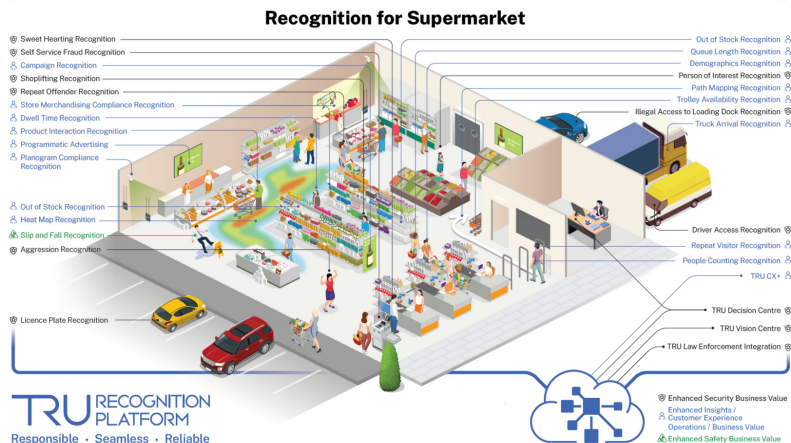


TRU RECOGNITION



CONVERTIBLE NOTE OFFERING

- Unique Multi- factor Recognition capable for enhanced decision support
- Transforms, scales & simplifies existing camera infrastructure
- Patentable IP with strong relationships with key partners
- Already generating revenue - \$907k in FY23
- Clients including Home Affairs, Crown Casino's and Local Councils
- In growth phase and ready to immediately scale up
- 10% p.a Convertible Note to complete Series A+ round
- Noteholders also get 1st Ranking security over FY24 & FY25 R&D Claims with registered PPSR(s)

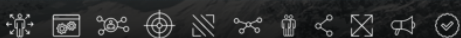
High levels of accuracy improve business outcomes

TRU

- Multi-Factor Recognition (Cumulative Confidence, Facial Recognition, AI & Lidar)
- Multi-Factor Recognition (Cumulative Confidence, Re-ID, AI & Lidar)
- Anomaly Recognition
- Rules Engine/Weighted Average/Cumulative Confidence
- Comprehensive Customer/Product Tracking
- Abnormal Customer Behaviour – Dwell, No Pay
- Product Concealment to Bag/Pocket
- Single AI Model
- Product Ramper
- Product Sweep – too much product, too fast
- Product Pick-up/Return lidar sensors

TRU Platform Value-Add

ON





TRU RECOGNITION PLATFORM

For the Raising of A\$2,400,000 In TRU Recognition. ACN 631 171 796 through issue of Convertible Note.
At 10.0% p.a interest, accruing monthly and capitalised annually.



COMPANY

Issuer	TRU Recognition Holdings Limited ("TRU", "TRU Recognition" or the "Company")	
Lead Manager	STK Markets ("STK"). Contact Sean Sandilands sean@stkmarkets.com +61 412 166 471	

OFFER

Raise	A\$2,400,000 "Series A+"
Method	CONVERTIBLE NOTE ISSUE
Conversion	Noteholder can convert at any time at maximum \$0.20 per share or at a 10% discount to the next capital raise round if that round is below \$0.20 per share.
Term	Maximum 2 years to December 2025.
Interest	10% annual interest, accruing monthly and capitalised annually.
Priority Ranking	1st Ranking security over FY24 & FY25 R&D Claims, registered PPSR(s)
Conversion and/ or redemption provisions	At noteholder's option only
Use of Funds	Provide working capital
Redemption	Noteholder can redeem 50% of the Note Principal for cash within 7 days of the FY24 R&D claim funds being received by the company. Noteholder can redeem the balance of the Note(s) within 7 days of the FY25 R&D claim funds being received by the company.
Key Dates	Bids are due by 12pm EST Tuesday 19 Dec 2023 with funds due by Friday 22 Dec 2023

SUMMARY

- ✓ The TRU Recognition Platform **transforms, scales and simplifies** existing camera infrastructure.
- ✓ Their proprietary platform provides **unlimited use-cases** for companies such as **airports, shopping centres, mining operations, retail stores, hospitals, law enforcement, resorts/ casinos and ports.**
- ✓ TRU Recognition **renders single-use video surveillance platforms obsolete** by enabling vision streams to be split up to 64 times, transforming visual data into actionable insights. **TRU is the smart-TV with all the options vs a single TV channel.**
- ✓ To obtain responsible insights the TRU Recognition Platform uses **multiple sources** of business data, sensors & purposeful analytics **to build, solve and recognise challenges, events, objects and activities.**
- ✓ By combining multiple technologies through the TRU Recognition platform, accuracy is dramatically improved, and infrastructure duplication is eliminated, resulting in improved business efficiency and decreased costs
- ✓ This enables organisations to **make accurate data-driven decisions.**
- ✓ TRU Recognition Platform solves business problems by:
 1. **Identifying new opportunities** - with speed to decisions and improved efficiency
 2. **Reducing operational costs** - with improved decision distribution down & across the organisation
 3. **Mitigating risk** - by establishing proactive and predictive decisions with improved consistency and accuracy
- ✓ TRU Recognition have **developed their own patentable IP** in conjunction with strong relationships with key partners to provide them with a significant advantage over the competition
- ✓ There are > 1 billion CCTVs globally, growing at more than 13% pa. This is a **\$50B future and adjacent market opportunity**
- ✓ **Already generating revenue** (\$907k in FY23) from clients including **Home Affairs, Crown Casino's and Local Councils**
- ✓ TRU is in growth phase and **ready to immediately scale up.**

TRU RECOGNITION PLATFORM: ACCELERATING POSITIVE BUSINESS OUTCOMES

DISCLAIMER AND IMPORTANT NOTICE: STK Markets ("STK") have been engaged to the Convertible Note raising to Sophisticated & Professional Investor. Please ensure to read the Disclaimer and Important Notice found on the last page of this document and the separate Convertible Note Document and specific terms and conditions.

THE TRU RECOGNITION PLATFORM, ENABLES CUSTOMERS:

- Leverage existing infrastructure and models to elevate decision-making confidence.
- Customers can choose from a diverse library of verified 3rd party AI solutions that can be overlaid to existing models, combined and enhanced to any specific use case.
- Scale by solution, sites, cameras, or use cases without locking into a single technology or algorithm provider.
- TRU validates and combines the most advanced AI-based recognition technologies on a single platform to facilitate data-driven decision-making, mitigate risk, proactively monitor camera and algorithm performance, and eliminates infrastructure duplication.

This enables us to improve customers' business efficiency and decrease their costs, whilst applying their data privacy & ethics policies.

- TRU's vendor-agnostic, flexible solutions empower customers to design and deploy real-time decision support and analytics across their existing technology stack and models.

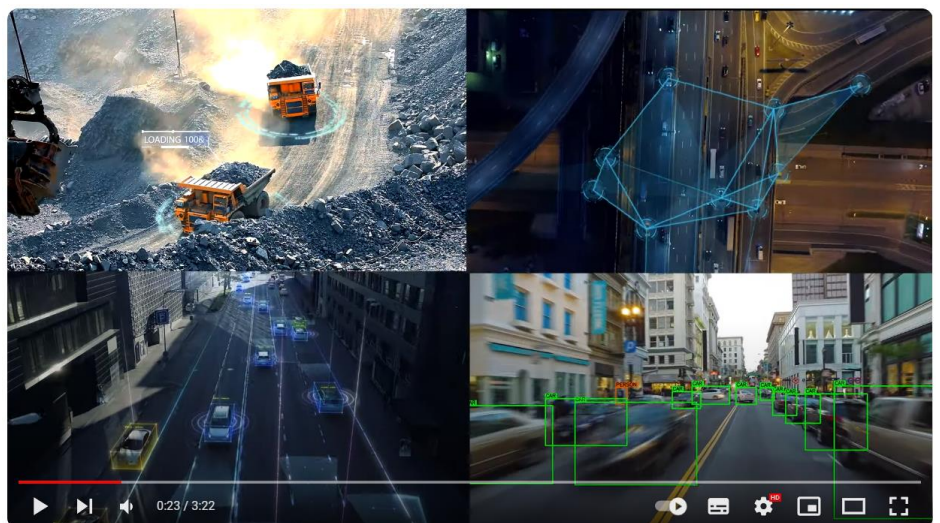
In this way, the TRU Platform limits vendor lock-in, streamlines AI adoption, improves prediction confidence, minimises infrastructure investment, and reduces time to value.

Leverage:	Existing assets, software Scales recognition technologies
Scale and capture:	Vision and sensor data for high Accuracy in making critical decisions
Act:	Quickly and accurately to adapt to changing circumstances

TRU is generating revenue. Having laid the foundational with ARR clients and initial partners it is entering the Growth phase and ready to scale into large contracts with enterprises

TRU RECOGNITION PLATFORM APPLICATIONS

- Access to a constantly evolving AI model library, enriched with relevant options, and supports various video streaming capture methods, including but not limited to sensors, geospatial data, robotics, and drones.
- The platform leverages previous investment by customers in cameras /sensor technology as well as managing end-to-end video & imagery pipelines across the enterprise in a highly scalable manner, this has not been previously possible.
- The TRU platform takes the current and future pain out of managing multiple-point solutions by giving users the freedom to choose and innovate within a flexible, centralised platform whilst proactively monitoring AI and technology performance to mitigate risk.
- TRU Recognition have developed their own patentable IP in conjunction with strong relationships with key partners to provide them with a significant advantage over the competition.
- The TRU Recognition platform arrives to market at the perfect time to take advantage of Vision based AI, Cloud & 5G
- Via their work with a global 5G manufacturer, they have unprecedented access to global Telecom carriers. Discussions with major retailers are well advanced



This is the TRU Recognition Platform

Watch "This is the TRU Recognition Platform" <https://www.youtube.com/watch?v=FUU8xgBhwwQ>

UNDERSTANDING THE TRU RECOGNITION PLATFORM

EXAMPLE 1: TRU FOR CONVENIENCE STORES

Use existing Infrastructure to boost customer engagement and sales.

The TRU Recognition Platform can provide significant business value to convenience stores by improving safety, enhancing security, providing customer insights as well as improving and measuring customer experience levels. Traditional Wi-Fi/ Bluetooth solutions offer low accuracy due to a wide range of factors.

Other benefits of the TRU Recognition Platform include:

- ✓ Empirically understand the customer experience level your business is delivering.
- ✓ Measure the experience of all customers rather than only those who complete surveys.
- ✓ Understand friction points in real-time.
- ✓ Increase basket size by enhancing customer experience.
- ✓ Easily evaluate new product launches
- ✓ Drive a strong customer experience culture at the Board level.
- ✓ Optimise staff allocations.
- ✓ Leverage existing infrastructure.
- ✓ Increase the level of store insights.
- ✓ Augment NPS and Customer Survey data.



Visit www.TRUrecognition.io/solutions/convenience-stores and click on the dots in the infographic to learn more.

See pages at end for more examples from other sectors the TRU Recognition platform is already selling into.

TRU RECOGNITION IS GENERATING REVENUE

- The Company has been generating revenue, of over \$900k in FY23
- Clients already including [Home Affairs](#), [Crown Casino's](#) and [Local Councils](#)
- It is now ready to move what it has done with foundational ARR clients and initial partners, and scale up



TRU RECOGNITION HAS ENTERED GROWTH PHASE

- ✓ “The TRU Recognition Platform comes to market at exactly the right time to exploit emerging technologies and influences such as 5G, Cloud, Edge Compute, Large Language Models (ChatGPT) and Artificial Intelligence”.
- ✓ TRU is already generating revenue from customers including Home Affairs, Crown Casino’s, Local Councils, and others.
- ✓ TRU is ready for roll out and deployment.



FINANCIAL MODEL

Key Metrics

Services In Operation (SIO)

- SIO is the key metric that drives the financial model
- The more SIO's, the more video data analysed and problems solved with the TRU platform, ensuring customer retention and expansion.

Average Revenue Per Unit (ARPU)

- ARPU is the average revenue per SIO
- ARPU includes TRU base service fee, TRU additional features fees and AI model margin

Income Streams

- TRU charges clients a base fee per SIO of \$40m p/m at ~90% Gross Margin
- 3rd party AI models are marked up by TRU, estimated minimum additional GM per AI model per SIO of \$8
- Customers will have minimum on AI model, two is the expected average, which is anticipated to rise over time as AI models expand in function and uptake
- As an example, a customer with 5,000 cameras and 2 x AI models (theft detection & slip/ fall detection):
 - Base \$40 x 5,000 = \$200k per month
 - AI model margin \$8 x 2 x 5,000 = \$80k per month
 - = \$280k monthly revenue
 - = \$260k monthly gross margin
 - = \$52 ARPU with 92% GN

Annualised Numbers				
Item	Current	Breakeven	>20% EBITDA	Exit
Phase	Pre-Launch	Post Launch	High Performing	Established
Services in Operation (SIOs)		15,000	20,000	50,000
Revenue (ARR)	\$0	\$7,200,000	\$9,600,000	\$24,000,000
Gross Margin	\$0	\$6,480,000	\$8,640,000	\$21,600,000
GM %	N/A	90%	90%	90%
Opex	(\$5,760,000)	(\$6,336,000)	(\$6,696,000)	(\$8,856,000)
Opex % of Revenue	N/A	88.00%	69.75%	36.90%
Opex % of GM	N/A	97.78%	77.50%	41.00%
EBITDA	(\$5,760,000)	\$144,000	\$1,944,000	\$12,744,000
EBITDA %	N/A	2.00%	20.25%	53.10%

FINANCIAL MODEL...continued

- The following financial "snapshots" of different Phases of TRU's journey illustrate the profit generation possibilities of the platform.
- Note that this model uses only the base \$40 per month per SIO only and does not include any revenue or margin generated from the AI Models or any additional income from platform feature expansion.
- As a guide, just the current customers in TRU's sales pipeline have > 450,000 cameras (SIOs).

For more information about [Financial Model](#) refer to TRU Recognition Corporate Presentation.

PIPELINE

- Currently > 2M CCTV cameras in Australia & growing rapidly (increased camera density)
- Larger individual customers have > 40,000 CCTV cameras
- Customer uptake of multiple AI models expected with significant increase in model usage as adoption becomes mainstream
- Large retailers & Government dominate CCTV usage & are therefore the major target customers of TRU
- This table illustrates the current pipeline that the TRU sales team are actively engaging

Based on just the existing pipeline, TRU needs to capture only:

- 3.3% (15,000 SIOs) to achieve breakeven
- 4.4% (20,000 SIOs) to achieve \$1.9M EBITDA
- 11% (50,000 SIOs) to achieve \$12.7M EBITDA

Type of Customer	Number of Current Active Prospects	Total SIO's
Retail	12	199,400
Government	6	161,000
Healthcare	3	40,900
Energy	2	16,950
Service Stations	2	12,000
Mining	3	11,000
Airport & Asset Management	4	9,340
Security	1	2,100
Transportation	1	1,800
Total	34	454,490

TRU RECOGNITION PLATFORM COMPETITORS

- Fragmented competitive landscape
- 18 - 24 months in front of any potential competitor
- Extract more value from existing camera networks
- Easier deployment of new Recognition Technologies
- Select and deploy best-in-class Recognition Technology algorithms from multiple vendors
- Scalable and future proofed

For more information about [competitors](#), [economic moat](#) and [competitive advantages](#) refer to TRU Rec's Corporate Presentation.

TRU RECOGNITION PLATFORM COMPETITORS

Fragmented competitive landscape

Closest Competitors

TRU Platform Key Differences

- The above companies have a platform, however, it only features their own AI models as other providers see them as competitive.
- No known ability to deal with privacy and ethics concerns

Video Storage

TRU Platform Key Differences

- Primarily focused on storage of video with a small subset of third-party AI model providers.
- No ability to deal with privacy & ethic concerns

Single Vendor Solution

TRU Platform Key Differences

- Point solution providers who will not be able to meet all complex customer requirements
- Cannot provide a holistic way deal with accuracy, scalability, performance, security and privacy
- No known ability to deal with privacy & ethic concerns

Video Infrastructure

TRU Platform Key Differences

- Hardware only providers with no AI Models
- Cannot provide a holistic way deal with accuracy, scalability, performance, security and privacy
- No known ability to deal with privacy & ethic concerns

COMMERCIAL USE OF FUNDS

TRU recognition has raised \$4.1m towards its total required raise of \$6.5m. Use of total funds

Series A (completed)

- o Completed TRU Recognition Platform Technical Baseline Build
- o Released TRU Recognition Platform V1.0
- o Released TRU Recognition Marketplace V1.0
- o Completed 5G Network Integration
- o Completed TRU Recognition Vision Gateway Upgrade

Additional components delivered

- o New Company Strategy
- o Build of TRU Recognition Experience Centre
- o Attracted exceptional employee talent
- o Set-up of Project Management Office
- o Set-up of Service Management Office
- o Set-up of Contracts Capability
- o Set-up of Product Management Processes
- o Set-up of Salesforces CRM
- o Top 99% percentile of Cyber GRX assessments
- o Release of Privacy Policy and Responsible Technology Statement

Series A (Completed) \$4.1m

Item	Amount
Development Team	\$2,700,000
Sales & Marketing Team + Expansion	\$900,000
Development of additional customer aligned functionality for Law Enforcement and Retail	\$900,000
Product	\$650,000
Enhancement of TRU Recognition Marketplace	\$400,000
Cost of Capital Raise, Administration & Other	\$950,000
Total	\$6.5M

Series A+ Raise (This Raise \$2.4m)

CORPORATE INFORMATION

TRU RECOGNITION CAPITAL STRUCTURE	
Ordinary shares on issue*	123,343,795
Shares offered @ \$0.20	17,500,000
Total shares post issue	140,843,796
Post money valuation	28,168,759
Enterprise valuation	22,668,759

*Excluding employee and other Options

MAJOR SHAREHOLDERS	
John McGiffin	23.0%
Fresh Start Australia P/L	17.1%
Parallel Consulting Group	3.2%
Threlfall Pty Ltd	2.8%

BOARD AND MANAGEMENT

John McGiffin | CEO & Founder

- o Considered a leader in Artificial Intelligence in Australia. A member of the AI working group with Standards Australia focusing on data and AI Trustworthiness. 25+ years IT experience in senior roles with Smorgan and Simplot.

Ilario Faenza | Chairman

- o Ilario brings over 25 years' experience in the IT & Telecommunications industries at the highest levels. He is passionate about the development of strategic partnerships to spearhead innovation and facilitate succession planning.
- o Ilario is a successful dealmaker in the creative consolidation of products and service companies. He has launched start-ups and IPOs, managed M&A for companies in a wide range of sectors and is a sought-after board member both in Australia and abroad.
- o Ilario's experience in Europe and the US gives him a unique international perspective that is sought after at home and overseas. Ilario is a member of the Australian Institute of Company Directors.

Hasan Sharif | Non Executive Director

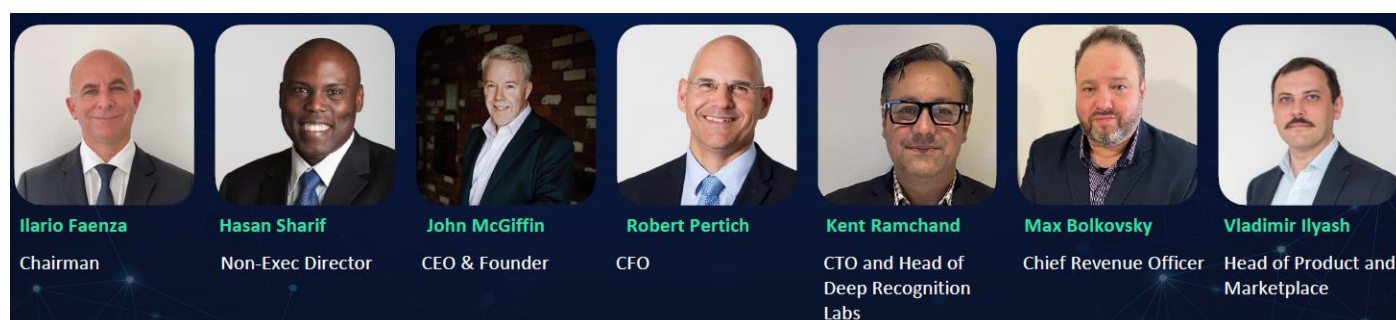
- o Hasan brings over 25 years of experience across multiple industries focused on delivery of complex initiatives within large-scale transformational programs.
- o Adept at client service delivery, demonstrating versatility, flexibility, and competence through all dimensions of the software delivery lifecycle utilising multiple technologies. Hasan is a Passionate People Developer, creating and maintaining supportive, coaching environments for teams, proteges and counselees.

Kent Ramchand | CTO & Head of Deep Recognition Labs

- o Over 20 years in consulting, enterprise architecture and leadership across Telstra & IBM strategic accounts.
- o Has published 6 research papers and is a PhD candidate in cloud computing and distributed AI at Swinburne University.

Max Bolkovsky | Head of Strategic Sales and Marketing

- o Max Bolkovsky brings with him 25+ years professional experience to the TRU Recognition team, both in Channel and Vendor organisations.
- o Throughout his career, Max has worked closely with revenue, field and marketing teams. He has been pivotal in accelerating growth whilst developing and implementing strategies to secure business success



Additional Information

[This is the TRU Recognition Platform Video](#)

[TRU Experience Centre Digital Twin Link](#)

TRU PLATFORM BALANCES PRIVACY AND INSIGHT

Privacy and Ethics is at the heart of everything we do. By implementing truly responsible, ethical data management and governance with secure frameworks and practices we exceed the standard regulatory requirements. Privacy, ethics and security are fundamental to functional and effective AI, which is why we build these features directly into our TRU Recognition Platform

RECOGNITION FOR RESPONSIBLE AI

Scale existing infrastructure for responsible insights

TRU Recognition's unique approach to responsible AI is all about protecting people's privacy

Level 1	TRU Redaction - Face Blurring	All faces in a video stream are blurred in real-time.
Level 2	TRU Redaction - Body Blurring	Full body blurring.
Level 3	TRU Redaction - Body Segmentation and Redaction	Full body segmentation and redaction (i.e. Ghosting)
Level 4	TRU Redaction and Visualisation - 100% Visualisation via Avatars	Find a privacy safe environment for insights teams to operate as Avatars that mimic in store activity.

Raw video data is not accessible across the organisation. Only specific users as designated by the 'Privacy Officer Role' can access raw data for compliance and security purposes (i.e., senior security personnel).

TRU Platform balances privacy and insight

Balance

Taking the lead in next generation practice and regulatory safeguards

TRU Recognition go beyond current regulatory requirements to create reliable, robust methodologies and practices, creating high-Trust and compliant technology.

Privacy by Design

- o Built-in safeguards, with multi-level anonymisation ensures powerful and compliant privacy solutions

Ethics-by-Design

- o Identify and mitigate ethical risks, directing technology development in a thoroughly ethical manner.

Security-by-design

- o Strict security frameworks and independent auditing lay the foundation for active, constant security monitoring and management.

The TRU Recognition platform has been tested against multiple AI risk assessment frameworks, from the Government and Enterprise sectors - paving the way to channel partnerships that will accelerate uptake of their services.

For more information you can read the Responsible Technology Statement at www.TRUrecognition.io/responsible-technology-statement

UNDERSTANDING THE TRU RECOGNITION PLATFORM

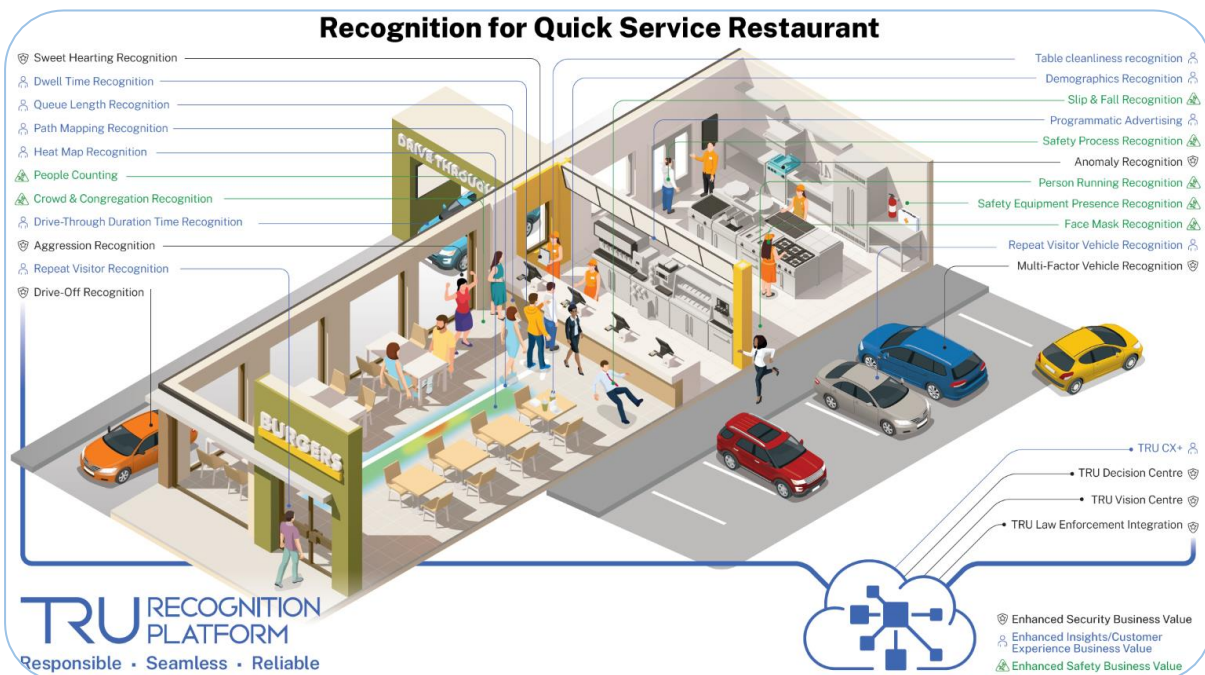
TRU FOR RETAIL STORES

- Use existing Infrastructure to boost customer engagement and sales.
- The TRU Recognition Platform can provide significant business value to retail stores by improving safety, enhancing security, providing customer insights as well as improving and measuring customer experience levels. Traditional WiFi/Bluetooth solutions offer low accuracy due to a wide range of factors.
- Visit www.TRUrecognition.io/solutions/retail-stores and click on the dots in the infographic to learn more.



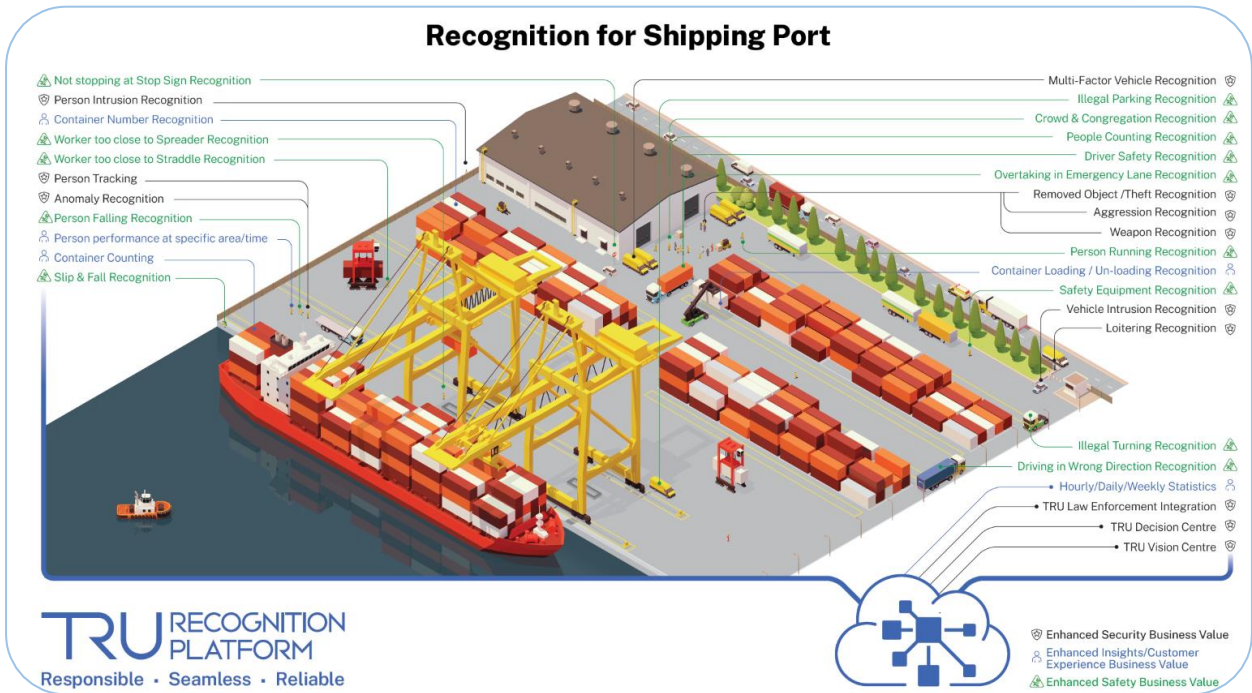
TRU FOR QUICK SERVICE RESTAURANTS

- Enhancing customer experience and streamlining operations even in the quick service industry
- The TRU Recognition Platform provides strong business value to Quick Service Restaurants (QSRs) by improving the speed and accuracy of service, reducing wait times, and enhancing the overall customer experience. Safety and Security risks are also recognised
- Visit www.TRUrecognition.io/solutions/quick-service-restaurants and click on the dots in the infographic to learn more.



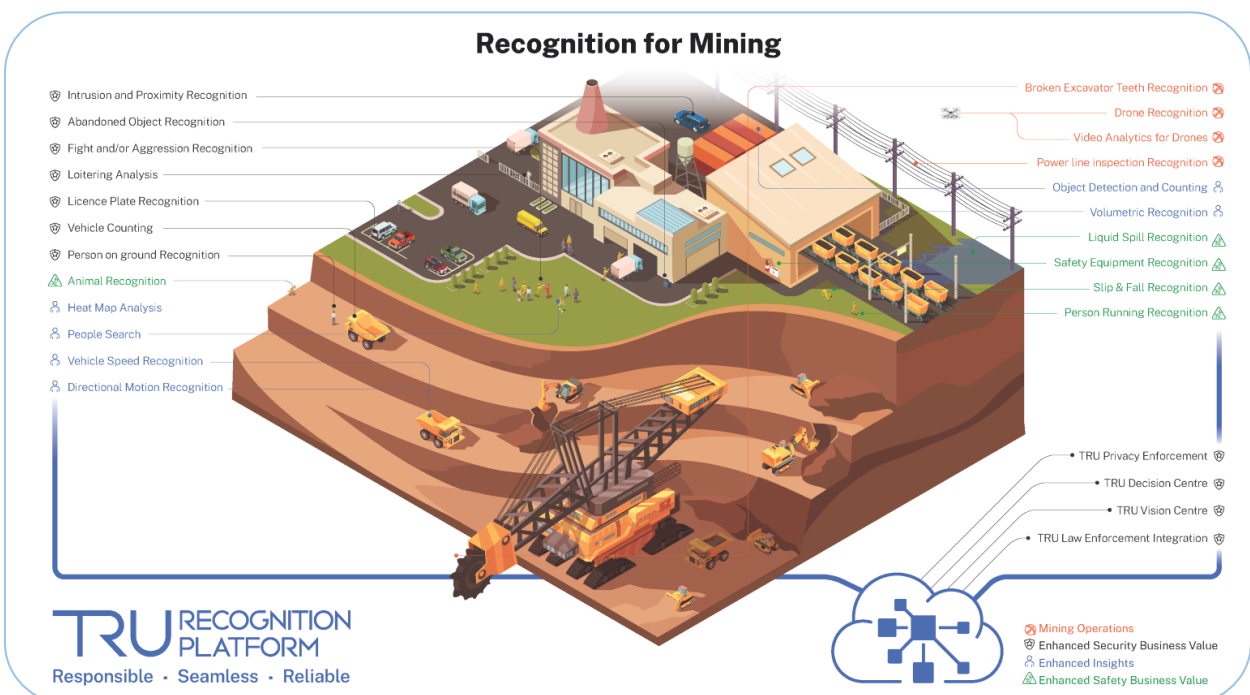
TRU FOR SHIPPING PORTS

- o Streamlining shipping port operations with real-time insights.
- o The TRU Recognition Platform can provide significant business value to shipping ports by improving safety, enhancing security, and increasing efficiency
- o Visit <https://www.TRUrecognition.io/solutions/shipping-ports> and click on the dots in the infographic to learn more.



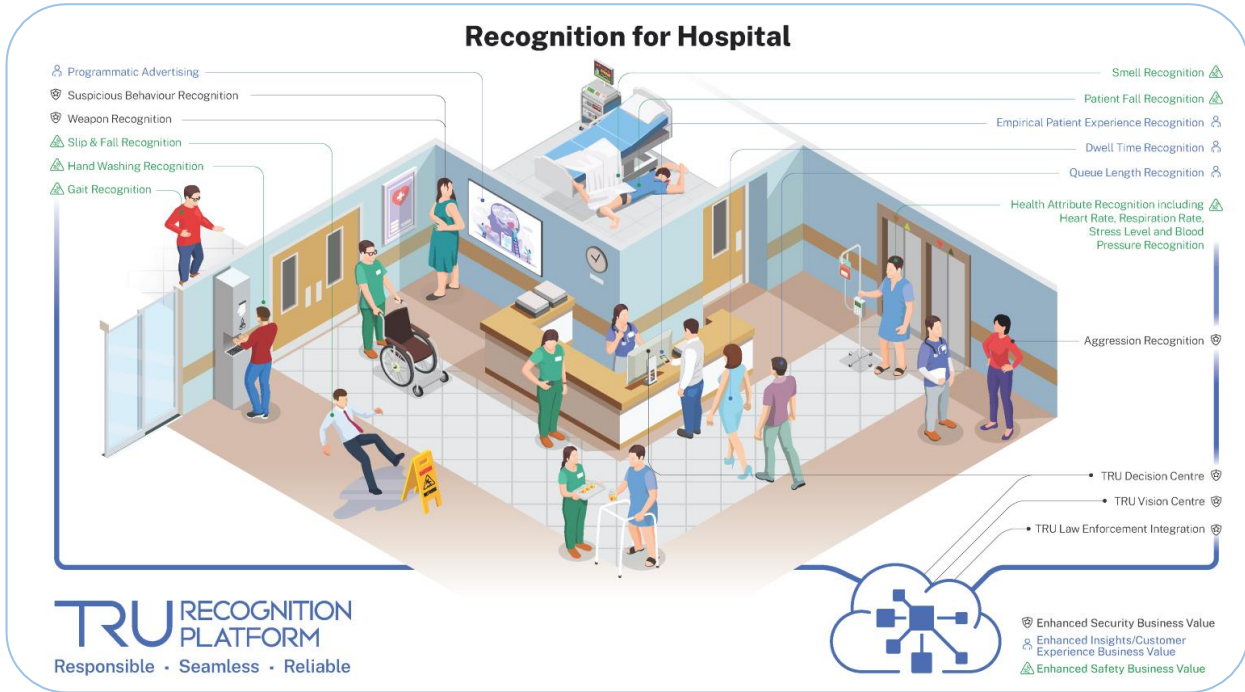
TRU FOR MINING

- o How AI is modernising the mining industry.
- o The TRU Recognition Platform can provide significant business value to the mining industry by increasing efficiency, safety, and productivity whilst reducing costs and environmental impact.
- o Visit www.TRUrecognition.io/solutions/mining and click on the dots in the infographic to learn more.



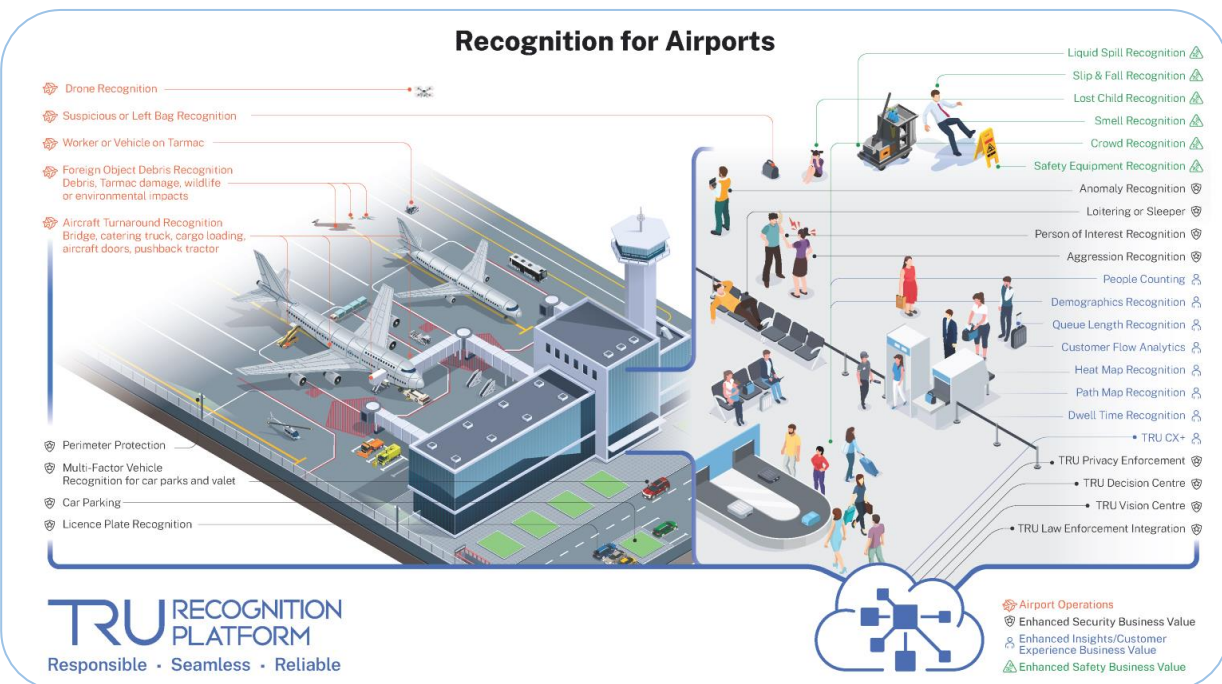
TRU FOR HEALTHCARE

- o Accurate, real-time analytics and insights to improve the experience and safety of patients, staff and visitors.
- o The TRU Recognition Platform can provide significant business value to healthcare and hospitals by improving patient outcomes, reducing operational costs, and enhancing the overall efficiency of care delivery.
- o Visit www.TRUrecognition.io/solutions/healthcare and click on the dots to learn more about this recognition technology



TRU FOR AIRPORTS

- o Real-time analytics to improve the experience and safety of passengers, staff and visitors.
- o The TRU Recognition Platform can provide significant business value to airports by improving efficiency, enhancing the passenger experience, and reducing costs.
- o Visit www.TRUrecognition.io/solutions/airports and click on the dots to learn more about this recognition technology.



TMG BINDING AND IRREVOCABLE BROKER FIRM BID

FIRM OFFER DUE: Monday 18 Dec 2022 (2pm AEST)	This timetable is indicative only and is subject to change without notice. Email to: Sean Sandilands sean@stkmarkets.com or call +61 412 166 471
Dollar Value of Investment	\$
Contact name	
Email	
Phone number	
Signature	
Date	
<i>Provide if relevant</i>	
<i>AFSL name</i>	
<i>AFSL number</i>	
<i>Authorising name</i>	
<i>Position</i>	

INDICATIVE TIMETABLE (SUBJECT TO CHANGE)

Offer Opens	Tuesday 12 December 2023
Firm Bids Due	Tuesday 18 December 2023 (2pm AEST)
Firm Allocations Provided	Tuesday 18 December 2023 (5pm AEST)
Funds Due	Thursday 21 December 2023
Issue of Convertible Notes	Immediately upon receipt of funds

No Disclosure Document and Offer Restrictions

A prospectus will not be lodged in relation to the Placement Shares. The Placement is only available in Australia to 'sophisticated investors' (as defined in section 708(8) of the Corporations Act), 'professional' investors (as defined in section 708(11) of the Corporations Act), or "experienced investors" if the offer is made through a financial services licensee and the requirements of section 708(10) of the Corporations Act are met.

STK MARKETS WILL BE ACTING AS MANAGER TO THE OFFER AND AS SUCH WILL RECEIVE FEES FOR THIS SERVICE

Disclaimer: STK Markets, its servants or agents, make no recommendations as to whether you should participate in the new issue by the company nor do they make any recommendations or warranty to you concerning the shares or accuracy, reliability or completeness of the information provided or the performance of the Company. This note is intended to provide background information only and does not purport to make any recommendation upon which you reasonably rely without taking further and more specific advice. You should make your own decision whether to participate based on your own enquiries. Potential investors must make their own independent assessment and investigation of the opportunity and should not rely on any statement, or the adequacy or accuracy of the information provided by STK Markets. Securities of small to mid-cap companies typically involve a higher degree of risk and more volatility than securities of more established companies. As such, an investment in the company must be considered as speculative. The information provided does not purport to cover all relevant information about any potential investment in the company. Accordingly, investors are advised to seek appropriate independent advice, if necessary, to determine the suitability of this investment.

Disclosure: STK Markets in its role as lead manager will be paid fees including a capital raising fee and management fee. STK Markets as principal, its directors and staff may participate in the issue detailed herein. The Directors of STK Markets advise that they and persons associated with them may have an interest in the above securities and that they may earn brokerage, commissions, fees and other benefits and advantages, whether pecuniary or not and whether direct or indirect, in connection with the making of a recommendation or a dealing by a client in these securities, and which may reasonably be expected to be capable of having an influence in the making of any recommendation, and that some or all of our Representatives may be remunerated wholly or partly by way of commission.

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