



Pointerra Limited

8 February 2021

Vanessa Nevjestic
Adviser, Listing Compliance (Perth)
ASX Compliance Pty Ltd
Level 40, Central Park
152 – 158 St Georges Terrace
Perth WA 6000

Dear Vanessa

Pointerra Limited : General – Aware Query

Pointerra Ltd (**3DP or the Company**) refers to your letter dated 2 February 2021 and provides the following responses to your letter:

- 1. Does 3DP consider the information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

No

- 2. If the answer to question 1 is “no”, please advise the basis for that view.**

Singularly, the Company is of the view that the agreement with Eversource Energy is not material as a percentage of reported Annual Contract Value (ACV).

On 29 January 2021, 3DP released announcements entitled “Appendix 4C – quarterly” (at 5.19am WST) and “Enterprise Sales and ACV Updated” (at 5.21am WST).

Reference is made to the Eversource Energy engagement in the release entitled “Appendix 4C – quarterly” and relevantly included in the release entitled “Enterprise Sales and ACV Updated” where it is reported that ACV stands at US\$6.88 million, up US\$1.95 million from the 30 September 2020 ACV level of US\$4.93 million.

The reporting of ACV, which is an industry accepted basis of reporting for entities such as 3DP, follows ACV updates on 1 September 2020, 15 October 2020 and 26 November 2020, all of which resulted in a significant increase in volume of 3DP’s securities traded on the day of release and the immediate proceeding days.

3DP is of the view that during its growth phase, ACV is an appropriate measure of revenue and new contract arrangements as it represents an aggregation across 3DP’s suite of product offerings. As stated in both of the releases referred to above, any individually material DPaaS/DaaS/AaaS contract awards will be separately announced to the market as they are confirmed by customers.

As previously disclosed, ACV (also known as ARR, or Annual Recurring Revenue) represents the US\$ total (in Pointerra’s case) of customers that are paying or have committed to pay for (or subscribe for) the use of Pointerra’s cloud platform (DPaaS/DaaS/AaaS) for 3D data, expressed as an annualised amount at any given point in time.



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Because SaaS businesses like Pointerra have a no lock-in/commitment commercial model (ie the customer can cancel at any time), ACV/ARR for SaaS businesses is expressed as the annualised total of all customers (regardless of their payment cycle/frequency) at any point in time.

If a customer stops paying or cancels their account then their contribution to ACV is removed. Similarly, if a customer grows/reduces their spend there is a similar upward impact on ACV.

Some examples may help to illustrate this approach:

A small customer paying \$1,000 pcm contributes \$12,000 to ACV.

A larger customer who has decided to pay \$120,000 annually in advance contributes \$120,000 to ACV.

A customer who decides to pay \$6,000 quarterly contributes \$24,000 to ACV.

A customer who is paying \$30,000 a month but who ups their spend for a fixed period of time (say an additional \$20,000 pcm) for a few months but does not commit to a higher spend stays at an ACV contribution of \$360,000 pa (12 x \$30,000).

A customer paying \$2,000 pcm that decides to reduce their spend on the platform to \$1,000 pcm changes in the ACV calculation from \$24,000 to \$12,000.

When ACV is totalled/measured from time to time, the annualised sum of all customers (at their current subscription levels) generates the total ACV for the company.

Pointerra commenced reporting ACV to the market on 31 January 2019 (in the Company's December 2018 Quarter Activities and Cashflow Report) and has updated the market on a regular basis (at least quarterly) on movements in ACV since this time.

Because each customer has different procurement, onboarding, invoicing and payment requirements following their decision to commit to Pointerra's platform, the Company has previously advised the market that the timing of invoicing, revenue recognition and cash receipts from each new customer will vary.

As previously advised, both in aggregate and over time, the Company expects that ACV, invoicing, revenue recognition and cash receipts from customers will begin to align as the customer base continues to grow and mature.

Notwithstanding the Company's view on materiality, the Eversource agreement was announced to the market in the two market releases referred to above.

3. When did 3DP first become aware of the Information?

As outlined in 3DP's announcement entitled "Appendix 4C – quarterly" released to the market on 29 January 2021, *"The Company also worked with new customer Eversource Energy (Eversource) a US\$32 billion market capitalisation energy company servicing customers in Connecticut, Massachusetts and New Hampshire to determine the scope and scale of deployment of Pointerra's platform to support Eversource's storm response and network integrity operations."*



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Subsequent to the end of the quarter, on the evening of 28 January 2021 3DP finalised its arrangements with Eversource Energy for the initial deployment of Pointerra's DPaaS, DaaS and AaaS solutions for Eversource, totalling US\$150,000 pcm (US\$600,000 in total) for the duration of a 4-month deployment period.

In any event, the information was released to the market in the *Appendix 4C – quarterly* and the *Enterprise Sales and ACV Updated*, in a timely manner.

- 4. If the answer to question 1 is “yes” and 3DP first became aware of the Information before the relevant date, did 3DP make any announcement prior to the relevant date which disclosed the Information? If so, please provide details. If not, please explain why this Information was not released to the market at an earlier time, commenting specifically on when you believe 3DP was obliged to release the Information under Listing Rules 3.1 and 3.1A and what steps 3DP took to ensure that the Information was released promptly and without delay.**

Not applicable.

- 5. Please confirm that 3DP is complying with the Listing Rules and, in particular, Listing Rule 3.1.**

3DP confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

- 6. Please confirm that 3DP's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of 3DP with delegated authority from the board to respond to ASX on disclosure matters.**

3DP confirms that its responses to the questions above have been authorised and approved by its board.

Yours sincerely,

Neville Bassett
Company Secretary



2 February 2021

Reference: ODIN30358

Mr Neville Bassett
Company Secretary
Pointerra Limited
C/- Westar Capital Limited
Level 4, 216 St Georges Terrace
Perth, Western Australia 6000

By email: njb@westarcapital.com.au

Dear Mr Bassett

Pointerra Limited ('3DP'): General – Aware Query

ASX refers to the following:

- A. 3DP's announcement entitled "Appendix 4C - quarterly" lodged on the ASX Market Announcements Platform and released on 29 January 2021 (the 'Announcement'), disclosing that during the December 2020 quarter, 3DP was engaged by Eversource Energy to determine the scope and scale of deployment of 3DP's platform into Eversource's storm response and network integrity operations over a 4-month deployment period for a total consideration of US\$600,000 (the 'Information').
- B. The change in the price of 3DP's securities following the release of the Announcement from a low of \$0.470 at the close of trade on 28 January 2021 to an intraday high of \$0.515 on 29 January 2021, representing a 9.57% increase.
- C. The increase in the volume of 3DP's securities traded from 29 January 2021 to 2 February 2021.
- D. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- E. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."

- F. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*

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- *The information is generated for the internal management purposes of the entity; or*
 - *The information is a trade secret; and*
- 3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*
- 3.1A.3 *A reasonable person would not expect the information to be disclosed.”*
- G. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:
- “Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”*

Request for information

Having regard to the above, ASX asks 3DP to respond separately to each of the following questions and requests for information:

1. Does 3DP consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. When did 3DP first become aware of the Information?
4. If the answer to question 1 is “yes” and 3DP first became aware of the Information before the relevant date, did 3DP make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe 3DP was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps 3DP took to ensure that the information was released promptly and without delay.
5. Please confirm that 3DP is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that 3DP’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of 3DP with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **9:00 AM AWST Monday, 8 February 2021**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, 3DP’s obligation is to disclose the information ‘immediately’. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require 3DP to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in 3DP's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in 3DP's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to 3DP's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that 3DP's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Vanessa Nevjestic
Adviser, Listings Compliance (Perth)