

29 July 2022

Enterprise Sales & ACV Update

Highlights:

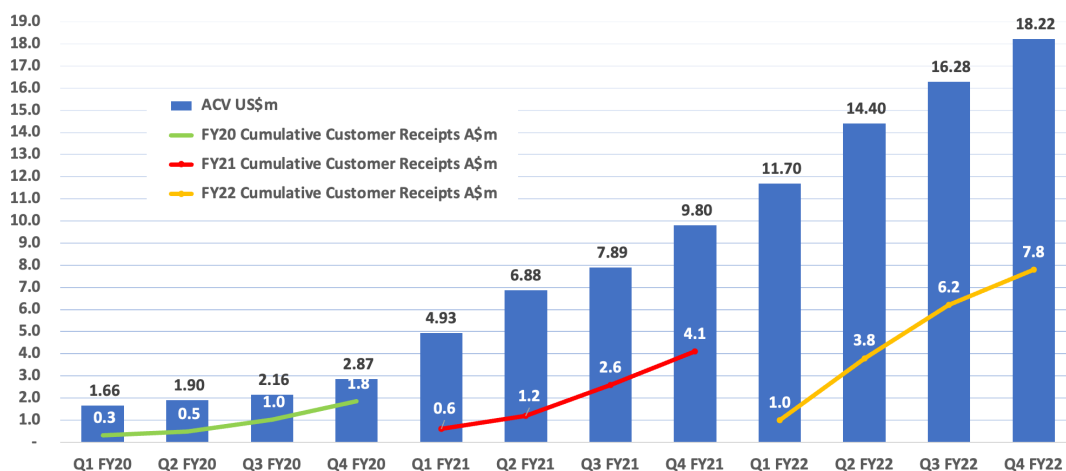
- Deployment of material contracts in the US energy utility sector coupled with broad growth across Pointerra’s other target sectors delivers US\$1.9 million uplift in ACV
- ACV now totals US\$18.2 million (29 July 2022), up US\$1.9 million from the 29 April 2022 ACV level of US\$16.3 million

Pointerra Limited (ASX: 3DP) (“Pointerra”; “Company”) is pleased to provide an update on enterprise sales activity during the June 2022 quarter and as of 29 July 2022.

ACV Growth

During the June quarter, and since the Company last reported ACV (Annual Contract Value) on 29 April 2022, Pointerra continued to add new customers and also generate growth in spend by existing customers across most of the Company’s target market sectors (Surveying & Mapping, AEC, Utilities, Transport, Mining, Oil & Gas) in the US and Australian markets. This growth has generated further uplift in Pointerra’s US\$ ACV run-rate.

Pointerra FY20, FY21 & FY22 Cumulative Cash Receipts (A\$m) & ACV (US\$m)



During the quarter the Company successfully grew the scope of deployment of previously awarded material contracts in the important US energy utility sector. Expansion in platform usage by customers including FPL, PG&E, Entergy and Eversource reflects the continued development and adoption of the higher-value elements of the Pointerra3D solution portfolio (Analytics and Answers) with Pointerra's Utility Explorer solution proving pivotal in driving this growth.

Revenue recognition and cash generation from these newer contracts continued to emerge during Q4 FY22 and is expected to accelerate into FY23 as further platform deployment milestones are met.

Importantly, the initial upload of legacy data by new customers (as well as new data provided by 3rd party contractors) to the Pointerra3D platform impacts the Company's ability to fast-track platform deployment for these new customers, which in turn impacts invoicing and cash generation. This one-off initial drag on deployment in the first year is not expected to continue in subsequent years with the customer.

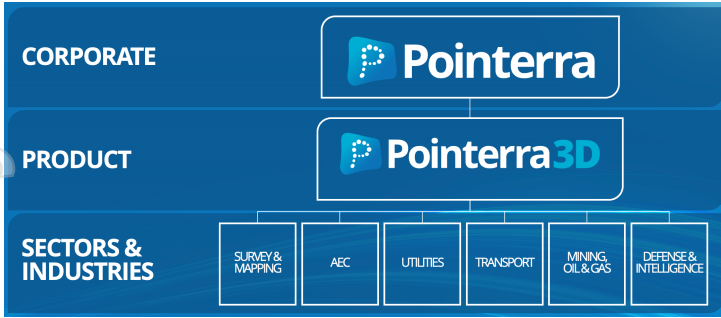
Pointerra3D continues to become a "must-have" platform for the US energy utility sector with existing customers advocating adoption of the Company's digital twin solution amongst peer utilities, which is expected to drive further growth in platform deployment and ACV across Pointerra's largest sector.

This customer advocacy will result in lower cost of customer acquisition and subsequently higher profitability per sale and was experienced during Q4 FY22 following the announcement of Pointerra's storm response solution for FPL, which generated multiple inbound inquiries from US utilities that experience similar issues in responding to storm events to repair the network and restore power in a timely manner.

In addition to the US energy utility sector material contract awards, the Company also added new (non-material) customers during the quarter and also increased ACV spend by existing customers across Pointerra's suite of solutions (Pointerra3D Core, Analytics & Answers).

The combined growth in ACV for the March quarter (compared to December quarter levels) was US\$1.94 million, representing a 12% increase, and ACV now stands at US\$18.22 million as of 29 July 2022. The year-on-year uplift in ACV (Q4 FY21 to Q4 FY22) stands at 86%.

In coming quarters and as Pointerra's portfolio of customers continues to mature, the Company will commence reporting a breakdown of ACV totals by target sector, including customer subscription numbers. This will highlight the diverse appeal of Pointerra3D across a range of industries, where customers are paying the company between US\$500 a month and more than US\$100,000 per month under recurring subscription agreements for the use of the Pointerra3D suite of solutions.



Pointerra3D



Pointerra3D ANSWERS delivers the predictive insights that enable **definitive answers** to physical asset management questions - e.g. 3dinsight.ai

Pointerra3D ANALYTICS creates a **digital twin** to enable timely and intelligent analysis of the physical world.

Pointerra3D CORE is the baseline platform that delivers a game-changing **3D data workflow solution**.

Accelerating Pointerra’s Global Expansion

Further scaling the Company’s operations to target growth across these sectors will continue in coming quarters to support growing global demand for Pointerra3D’s solutions, with the following initiatives being undertaken:

- Opening Pointerra’s first US office to provide a regional home for the business;
- Commencing operations in the UK to service the EMEA region (Europe, Middle East & Africa); and
- Pursuing strategic M&A tuck-in acquisitions targeted to add domain knowledge in people and product in the AEC, Transport and Mining, Oil & Gas sectors.

In recent quarters the Company has demonstrated a growing maturity in its business model, whereby continued compound organic growth has been self-funded through cash from operations, with any strategic M&A tuck-in acquisitions expected to be largely scrip funded in order to ensure alignment of interests for incoming people.

In Australia the Company also expects to continue growing people numbers in the Perth and Brisbane offices across Development, Product and Sales teams to support customer demand for sector-specific solution enhancements in Pointerra3D Analytics and Answers.

General

The Company looks forward to informing the market of further movements in ACV as appropriate and at least on a quarterly basis.

As with previous ACV market updates, the Company again notes that quarter-on-quarter cash receipts may continue to be variable as new customers are onboarded with a variety of different payment cycles including monthly, quarterly, annually and even multi-year in advance agreements.

Further, and as previously advised, any individually material Pointerra3D contract awards will be separately announced to the market as they are confirmed by customers.

This announcement has been authorised and approved for release to the ASX by the Board of Pointerra Limited.

ENDS

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