



FIRSTWAVE
CLOUD SECURITY TECHNOLOGY

FIRSTWAVE INVESTOR UPDATE

26 OCTOBER
ASX: FCT

WE'RE READY

Ready to take advantage of a \$10bn opportunity.

Ready to establish our strategic presence across new global markets.

Ready to establish further go-to-market sales channels.

Ready to be one of Australia's leading technology companies.

Ready to challenge the world's leading cyber security cloud technology companies.

READY TO TAKE ADVANTAGE OF A \$10BN OPPORTUNITY

- The existing global cloud content security market is estimated at US\$9bn and is expected to grow to US\$13bn by CY2021.*
- FirstWave has the potential to address 75% or US\$10bn of the market.
- Favourable dynamics:
 - Security expertise scarce in large enterprises and is often non-existent in SMEs.
 - Growth in cyber-attacks has driven customer demand for enterprise grade security.



Internationally, the largest markets are North America (40%), APAC (31%), EMEA (20%) with the balance geographically dispersed.

*IHS TECHNOLOGY Cloud and CPE Managed Security Services Annual Market Report: Regional 3 April 2017.

READY WITH A PROVEN, UNIQUE AND MARKET LEADING CLOUD SECURITY TECHNOLOGY

- FirstWave delivers a market-leading, enterprise grade cloud-based security solution.
- Our technology offers advanced security protection for:



FirstWave is unique in the market because:

- Its products and services are directly and easily integrated into existing customer platforms.
- It has fostered constructive collaborative relationships with leading Global Security Vendors (GSVs).
- It has attracted and retained world class talent from leading global organisations.
- It can easily and rapidly replicate its platform and capabilities across new geographies.
- ESP: Proprietary software intelligence at the core of FirstWave's unique cloud content security technology.

A TEAM READY TO BECOME THE WORLD'S #1

FirstWave has a world class team in place across technology, product development, strategy and finance with the right experience to realise FirstWave's ambition of becoming the world's #1 Cloud-Based Cyber Security Company:



David Kirton

Interim Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

Trusted business partner with 20 years of ICT industry experience, including board and senior finance and operational roles with global responsibilities.



Neil Pollock

Chief Operating Officer (COO) and Head of International - effective 1 Dec 2017

Global business leader with 27 years of ICT, telecommunications and energy sector experience, including board and senior operational roles in Asia Pacific, the Middle East and India.



Simon Ryan

Chief Technology Officer (CTO)

Globally recognised leader and innovator in cloud technology.



Andrew Chamberlain

Chief Revenue Officer (CRO)

Sales professional with more than 20 years of experience in the IT Industry, selling to Enterprise and Government customers.



Sam Saba

Recently appointed Non-Executive Director

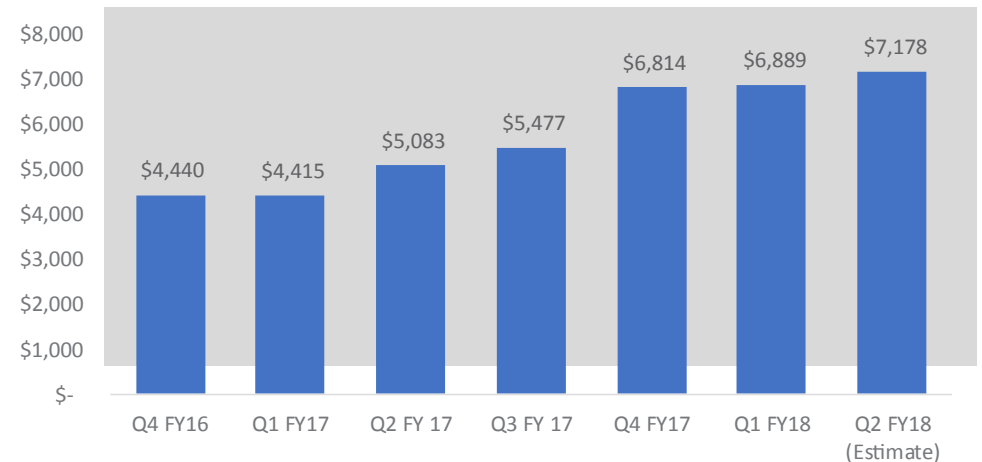
Augmenting relevant technology experience and breadth of global relationships with Global Technology and Security Vendors.

FirstWave has engaged Odgers and Berndtson to support its process to appoint a permanent CEO.

CONTINUING MOMENTUM THROUGH Q1 FY2018

- Q1 total revenue is \$2.2m, growing 55% on PCP.
 - Licensing and support revenue is \$1.9m, growing 66% on PCP.
 - Professional services revenue is \$0.3m, growing 7% on PCP.
- Q1 Sales \$802k total contract value (TCV).
- Sales momentum is improving.
- Cash Flow ahead of target.
 - September Cash Balance of \$2.2m against June 4C guidance of \$2.0m.

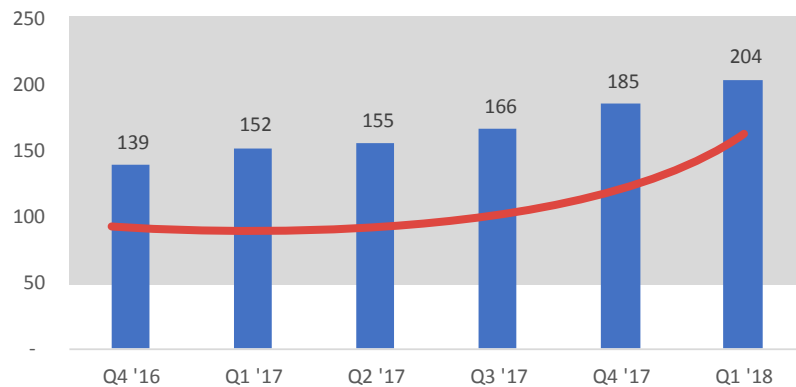
ANNUALISED RECURRING REVENUE*



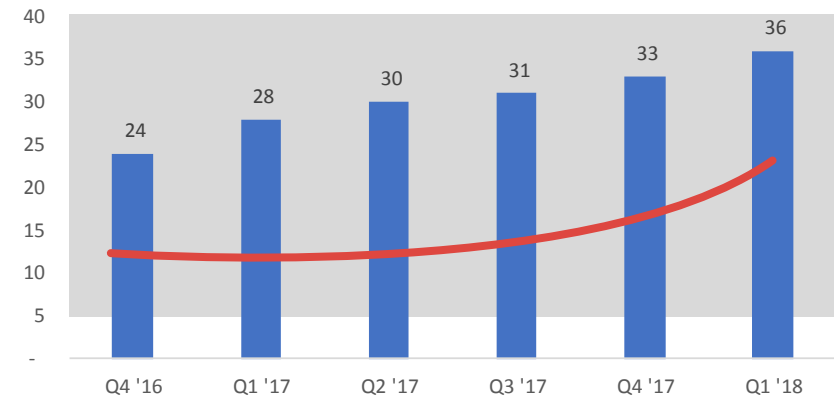
- *ARR definition simplified to only include licensing and support revenue. Previously reported ARR included professional service revenue and closed sales yet to commence billing. On a comparative basis with previous reported definition, the Q1 result is \$9.0m, flat quarter on quarter.
- Reported ARR will be included within the scope of the external audit for FY18.

CONTINUING MOMENTUM THROUGH Q1 FY 2018

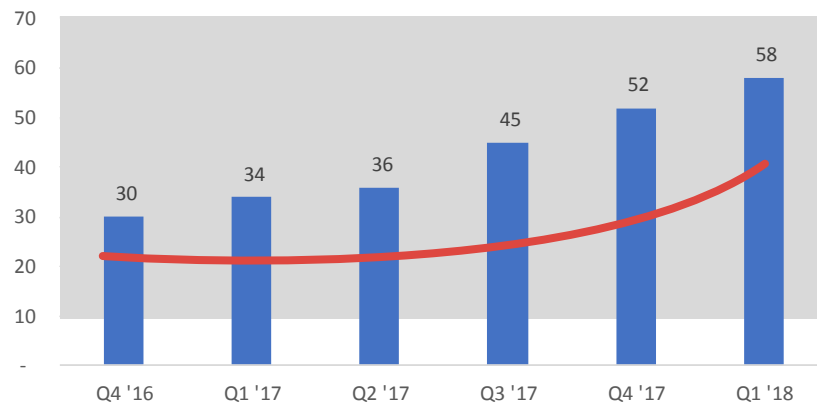
NO. OF CUSTOMER ORDERS



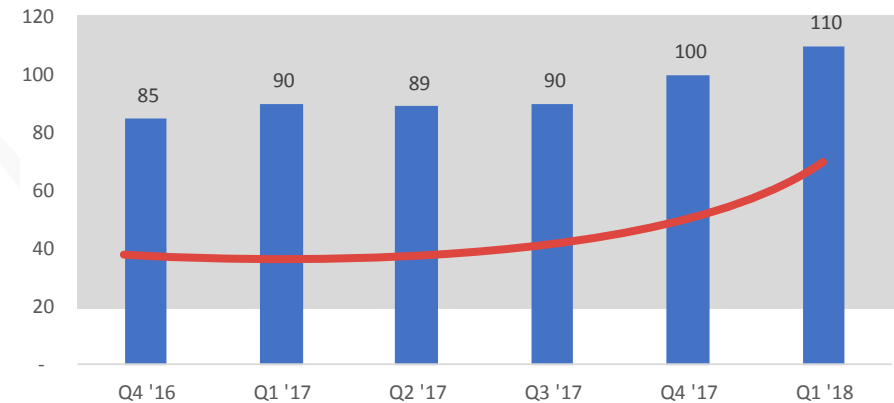
NO. OF CUSTOMER ORDERS (>\$3,200)



NO. OF CUSTOMER ORDERS (>\$1,200 & <\$3,200)



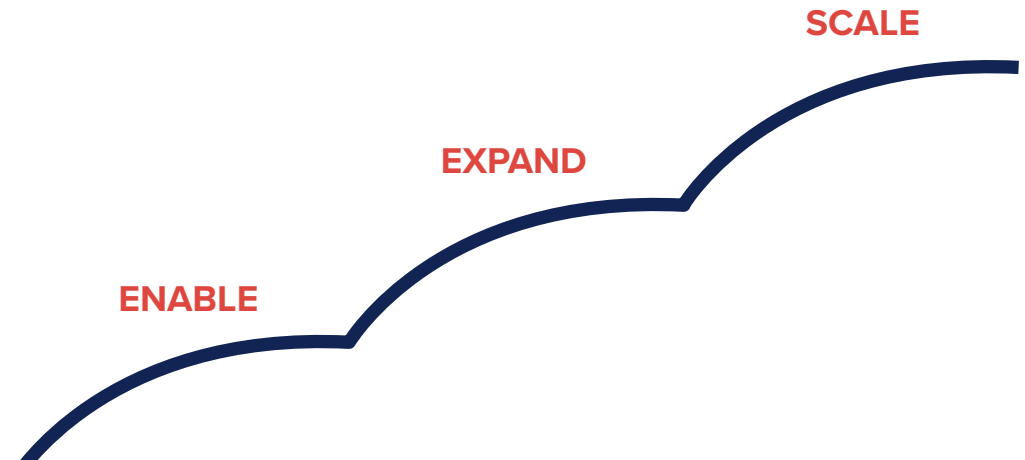
NO. OF CUSTOMER ORDERS (<\$1,200)



INCREASE IN THE NUMBER OF CUSTOMER ORDERS, INCREASE IN THE VALUE OF ORDERS.

A COMPANY READY TO PERFORM

- 2018 - 2022 strategic plan developed and funds raised to commence phase one 'Enable'.
- FirstWave's ambition is to challenge the leading cloud based cyber security companies.
- A clear set of targets and deliverables has been developed across three phases for both the domestic and international market.



FirstWave has an aspiration to grow to 1.3% or US\$130m (circa: A\$150m) of its addressable global market (US\$10bn) by FY2022.

ENABLE FY2018

- Roll out FirstWave's unique Platforms commencing in North America and Asia.
- Establish a lean, targeted presence in key international markets.
- Deepen existing partner relationships and sign new key channel partnership agreements in Asia and North America.
- Drive efficiencies through automation.



EXPAND FY2019

- Increase market penetration through six sales channels.
- Accelerate brand and stakeholder communications.
- Mirror platform expansion with market opportunities.
- Invest in FirstWave's culture of innovation.



SCALE FY2020 – FY2022

- Scale technology and operations in chosen markets.
- Stay lean.
- Continue to enter new markets.
- Deliver shareholder return on investment.



READY TO ENABLE

CAPITAL RAISE DEMONSTRATED CONFIDENCE
IN TECHNOLOGY AND GROWTH STRATEGY

- FirstWave completed an oversubscribed placement, issuing 19.8 million new fully paid ordinary shares at \$0.22 per share via institutional and sophisticated investors on 17 October 2017.
- This raised A\$4.35m which when combined with FirstWave's \$2.2m cash balance at the end of Q1 FY2018, enables FirstWave to pursue its growth ambitions, specifically:
 - Execute FirstWave's international expansion strategy.
 - Appoint a new Head of International.
 - Deploy new platforms.
 - Further develop sales channels.
 - Increase product development resources to meet FirstWave's international expansion ambitions.
 - Support continuing domestic growth with Governments, Institutions and SMEs.

READY TO MEET CHALLENGES

- Raise awareness of FirstWave as a market leading, brand in cloud content security.
- Educate business about the need for protection against cyber-attacks.
- Educate the investor community on FirstWave's product, market and international growth trajectory.
- Remain at the forefront of technology development in the face of an escalating cyber threat outlook and increasing frequency of cyber-attacks.
- Establish a strong culture of cost discipline and accountability across the business.
- Ensure FirstWave leverages its full competitive advantage through disciplined execution against Ready for the Next Wave FY 18 – 22 strategy.

**CYBER
ATTACKS ARE
INCREASING
15%
YEAR ON YEAR**

SOURCE: <https://www.theguardian.com/australia-news/2017/oct/10/australia-warns-businesses-about-sophisticated-cyberattacks>

READY

- ✓ Market leading cloud content security developed.
- ✓ Patented Technology.
- ✓ Experienced management team and Board augmented by recent appointments.
- ✓ Delivering security solutions to some of Australia's largest and most high-profile organisations.
- ✓ Market opportunity of \$10bn by 2021.
- ✓ Favourable dynamics as cyber attack outlook escalates.
- ✓ Strong collaboration with GSVs and new relationships being established.
- ✓ Compelling pipeline of international opportunities with high likelihood of conversion.
- ✓ International presence established in Singapore.
- ✓ Strategic plan in place - Ready for the Next Wave FY18 – 22.
- ✓ Growth capital in place to deliver 'Enable' phase of strategic plan.

DISCLAIMER AND ASIC GUIDANCE

Summary information

This Presentation contains summary information about FirstWave and their activities current as at 26 October 2017, unless otherwise stated. The information in this Presentation does not purport to be complete. It should be read in conjunction with the FirstWave's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au.

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Financial data

All dollar values are in Australian dollars (A\$).

Future performance

Forward looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

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Past performance

Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Not an offer

This Presentation is not, and should not be considered, an offer or an invitation to acquire FirstWave shares.

ASIC GUIDANCE

In December 2011 ASIC issued Regulatory Guide 230. To comply with this Guide, FirstWave is required to make a clear statement about whether information disclosed in documents other than the financial report has been audited or reviewed in accordance with Australian Auditing Standards. This Presentation is unaudited.

