

### COMPANY PRESENTATION

**MAY 2019** 



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Moving from flip phones to smart phones resulted in 'mobile computing in everyone's pocket'. Similarly, Quantify Technology's products enable computing power as a seamless part of every room in every building.

So simple, designed to make living spaces better.

# **INVESTMENT HIGHLIGHTS**





Harvey Norman Commercial Division has issued a stocking order for \$500,000 for the next six months.



The Company has received a \$736,000 Purchase Order for Wallaroo Shores, to supply 100 residential, retirement and commercial lots.



Products trialled across Australia including *9Life*'s television show 'Ready Set Reno'.



Foxconn subsidiary CASwell are manufacturing and can scale up to meet demand globally.



Google and Amazon are battling it out for every home and need companies like Quantify to deliver automation.



Competitors rely on gateways or servers. Quantify simplifies the process, delivering significant cost saving to reach a mass market.



Initial focus on the domestic residential market. Later in the year, Quantify will expand overseas and into the commercial space.



Company has achieved patent protection in 11 countries, with patents currently pending in another 54 countries / territories, including the US and EU.

### CORPORATE SNAPSHOT





Quantify Technology is an Australianbased pioneer of Truly Intelligent Building technology.

Company has created simple to install, affordable Internet of Things devices that encourage wide-scale adoption.

ASX CODE: QFY	
Shares on Issue	974.99m
Unlisted Options	118.67m
Market Cap @\$0.007	\$7.049m
Cash on Hand (31 March 2019)	\$1.28m

### BOARD





#### Peter Rossdeutscher - Chairman

- Former MD of Gateway Asia built a \$320M division of this Fortune 500.
- Chairman of CSA Mining Industry Consultants. Fellow of the Australian Institute of Company Directors (AICD).
- Finalist in the Champion of Innovation Awards & Adjunct Professor of Strategy and Innovation at University of Western Australia.



### Brett Savill - Managing Director

- A former partner of PricewaterhouseCoopers focused on the Technology, Media and Telecommunications
- CEO of Free TV Australia, CFO and Director of Corporate Development at Bai Communications.
- Master of Business Administration from the University of Warwick and is a Fellow of the AICD.



### Mark Lapins – Non-Executive Director

- A leading innovator in IP Communications, founder of Quantify Technology who led the Company as CEO from 2013 to 2018.
- Managing Director of both Sierra Systems and Vieo Systems (which was acquired by Schneider Electric)



#### Gary Castledine - Non-Executive Director

- Mr Castledine has a 25-year career in capital markets. He is a Founding Director of Perth-based Westar Capital.
- Prior to this he was a founder, Chairman and Managing Director of Indian Ocean Capital, a successful, boutique securities dealer and corporate advisory firm.

### MANAGEMENT TEAM





Julian Hocking - CFO - ex-EY

David Porter - CTO - ex-Cisco

Fletcher Joyce - Technology Services Group Manager - 15 years of experience in IP communications

Kevin Hirst - Head of Hardware and Electronic Engineering - 25 years of experience, notably in the gaming industry

Rick Cubito - National Sales Manager - ex-Harvey Norman Commercial Division

Arthur Vernon - Software Engineering Manager - 30 years industry experience including Amazon

Dan Sieber – UX/UI Manager - Designer with 30 years experience in start-ups, corporate, private, and Government

# FY2019 ACHEIVEMENTS





### INTRODUCING THE QDEVICE





qPower – 2 Outlets

qDimmer – 3 Channels

**qDimmer - Components** 

### INTRODUCING THE QDEVICE





## A MARKET IN ITS INFANCY



	Australia	China	USA
Revenue 2019	US\$1,278m	US\$1,278m US\$11,613m	
Household penetration 2019	2.3m	2.3m 30m	
Revenue Growth (CAGR 2019-2023)	18%	27%	13%
Household penetration 2019	24%	24% 8%	
Household penetration 2023	42%	25%	54%
Average revenue per installed homes (2019)	US\$180	US\$103	US\$186

### AMAZON ALEXA



- Amazon (and Google) provide AI and voice search, but are reliant on companies such as Quantify for a truly automated home experience.
- Quantify works closely with Amazon Alexa and has received certification for its Alexa 'skill'.
- The Company has partnered with Amazon Web Services to provide global reach, and was invited to demonstrate at Amazon's annual conference.
- In late 2019, Quantify will also work with Google Home smart speakers.



# SIMPLE, INNOVATIVE & LIMITLESS



Quantify

qDimmer



#### Simple

- For users, easy to use, control via touch, voice or app.
- For developers and installers:
  - Cloud-based tools allow massive time savings.
  - o 15 minutes for the installation, Vs 1 hour for competition



#### Innovative

- With a patented modular design, the devices can be easily installed in place of any power outlet or light switch, using standard cabling.
- Once installed by a licensed electrician (where required by law), the product can be user-upgraded without the need of a specialist.





#### Limitless

• Finally, Quantify has been designed to scale. The cloud-based platform used for device-to-device communication has limitless scalability.

## COMPETITIVE POSITIONING



	Quantify	Environexus / Control 4 / Fibaro (Puck systems)	InsteON or similar mesh protocol product	lotty/ iDevice
Templated planning to reduce time and cost for developers and industry	Yes	No	No	No
Cloud-based configuration	Yes	No	Yes but limited	Yes
Retrofit and new build	Yes	Requires neutral wire	Separate units for with and without neutral	Requires neutral wire
Single point of failure	No	Yes Hub required.	Yes Limited functionality without a hub.	Yes No hub required. Requires a mobile app.
Third party connectivity	Yes	No	No	Integration through IFTTT
Energy monitoring and management	Yes	No Reporting only on GPO	No	No

### **BUSINESS MODEL**



Sells products and charges a configuration fee



Reason to buy? Differentiate a home for \$5,000 - \$7,000

## HNCD

### Harvey Norman

- \$350m per annum franchise for developers, electricians, builders and architects.
- Display suite at the Burcham Apartments in Rosebery, Sydney.
- Key salespeople specializing solely home automation.
- \$500,000 commitment for first six month of three-year contract
- Exclusive stockist on the East Coast.











### WALLAROO SHORES



- \$736,000 purchase order for the Wallaroo Shores development.
- Premium coastal housing located on 18.5 hectares in Wallaroo, South Australia.



- Consists of 650 residential, retirement and commercial lots.
  - \$40 million, four-star development
  - 13,500 additional units required.
- Installed in 100 townhouses for the Mantra Wallaroo Shores Resort:
- Contract expected to generate over \$2 million in revenue over the life of the development.

## SALES STRATEGY





#### Residential

- Apartment block in Lindfield (Sydney) as well as HNCD display apartment in Sydney and Subiaco Home Base in Perth.
- Work with HNCD on East Coast and other distributors in Australia.
- Retrofit market addressed on the back of these relationships and via partnering.

#### Commercial

- Initial focus on Retirement Living and NDIS (National Disability Insurance Scheme).
- Proof of concept disability home with St John of God Accord in Brighton, Victoria.

#### Global

- Expected to begin with Taiwan and China off back of Foxconn relationship showcasing at Computex, Taipei in May 2019
- Planning to enter the U.S. market in 2020

#### SATURDAY, MAY 11, 2019 THE SYDNEY MORNING HERALD

#### Commercial Real Estate

commercialrealestate.com.au

### **Tech a selling point for apartments**

#### SMART HOMES

Tim Boreham

With the cost of home automation rapidly falling, apartment developers have turned to 'smart building' features as a selling point to move their projects off the books in a rapidly slowing market.

The trend is not lost on appliance giant Harvey Norman, which has teamed with listed hardware minnow Quantify Technology to sell light-switch style units that enable voice or app-based control of lighting, temperature, curtains and audio-visual and security systems. Six months ago Harvey Norman's commercial arm set up a showcase apartment at Stable Group's upmarket Burcham Apartments in the inner city suburb of Rosebery.

The devices have been installed in all 96 apartments, while the project also includes other techheavy features such as automated number plate recognition, electric vehicle charging points and fingerprint lift controls.

So far the retailer has orders covering 1000 apartments and is currently less than 25 per cent of "working towards" 2000 more."

"Smart home automation is one quarter of the price it was five in the next five years because years ago and three times as good," said Alan Stephenson, who owns the retailer's NSW commercial franchise

Nowadays, devices enabling a voice and app-controlled blind, lighting, temperature and AV control can be fitted for \$8000 to \$16,000 - a fraction of the median Sydney apartment price of around \$700,000.

"It's a bit like a navigation system for a car," he said. "It used to be an add-on product for a BMW or Mercedes and now standard in Hyundais."



Quantify CEO Brett Savill said Australian homes had any type of automation, "but that will double Google and Amazon are fighting it out for the next growth market after the iPhone market". He likened the sector to the

10-year transition of mobiles from embrace home automation basic communication devices to features, for fear the technology pocket computers. "If you are going to have a mass project is completed.

market home automation industry, make it absolutely intuitive and seamless so it's not clunky."

developers had been reluctant to been able to demonstrate to nascent stages in Australia, but everything snapping shut."

'Smart homes are at the very nascent stages in Australia. David McLauchlan, Buddy Technologies

will be redundant by the time the

Harvey Norman initially saw it needs to go through that trans- only sluggish demand when it set formation," he said. "We need to up its home automation arm 18 embed computing in the wall and years ago based on clunky hard- \$20-30 for an entry-level unit to wired technology. "There's always been a nervous- infrared capabilities.

developers and architects that (the devices) are easy to install and program and easy to use. And most importantly they are upgradeable." Buddy Technologies chief executive David McLauchlan said Australian households were behind the pace of key markets such as the US, where one in three households had voice-control devices.

The Adelaide based company recently acquired LIFX, the biggest maker of smart light bulbs globally behind only Philips.

Controlled via app or voice, smart globes range between more than \$100 for one with

Mr Stephenson said to date ness," he said. "But we now have "Smart homes are at the very all about clapping your hands and



App-based control of lighting. temperature, curtains and audiovisual and security systems is helping sell apartments. Above: Devices enabling a voice and app control can be fitted for \$8000 to \$16,000.

the rate of adoption is outpacing elsewhere," he said. "It's like when black and white TV was standard if you watched a colour TV once you would never go back." But home builder AV Jennings reports little demand from prospective customers for smartconfigured housing, possibly because the technology is so easy to retrofit.

AV Jennings national design manager Richard Baker said consumers appeared to value security and lighting features over the ability to open curtains remotely. "Tech savvy customers realise they do just the priority things first and then expand down the track," he said. "I suspect there's need for an education process, as many buyers don't know about the level of tech and they view it as gadgetry." He said "feedback from the coal

face" suggested smart home technology was not front of mind. "But I wouldn't be surprised if

certain components start to appear on buyers' wish lists, even if it's not

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