



Spectur Limited (ASX:SP3) Achieves Record Results Q3 FY19 Generates Record Quarterly Revenue

ASX Announcement | 09/04/2019

Financial Highlights

- Spectur delivers best ever quarterly revenues in Q3 FY19
- Q3 FY19 revenues of \$1.2 million, up 9% from Q2 FY19 and up 99% from Q3 FY18
- Spectur delivers best ever monthly revenues in February 2019
- Recurring revenues (excluding rentals) are currently providing annualised revenue streams of approximately \$895,000 per annum.
- Combined sales and net rental deployment of camera units showing continued strong growth
- Spectur recorded its lowest ever quarterly operational cash burn of \$190,000
- Cash at bank of \$1.2 million as at 31 March 2019
- Spectur is in negotiations with a major Australian bank for a debt facility to help fund the Company's working capital cycle and provide further runway for growth

Tuesday 9 April 2019: Security systems and cloud-based technology solutions company Spectur Limited (ASX:SP3) ("Spectur" or "the Company") is pleased to report it has achieved a record quarter of revenue in the three months to the end of March 2019 [Q3 FY19], supported by its best ever monthly performance in February 2019.

The Company revenues for Q3 FY19 of \$1.2 million, represent a gain of 9% from the second quarter and a year-on-year doubling of revenue compared with Q3 FY18. The third quarter is traditionally one of the slowest quarters of the year, but despite this the month of February 2019 achieved record revenues with sales of \$469,000.

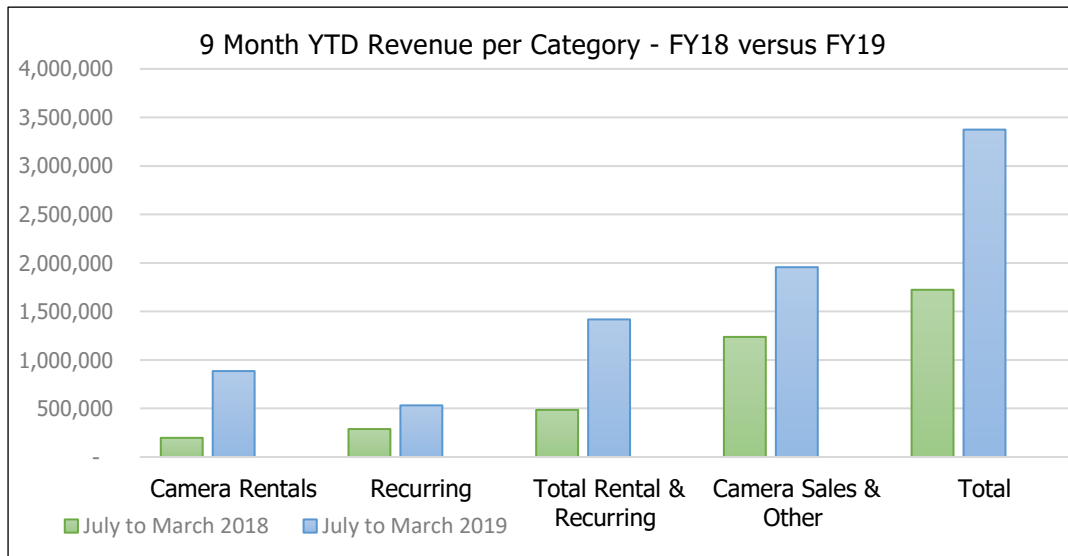
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Combined sales and net rental deployment of camera units are showing continued strong growth. Spectur recorded its lowest ever quarterly operational cash burn of \$190,000 and cash at bank of \$1.2 million as at 31 March 2019. Spectur is in negotiations with a major Australian bank for a debt facility to help fund the Company's working capital cycle and provide further runway for growth.

Q3 FY19 Financial Commentary

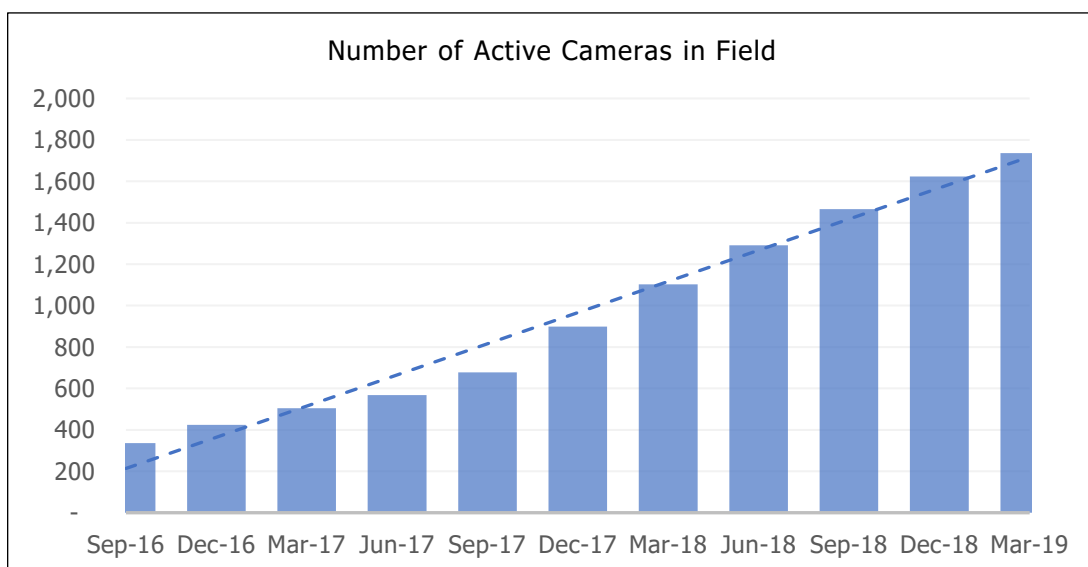
Operating revenues for the March 2019 quarter were circa \$1.2 million (Q3 FY18: \$592,244), an increase of 99% while revenue to 31 March 2019 (YTD) of \$3.4 million has increased by 96% compared to the prior corresponding period, showing significant year-on-year growth. Spectur also experienced its highest revenue month on record during the quarter, with February 2019 generating \$469,000.

Recurring revenues from data plan, server access and monitoring services are consistently building. At 31 March 2019, annualised recurring revenues reached approximately \$895,000 per annum.



Q3 FY19 Camera Unit Growth

Spectur increased combined sales and net rental deployment of camera units quarter on quarter:



Corporate & Financial

The Company recorded its lowest net operating cash outflow since its ASX listing in 2017 of \$190,000 for the quarter, a significant reduction from the December 2018 quarter operating outflow of \$544,000 (which included a \$396,000 R&D tax refund) and the September quarter outflow of \$1.45 million.

The Company is very pleased with the efforts made to preserve working capital and the intention is to maintain this ongoing as Spectur continues to grow its revenue base. Spectur closed the quarter with \$1.2 million in cash.

Outlook & Executive Transition

Spectur continues to move rapidly towards being cashflow-positive and we are in negotiations with an Australian bank for a debt facility. The Company plans to use any debt facility prudently to fund its working capital cycle and extend its growth runway.

In order to support our growth, Spectur also today announces a Leadership Transition [ASX announcement: Tuesday 9 April 2019]. Gerard Dyson has been appointed as the Company's new Managing Director from 1 July 2019 and Gary Pennefather has been appointed as Chief Operating Officer.

Current Managing Director Peter Holton will transition to an Executive General Manager role from 1 July 2019 to focus on business and product development and relationships with key clients and large prospects.

Executive Commentary

Spectur Managing Director Peter Holton says: "I am very pleased to announce Spectur's excellent third quarter results which are testament to our long-term strategy. Achieving record quarterly and monthly revenue and our lowest ever cash burn is a strong result for the Company. These figures show our costs are well under control and we have never been in a better position to capture demand across a range of sectors."

Spectur Chairman Darren Cooper says: "Spectur continues to build on its success to date in growing revenues and in particular, recurring revenues in rentals and services. With the strengthening of the management team, continued progress towards becoming cashflow positive from operations and a debt facility being negotiated Spectur is well placed to accelerate growth and look to new markets."

Ends.

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About Spectur Limited

Spectur Limited (ASX:SP3) is a security systems and cloud-based technology solutions company. Spectur designs, develops, and manufactures monitoring systems used to protect organisations and businesses in Australia's commercial, industrial and government sectors. Spectur's core product is the HD4 wireless solar security camera system which is connected to a cloud-based platform. Other products include a timelapse camera, a thermal security camera and a shark warning system. The Company is rapidly implementing a growth plan to first grow revenues in the domestic market and then strategically expand into global markets. To learn more please visit: <https://spectur.com.au>

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.

