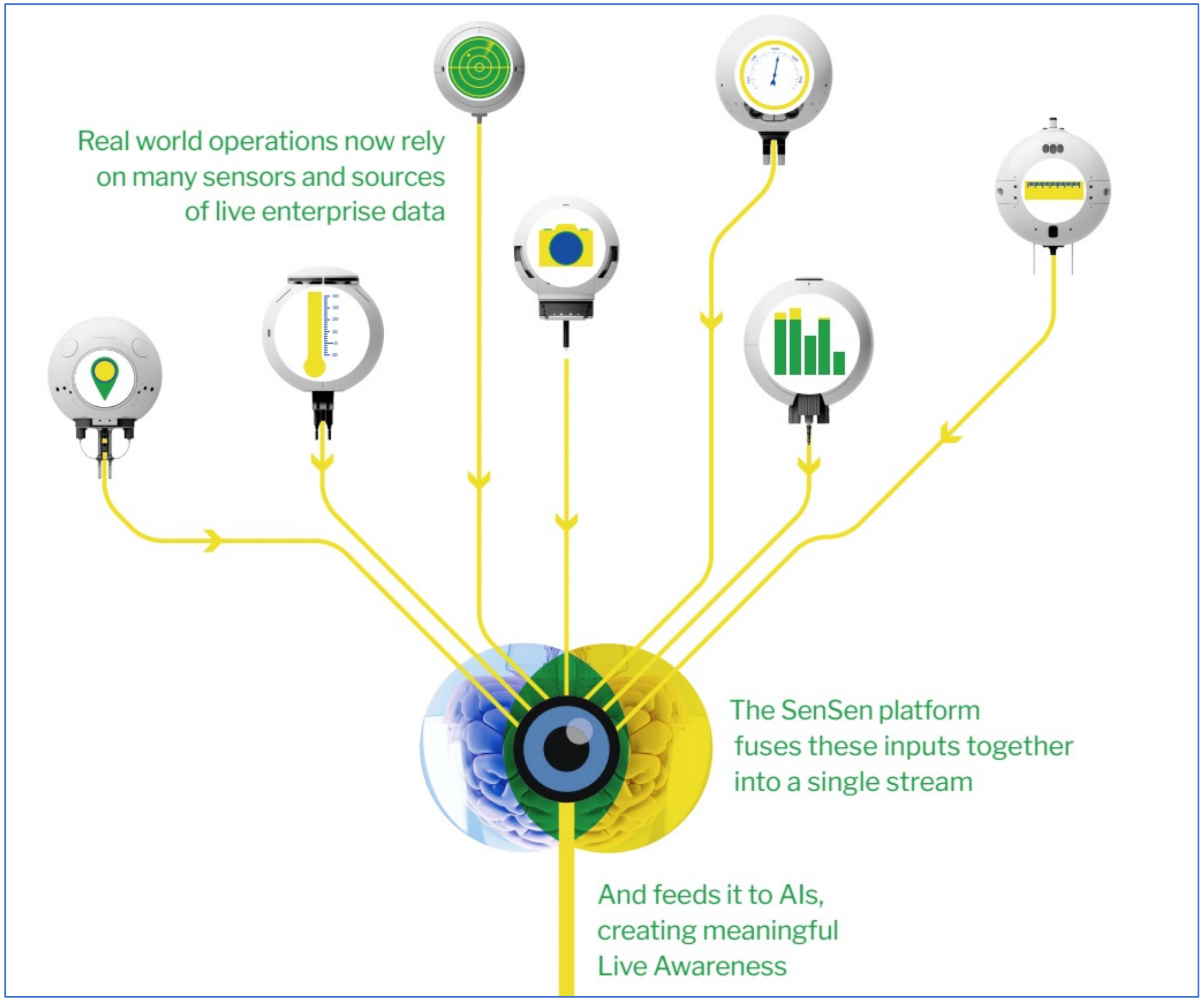
SenSen Networks Ltd. | ASX:SNS

Coffee Microcaps Presentation
2 February 2024

sensen.ai
the Live Awareness platform



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World leaders in delivering

Live Awareness solutions to

Cities, Citizens and

Corporations

Using Sensor AI

Operational Update

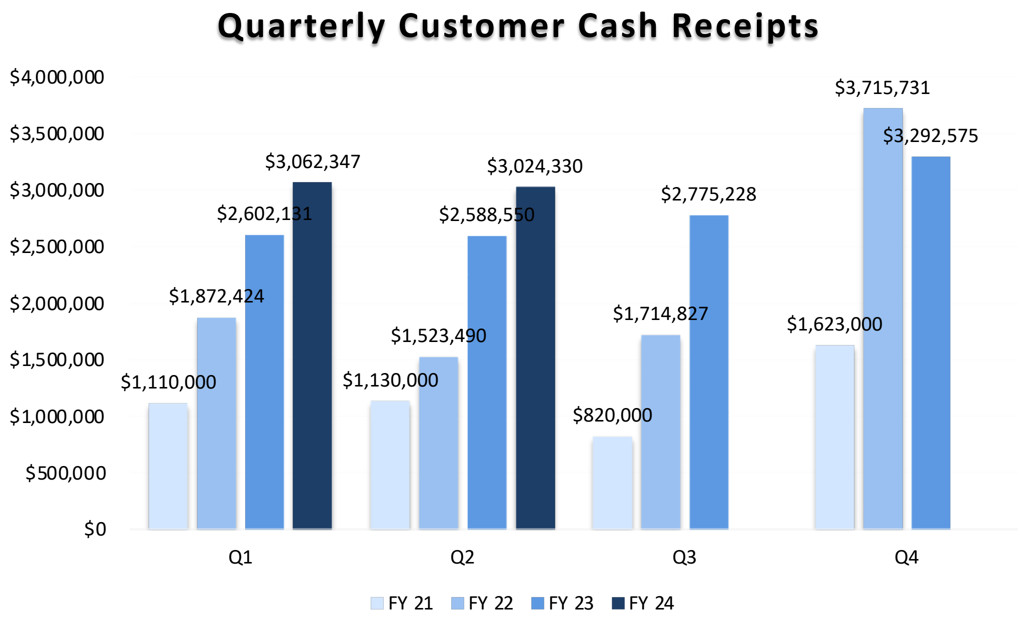
	Achieved	Progressing
Cash flow positive*	☑	
Optimised management structure Simpler structure with four key areas of accountability	☑	
Board Review Appointment of an independent third-party to conduct review		☑
Appointment of Independent Chairman Advanced discussions underway		☑
Further cost reductions $2.0M additional cost savings identified and to be fully implemented in Q3		☑
Reduction in gearing $1.5M of net debt repaid during the half year	☑	

*We expect Q3 to be cashflow negative due to one off costs of redundancies and timing of NHVR COGS. However, with all the changes to the cost structures, we are on the long term cashflow positive trajectory in a sustainable manner there after.

Q2 FY24 Financial Update

HIGHLIGHTS FOR Q2 FY24

- For the first time since listing, cash flow positive on an operating basis ($0.6M vs PCP of negative $2.2M);
- Q2 positive operating cash flow of $1.7M vs PCP of $0.7M;
- Record Q2 customer cash receipts of $3.0M, a 17% increase on Q2 FY23 of $2.6M;
- Cash on hand of $2.8M and unused facilities of $2.2M;
- Non-renounceable Entitlement offer completed, delivering $2.1M for NHVR COGS and working capital.
- Debt reduced by $1.5M YTD, closing debt $1.5M

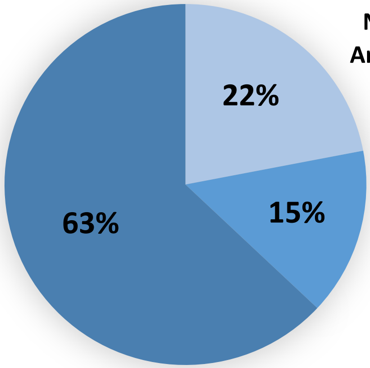


LOOKING AHEAD

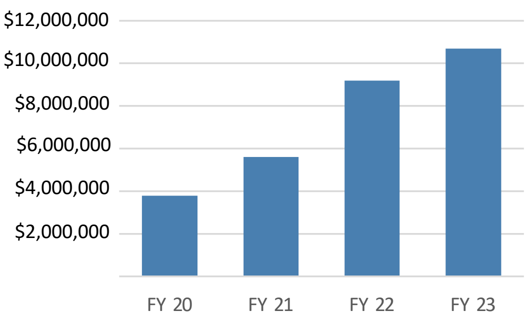
- Restructuring costs and NHVR equipment purchases to impact Q3 FY24 Cash flow by c. $1.4M
- India costs expected to reduce to approximately $0.4M per quarter on an ongoing basis

SenSen Revenue by Region

REVENUE SPLIT BY REGION FY23



SENSEN REVENUE GROWTH



SENSEN GLOBAL FOOTPRINT

Leading revenue generating solutions

Enforcement Solutions
- SenFORCE
- SenHVR
- GeminEYE

Curbside Management Solutions
- SenMAP
- SenPIC
- SenSIGN

Surveillance & Loss Prevention Solutions
- SenTRACK
- SenVAS
- Scancam

Cloud AI & Data Analytics Solutions
- SenDIT
- SenBLUE
- SenBOS

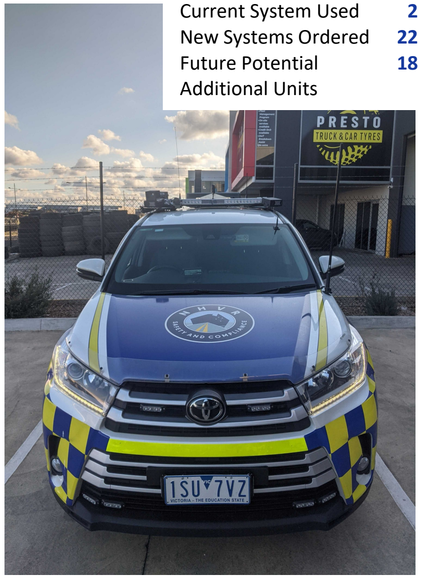
SenSen Technology & IP – The SenDISA Platform
15+ years in the making with multiple patents awarded and pending

Market Specific Solutions

It's a Multi-Camera, Multi-Sensor Data Fusion software platform that can be reconfigured on demand to meet multitude of customer Live Awareness use cases

NHVR Contract Win Summary

Current System Used	2
New Systems Ordered	5
Future Potential Additional Units	1



Current System Used	2
New Systems Ordered	22
Future Potential Additional Units	18

NHVR Tender won, and contract executed for provision of Mobile and Rapidly deployable Automatic Number Plate Recognition System under a standing offer contract.

Standing offer contracts are standard contract arrangements where customers can progressively order additional units under the contract terms and conditions course of the contract term. Under these arrangements, *customers have the right to order but no obligation to order additional systems*

Summary

Current systems SW License & Maintenance	**5 Units**
New Systems with SW License & Maintenance Ordered	**27 Units**
Potential New Orders under the Standing Offer Arrangement	**19 Units**

This new contract expands the geographical footprint to include further coverage in Victoria and NSW and is anticipated to grow up to three times the initial size of the contract when expanded to other states in coming years.

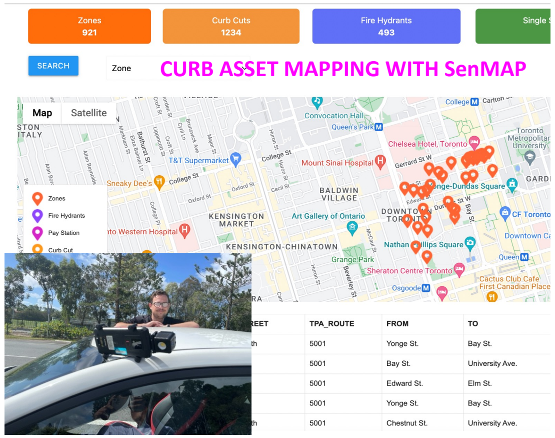
The contract is valued at ~$4m, where SenSen will earn upfront revenue of $1.5m and annual recurring of ~$500k p.a. over the term of the contract. Additional orders, if placed under the standing offer arrangement with NHVR, will further increase these revenue numbers.

New orders for smart city solutions in addition to NHVR contract – July 23 to Jan 2024 – Over $1M

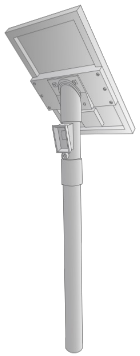
CURB MESSAGING DYNAMIC E-INK SIGNS

CURB ENFORCEMENT

CURB ASSET MAPPING WITH SenMAP



CURB MONITORING WITH SenPIC



New Orders for products shown for dynamic curb management received from multiple smart city customers in FY24 is over **$1M**. This is in addition to the NHVR contract win mentioned earlier.

We continue to grow the Scancam Fuel Retail Network.

We are operating in well over 400+ fuel stations and growing strongly.

75,000+
National known offenders database

North American opportunity - $100m Smart Grants Program

Strengthening Mobility and Revolutionizing Transportation (SMART) Grants Program

The Bipartisan Infrastructure Law (BIL) established the Strengthening Mobility and Revolutionizing Transportation (SMART) discretionary grant program with $100 million appropriated annually for fiscal years (FY) 2022-2026.

The SMART program was established to provide grants to eligible public sector agencies to conduct demonstration projects focused on advanced smart community technologies and systems to improve transportation efficiency and safety. Of the 59 Projects approved, 9 target Curb Management and are in the order of ~US$2m each, also referred to as "Code the curb", where SenSen has a competitive advantage due to its market leading position in Australia and Canada, and partnership with the City of Las Vegas.

In anticipation of this emerging market, SenSen invested significant R&D over the last few years developing patent pending & award-winning solutions for this market. SenSen "Digital Kerb" project funded by TfNSW earned close to $1m in revenue and lead to the industry's best award in the recently concluded Parking Australia Awards.

CEO Subhash Challa met with many of these cities with proof-of-concept trials kicked off and under progress. We established several channel partnerships that are targeting smart grant program and expect strong uptake of SenSen solutions and future revenues to SenSen to flow from the SMART grants program.

Some of the Curb Management grant recipients

Rapidly growing the North American market through partners

SenSen is quickly gaining momentum in the Smart cities market in North America through channel partnerships with Gtechna and Blue Systems.

The following North American cities added through our partner Gtechna in North America

- Toronto, ON
- Ottawa, ON
- Macon, GA
- Kitchener, ON
- Banff, AB
- Whitby, ON
- SPAQ (Private entity)
- AND further cities in the pipeline

SenSen recently partnered with Blue Systems, a US-based smart mobility solutions provider to win a contract with Sourcewell to offer local governments a curb-side monitoring solution.

Sourcewell is a government owned cooperative purchasing organisation serving both state and local government in the US. It seeks to identify the key needs of its customer base and issues requests for proposal (RFPs) for solutions that address these needs. It then evaluates the submitted proposals and selects one or multiple winners.

It is expected that the Sourcewell association will increase the speed of pipeline conversion in the USA with trials already underway and an established sales pipeline of 20 cities in the USA.

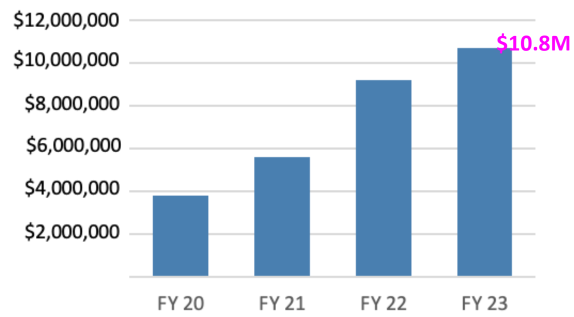
FY23 Financial Highlights

During FY23 the company pivoted to serving focused markets with standardised products resulting in

- Record revenues of **$10.8M**, **up 18%** YoY
- Gross margin improved to **69%**, **up 7%** YoY
- Record customer cash receipts of **$11.2M**, **up 25%** YoY
- Loss after tax of **$7.4M**, **down 39%** YoY
- EBITDA loss of **$5.5M**, **down 48%** YoY
- Net operating cash outflow of **$4.8M**, **down 39%** YoY
- Customer net retention rate (NRR) of **95%**

- Revenues going **Up**
- Gross Margins going **Up**
- Losses going Down
- Cash-outflow going Down

SENSEN REVENUE GROWTH

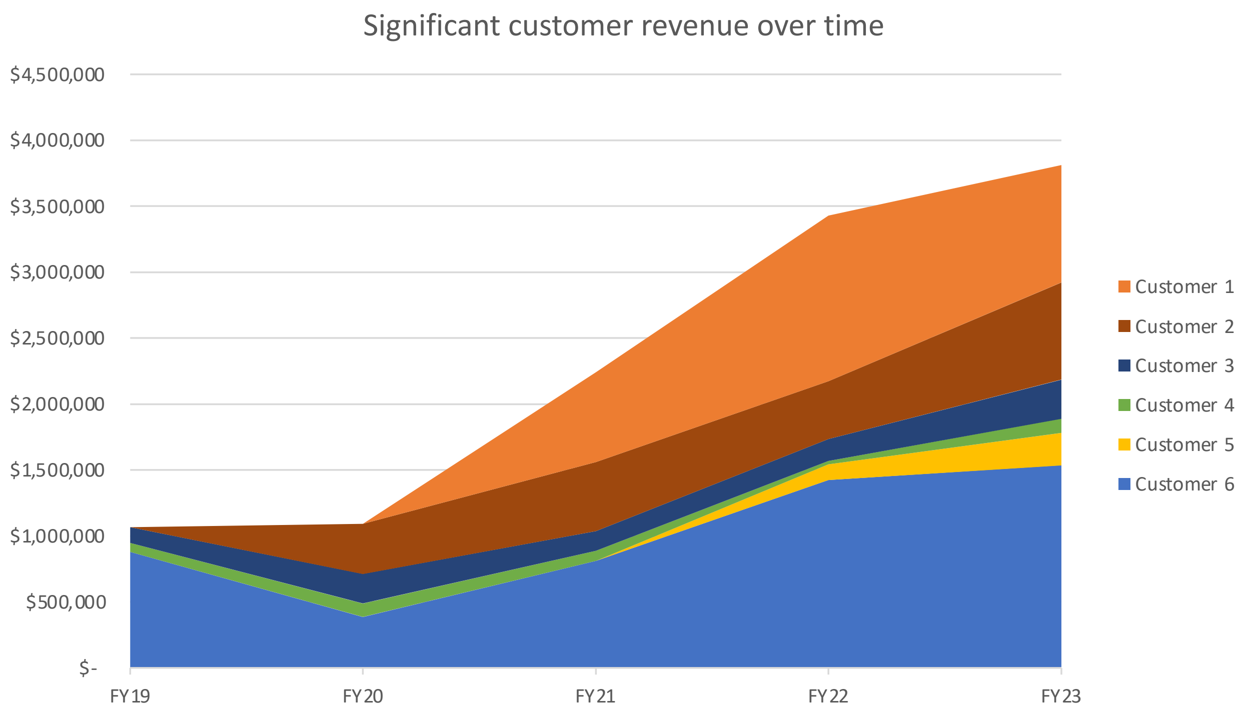


With YoY growth of over ~17% already achieved in H1 FY24, we expect revenue growth to continue the momentum into FY 24 and beyond with sustainable cashflow positive operations from Q4 2024.

Life-Time Value of Our Customers

GAINING A FOOTHOLD

- SenSen customers have for many years seen the value of SenSen technology.
- Once through the initial barrier to entry of hardware investment and cultural change, SenSen's customers have progressively expanded their use of SenSen solutions, driving revenue growth.
- Over the last five years revenue from key customers has increased by over 3.5x (350%)
- This graph demonstrates our customer acquisition and retention strategy. Acquisition of customers is key and with increased demand for AI based solutions and services, our new customer acquisition rates have significantly increased setting us up for an exponential growth in years to come.



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