market ARR for that Site type.
Environmental Intelligence	Environmental Intelligence harnesses the power of environmental data through proprietary technology to provide analytics, real-time visualisations, predictive modelling and actionable insights so that industry and government can make fast, confident decisions that optimise operational outcomes and improve the liveability of their communities.		

Thank you.

