

21st November, 2017

ASX: SKF

2017 Annual General Meeting – Chairman’s Address

Good morning Ladies and Gentlemen,

I am advised by the Company Secretary that this meeting has been validly convened and that we have a quorum of shareholders present.

It’s just after 10.30am I declare this 2017 Annual General Meeting of Skyfii open.

The notice of this meeting was circulated to shareholders as required by the Corporations Act and unless there are any objections I will take the notice as read.

I am James Scott your Chairman and on behalf of the board, I would like to thank you our shareholders for your presence here today.

I would also like to take the opportunity to introduce your directors:

- Wayne Arthur CEO
- Andrew Johnson, Non Executive Director and Chairman of the Audit and Risk Committee.

I would also like to introduce the following key executives:

- John Rankin – Managing Director Australia and COO
- Koreen White – Finance Director and Company Secretary
- Our Auditors, Hall Chadwick represented by Audit Partner Graham Webb. Thanks to our Auditors, Hall Chadwick for hosting this and other Skyfii meetings this year.

The Minutes of the previous Annual General Meeting held on 30 November 2016 and General Meeting held on 6 February 2017 were approved by the Board and signed by the Chairman in accordance with section 251A of the Corporations Act 2001. The Minutes are tabled and copies are available for any member who wishes to see them.

A range of activities undertaken by your Board and management over the last 12 months has ensured Skyfii is well positioned to prosper as a leading global provider of customer, location based data analytics and marketing services. I will begin by discussing our key achievements for financial year 2017 and then turn to our outlook for the financial year 2018 and beyond.

For personal use only

Key highlights for FY2017

We achieved substantial recurring revenue growth of 82% over financial year 2017 from our subscription Software as a Service (SaaS) platform. Further key achievements which I will talk to include:

1. Growth of our international footprint and expansion into new vertical markets
2. New business offerings in Data Consulting and Marketing Consulting services
3. Maintaining a disciplined approach to cost and capital management, driving efficiencies across our business where possible. John Rankin will cover this in more detail during his overview.
4. Strengthening of revenues generated from channel partners
5. Delivery of rich consumer insights as a result of over a billion visitor journeys analysed across our global footprint of venues. I like to describe this as our customers have embedded our software into their day to day decision making process.

Revenues grew substantially from \$2.3 million in financial year 2016 to \$3.2 million in financial year 2017. The real highlight however was our recurring revenue growth stemming from our SaaS platform of \$1.1 million in financial year 2016 increasing to \$2.0 million in financial year 2017, this was an 82% increase.

Looking specifically at the growth of our SaaS platform, we saw a strong uptake of the Skyfii data analytics and marketing services platform across Connect (data collection), Insight (analytics) and Engage (marketing), which generates multi-year contracted recurring revenues for the company.

Further to this, revenues are now diversified across a growing number of industry verticals and geographies thanks to a number of significant new contract wins. Growth in footprint has come on the back of a number of new customer contracts in UK & Europe, Australia, New Zealand and South Africa. Some of these major contract wins include Woolworths of South Africa, Durham University in the UK, One Five One Property in Australia, National Museum of Australia, Wellington International Airport and a UK fast food chain, all announced in financial year 2017.

In addition to some of these key wins in the UK and Europe, we also announced our first acquisition, Wicoms, for a modest \$247,000 paid in scrip. Given this is currently the fastest growing geographical region, this was a great acquisition for Skyfii as Wicoms

21st November, 2017

held a portfolio of clients, including a “major shopping centre group” operating in Europe and North America. This client has already been migrated to Skyfii’s SaaS platform and has taken up additional services leading to a substantially higher contract value, multiples higher than the Wicoms transaction price. This demonstrates Skyfii’s ability to capitalise on existing Wifi footprints to deliver a richer set of data and analytic services to our customers.

Skyfii also introduced new business offerings in FY2017 in order to expand the business model. Our new Data Consulting Services offering is the result of customer-led demand to enable us to

assist our customers in solving real problems existing within their operating environments, be it providing customer insights on business sales performance, tracking asset performance or bringing to life existing data held by an organisation which the Insight platform can ingest and complement to provide a valid and relevant insight into business operations.

The newly formed Marketing Services remains in its infancy and we can expect to see our offering in this area crystallise and develop over the coming year. Wayne will cover this in more detail in his overview.

In FY2017 we further strengthened our relationships with channel partners whilst important new partnerships were formed. I’d like to make specific mention to our continued strong relationship with Aruba Networks, our preferred technology partner and a Hewlett Packard Enterprise company. Strategically we continued to expand our network of select partners. This strategy has demonstrated strong performance in the last twelve months, particularly in the UK and European market in bringing us new contracts and who play a vital role in delivering our services to our customers on a daily basis.

Today, we are in a unique position to be able to say that we have now measured and analysed over one billion visitor journeys through the Skyfii platform, generating rich consumer insights that are being used by our customers in verticals such as malls, universities, airports and smart cities, in order to drive specific business outcomes.

On the financial front, it is fair to say that we have made significant headway towards building a self-sustaining business. Importantly, we have also worked extremely hard to streamline our business operations and manage costs, implementing many initiatives over recent months.

Outlook for FY2018 and beyond

21st November, 2017

As we turn our focus to FY2018 and beyond - I am genuinely excited by what the future holds for Skyfii.

Leveraging our investment in a world class analytic platform we head into FY18 with a number of major contract wins and trending growth.

We started the 2018 financial year strongly with a number of substantial contract wins, namely Lexicon shopping centre in the UK, a leading Italian supermarket chain, renewal of GPT in Australia and the contract expansion within the Wicoms acquisition mentioned earlier.

The current October to December quarter is trending very well. Recurring revenues are up 35% on the prior quarter, as last reported on October 25th.

We have spent significant time assessing both the UK and US markets for the right strategic partners to assist with the acceleration of our growth in the UK and US.

The United States remains a key target market for Skyfii and offers an enormous business opportunity for the company. To give you an idea of the importance we place on this market, CEO Wayne Arthur relocated to Denver in July. Furthermore, the Board met in the US earlier this year, opening a number of discussions with industry participants to align ourselves with local resellers and partners that cater to the large geographic spread of the US. I have personally returned to the US twice in the last 3 months to ensure our strategy for FY18 is in place.

In Australia, we continue to round out our strong market position, particularly in the retail property vertical with tier one clients like The GPT Group, Ipoh, Mirvac, One Five One Property, ISPT, Dexu and Westfield, in which we believe we hold around 50% market share. Skyfii Australia is the leading location based analytics provider to the Australian Real Estate Investment Trust sector.

Reaching a cash flow neutral position is a top priority for the management team and board and we are taking all measures possible to achieve this. Cost control has been a major focus during the year and will remain so into the future. A number of initiatives have been implemented already, some of which will assist with reducing the cost base in coming quarters.

Based on our forward-looking view and a strong focus on cost management and cash inflows from existing recurring revenues, consulting revenues and new contract wins, we don't anticipate a requirement to raise further capital for operating purposes.

We remain firmly committed to building strong shareholder value. This will be achieved through a combination of factors such as reaping the benefits of our expanding contracted recurring revenue base, the contribution of our new complimentary Data

21st November, 2017

Consulting and Marketing Consulting services, and our commitment to ongoing cost control.

It gives me great pleasure at this AGM to be able to announce that Shaun Bonett has accepted our invitation to join the Skyfii board following his group's decision to make a material investment in Skyfii. Shaun is the founder and CEO of Precision Group. Shaun brings an incredible wealth of experience in not just the retail and property sector to Skyfii, but also his extensive experience in working with the finance sector including the Chinese banking sector, along with his role on the board of iSelect. Shaun joined the board of directors of iSelect in 2003, in 2005 he joined the board of Lenders Direct, and in 2007 he became Chairman of Litigation Lending Services. I thank Shaun for his support and the directors and I look forward to working with Shaun as we continue to grow Skyfii's International footprint and extend into new industry verticals.

I'd like to thank the management team who have been exceptional in their desire, approach and execution to build Skyfii into a global industry leading provider of location based data analytics and marketing services. The management team is stronger today than a year ago and have formalised processes and controls to ensure our ability to grow with confidence. Your Board too is actively engaged in developing the Skyfii business and in leveraging its deep industry knowledge and strong networks globally.

We are in an exciting time - the time of "big data" and analytics - and Skyfii is at the heart of this conversation having already crafted a unique brand position in this space for itself globally. I am extremely pleased with our progress thus far and I'm very excited about the future.

I would like to take the opportunity to thank our shareholders for their ongoing support.

I would now like to ask Wayne to take you through a review of the past years performance and to present the strategy for our business for the year ahead.

For further information, please contact:

Wayne Arthur

CHIEF EXECUTIVE OFFICER

E wayne@skyfii.com

M +61 410 600 145

M +61 420 249 299

Investor Inquiries

Glen Zurcher

IR Department

E glen.zurcher@irdepartment.com.au

About Skyfii

Advancements in cloud, mobile technology and Wi-Fi systems have enabled bricks-and-mortar venues to become more competitive by better understanding the needs of their diverse types of visitors. Today, every smartphone is a chatterbox of information. The cloud-based Skyfii platform uses existing Wi-Fi infrastructure, BLE beacon networks, door-to-people counters, video sources, web and social platforms to allow various types of venues to not only analyse behaviour of anonymous visitors, but also capture data from those who opt-in to free internet connectivity. In doing so, it converts the data into a critical sales and marketing tool that allows venues and their commercial tenants to deliver content that is catered to each visitor's needs and interests.

Skyfii offers a cloud-based solution in a subscription model consisting of three core 'IO' services:

- IO Connect: a data portal where data is collected (Data in)
- IO Insight: venue performance, customer behaviour and, loyalty & engagement (Insights out)
- IO Engage: targeted content delivery, automated marketing and monetization

Skyfii also engages with clients to provide further revenue generating services such as Data Consulting Services (DCS) and Marketing Services (MS) arising from the insights gained from its three core services.

For more information visit www.skyfii.io.