

PRELIMINARY BUSINESS PLAN

1. Company mission

- Develop the EXTO technology to commercialisation.
- Execute license transactions of the technology in subsets relevant to their respective areas of use or / and geographic territory.

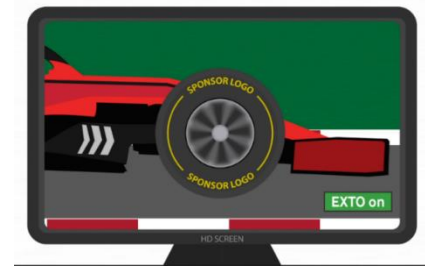
2. System Value

Fundamentally EXTO is a system to enable on-demand control of the so-called *Wagon Wheel Effect* (temporal aliasing), in real-time with zero post-processing and no additional burden of mass or maintenance on the target.

By so delivering, economic value can be created in at least the following areas of commercial application:

- A. branding / advertising: delivering a ROI where currently it is entirely lost as the sponsor brands blur away (e.g. motor racing, cycle racing, air-racing, etc.)

The observed result is typically centre of screen and highly arresting to the broadcast / streaming spectators. Thus we open up an entire new inventory of branding space; which has to date been written off as unusable.



This opportunity includes field-based sports too, and in addition, recent (Feb 2022) discussion with a NASCAR representative provided insight to the desire to ‘de-blur’ the side-of-track advertising that is currently near-invisible as cameras pan with the moving cars.

- B. key performance data live to broadcast
(eg a cycling athlete pedalling at his / her optimum cadence)
- C. machine-vision based predictive and preventative maintenance on industrial, transportation, medical and other plant and equipment – underpinned by powerful business cases for operational uptime and safety
- D. biomedical analyses
- E. consumer engagements / promotions utilising a (in future to be developed) mobile app that is able to exploit the EXTO principles and deliver to individual consumers a ‘hidden message’ from moving products (eg car brands).
ie. A ‘golden ticket’ activation
[This thinking will require co-development of a suitable mobile app]

Additional opportunities are anticipated to appear as R&D continues

Overview [100sec]: https://www.youtube.com/watch?v=Re_Z3pEhodM

Patent granted: USA, UK, IT, FR, ES, DE

3. The Market

Considering only [2A] above, the sports + broadcasting + branding industries, the fundamental opportunity is to deliver a revenue-lift to clients, in a new and uncontested space. Some general stats:

- global sport broadcast revenues ± \$85b by 2025 [research by rethink TV]
- potential to activate approx \$50m worth of brand inventory value across a tier-1 motor race season for a single franchise (eg) NASCAR / IndyCar / F1
- thousands of sub tier-1 motor racing franchises globally represent multiple \$50k to \$1m licences



“Could be the next big thing in advertising real-estate”

Ryan Coomer, Dir: O&M – Geometry

Revenue

With current knowledge, revenues are anticipated to be in form of a licence for a definable event or period or territory, calculated off the value delivered (ie a fraction of the anticipated revenue-lift)



A conservative analysis indicates that a customer like F1 or NASCAR will represent an approximate \$7m in annual revenue to our business.

With thousands of mainstream motor racing events hosted per year around the world, just this market niche offers the potential for hundreds of customers at an anticipated \$50k to \$1m per licence.

4. Commercial Opportunity

- A] Monetise a new and uncontested branding *inventory* across the global broadcasting market.
- B] Monetise a new predictive + preventative maintenance capacity in the broader engineering world.

“Further investment in new broadcast technologies anticipated to be up 67%”

NIELSEN 2021 Global Sports Marketing Trends

5. Key Competitive Advantages

I like to think of EXTO in a manner similar to the story of writing tools developed for use in space some decades back: Allegedly the Soviet space programme simply issued pencils to its cosmonauts while NASA invested heavily to develop a pen to operate in micro-gravity.

The simpler (obvious) solution taking advantage of already-known technology and costing substantially less(!) than the complex solution – in both time and money.

In parallel to the Soviet approach, EXTO is a non-software / non post-production solution for presenting human or machine readable data from a cyclically moving target.

Advertising / Branding

- No collapse of displayed images from overlapping ‘green screens’
- Live to broadcast / stream / record - no post-production
- The maturity-state of the supporting technical infrastructure (eg LED’s) is at an ideal point now for our activation

“An incredible broadcast innovation”

Anthony Garstang, Global Sponsorship Dir: Dimension Data [NTT]

Engineering

- If a prospective opportunity does not already have in place a vibration or accelerometer type sensor, then it may be because it is too sensitive or difficult to install. All EXTO requires is a suitable light-response marker on a component
- Applications like post operation checks of aircraft components are visually oriented, for which a portable EXTO device can be ideal

6. Competitors

EXTO has unique attributes and as a result there is no organisation that we are aware of that does what EXTO does, in the way that we do it. (If they did so that would be patent infringement.)

Rather there are technologies, employed by various organisations, that are in partial competition to the result that EXTO is able to deliver. These will include: all current branding and advertising methods and media, ‘green-screen’ technologies and standard sensor technologies in the engineering world.

Indeed, it is quite conceivable that organisations that distribute the technologies above may well be targets as customers or licence partners given the unique properties of EXTO.

The above said, our greatest ‘competition’ is likely to be inertia; prospective clients operating within a comfort zone and not inclined to engage new possibilities.

7. Market Feedback

Thus far market facing efforts have been low key, with resources and energy diverted primarily to the technical proofs and legal protections. Nevertheless, discussions have been facilitated with the following brands – all of which have expressed a level of interest or intrigue in the possibilities that the technology represents

- F1 www.formula1.com
- Facebook www.about.fb.com
- Mint 400 www.themint400.com
- NASCAR www.nascar.com
- NTT (cycle team + sports-business practice) www.nttprocycling.com
- Polaris Racing www.polaris.com
- Red Bull www.redbull.com/za-en/
- Renault Sport www.renaultsport.com/-Formule-1-330-.html
- Velon www.velon.cc

In addition, discussions with influential and networked individuals are occurring.

***“The commercial aspects of this innovation are intriguing, with
many possibilities”***

Institute of Inventors & Innovators