

## ASX Announcement

28 March 2023

### Exclusive AU/NZ Distribution Agreement targeting public sector customers

San Francisco, CA – Nightingale Intelligent Systems, Inc. (**ASX: NGL**) (**Nightingale** or the **Company**), a leading provider of advanced security drones, announces today an exclusive multi-year distribution agreement for Australia and New Zealand with Arvensys Group (**Arvensys**), a leading distributor of public safety technology in Australia and New Zealand.

Nightingale's drones are equipped with advanced AI technology and can detect and respond to potential security threats in real-time. The drones are designed to provide enterprise and public sector clients with cutting-edge security solutions that enable them to better protect their assets and respond to security incidents.

Under the distribution agreement, Arvensys will become the exclusive distributor of Nightingale's artificially intelligent security drones in Australia and New Zealand for an initial term of 5 years.

The agreement includes an obligation on Arvensys to make an upfront payment to Nightingale of AUD\$1.10 million for seven complete product systems (hardware, back-ups, maintenance and deployment services).

For the remainder of the term there is a minimum annual purchase obligation on Arvensys for another seven complete product systems (with a yearly aggregate value of AUD\$1.10 million) each year. Importantly, Nightingale will generate additional recurring revenue from each system deployed at customer locations in the form of continuing maintenance, repair, and upgrade services.

The agreement otherwise contains terms and conditions customary for contracts of this nature.

"The Nightingale Drone represents a major advancement in public safety technology, providing Australian Public Sector clients with highly effective tactical ISR capabilities and real-time data analysis," said **Sesidhar Kolikonda, CEO of Arvensys**. "We're extremely excited to offer this robotic aerial security solution to our clients and help them protect their critical assets more effectively."

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"We're thrilled to partner with Arvensys to bring our advanced security solutions to clients in Australia and New Zealand," said **Jack Wu, CEO of Nightingale**. "Arvensys has a proven track record of providing top-tier public safety technology, and we're confident that our partnership will provide clients with the best possible security solutions and add further momentum towards Nightingale's revenue expansion."

In addition to generating revenue for the Company as outlined above, the Company is of the view that through this partnership, Nightingale will gain additional market share and sales resources by exposure to Arvensys' existing customer base and leveraging Arvensys' sales channels. Nightingale believes that these advantages will translate into increased customer engagement, stronger sales pipelines, and revenue expansion for both Nightingale and Arvensys.

**For further information, please contact:**

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**About Nightingale**

Nightingale designs, develops, builds, deploys, and supports autonomous robotic aerial security technologies that protect critical infrastructure for Fortune 500 companies. The autonomous perimeter security system features networked base stations and mission-ready drones which can be rapidly airborne to meet the threat. The system is driven by Nightingale's command and control software, which equips security teams with a real-time decision support system to help keep their facilities safe while reducing labor costs: Go to <https://www.nightingalesecurity.com/>

**About Arvensys Group**

The Arvensys Group, established in 2007, has over 500 team members across 6 countries. Arvensys is trusted by its large government & enterprise clients as their Innovative Technology Adviser. Arvensys specialises in ICT Services ranging from Strategic Enterprise Architecture Consulting, via Intelligent Automation, through to Implementation, Maintenance & Disposal of ICT equipment in the field.

These services are delivered through Arvensys' D2D (Discovery to Disposal) framework, which manages complex ICT projects across their 'whole-of-life'. This capability is enhanced by Arvensys' ability to provide equipment funding for government departments.

Over the past 15 years, Arvensys Group has assisted many start-up companies and large organisations to realise their vision and maximise return on investment.

### **Forward looking statements**

This announcement contains forward-looking statements, which address a variety of subjects including, for example product development, marketing position and technical advances. Statements that are not historical facts, including statements about our beliefs, plans and expectations, are forward-looking statements. Such statements are based on our current expectations and information currently available to management and are subject to a number of factors and uncertainties, which could cause actual results to differ materially from those described in the forward-looking statements. The Company's management believes that these forward- looking statements are reasonable as and when made. However, you should not place undue reliance on any such forward-looking statements because such statements speak only as of the date when made. We do not undertake any obligation to publicly update or revise any forward- looking statements, whether as a result of new information, future events or otherwise, except as required by law or the ASX Listing Rules. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results, events, and developments to differ materially from our historical experience and our present expectations.