

## Spectur FY18 revenue up 86% to \$2.48m

### ASX Release

#### HIGHLIGHTS:

- Record FY 2018 annual revenues of \$2,478,841 (FY 2017: \$1,332,681)
- Record quarterly revenues for the June '18 quarter of \$755,372 (June 2017: \$308,100)
- June quarter camera rental revenues more than doubled to \$191,000 from the previous quarter (March quarter 2018: \$89,698)
- Annualised rental and recurring revenues exceed \$1,200,000

**9 July 2018:** Australian-based technology and security systems company Spectur (**ASX:SP3**) is pleased to announce record revenues in the June quarter, contributing to record total revenue in FY 2018.

#### **FY 2018 revenue and continued growth forecast**

Sales revenues (unaudited) for FY 2018 were circa \$2,479,000, (FY 2017: \$1,332,681) which represents an increase of 86 per cent over the previous financial year.

“We attribute the growth primarily to our east coast expansion strategy, which has allowed us to directly service customers in Victoria, Queensland and New South Wales. Our market in Melbourne is growing strongly and in NSW we are already seeing orders from the Tier One clients we are targeting. This strategy will generate accelerating revenues over the next few quarters. We will also see the benefit of sales and rentals of our new Thermal Cameras in the next period” said Spectur Managing Director Mr Peter Holton.

Spectur also achieved its best quarterly sales revenue figures of circa \$755,372 (June 2017: \$308,100), more than doubling revenues from the previous years equivalent quarter.

#### **Annualised rental and recurring revenues exceed \$1,200,000**

The combined revenues during the June quarter from rental cameras as well as recurring revenues (server access, data and monitor fees) totalled \$309,000 (March 2018: \$203,000), which equates to annualised rental and recurring revenues of over \$1,200,000.

“We are seeking to grow our rental and recurring revenues, as a buffer against the fixed costs of our Australian operations. Our aim is to enable gross margins from sales of our new cameras to generate positive cash flows in the medium term,” said Mr Holton.

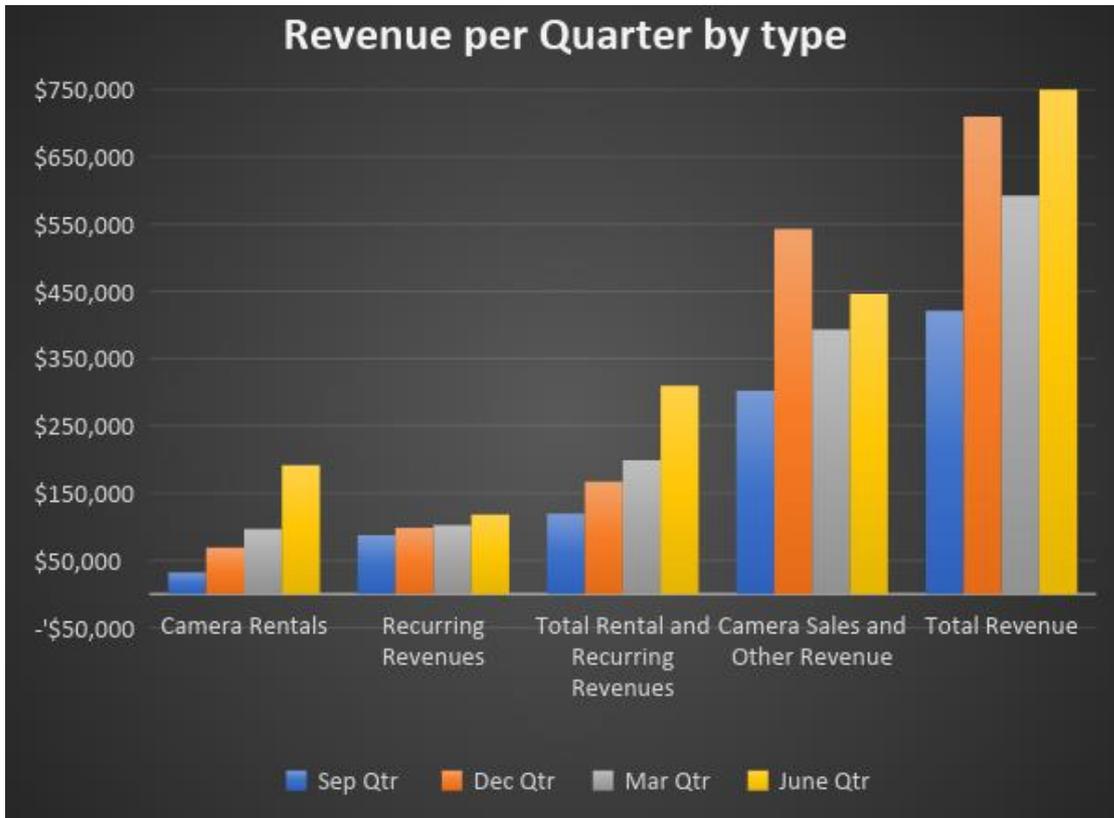


Figure 1: Revenue per quarter by type (four quarters till June '18 quarter)

**Growth in proportion of rental units**

The volume of rented camera units in the field is increasing at a faster rate than sales of camera units. “We are encouraged to see growth in both the sales and rental parts of our business as it demonstrates that we have a quality product that can be accessed by customers with varying requirements for surveillance. Our ability to service Tier One clients nationwide gives us a unique advantage that we are we are starting to see the benefits from.” said Mr Holton.

**Deployment of camera units accelerate**

The total number of deployed cameras during 2018 continued to accelerate compared to FY 2017. The Company is targeting continued growth in deployment of camera units into FY 2019.

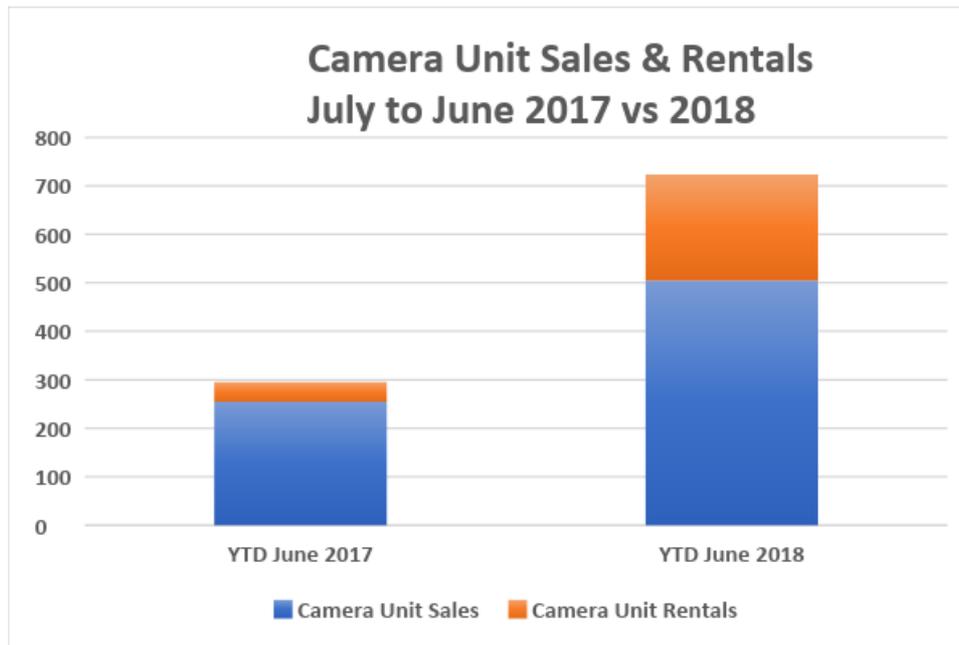


Figure 2: Growth in camera unit sales and rentals FY 2017 vs FY 2018

### Performance Milestones

Given the company revenues (unaudited) for 2018 have now been reported as circa \$2,479,000 and, subject to audited figures, the Tranche 1 Performance Rights Milestone (“Milestone 1”) will be met. Milestone 1 is disclosed in Spectur’s 19 June 2017 Prospectus as the Company achieving a minimum of \$1,750,000 in annual revenue as per the FY 2018 audited accounts. Upon achievement of Milestone 1, a total of 7,000,000 performance rights will vest with the holders and entitle them (upon conversion) to receive one fully paid ordinary share (‘Share’) for each performance right held. The Milestone 1 achievement will be confirmed following the release of the audited 2018 financial statements. The Shares will however be subject to escrow until August 2019 (see ASX release dated 28 July 2017).

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**ABOUT SPECTUR**

Spectur Limited is an Australian-based company which owns the rights to its innovative hardware and disruptive cloud based IOT and security systems which operate in Australia. The two key industries that Spectur currently services are the building/construction/civil industry and the critical infrastructure industry. The Company's focus is to service the commercial, industrial and government sectors. Spectur's core product is the HD4 security camera system and associated cloud based platform. The HD4 is a solar powered battery backup security system which is remotely accessed and connected via 3G/4G technology which is connected to the cloud based platform. Spectur has also added thermal camera surveillance as a stand-alone system to complement its existing product base. The Company is rapidly implementing a growth plan to firstly grow revenues and market share in the Australian security surveillance sector and, secondly to penetrate other key strategic markets.

**FORWARD-LOOKING STATEMENTS**

This announcement contains forward-looking statements which are subject to elements of uncertainty, risk and other factors which could cause the actual results or outcomes to differ materially from those stated. These statements are based on an evaluation of current economic, contractual and operating conditions, as well as assumptions regarding future events. These events are, as at the date of this announcement, expected to take place, but there cannot be any guarantee that such events will occur as anticipated, when anticipated or at all given that many of the events are outside Spectur's control.

Accordingly, neither Spectur nor any of its directors, officers, employees, contractors or agents, gives any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur as and when anticipated.

