

personal use only



# Pointerra

Digital Twins  
Simply *faster.*

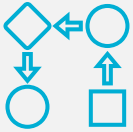
**June Quarter FY23  
App. 4C Commentary**

31 July 2023

# Pointerra3D - A High-Growth SaaS Company



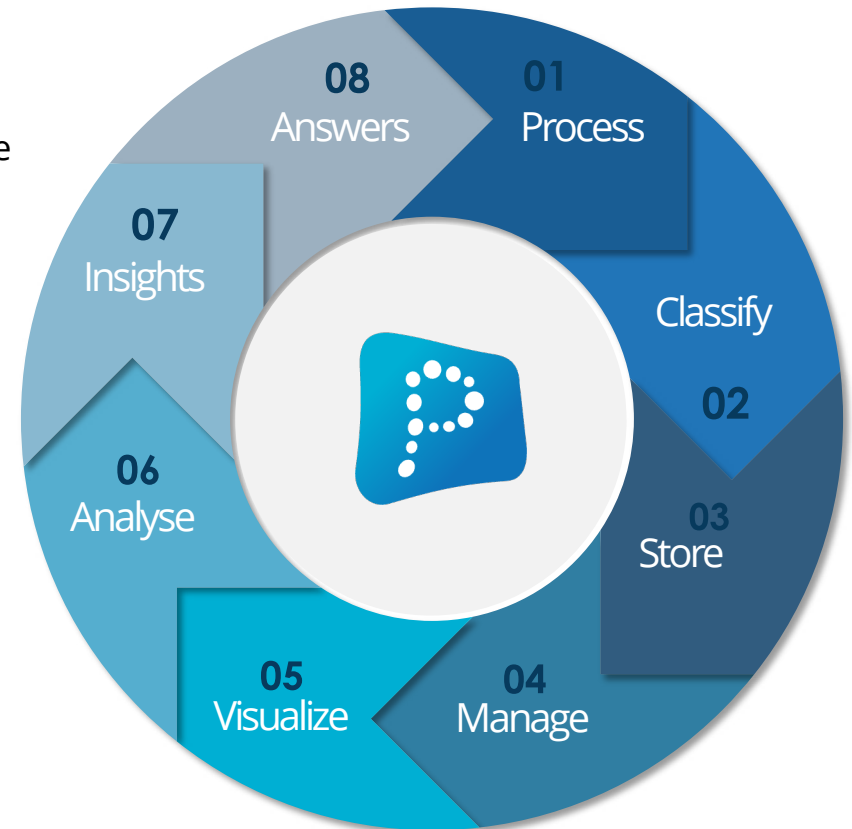
**Pointerra3D - the world's fastest true end-to-end digital twin solution**, leveraging proprietary patented algorithms and technology via an innovative and unique cloud subscription business model.



**Pointerra3D** helps customers **answer almost any physical asset management question**, solving numerous traditional 3D digital twin data workflow problems when seeking to plan, design, construct, own, operate, insure and regulate the physical world around us.



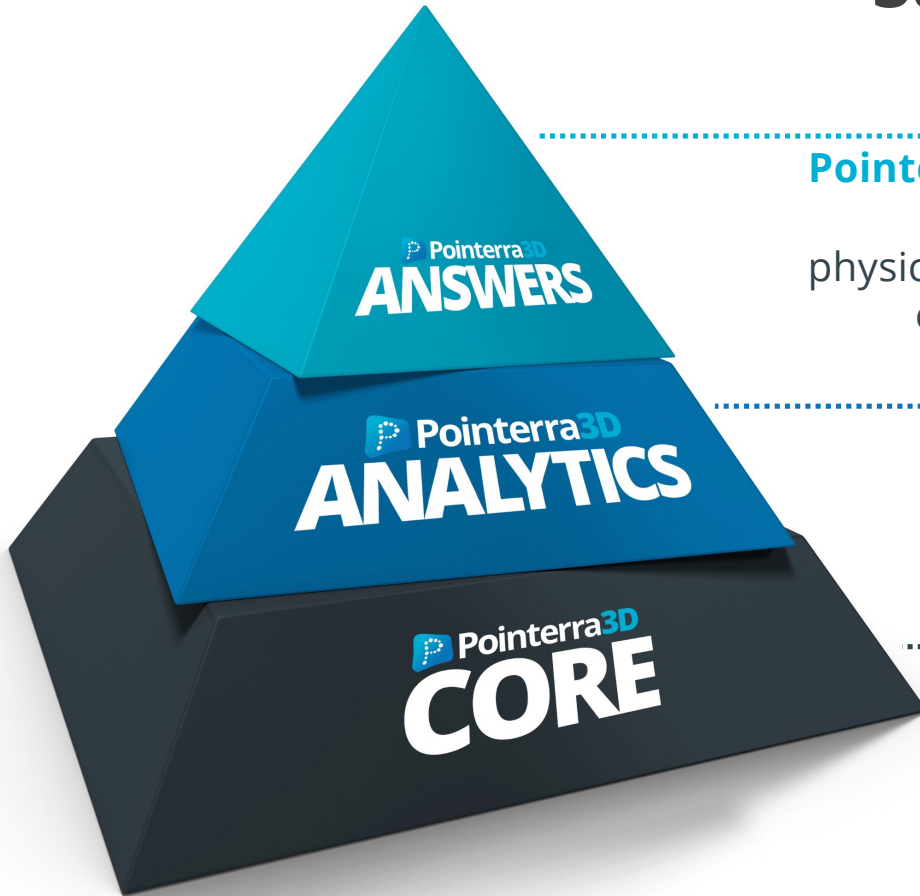
**Pointerra3D's** digital twin solution stores, processes, manages, analyses, extracts, visualises and shares the key insights from massive 3D datasets at **a level of speed, smarts and scale** that is unprecedented.





# Pointerra3D

## A Unique Digital Twin SaaS Business Model



**Pointerra3D ANSWERS** delivers predictive digital insights and definitive answers to complex physical asset management questions via simple, easy to use business intelligence interfaces.

**Pointerra3D ANALYTICS** uses AI analytics to build digital twins, enabling intelligent, dynamic analysis of physical assets.

**Pointerra3D CORE** is a cloud platform providing solutions to the most common digital twin data workflow problems.

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# Pointerra's Self-Funding Growth Strategy

Continue to work with customers, prospects and partners **to identify problematic and clumsy desktop digital twin workflows that can be migrated to the cloud**, building out Pointerra3D Analytics and Answers

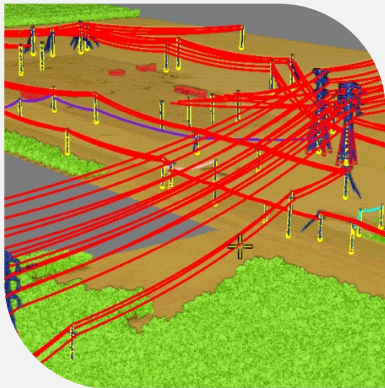
Leverage the Company's proven success in the power utility sector to **provide a pathway for growth across other key target market sectors.**

**Identify and on-board quality people in** development, product and business development across Pointerra's six key target market sectors.

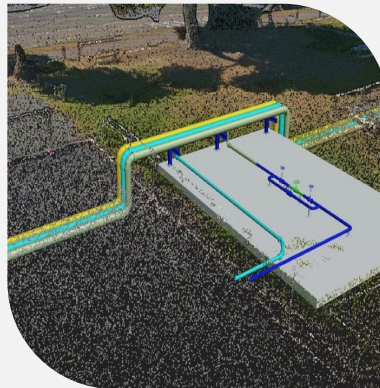
**Retain a disciplined focus on scaling sticky, recurring SaaS ACV, revenue and cashflow** so that the resulting operational leverage can drive sustainable profitability.



## Why Pointerra? *What our customers tell us...*



"Pointerra3D's speed, smarts, scale and on demand accessibility delivers efficiencies, cost savings, address ESG challenges and provide risk mitigation outcomes that have never been seen in this sector."



"The transformation of 3D data to a Digital Twin using Pointerra3D means that customers can now easily access definitive asset management insights on demand, dynamically and faster than ever before."



"Pointerra3D enables large organisations to become proactive rather than reactive in their management of complex and geographically diverse infrastructure assets, reducing OPEX, optimising CAPEX and lowering risk."



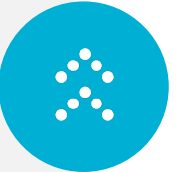
## Q4 FY23 Highlights – Short Term Program Delays



- **Short-term US customer program delays impact Q4 FY23 invoicing and cash collection**
- **A\$1.8 million cash collected during month of July 2023**
- **Australian large enterprise customer annual renewals complete**

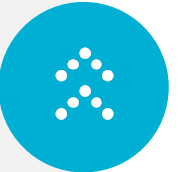
### **Cash Receipts A\$0.8 million**

*FY23 Cash Receipts total A\$9.4 million v FY22 A\$7.8 million*



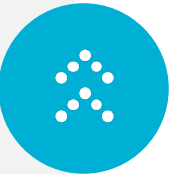
### **Cashflow Negative A\$1.79 million**

*Expected to revert to cashflow positive Q1 FY24 and beyond*



### **US Utility CAPEX Programs**

*New Grid Resilience & Hardening CAPEX Programs emerged during the quarter and will impact FY24 and future years*




## Q4 FY23 Market Sectors & Industries Update




- **Utilities.** Delivery of the new, innovative Quick Load pole engineering tool has further extended Pointerra3D's power distribution analytics capability into the strategically important grid resilience and hardening programs being undertaken by a growing number of US energy utilities. These programs are large, multi-year undertakings and the use of Pointerra3D is delivering material savings in both time and cost, allowing utilities and their EPC contractors to meet program timetables in a time of limited people and materials resources.
- **Defense & Intelligence.** The Company continues to pursue a targeted approach to the Defense sector in the US by developing direct opportunities and partnering with Defense contractors who hold valuable contract vehicles. Recent focus has been on C6ISR where Pointerra3D can provide valuable feedback concerning potential changes in geopolitical scenarios. Additionally, areas of battlefield preparedness, situational awareness and disaster response are being pursued.

## Q4 FY23 Market Sectors & Industries Update



 **Survey & Mapping.** Enhancements to Pointerra3D's digital delivery workflows have accelerated delivery and acceptance processes for Pointerra customers with their QA/QC workflows now performed in the Pointerra3D platform. As adoption and use cases for this enhanced capability further evolve, they are expected to deliver incremental and material ACV growth from existing and new customers in this important sector.

 **AECO (Architecture, Engineering, Construction & Operations).** Pointerra3D analytics that underpin digital engineering and construction workflows are continuing to deliver growth in this sector. The buying journey commences with adoption of Pointerra3D Core as the Common Data Environment (CDE) to unify 3D data assets across a given project. Once consolidated and available across all project stakeholders the CDE is leveraged to report on project progress, conformance to design and produce as-constructed Digital Twins for full cycle asset management.



## Q4 FY23 Market Sectors & Industries Update




• **Mining, Oil & Gas.** Pointerra3D continues to grow its footprint in the resources sector as Digital Transformation programs build momentum and organisations are seeking end-to-end solutions that are open, scalable and easy to use. Pointerra3D has now been adopted by a number of global Tier-1 resources companies and is being relied on to operationalise the use of 3D capture hardware solutions that were previously challenged by time delays in data processing and analysis. Pointerra3D has solved these problems and is now building Digital Twins for resources companies across the world.


• **Transport.** The transport sector continues to be a high growth area for the Company both within Government and for EPC firms tasked with the delivery of major linear infrastructure programs. The delivery capability described under Survey & Mapping (above) is viewed as a high value by this sector and is being widely adopted in Australia, with existing transport agency customers renewing and new government agencies selecting Pointerra via competitive tender processes.




## Q4 R&D Update – Customer Facing Enhancements




New trial customer web site content and application signup process released. This includes new user activity tracking linked to targeted email automations to guide trial customer usage and success without the need for direct sales staff engagement.




Continued focus on enterprise-grade platform enhancements. New sign in workflow to simplify the user login experience and better support single sign on. Features to streamline inter-company data sharing and ownership transfers. Support for companies to configure cloud-to-cloud data ingestion and egress across both AWS and Azure environments.




Many enhancements to the Utility Explorer application to support upcoming acceleration of usage from electrical utility customers undertaking large scale pole hardening programs.



New Linked Applications feature to enable users to control publishing of data stored in the Pointerra Core platform into external applications. The initial target for this functionality is the Utility Explorer application, but a range of other “explorer-style” data consumption applications are planned to provide industry-specific workflows and interfaces.



Next Generation Poles and Wires analytics now released to customers. This provides a step change in scalability for storing and viewing electrical utility analytics, supporting unlimited size datasets via dynamic tiling and loading strategies.



Continued R&D focus on applying neural network and other learning-based approaches to future analytics and visualisation capabilities.





# Q4 FY23 Quarterly Cashflow Commentary

**Cash Receipts.** During the quarter ended 30 June 2023 the Company received A\$0.78 million in customer receipts, compared to the 31 March 2023 quarter figure of A\$3.25 million, which contributed to a net cash outflow from operating activities of A\$1.79 million for the quarter. Short-term program and invoicing delays by some US customers were experienced during Q4 and further improvement is expected in Q4 and into FY24. Cash receipts for the month of July 2023 amounted to A\$1.8 million. The core business operation continues to self-fund organic growth across the business in Australia and the US.

**Cash Outflows (Summary of Expenditure).** During the quarter, payments for *Research and Development* represented salary allocations of Pointerra team members who are 100% focused on R&D activities. Payments for *Product Manufacturing and Operating Costs* represent the portion of Pointerra's AWS cloud platform expenditure allocated to supporting paying customers as well as 3rd party data procurement costs made on behalf of customers. Ongoing AWS costs as a percentage of revenue are expected to trend down in coming quarters as further cost optimisation strategies are adopted in conjunction with AWS engineers.

Payments for *Staff Costs* represent salaries for administration, sales, and general management activities by Pointerra team members. Payments for *Administration and Corporate Costs* represent general costs associated with running the Company, including conference travel and attendance costs, ASX fees, legal fees, adviser fees and premises rent.

Cash Outflows for the quarter were in line with management expectations and the cash balance as of 30 June 2023 amounted to A\$1.49 million. Please refer to the attached *Appendix 4C* for further details on cash flows for the quarter. The aggregate amount of payments to related parties and their associates included in the current quarter cash flows from operating activities were A\$0.10 million comprising Directors fees, salaries, and superannuation.

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

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Pointerra Limited

**ABN**

39 078 388 155

**Quarter ended ("current quarter")**

30 June 2023

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	782	9,411
1.2 Payments for		
(a) research and development	(559)	(2,258)
(b) product manufacturing and operating costs	(345)	(1,758)
(c) advertising and marketing	(43)	(191)
(d) leased assets	-	-
(e) staff costs	(1,189)	(4,805)
(f) administration and corporate costs	(426)	(2,829)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	(12)	(28)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	457
1.8 Other (provide details if material)	-	(24)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,791)</b>	<b>(2,024)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(5)	(58)
(d) investments	-	-
(e) intellectual property	-	(16)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(5)</b>	<b>(74)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,272	3,596
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,791)	(2,024)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5)	(74)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	15	(7)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,491</b>	<b>1,491</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	1,440	3,222
5.2	Call deposits	51	50
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,491</b>	<b>3,272</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	102
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7. <b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,791)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,492
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	1,492
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	0.83
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
<p>Answer:</p> <p>No, the Company does not expect this level of operating cash outflows to continue in Q1 FY24 or into future quarters.</p> <p>The Q4 FY23 result is primarily attributed to program and invoicing delays with US customers in addition to large accounts receivables balances at quarter end, most of which were originally expected to be collected during Q4 FY23. Delays in payments by customers experienced during Q4 FY23 are expected to be resolved during Q1 FY24, with A\$1.8 million collected during the month of July.</p> <p>Short-term program delays by some US customers experienced during Q4 FY23 are expected to resolve during Q1 FY24, with further improvement is expected in Q2 FY24 and beyond into FY24.</p> <p>Consistent with previous quarters, the Company highlights that quarter-on-quarter cash receipts may continue to be variable as new customers are on-boarded following contract award with a variety of different payment cycles including monthly, quarterly, annually, and even multi-year in advance agreements.</p>	

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

The Company has not taken any steps to raise further cash (refer 8.6.1 above) and has a track record of successfully raising cash as and when required.

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Cash collections in Q1 and Q2 FY24 and beyond are expected to generate positive cashflows from operations.

*Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.*

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: .....31 July 2023.....

Authorised by: .....By the Board.....  
(Name of body or officer authorising release – see note 4)

### Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.