ShotSpotter®

Investor Presentation

May 2021

Cautionary Note Regarding Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to statements regarding the company's business plans, the anticipated impact of the COVID-19 pandemic, international expansion, expectations regarding future sales and expenses, our ability to capitalize on market opportunities, the ability to achieve near and long-term growth and profitability objectives, anticipated timing and volume of customer contract renewals, and revenue and GAAP profitability guidance for full year 2021. Words such as "expect," "anticipate," "should," "believe," "target," "project," "goals," "estimate," "potential," "predict," "may," "will," "could," "intend," variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond the company's control. The company's actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to: the company's ability to successfully negotiate and execute contracts with new and existing customers in a timely manner, if at all, the company's ability to address the business and other impacts and uncertainties associated with the COVID-19 pandemic, maintain and increase sales; the availability of funding for the company's customers to purchase the company's solutions; the complexity, expense and time associated with contracting with government entities; the company's ability to maintain and expand coverage of existing public safety customer accounts and further penetrate the public safety market; the company's ability to sell its solutions into international and other new markets; the lengthy sales cycle for the company's solutions; changes in federal funding available to support local law enforcement; the company's ability to deploy and deliver its solutions; and the company's ability to maintain and enhance its brand, as well as other risk factors included in the company's most recent annual report on quarterly report on Form 10-Q and other SEC filings. These forward-looking statements are made as of the date of this press release and are based on current expectations, estimates, forecasts and projections as well as the beliefs and assumptions of management. Except as required by law, the company undertakes no duty or obligation to update any forward-looking statements contained in this release as a result of new information, future events or changes in its expectations.

ShotSpotter®

The ShotSpotter Difference

" *Earn the trust of law enforcement to help them provide equal protection for all and strengthen the police-community relationship, ultimately improving public safety.*

The ShotSpotter Advantage

- Proprietary, Widely Adopted Gunshot Detection Technology
- Integrated SaaS Platform for 21st Century Policing
  - Respond   - Investigate   - Connect
- $0.5 Billion International TAM
- Strong Customer Loyalty/Economics
- 30+% CAGR (Historical) with Approximately 60% Gross Margins
- Wide and Deep Barriers to Entry

The Public Safety Gap

Local police departments challenged to serve and protect in a transparent fashion without over-policing and underserving while…

>80% of gunfire incidents are never reported

Siloed, unstructured investigative data

Gut-based patrolling leads to missed opportunities

The ShotSpotter Vision

Precision Policing Suite

Transforming Data into Actionable Intelligence

Respond

- Get cops to gun crime scenes faster and more precisely
- Improved evidence recovery and witness interviews
- Saves lives (time is tissue)

Investigate

- Link analysis connect people, place and property to improve solvability
- Collaboration tools speed up investigation progress
- Reporting identifies cases that need attention

Connect

- Proactive patrol management
- Controls to limit over-policing
- Insight into officer activity
- Community protections to mitigate implicit bias

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BACKGROUND
The Gun Violence Problem

OPPORTUNITY

Many urban communities are under siege due to gun violence.

Yet, residents call police less than 20% of the time*.

Rapid law enforcement and EMT response **can save lives**.

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The Brookings Institute, 2016

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Proprietary Gunshot Detection Technology
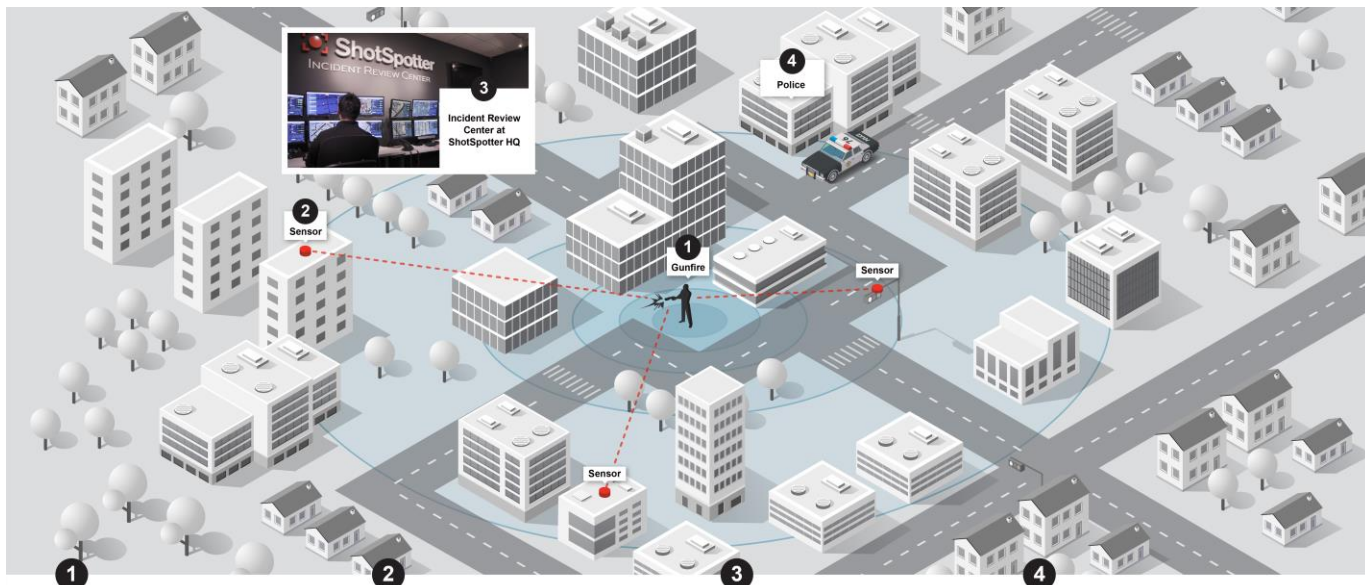
Gun is fired

When a gun is fired, the sound of a muzzle blast radiates outward.

Gunshot is Detected and Located

Acoustic sensors are triggered by the impulsive sound. The sound is classified as a gunshot using artificial intelligence and triangulation determines the precise location.

Gunshot is Reviewed

The data is relayed to the ShotSpotter Incident Review Center where analysts quickly audit the data and publish confirmed gunshots to police.
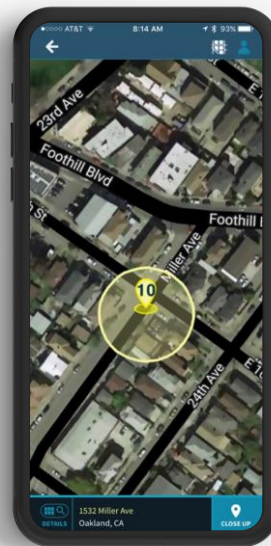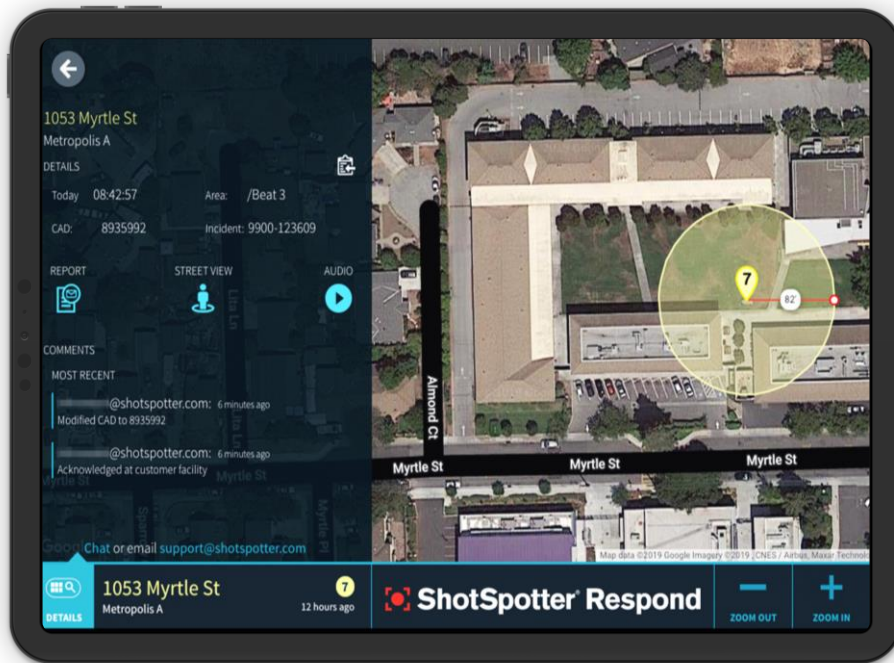
Police Respond

Alerts are sent to dispatch centers and patrol officers' smartphones and MDTs for immediate response. The entire process takes less than 60 seconds.

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RESPOND

Rapid, Precise, Intelligent

Enhanced Public Safety

55%

Fewer homicides (2011-2019)[1]

Omaha, NE

33%

Reduction in gun violence injuries[3]
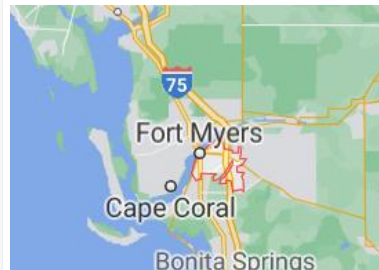
Greenville, NC

36%

Reduction in YoY homcides[2]

Pittsburgh, PA

33%

Decrease in gunshot incidents in 2020[4]

Fort Meyers, FL

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1   Omaha PD statistics from NE district where ShotSpotter is deployed (2011-2019)
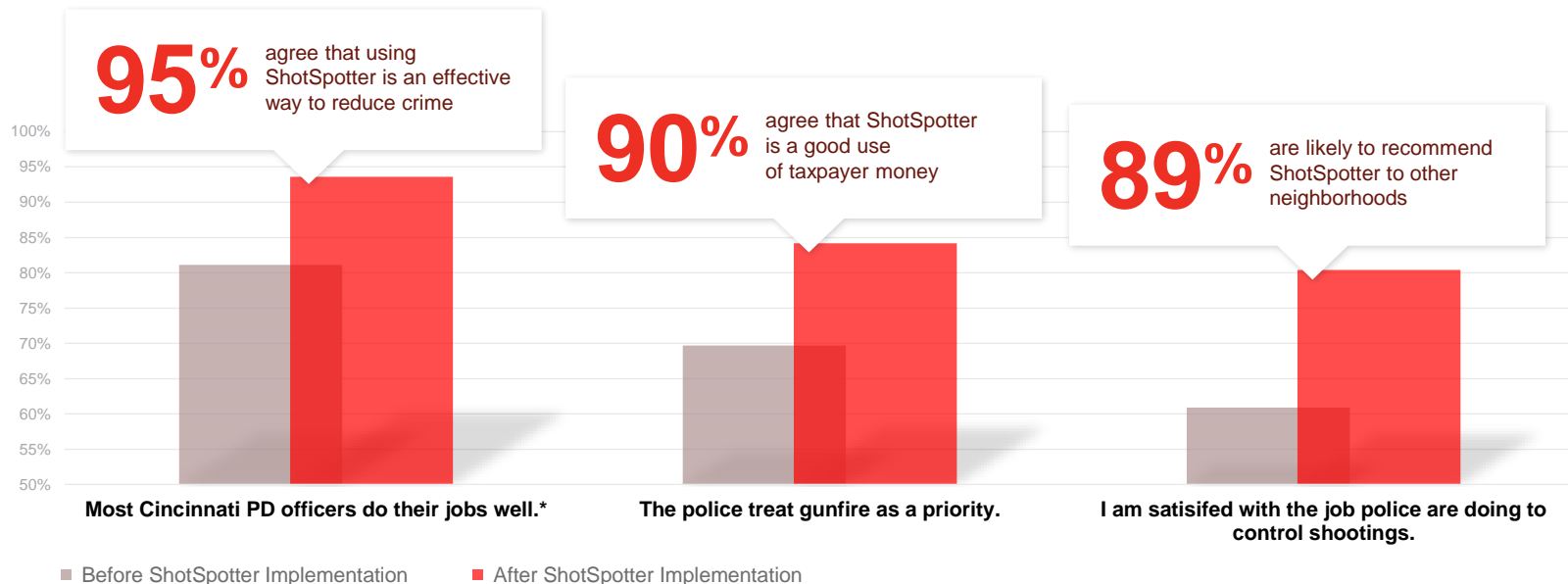2   Pittsburgh.org City Crime Rates Drop Again. -January 30, 2020
3   NBC WITN January 22, 2020 Gun
4   ShotSpotter found to reduce gun violence in 2020. Fox 4 February 26, 2021

Improved Community Relations

Citizens Who Agree With the Following Statements:

95% agree that using ShotSpotter is an effective way to reduce crime

90% agree that ShotSpotter is a good use of taxpayer money

89% are likely to recommend ShotSpotter to other neighborhoods

Most Cincinnati PD officers do their jobs well.*

The police treat gunfire as a priority.

I am satisifed with the job police are doing to control shootings.

■ Before ShotSpotter Implementation   ■ After ShotSpotter Implementation

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* CINCINNATI POLICE DEPARTMENT: PRICE HILL SHOTSPOTTER SURVEY EVALUATION REPORT, University of Cincinnati's Institute of Crime Science, June 19, 2020

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Growing Positive Impact

over

115

**Municipalities
and Cities**

as of March 2021

more than

230,000

Gunshot Alerts

Published in 2020

over

810

Square Miles

as of March 2021

over

18,000

Sensors

as of March 2021

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Modernizing Patrol Strategies and Tactics

Agencies face a resource deficit and need more efficient ways to patrol and prevent crime.

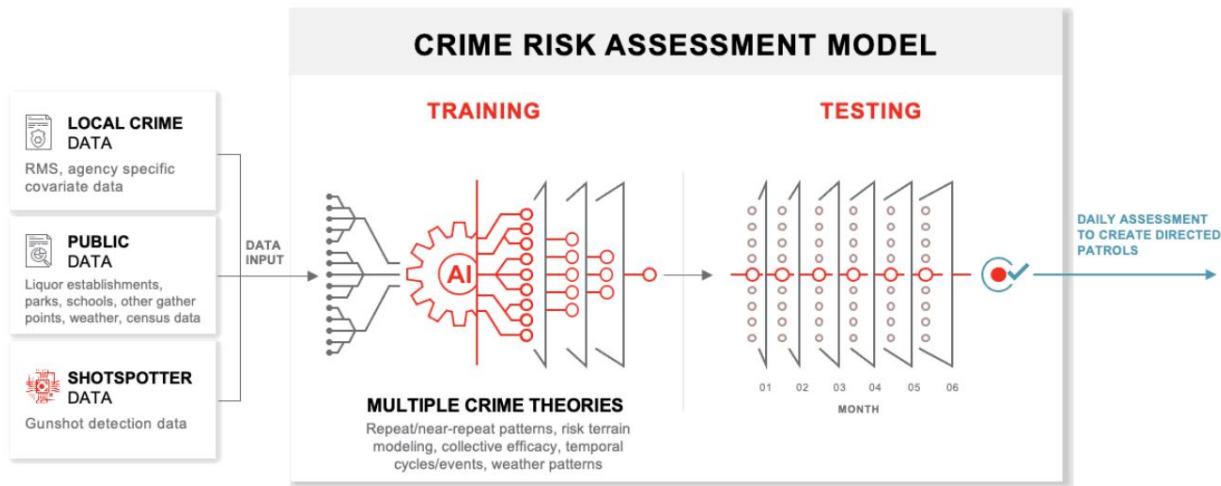**Most police use old patrolling methods that are ineffective, have limited visibility to officer activity and no controls to reduce overpolicing.**

Data driven planning can place patrols at the right place at the right time to **prevent crime.**

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Data-Driven Patrol Planning

CRIME RISK ASSESSMENT MODEL

LOCAL CRIME DATA
RMS, agency specific covariate data

PUBLIC DATA
Liquor establishments, parks, schools, other gather points, weather, census data

SHOTSPOTTER DATA
Gunshot detection data

DATA INPUT

TRAINING

TESTING

AI

MULTIPLE CRIME THEORIES
Repeat/near-repeat patterns, risk terrain modeling, collective efficacy, temporal cycles/events, weather patterns

01 02 03 04 05 06
MONTH

DAILY ASSESSMENT TO CREATE DIRECTED PATROLS

1 **Data Input**
Connect collects and analyzes a mix of crime data and objective non-crime data to enable the most accurate risk assessments and minimize the potential for bias

2 **Model Training**
The data goes into the transparent crime-risk assessment model which uses AI to analyze enormous amounts of data and determine correlation of inputs to crime

3 **Testing**
The model is tested to assess crime risk for the last 6 months and compare to crime that actually happened
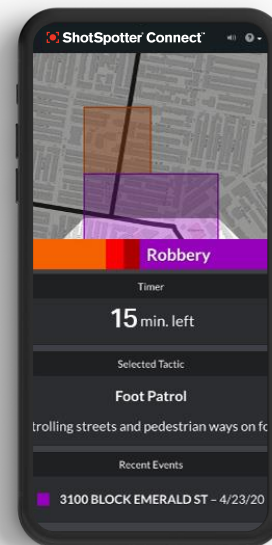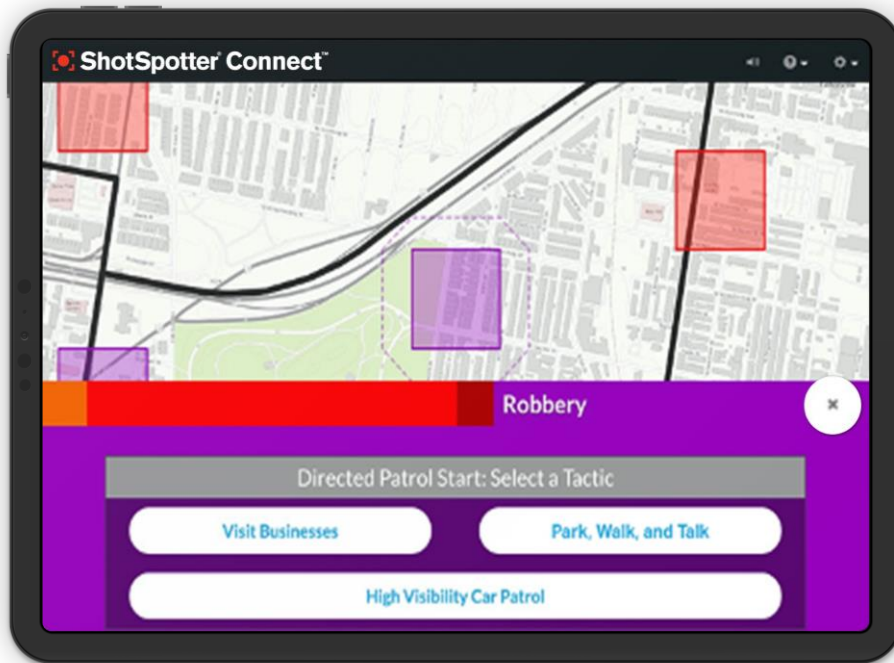
4 **Rollout**
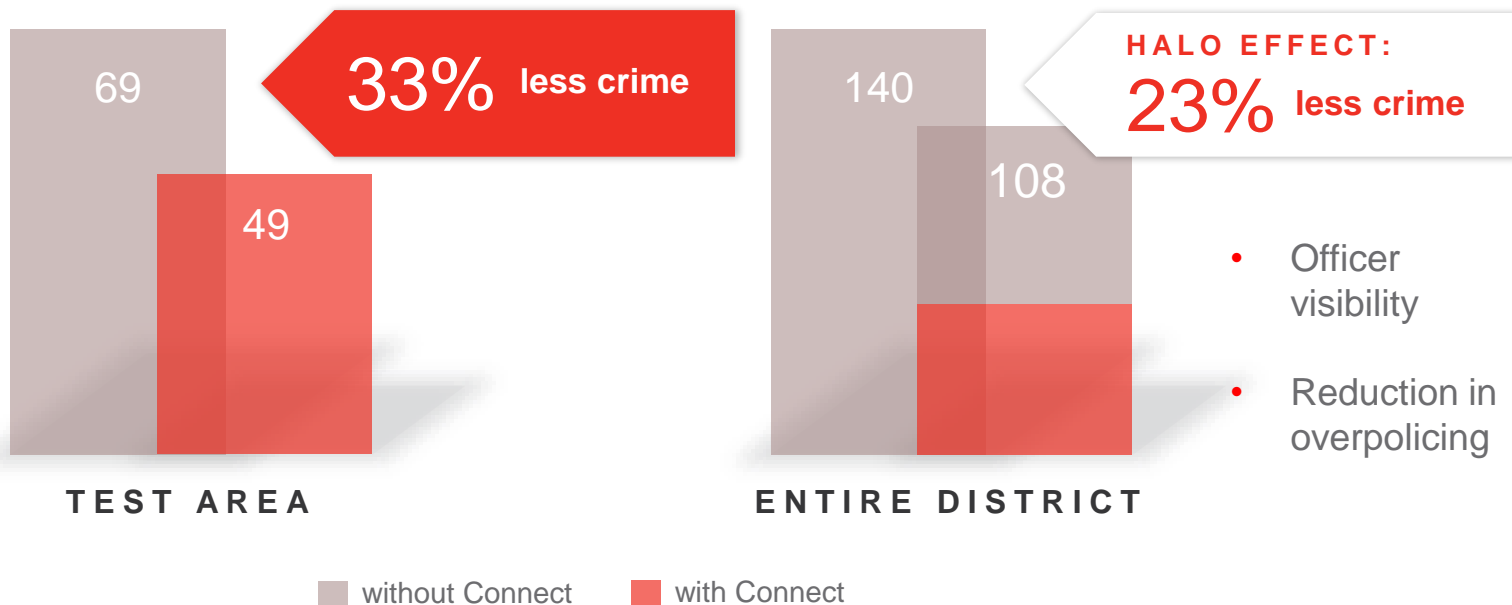Once the system reaches its threshold accuracy, it is ready to provide directed patrols

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Intelligent, Equitable, Effective

CONNECT
Recognizing Patterns = Improved Policing

TEST AREA

69

49

33% less crime

ENTIRE DISTRICT

140

108

HALO EFFECT:
23% less crime

- Officer visibility

- Reduction in overpolicing

without Connect   with Connect

A Platform for Collaborative Case Management

To solve cases, detectives must access multiple, siloed data sources with little analytical help.

Police use a mix of manual, homegrown and limited function RMS modules for case management. Homicide case closure rates are < 60%.

Digital case management can speed solvability and lead to **higher case closure rates.**

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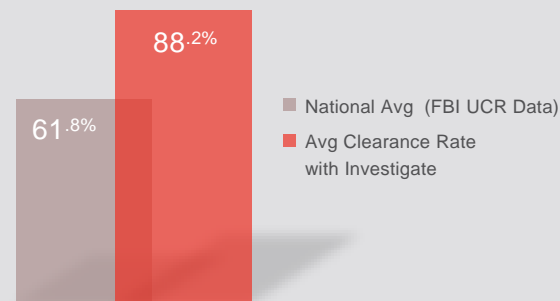
INVESTIGATE

Shared Tools Enhance Speed and Effectiveness

CAPTURE → COLLABORATE → ANALYZE

SOLVABILITY

PACKAGE FOR PROSECUTION

Homicide Clearance Rate

5 YEAR AVERAGE COMPARISON

67.6%

58.2%

9.4% Improvement After Investigate

■ 5 years Pre Investigate
■ 5 Years Post Investigate

3 YEAR AVERAGE COMPARISON 2017–2019

88.2%

61.8%

■ National Avg (FBI UCR Data)
■ Avg Clearance Rate with Investigate

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Precision Policing is a $2+ Billion TAM

Investigate

WHAT

Case Management

WHO

Domestic - Local Police Agencies and Federal
International,
Private (Commercial)
RMS Market Inclusion

MARKET POTENTIAL

$500M

Respond

WHAT

Acoustic Gunshot Detection

WHO

Domestic Police
International Police
Security
Private (Commercial)

MARKET POTENTIAL
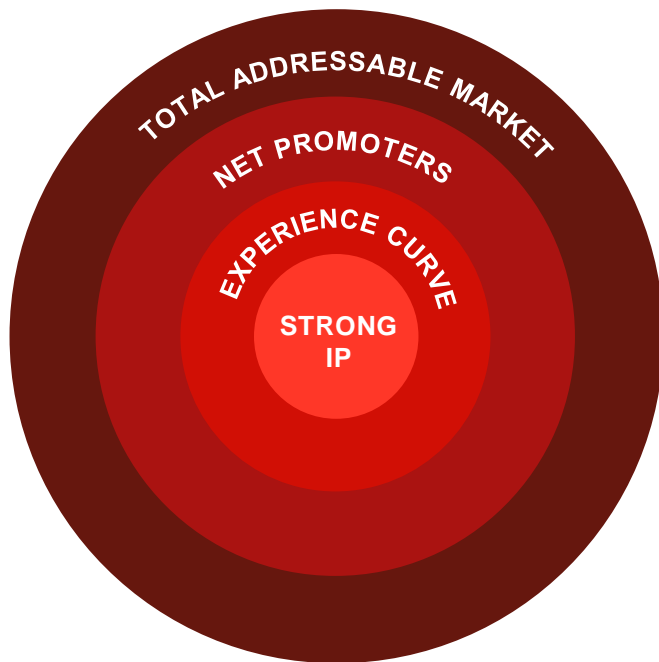
$1.5B

Connect

WHAT

Patrol Management

WHO

Domestic Police Agencies,
International

MARKET POTENTIAL

$200M

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Strong Competitive Moat

HIGHLIGHTS

NET PROMOTER SCORE

>70 World Class Level

NET PROMOTERS

100+ Law Enforcement Agencies

EXPERIENCE CURVE

20 Years Experience in Deploying and Managing Sensors

1st Early Mover Status in Other Categories

STRONG IP

35 Patents

Growth Through New and Existing Customers

Customer Acquisition

— extremely strong referral base and high net promoter score

Customer Expansion

— proven ability to deepen relationships, add miles, and expand services

Low Attrition

— high levels of customer satisfaction and "critical" role for customers

Increase Fees

— Our annual SaaS fees have increased from $40K/mile (around 2011) to currently around $70k/mile.

Tier 2 City (Cincinnati, OH) Live Mile Increase

■ Miles

Initial miles at deployment

	Phase 1	Phase 2	Phase 3
Miles	3	6	13

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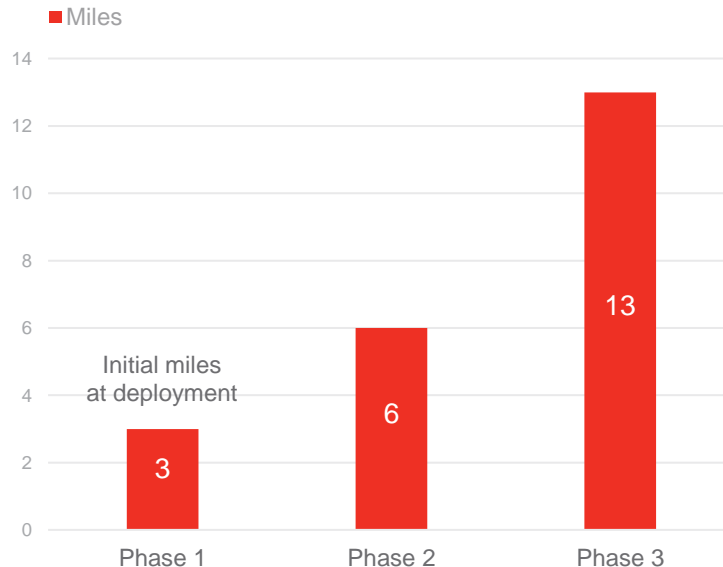
Highly Efficient Financial Model

Annual subscription-based SaaS revenue

Efficient sales and marketing $=$ Low customer acquisition costs

High margin and low variable costs

Low customer attrition/churn $=$ High revenue retention

Significant leverage in every operating expense category

Strong project unit economics $=$ Break even in less than 1 year

GAAP Profitable on only a

$10M

Rev Quarter

Goal of Cultivating
10+ Year Relationships

**High Lifetime
Value of a Customer**

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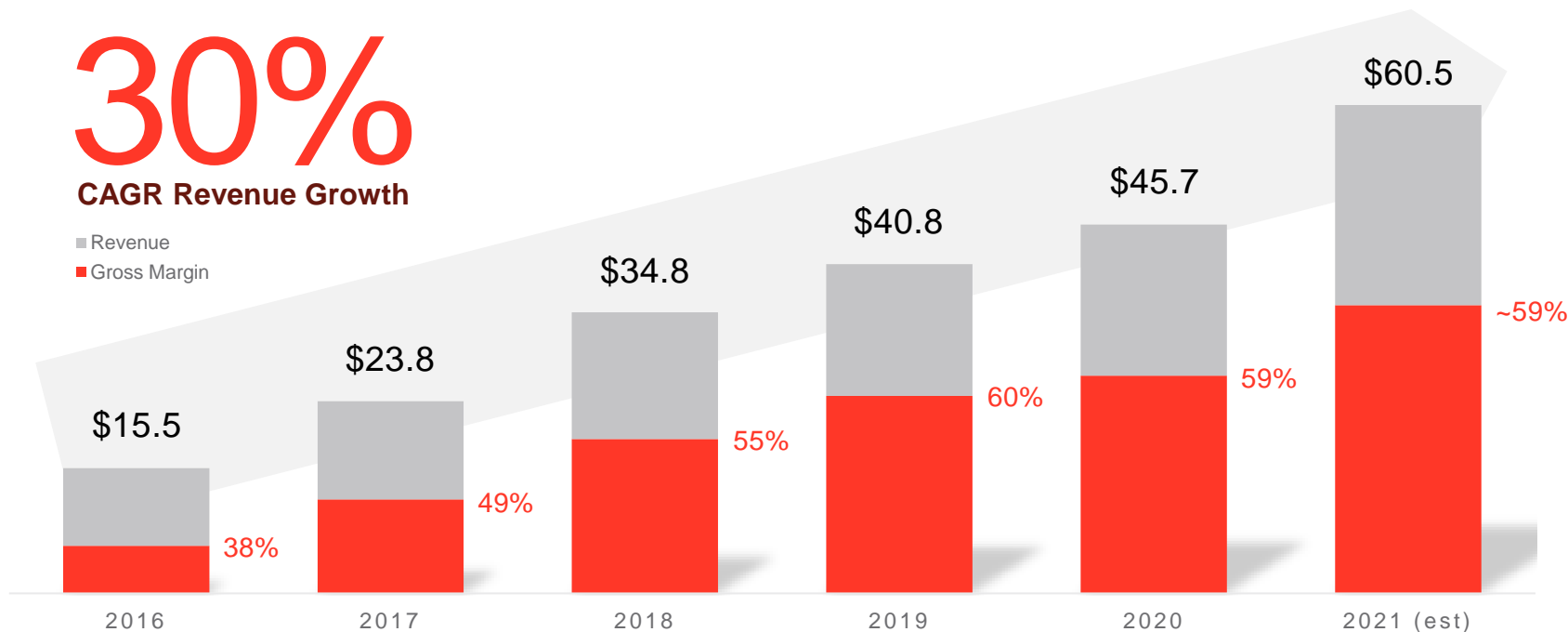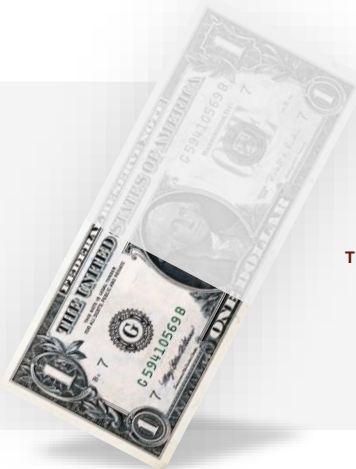
Attractive Customer Economics

in **2020** the Company Spent

51¢

TO GENERATE

New Annualized Revenue*

$1

while achieving **107%** Revenue Retention

* Calculated as total sales and marketing expense during the year divided by the first 12 months of contract value for contracts entered into during the same year.

Environmental, Social, Governance (ESG) Significance

Social

Lives are protected by our gunshot detection products

Environmental

- In South Africa we cover an area of Kruger Park to help save Rhino's from poachers
- Blast Fishing project in S. East Asia (Malaysia) to help detect and protect the destruction of coral reefs from fish bombing

DEI / Governance

Diversity on Board & Exec Team

3 of 7 on Board

3 of 9 in Exec

Strong corporate governance

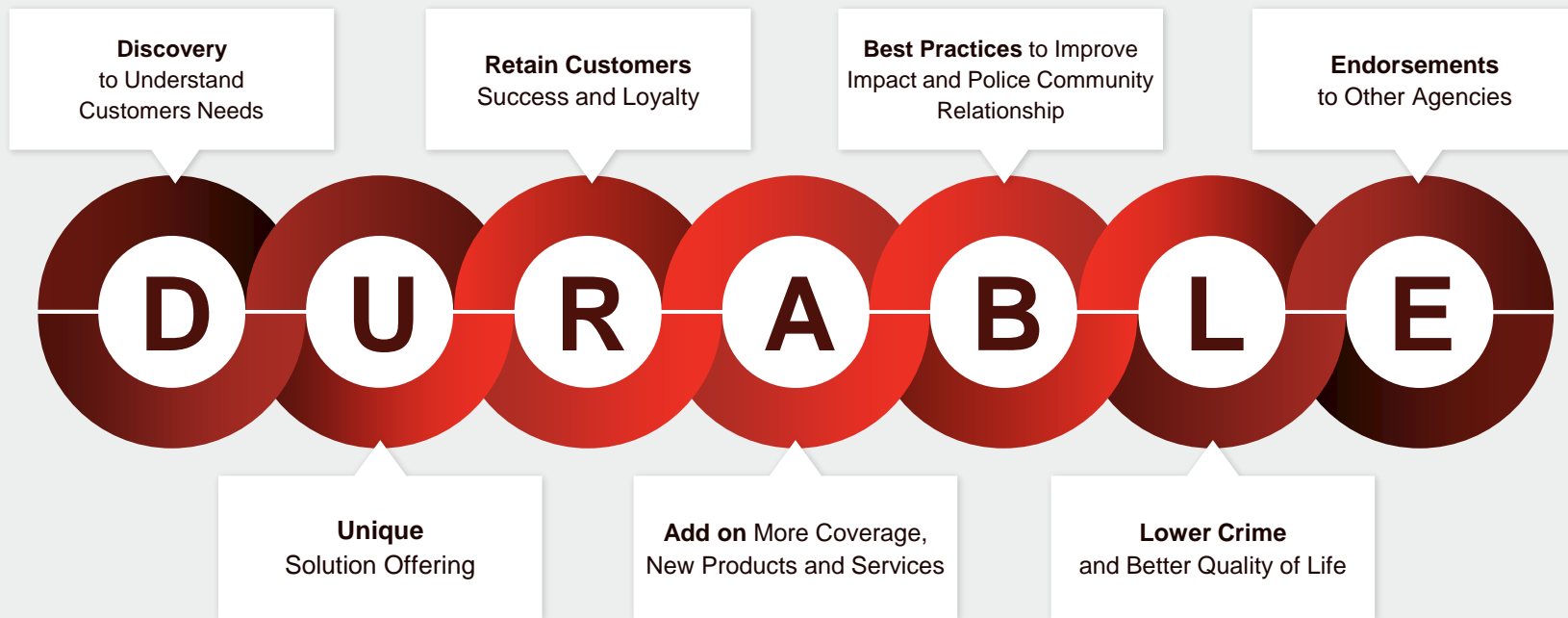- no dual class stock, good hygiene from a governance perspective

Social

Transforming Law Enforcement/ Community Engagement

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Growth Strategy

Discovery
to Understand
Customers Needs

Retain Customers
Success and Loyalty

Best Practices to Improve
Impact and Police Community
Relationship

Endorsements
to Other Agencies

DURABLE

Unique
Solution Offering

Add on More Coverage,
New Products and Services

Lower Crime
and Better Quality of Life

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The ShotSpotter Opportunity

- Large and Under-Penetrated Market Opportunity

- First Mover Advantage in Market with Little/No Direct Competition

- ESG Significance

- Significant Barriers to Entry
  - Technology
  - Experience
  - Brand Reputation

- Strong Business Model and Operational Flexibility

- Purpose-Driven Culture: "Doing Well By Doing Good"