

Skyfii Limited 2018 Annual General Meeting Chairman's Address

SYDNEY, AUSTRALIA, 29 November 2018 – Skyfii Limited (ASX: SKF) a data analytics and marketing services company is pleased to announce the following Chairman's Address being presented at today's 2018 Annual General Meeting.

James Scott, Skyfii Chairman

Good morning Ladies and Gentlemen,

I am delighted to welcome you to Skyfii's FY2018 AGM, following a year which has seen your Board and management continue to deliver strong results.

Key achievements for FY2018 include:

1. Growing operating revenue by 92% to \$6.17million
2. Growing recurring revenue by 68% to \$3.4 million
3. Reporting our first positive EBITDA of \$67,000
4. And by combining these strong reporting metrics with an ongoing investor and public relations program, our share price increased by 52% during the reporting period.

Our strong performance has continued into the new financial year with our September ending quarterly results (Q1 FY2019) showing revenue growth of 15% quarter on quarter and a targeted revenue growth for the half year through to the end of December of over 28% on the previous half year. We have worked extremely hard to be in this position, and I am pleased to say the business is tracking well, is demonstrating consistent performance and has moved into profitability at the EBITDA level during FY2018.

Our revenues have grown due to solid execution of our accelerated growth strategy. Following the signing of numerous new customer contracts, completion of two asset acquisitions and efforts to broaden our service offering to existing and new customers. Skyfii almost doubled its business size

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in revenue terms to \$6.17 million from \$3.2 million in FY2017, while maintaining its cost base, set against tight internal budgetary targets.

Our track record now speaks for itself. We have demonstrated consistent annual delivery of strong revenue growth over a number of years. The market can place confidence in Skyfii management team's ability to deliver on our aspirations to lead in the customer and location data & analytics and marketing services space, which shows enormous growth potential.

Our operating team now consists of 40 employees, who work hand in hand with select channel partners and hardware vendors around the globe, to drive cost effective scale and reach. Through these relationships with quality partners such as Aruba Networks, we successfully secured material new contract wins during the year with high profile brands, including Lewis Land Group, Versace, Nuffield Health, HSBC and Nando's. Further, recently post year end, six additional new contracts were signed.

These contracts are centred around our Software as a Service (SaaS) data analytics and marketing services 'IO platform', which delivers long term recurring revenues through a mix of products and services.

Skyfii's first two acquisitions during FY2018 complemented our top-line growth and illustrate our ability to not only identify attractive assets in the market, but to cost effectively integrate them into the Skyfii business for significant gains.

Strategically, our services offering expanded during the FY2018 year. Our 'IO platform' now coexists alongside Data Consulting Services and Marketing Services offerings that have already demonstrated revenue contributions. The enhanced offering leverages insights and drives tangible value around the use of data. Wayne will speak more to the evolution of our service offering and acquisitions later.

Before moving to our outlook, I would like to touch on the topic of data security. Foreseeing the emergence of good governance around data privacy and security, the Board took a front foot approach and established an internal working group to further develop the level of compliance intrinsic to the IO platform. We have adopted the European General Data Protection Regulation (GDPR) data privacy guideline across all of our operations globally. GDPR came into effect in Europe in May this year. As a result, Skyfii is positioned as a trustworthy and reliable data partner for our customers and prospects.

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This financial year, we expanded the Board with a high calibre of Non-Executive Directors welcoming Lincoln Brown and more recently post year end, Jon Adgemis, and Sue O'Malley.

Outlook for FY2019 and beyond

Skyfii is extremely well poised for continued and accelerated growth. FY2019 leverages a strong baseline of multiyear contracted revenues established in prior years. In addition, a solid pipeline and strong customer and partner relationships underpin our belief that the strong growth trajectory delivered to date will continue into FY2019 and beyond.

Careful capital management will remain important to the Company's ongoing achievement of top line growth, while we remain focused on maintaining our profitability and continuing to deliver value from our resource base. Inside the business, we will invest as appropriate in our operating model, to further build out our sales and marketing capability in FY2019, with a particular focus on international markets.

Following a consistent and demonstrated track record, Skyfii expects to drive for further organic business growth and will continue to evaluate accretive acquisition growth prospects while maintaining its focus on a positive EBITDA in FY2019. I can confirm, we are on track to deliver or exceed our targeted first half of FY2019 (July to December 2018) revenue forecast of \$4.5 million, representing 28% growth on the previous half year and 68% growth on prior corresponding half year (1H FY2018).

On behalf of our fellow Directors, we thank all of our shareholders for their support.

--ENDS--

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 the 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:



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

Skyfii also engages clients to provide further revenue generating services:

- Data Consultancy Services (DS): Experts in delivering compelling and actionable research outcomes through the fusion of digital and behavioural data
- Marketing Services (MS): Delivering best in-class data-driven marketing practices, empowered through the fusion of digital and behavioural data

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