

Investor Update

March
2023

Deep Recognition continues to build a business supported by our RaaS platform and know-how to deliver advanced recognition technologies.

This enables our customers to easily apply leading-edge AI solutions to their business for increased competitive advantage.

Deep Recognition Holdings Limited	An Australian unlisted public company
ABN	33 631 171 796
Founded	2016
HQ	Docklands, VIC Australia
Industry	Recognition Technology Platform Company
Brand	Deep Recognition and Recognition as a Service (RaaS)
Website	www.deeprecognition.io
Examples of our work	Porsche Lexus Chevy Paramount Studios
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Highlights

- **RaaS Version 1.0 officially released**
- **Global Telecommunications Company and 5G Manufacturer meeting in Spain at Mobile World Congress to discuss next steps with Deep Recognition**
- **Now working with Australian based Telecommunications company to setup a demonstration environment in their 5G Innovation Centre. Potential exposure to wide range of new customers**
- **Deep Recognition announces partnership with Equinix to bring RaaS to cloud and reduce sales cycles**
- **Re-branding of Deep Recognition and RaaS Platform now complete**
- **Major law enforcement agency securing more funding to undertake additional work with Deep Recognition**
- **Chat GPT provides more opportunities and capabilities for RaaS**

CEO Update



It's official! We have now released version 1.0 of our RaaS platform (on time and within budget!) and we are incredibly excited!

This is also an exciting milestone for our investors, as we predicted and have now proven, RaaS is achievable rather than just an amazing concept.

Furthermore, through dealing with large quantities of video and intricate AI models, far exceeding the creation of web or mobile apps, we have identified a wide range of add-on capabilities. These capabilities will provide even more value to our customers and additional revenue for Deep Recognition once released in future versions. The sheer complexity and time-consuming nature of building a platform like RaaS, together with what we have learnt from this experience puts us further in front of any competitors who decide to take us on, even if they have significant cash reserves.

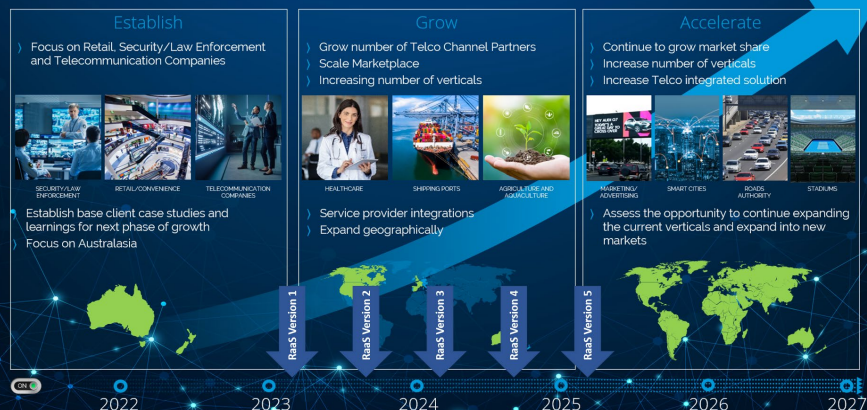
As such, I would like to take a moment to congratulate the amazing team from Deep Recognition who have worked tirelessly to bring RaaS V1.0 to life. It has truly been a team effort and the hard work is incredibly appreciated.

As per the following diagram previously presented to investors, the next phase of our growth is to accelerate sales and marketing activities. We will be launching our next investment round for investors in the next quarter where we will be providing demonstrations for attendees, which will be an exceptional time to invest with RaaS V1.0 now proven.

Putting us even further ahead, is the fact that we're not starting from scratch. With a strong pipeline of customer opportunities at the ready, RaaS V1.0 provides us with the technical baseline to open our doors to more opportunities both in Australia and abroad. Therefore, RaaS V1.0 and versions which follow will provide us with a high-revenue generating platform to sell rather than focusing on point solutions.

As the RaaS platform is highly transformational for customers, we will also be continuing with our market education activities, particularly for our channel partners who have been eagerly awaiting its release.

RaaS GO-TO-MARKET STRATEGY





Global Telecommunications Company and 5G Manufacturer meeting in Spain at Mobile World Congress to discuss next steps with Deep Recognition.

Mobile World Congress was held last week in Spain and Deep Recognition was included in meetings with some of the largest Telecommunication Companies in the world, all thanks to our amazing 5G manufacturing partner. Instead of having to approach the Telecommunication Companies directly, we are being introduced via our 5G manufacturer partner, providing Deep Recognition with much stronger credibility. Our 5G manufacturing partner met with one of Europe's largest Telecommunications Companies, who are already very aware and excited by the RaaS Platform and are ready to discuss next steps with regards to a deployment partnership. More news will be provided on this in the next newsletter, so watch this space for updates.

5G Innovation Centre partnership between one of Australia's biggest Telco's and Deep Recognition providing exposure to a wide range of new customers.

Deep Recognition have been asked by one of our channel partners (Large Telecommunications Company) to setup a demonstration environment of our RaaS platform in their 5G Innovation Centre. It's an amazing opportunity that has us incredibly excited, especially considering research company Tractica forecasts global revenue from computer vision software, hardware, and services will grow from \$1.1 billion in 2016 to \$26.2 billion by 2025, which is very significant growth! Staff at the 5G Innovation centre have a customer facing demonstration every 1 - 2 days which presents Deep Recognition with an amazing opportunity to be seen by many potential customers. The demonstrations are delivered by staff at the 5G Innovation Centre, thereby eliminating any ongoing costs for Deep Recognition.



Deep Recognition announces partnership with Equinix to bring RaaS to cloud.

Deep Recognition has partnered with Equinix to accelerate the adoption of the RaaS platform, the implementation of which will commence in April 2023. This is a significant step forward, as it means that the many thousands of Equinix global customers can quickly and easily connect their CCTV cameras to the RaaS platform. Rather than installing servers and setting up network connections, existing customers on Equinix can be up and running for proof of value deployments within a period of 1 - 2 days. The same is also true for production deployments. This results in a huge reduction in the time spent to achieve this outcome. When a customer selects an AI model from our RaaS platform, we can make this available automatically via a provisioning request to Equinix, rather than Deep Recognition needing to manage server farms. Flow-on benefits include a reduction in sales lead times and the scaling of the RaaS platform.



Deep Recognition completes branding exercise

The world is a rapidly changing place. More crime and opportunities for AI, but at the same time more legislation to contend with. Moving forward, it is critical that we ensure that our company is positioned in the best possible light and our narrative relating to what we do, how we do it and why, is crystal clear.

Therefore, Deep Recognition have undertaken a re-branding exercise, with exceptional results. After interviewing our customers, we have come up with a new brand that encapsulates our what, how and why with stylistic simplicity. However, rather than covering the details here, we will be running a series of webinars over the coming weeks leading up to our next AGM in approximately 4 weeks, during which the new branding and company name will be voted upon. We are incredibly excited about the new branding and look forward to explaining further, along with some of our most recent activities.

New Branding?



Major law enforcement agency securing more funding to undertake additional work with Deep Recognition

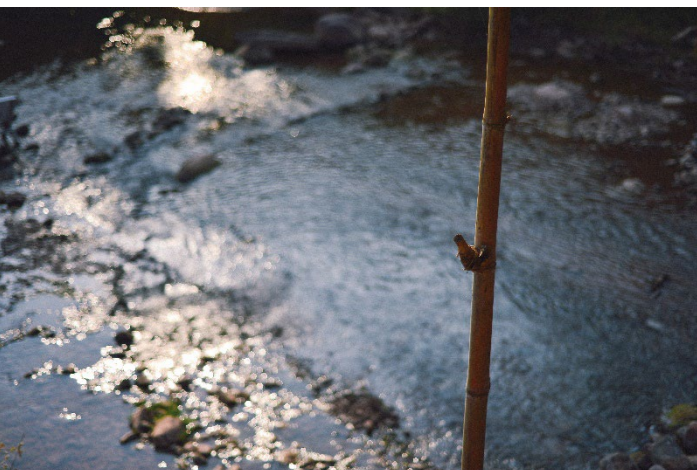
Towards the end of last the financial year, one of Australia's most well known law enforcement agencies implemented multiple Deep Recognition solutions with great success. So we are very pleased to announce that they have decided to continue with this approach for this and the next financial year, with an increase in solution requirements via our RaaS platform next financial year. Following the change of government last year some of the funding for this financial year has been re-allocated to next year.

Furthermore, we are also actively working on other opportunities with two other agencies, which are expected to commence next financial year now that version 1.0 of our RaaS Platform has been released.

Chat GPT provides more opportunities and capabilities for RaaS

Most of you will have no doubt heard of ChatGPT, which is currently taking the world by storm with their AI chatbot technology. Therefore, it would be remiss of us not to consider how we can leverage technologies such as ChatGPT within our RaaS Platform.

As it turns out, ChatGPT and other technologies such as this are already well entrenched within our future roadmap for our RaaS platform. The ability for customers to use plain text to request activation of AI models is just the tip of the iceberg of possibilities. In our next newsletter, we will introduce you to Bluey, our new security robot. Bluey and most robots like Bluey could be made much smarter with the integration of our RaaS platform and Chat GPT. More news will be provided on this exciting topic in our next newsletter, so watch this space for updates



Did you know?

Using an image of a stick in the water taken from a satellite, it is possible to recognise water flow volume in a river. When water flowing in a river wraps around a stick it creates a "V" formation behind the stick. The faster the water flow the tighter the "V" formation behind the stick. Calculating the width of the stick and the "V" enables water authorities and other organisations to determine the water flow rate for the river without needing to actually visit the river.

Summary

We look forward to meeting as many of your as possible during our upcoming webinars and/or our AGM in approximately 4 weeks, where we will detail information about our new branding and provide a general update. Official dates to be released soon with both events being an ideal time for you to ask questions and to learn about our next capital raise, which commences next quarter.

Some of you have been asking when our audited results for last financial year will be released. Our auditors, who have been understaffed, have been completing mid-year audits for some of their large clients, which has resulted in delays in getting our results finalised. We expect to have the audited results within the next 1 – 2 weeks. Our sincere apologies for any inconvenience with the delay.

We look forward to sharing more news about Deep Recognition in our next newsletter.

Please get in touch with Stuart Craigie from Canary Capital at +61 411 440 567 or myself if you have any further questions.