



SRTMARINESYSTEMSPLC

# INVESTOR PRESENTATION

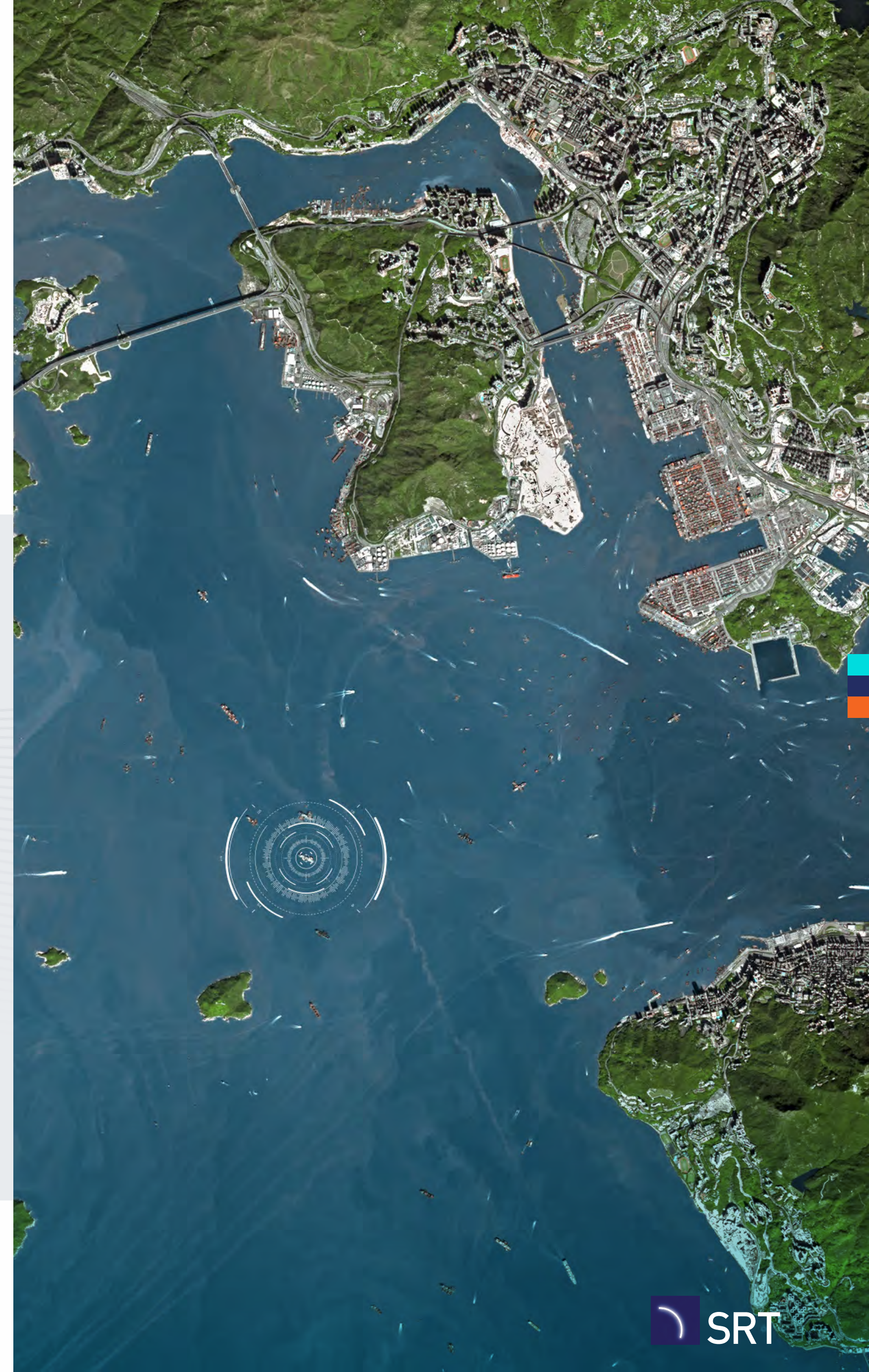
MARCH 2022



# Solving the global problem of maritime domain awareness

Security | Environment | Safety | Commercial

SRT Marine Systems is a global leader in maritime domain awareness technologies, products and systems. It provides high performance proven turn-key MDA solutions for applications for vessels (AIS), ports (VTS), environment agencies, fisheries (VMS), and Coast Guards (MDM) that deliver enhanced monitoring, surveillance, safety and security.





# Established Business Entering Rapid Growth



## MARKET

Multi-billion dollar global market with robust demand drivers. Security / Safety / Commercial / Environment.



## PRODUCT

Market-fit products and technologies proven and established in the market with differentiated performance and functionality.



## GROWTH

Business structured and prepared for high growth - established global network of +1,100 in country partners/distributors and multiple existing sovereign customer accounts.



# Multi-Billion Dollar Global Market

Maritime domain awareness is vital for national maritime security, safety and sustainability.



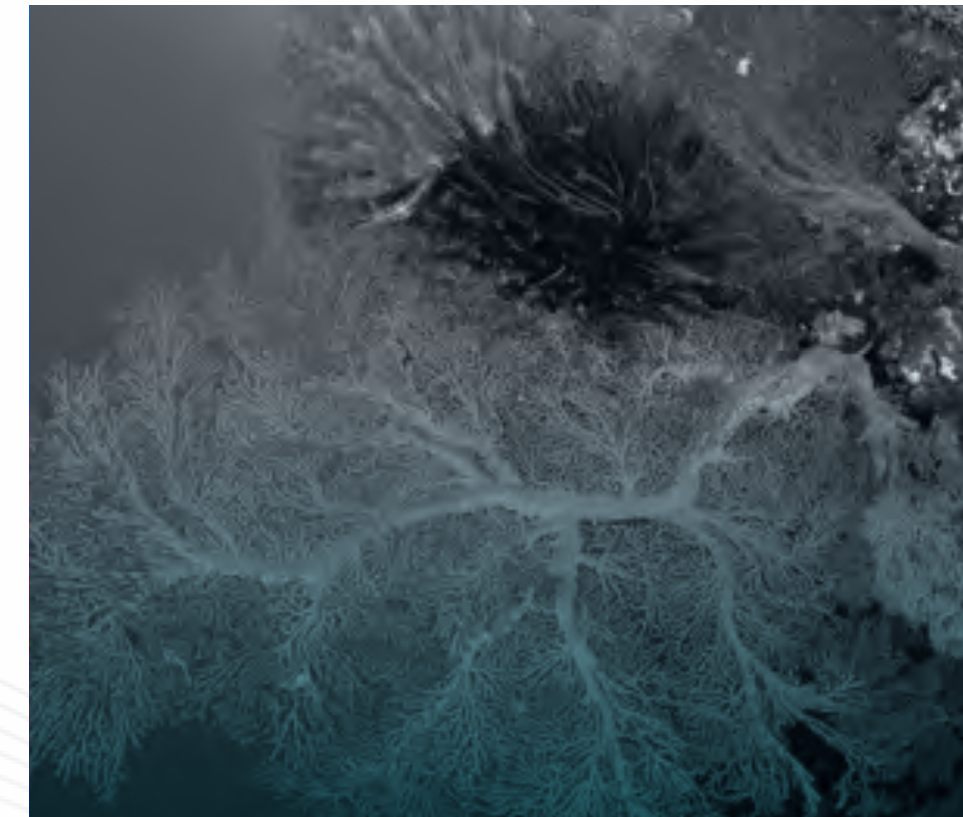
FISHERIES



COAST GUARDS



NAVIGATION



ENVIRONMENT

## MARKET SIZE

- 8 million commercial and 18 million leisure boats.
- Millions km of EEZ, coast lines waterways, ports and infrastructure

## DEMAND DRIVERS

- Security
- Safety
- Sustainability/ Environment
- Economic & Commercial

## MARKET COMPARATOR: AIR TRAFFIC CONTROL (ATC) MARKET

Since it started its digitisation macro-trend the ATC market has grown to **\$9 billion** a year, monitoring just **30,000 commercial aircraft**.



# Proven Market-Leading Technologies & Products



## DIGITAL AIS TRANSCEIVERS

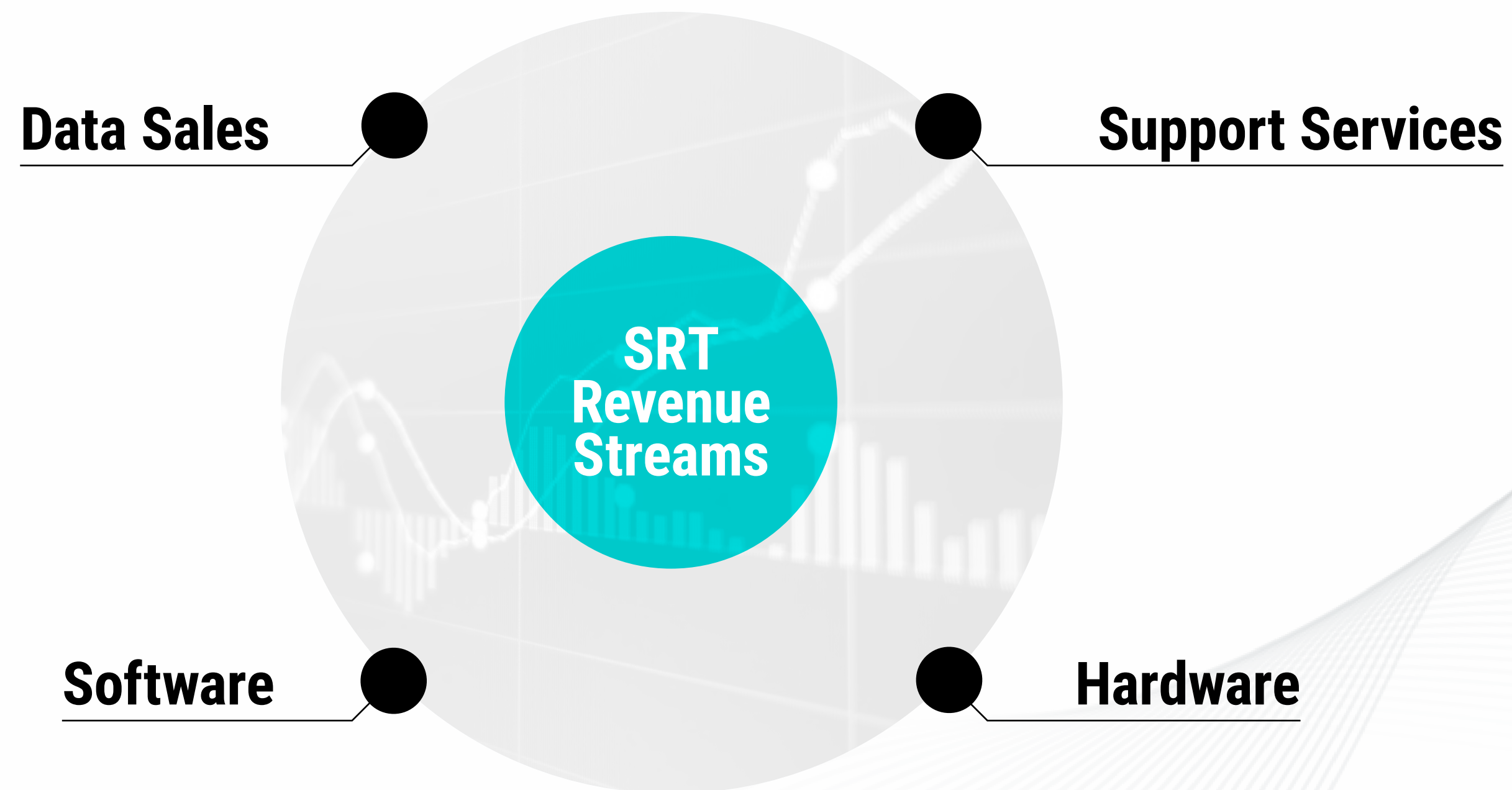
Full range of digital AIS navigation safety and environment monitoring transceivers for all applications. 340,000 manufactured to date.



## INTEGRATED MDA SYSTEMS

The SRT-MDA System. An integrated national scale maritime surveillance, intelligence, command & control system. Multiple sovereign government customers - £70m existing contracts, £600m pipeline.

# Growing Repeat and Recurring Revenues



Combination of repeat and recurring revenues from multiple customers.

Scalable business model with global installation partner network enables rapid multi-contract scaling.

## MDA Systems

- A blend of repeat and recurring revenue
- £70m of existing system contracts underway
- £600m pipeline of new contracts

## Digital Transceivers

- Repeat revenues from +1,000 distributor network
- Year on year growth
- 40% profit margins

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### REVENUE DEFINITIONS

**Repeat:** successive new orders/contracts from the same customer

**Recurring:** long-term contracts to supply consumables, such as data



# Fundraising

## Working capital to support accelerating growth

Raising up to £7m to provide working capital to support and facilitate growth.

- **Systems:** to fund initial new contract working capital
- **Transceivers:** to increase transceiver production

### Existing financing arrangements

Gross cash	£1.4m
Debt	(£7.7m)
Net debt	(£6.3m)
Headroom on loan note facility	£8.5m

Roadshow 1st – 7th March

Books close: 8th March

Launch of ABB: 9th of March

Admission to trading: w/c 14th March





# Our Business – Two Divisions

Maritime Domain Awareness

Safety | Security | Environment | Rescue | Automation

## TRANSCEIVERS

Digital AIS transponders that enhance navigation safety and marine environment monitoring.

## SYSTEMS

Integrated maritime surveillance, intelligence and active monitoring systems for coast guards and fisheries.



# Transceivers Division: Market

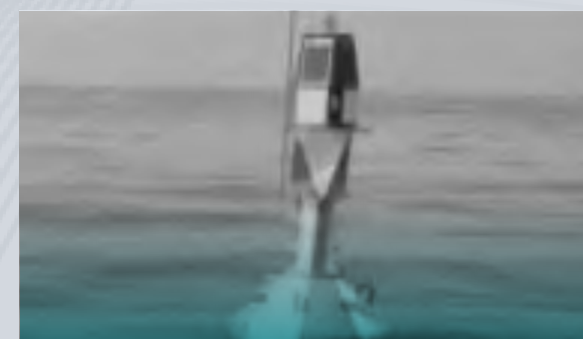


**AIS - GLOBAL MARINE REAL TIME MESH-NETWORK DATA COMMUNICATIONS STANDARD.**

**26M VESSELS  
DIGITISING NAVIGATION**



**TRAFFIC CONTROL**



**ENVIRONMENT MONITORING**



**NAVIGATION SAFETY**



**AUTONOMOUS SHIPPING**



# Transceivers: Future Growth

**CURRENT**  
Product Range



Complementing the  
range from 2023

**NEW**  
NEXUS Marine Voice  
& Data Coms



## Fundamental Business & Market Growth Factors

- Mature and established products in stable volume production.
- Repeat sales from global network of over 1,100 distributors and OEM customers.
- Out sourced manufacturing facilitates scaling to match demand.
- Market demand snow-balling due to combination of long term regulation and increased general adoption
- 40% average gross profit margin.
- 11% Year on year growth during H1
- Strong order book across all categories
- New product launches scheduled for 2023 expected to drive significant growth.



# Systems: Market

Global-macro-trend for maritime domain awareness, to protect and conserve marine territories and borders.

## COAST GUARDS & CIVIL DEFENCE AGENCIES

### Overview

Coast guard missions are the safety and security of coastal borders and sovereign marine territory – EEZ & territorial waters. Surveillance intelligence enables more efficient and effective operations.

### Demand Driver

Most existing systems are not integrated and use old technology – limited capabilities. New intelligence lead operations doctrine is driving demand for new, fully integrated surveillance intelligence, command and control systems.

## NATIONAL FISHING AGENCIES

### Overview

Currently approximately 2% of the world's estimated 4 million commercial fishing boats are actively tracked and managed – using systems that are expensive with limited functionality and not suitable for large scaling.

### Demand Driver

Fish stocks are valuable national assets that need protection from over-fishing. Effective management of fishing activities ensures sustainability.

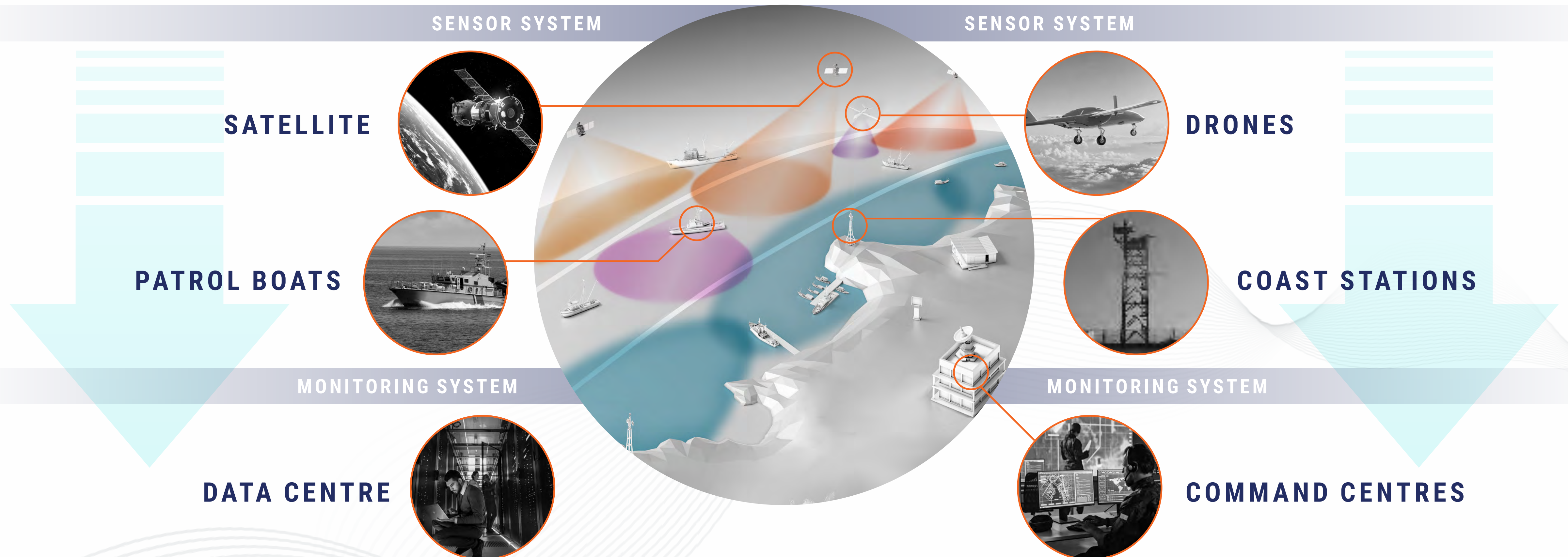




# Systems: The SRT-MDA System

A turn-key MDA system solution

Fully integrated system solution with state of the art MDA functionality





# Systems Division: MDA System Functionality

- **Multi-sensor fusion** - intelligent integration of multiple sensor systems into a single secure operating system
- **Track and identify** any vessel in real time – mass scale
- **Ai Analytics** that automatically identify and alert suspicious vessels and events
- **Integrated command** and control for efficient and effective responses
- **Specialist functionality** such as electronic fish catch reporting and auditing
- **Fully autonomous**, secure in-country system solution



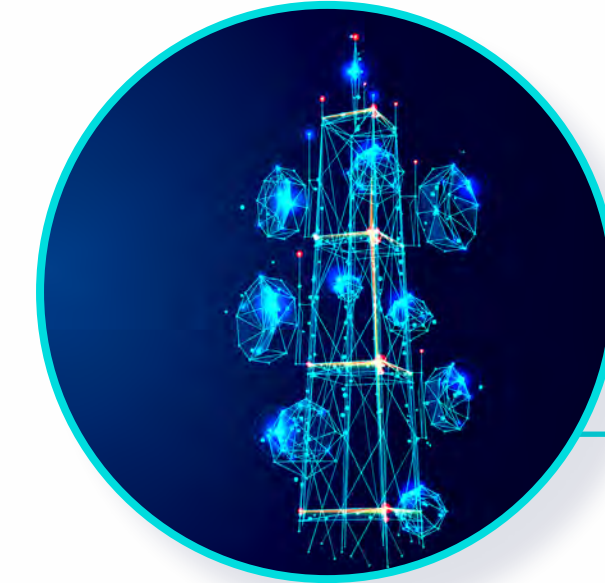


# Systems: Full Integration

SRT MDA System Architecture runs on custom developed GeoVS operating system which delivers intelligent networking, data fusion and operator functionality within a single, secure system.

Modular architecture facilitates continuous evolution and growth of the system.

## Multi sensor platform & type integration



**Coast Stations**  
(Radar, AIS, Camera, IR, Comms, RF)



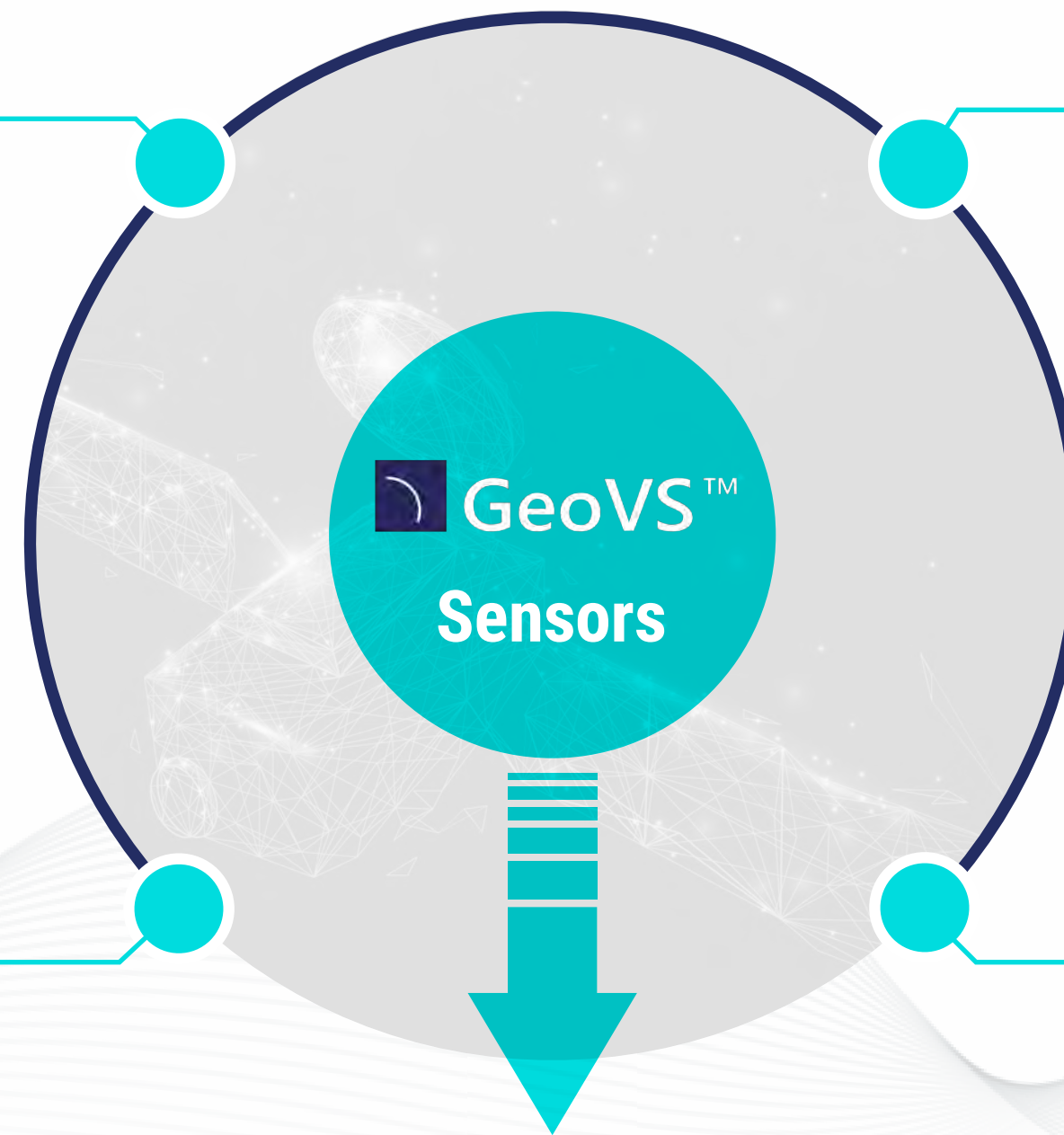
**Patrol Vessels,  
Drones and Aircraft**  
(Radar, AIS, Camera, IR, Comms, RF)



**Satellites**  
(Radar, AIS, Camera, IR, Light, RF)



**Human Intelligence**  
(Inspections, Missions, Alerts)



**System Operators**

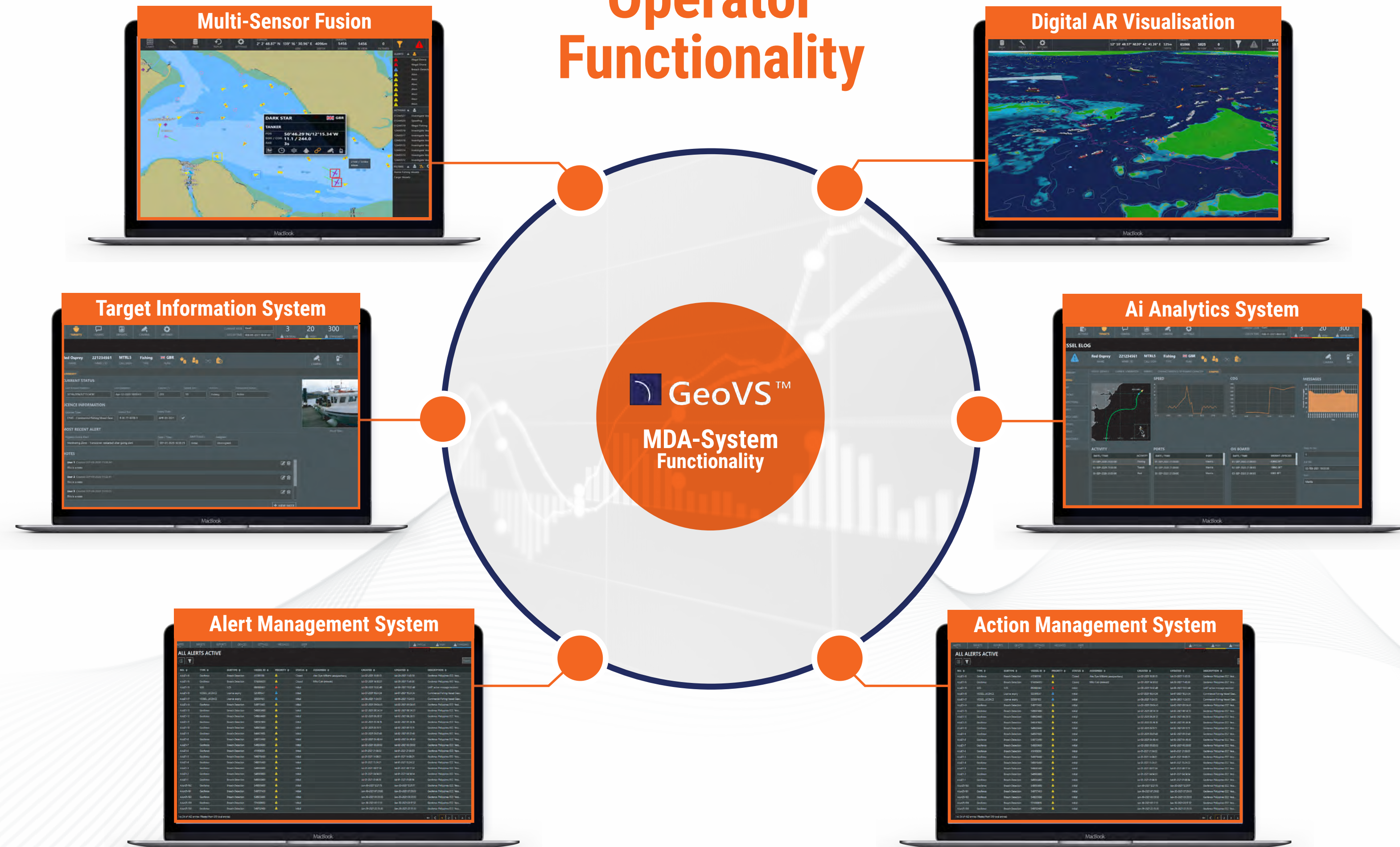


# Systems: Sophisticated MDA Functionality

Each operator is provided with a full range of real time specialist MDA functionality, that enables efficient detection and handling of events.

- Analytics that automatically detect smuggling, threats or illegal fishing.
- Digital AR visualisation that provides a real time 'META' environment that provides enhanced operator situational understanding.
- Alert and action management functionality that enables assisted and effective decision making and response actions.

## Integrated Operator Functionality





# Systems Division: Proven Systems Delivery

Proven product and multi-contract scalability with global network of in-country partners





# Systems Division: Growing Opportunities

Multi-billion pound global market for MDA systems  
£70m existing MDA contracts | £600m current prospective contract pipeline (VSP) | 25–35% net margins

£70m  
of existing  
system contracts  
underway

## Market Development Perspective

- Expect existing pipeline to convert into contracts, and be replaced with new opportunities from existing and new customers.
- Over next 5 years growth will primarily come from Asia and Middle East.
- Over a ten year basis, expect growth to continue from Asia and Middle East, but new opportunities to arise from Africa and South America.

Africa  
£1m

Middle East  
£207m

Asia  
£397.5m



# Systems Division: Growing Visibility

Multi-billion pound global market for MDA systems.

Growing pipeline of validated sales opportunities with improved visibility. Further opportunities on the horizon.

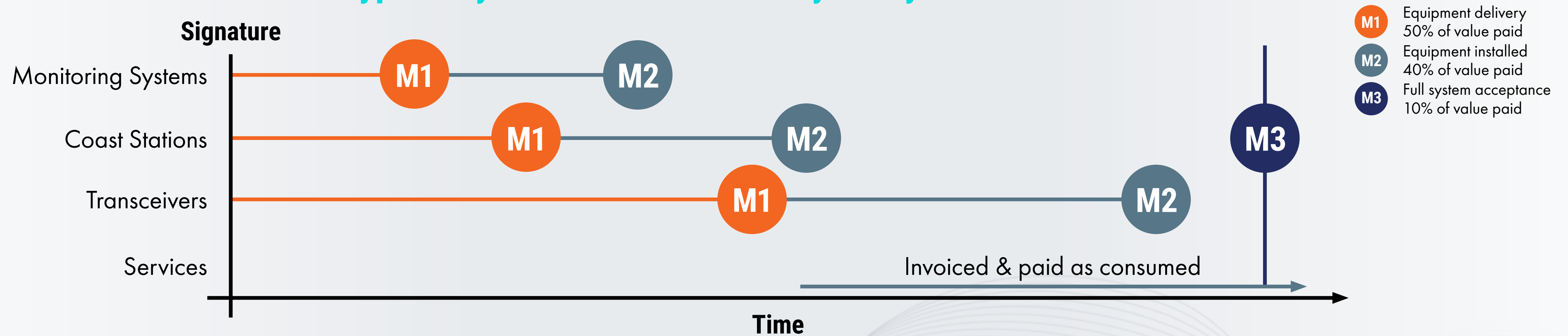
		SRT-MDA SYSTEM CONTRACT FORECAST AND VSP PROFILE							
		2021/22	2022/23		2023/24		2024/25		
		H2	H1	H2	H1	H2	H1	H2	
Forecast	£72m	G1: £32m Fisheries Project - 80% complete as at Feb 2022							
			G2: £40m Coast Guard Project						
			G3: £38.5m Coast Guard Project (forecast – pending)						
High timing confidence	£271.5m				G4: £75m Follow-on Coast Guard Project				
			G5: £13m Follow-on Coast Guard Project						
				G6: £130m Coast Guard Project					
				G7: £15m Follow-on Coast Guard Project					
Reasonable timing confidence	£134m				G8: £12m Coast Guard Project		G9: £20m Follow-on Fisheries Project		
				G10: £1m Port Authority			G11: £100 Coast Guard		
			P1: £1m Waterway Project						
Uncertain timing confidence	£200m						G12: £80m Coast Guard		
							G13: £100m Border System		
							G14: £5m Coast Guard		
							G15: £15m Fisheries		



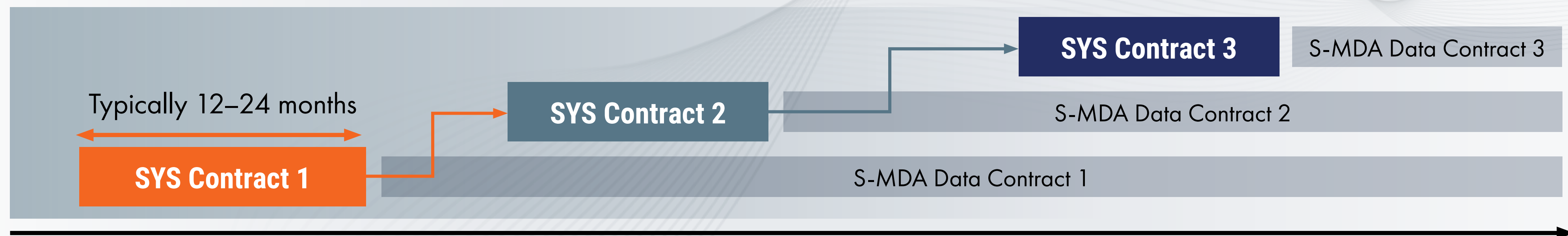
# Systems Division: Contract Dynamics

System contracts delivered in phases. Each customer expected to generate repeat and recurring revenues over long periods.

## Typical System Contract Delivery & Payment Structure



## Each customer will generate multiple repeat contracts

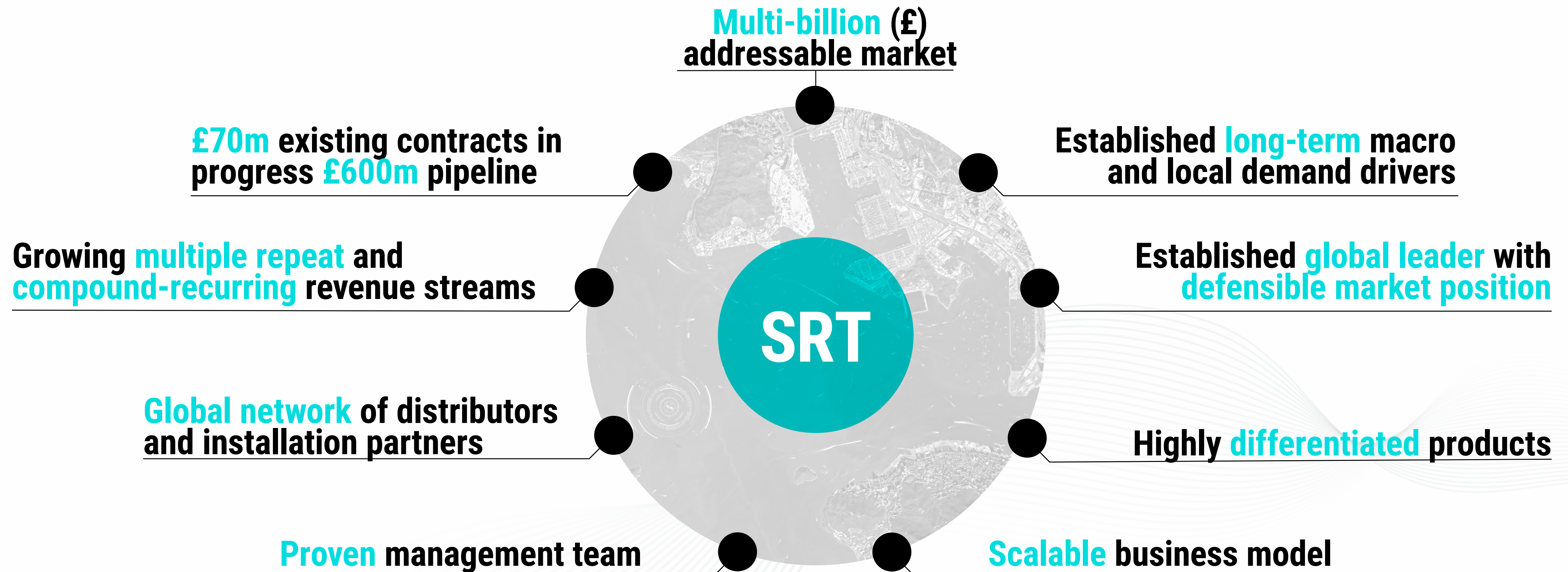


For each customer, building a full MDA system is a huge undertaking and will typically happen over many years via multiple contracts

System Build Contracts – typically 6–24 months implementation  
S-MDA Data – long-term multiple contracts that compound



# Summary





# Experienced Management & Board

The right skills and capabilities to scale and deliver.

## Executive Management Team



**Simon Tucker**

**51yrs**

Experienced international strategic and operational CEO.

**CEO**



**Richard Hurd**

**51yrs**

ACA qualified finance director with extensive international, audit and PLC experience.

**CFO**



**Neil Peniket**

**48yrs**

Chartered Electronics Engineer with extensive experience of large scale complex product development.

**COO**



**Jean-Francois Bonnin 44yrs**

Professionally trained meteorologist, marine product and technology expert of 25 years experience, including senior service with the French Navy.

**CPMO**

## Non-executive Directors



**Kevin Finn**

International business leader and mentor. Extensive complex international supply chain and logistics expertise.

**CHAIRMAN**



**Simon Barrell**

FAC with extensive international audit and PLC and private FD exec and non-exec experience.

**Non-Exec Director**



**Simon Rogers**

Simon was one of the founding buyout investors in SRT. After a career in marketing, he built and sold two highly successful technology media businesses and has subsequently served on the boards of a number of small and medium sized companies.

**Non-Exec Director**



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