



Smart Wires Technology Ltd

Q3 2021 Results

18 November | North Carolina, USA



Presenters



Peter Wells, CEO



Julie Andrews, CFO





I. Introduction

II. Q3 2021 Highlights

III. Summary financials

IV. Q&A's

Modernizing Grids

Critical elements

1

Corridors

2

Flexibility and Control

3

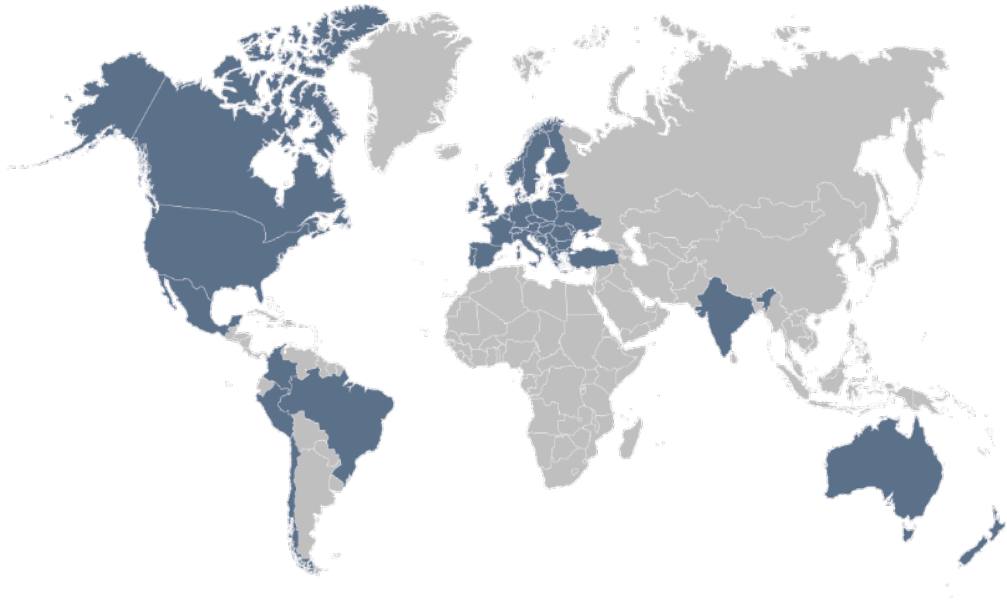
Market Designs

“Modernizing grids means creating a flexible system that can unleash renewable generation, stimulate demand side innovation, and deliver a green economy that addresses climate change, creates jobs, and empowers consumers”



Regional Dynamics

Clear momentum building globally



North America

- + New Infrastructure Bill passed, \$65B allocated for transmission investment
- + FERC and DoE introducing more progressive measures
- + Strong ISOs in Canada driving demand for more efficient projects

Europe

- + Strong policy support for renewables
- + Positive regulation like RIIO in UK, 70% rule on borders
- + High difficulty in constructing traditional projects

South America

- + Competition in transmission for many key projects
- + Strong focus on investment ROI with smaller budgets
- + Progressive use of grid modernization technology

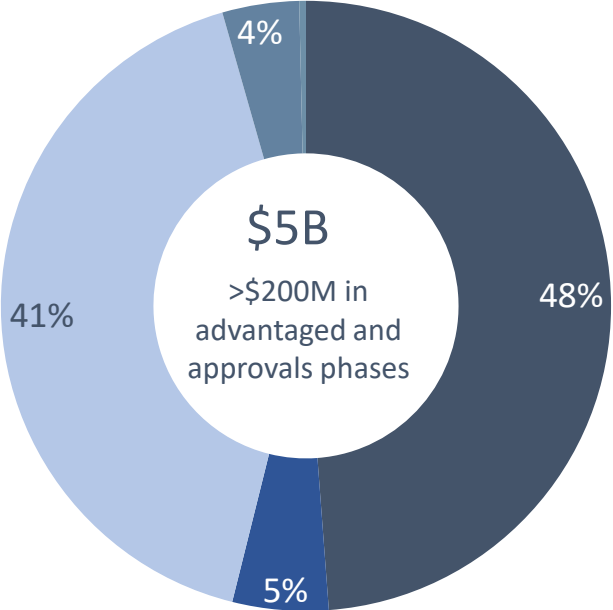
Australia

- + Highly transparent grid planning process
- + Bonus regulation for small fast projects
- + High technical sophistication in customer base



Pipeline Evolution

Expected Revenue by Stage



Q3 2021 Highlights: Operational

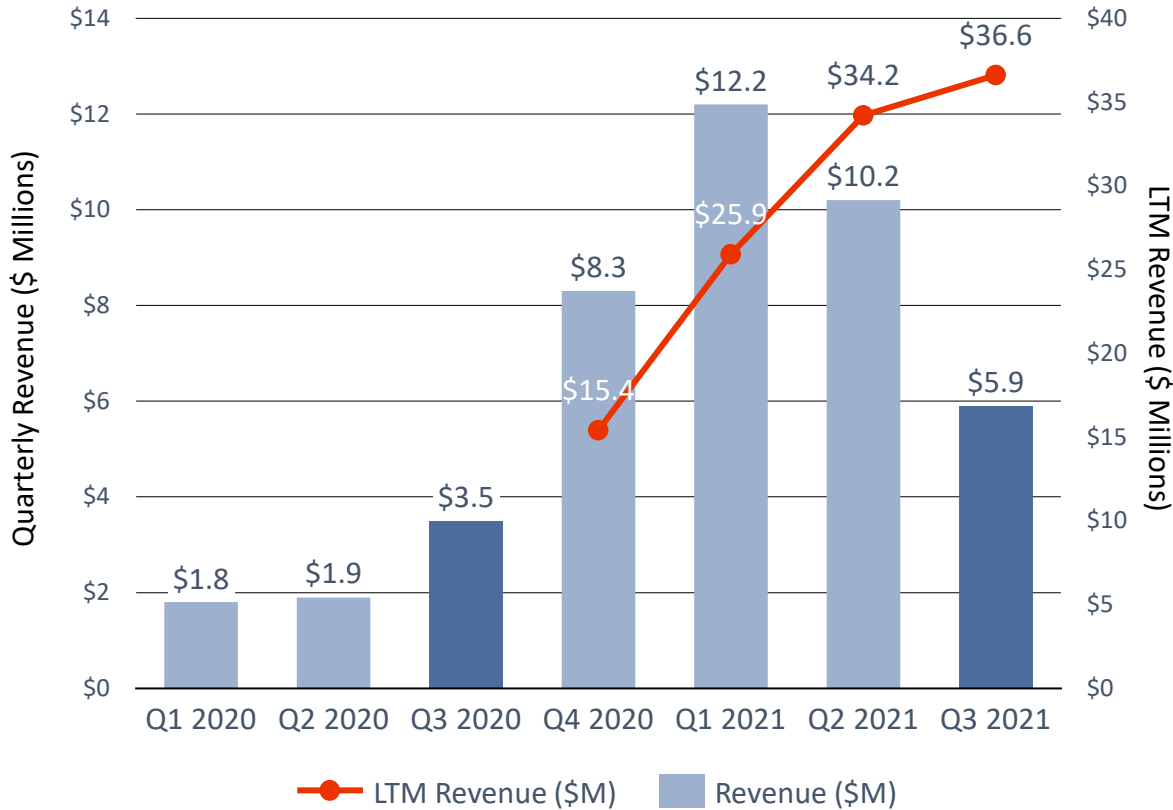
- On course to deliver 2x – 3x growth for 2021
- 2021 full year revenue guidance of \$38M – \$42M
- Backlog of \$72M to be delivered Q4 2021 – Q4 2022
- Orders between \$36M to \$42M received for projects in Colombia and the UK
- Five patents issued, total of 59 patents granted for high value inventions
- Strengthened global workforce by hiring 30 team members to commercial, engineering, supply chain and quality teams
- Completed delivery and commissioning of SmartValve™ projects across nine customer sites as of Q3 2021



Q3 2021 Financial Highlights

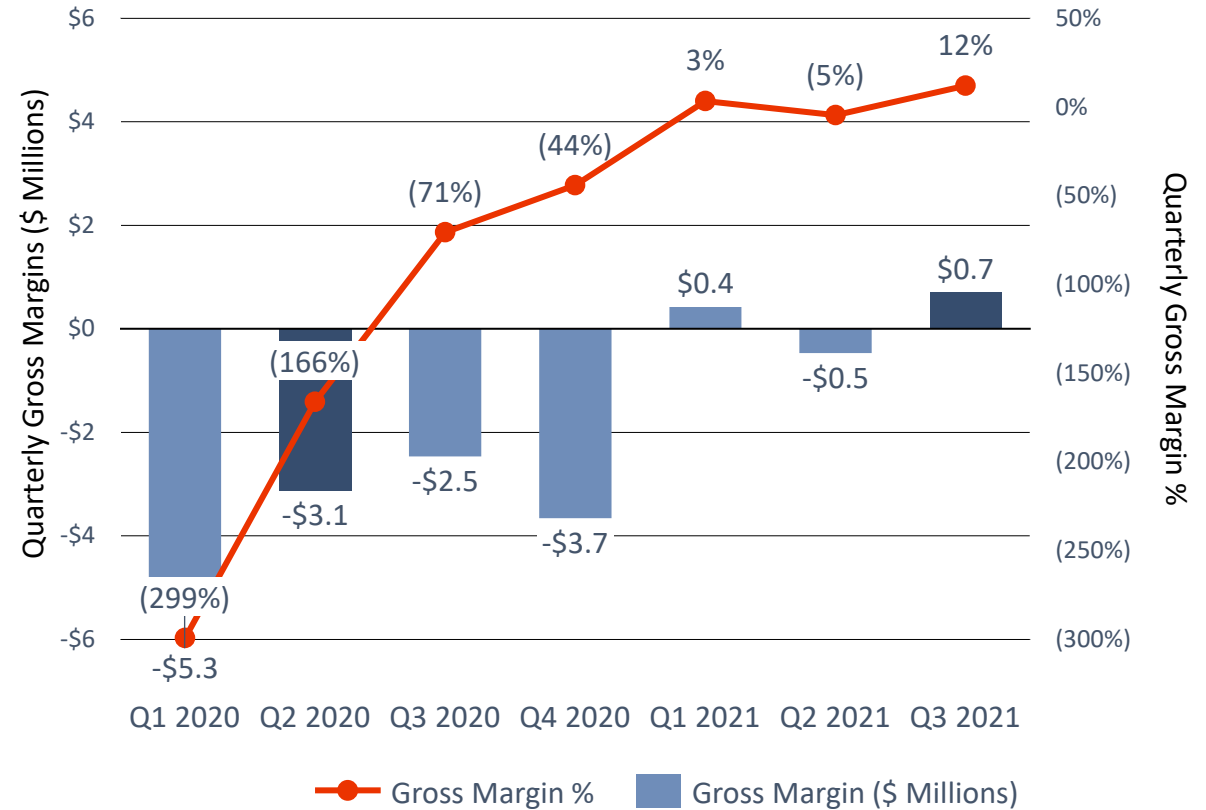
Revenue Growth

- Q3 2021: \$5.9M, +68% vs Q3 2020
- LTM: \$36.62M (LTM Q3 2021) vs \$15.4M (FY20) vs \$8M (FY19)



Gross Margin

- Q3 2021: \$0.7M, 128% improvement vs PY
- Margin: 12%; 83 ppt vs PY



Note: unaudited financial statements presented herein are prepared in accordance with U.S. Generally Accepted Accounting Principles.



Summary Financials

Earnings

\$ in millions	Q3 21	Q3 20	YTD 21	YTD 20
Revenue	\$5.9	\$3.5	\$28.3	\$7.1
Cost of revenue	(5.2)	(6.0)	(27.7)	(18.0)
Gross profit	\$0.7	(\$2.5)	\$0.7	(\$10.9)
Margin	12%	(71%)	2%	(153%)
OPEX	(16.2)	(11.2)	(44.9)	(33.3)
Net profit	(\$15.5)	(\$15.1)	(\$48.7)	(\$46.2)
EBITDA	(\$15.1)	(\$13.2)	(\$43.0)	(\$42.6)
EBITDA margin	(258%)	(377%)	(152%)	(596%)
EPS (actual \$)	(\$0.14)	(\$0.31)	(\$0.45)	(\$0.95)

Balance Sheet and Cash Flow

\$ in millions	9/30/21	9/30/20	12/31/20
Cash	\$89.5	\$23.9	\$9.6
Current assets	\$121.4	\$50.1	\$35.5
Total assets	125.1	55.2	40.1
Current liabilities	\$24.2	\$31.1	\$33.1
LT Liab. & Equity	100.9	24.0	7.1
Net working Capital	\$97.2	\$19.0	\$2.4
Cash Flow (Ops)	(50.0)	(43.6)	(66.5)
Cash Flow (Investment)	(0.3)	(2.1)	(2.2)
Cash Flow (Financing)	130.2	40.4	49.1

Note: unaudited financial statements presented herein are prepared in accordance with U.S. Generally Accepted Accounting Principles.



Summary



- 1 **Strong pipeline & backlog:** \$5B pipeline of global opportunities ...backlog building to >\$70M
- 2 **Technology adoption:** wide-scale adoption of patented, transformational technology
- 3 **Industrialization:** operations being scaled and developed for growth: product to delivery
- 4 **On track for growth:** 2x – 3x top-line growth despite global supply chain challenges



Q&A

SSSC-1-A



Forward-Looking Statement

This presentation contains certain forward-looking information and statements that reflect the Company's current views on future events as well as financial and operational developments. Words such as "refer", "assess", "expect", "can", "plan", "estimate", "calculate", "could" and other expressions that indicate indications or assessments regarding future developments or trends, and which does not relate to historical facts, constitutes forward-looking information. Forward-looking information is inherently associated with both known and unknown risks and uncertainties because it is dependent on future events and circumstances.

Forward-looking information does not constitute a guarantee regarding future results or development and the actual outcome may differ materially from what is stated in forward-looking information. Neither the Company nor anyone else make any representations about publishing updates or revisions of forward-looking information as a result of new information, future events or similar circumstances other than as provided by applicable mandatory rules and regulations.



SMART WIRES

REIMAGINE THE GRID

