

Investor update

February 2021

Dave Clark
Chief Executive

cellnet

ASX: CLT



The Cellnet Group

cellnet

Established in 1992, Cellnet listed on the Australian Stock Exchange (ASX) in 1999 and now employs over 70 people across Australia and New Zealand. Cellnet is one of the largest accessory specialist distributors in the region. Cellnet's success is derived from its unique managed services model, combining world leading brands, its own 3sixT brand and an innovative category management approach. Cellnet provides extensive reach and coverage across all markets in both the Australian and New Zealand retail and telecommunications channels.

cellnet.com.au

 **Turn Left**
DISTRIBUTION

Turn Left is a leading Interactive Entertainment specialist across Australia and New Zealand. Partnering with some of the world's market leading brands, Turn Left provides a full-service distribution model, working with vendors and partners to manage fully integrated, localised end-to-end, go-to-market solutions with overarching marketing, PR and event activations.

turnleft.net.au

 **Performance**
Distribution

Performance Distribution is a leading specialist in online channels and direct to consumer distribution across Australia and New Zealand. Providing brands with website, database management and digital campaigns as well as traditional distribution services. Performance Distribution provides an Omni-Channel technology platform to brands and retailers that wish to sell online and strengthens the established Cellnet and Turn Left retail network with support for endless aisle and click and collect strategies.

performancedistribution.nz



cellnet

Brand partners

Market leading global brands
3sixT, Wave and Powerguard
Cellnet own brands

- Mobile, AV and IT accessories
- Gaming accessories and software
- Audio, headphones and speakers
- Power, connectivity and surge protection
- Memory, mobile security, home automation

cellnet



First-quarter recap FY21

- Unaudited net profit before tax for the quarter \$551,000, up over 90% year-on-year
- Online sales increasing month-on-month
- Continued brand portfolio pivot to meet market demand in high growth categories, such as gaming and audio
- Focus on cost reduction, with unaudited operating costs down 25% year-on-year

cellnet



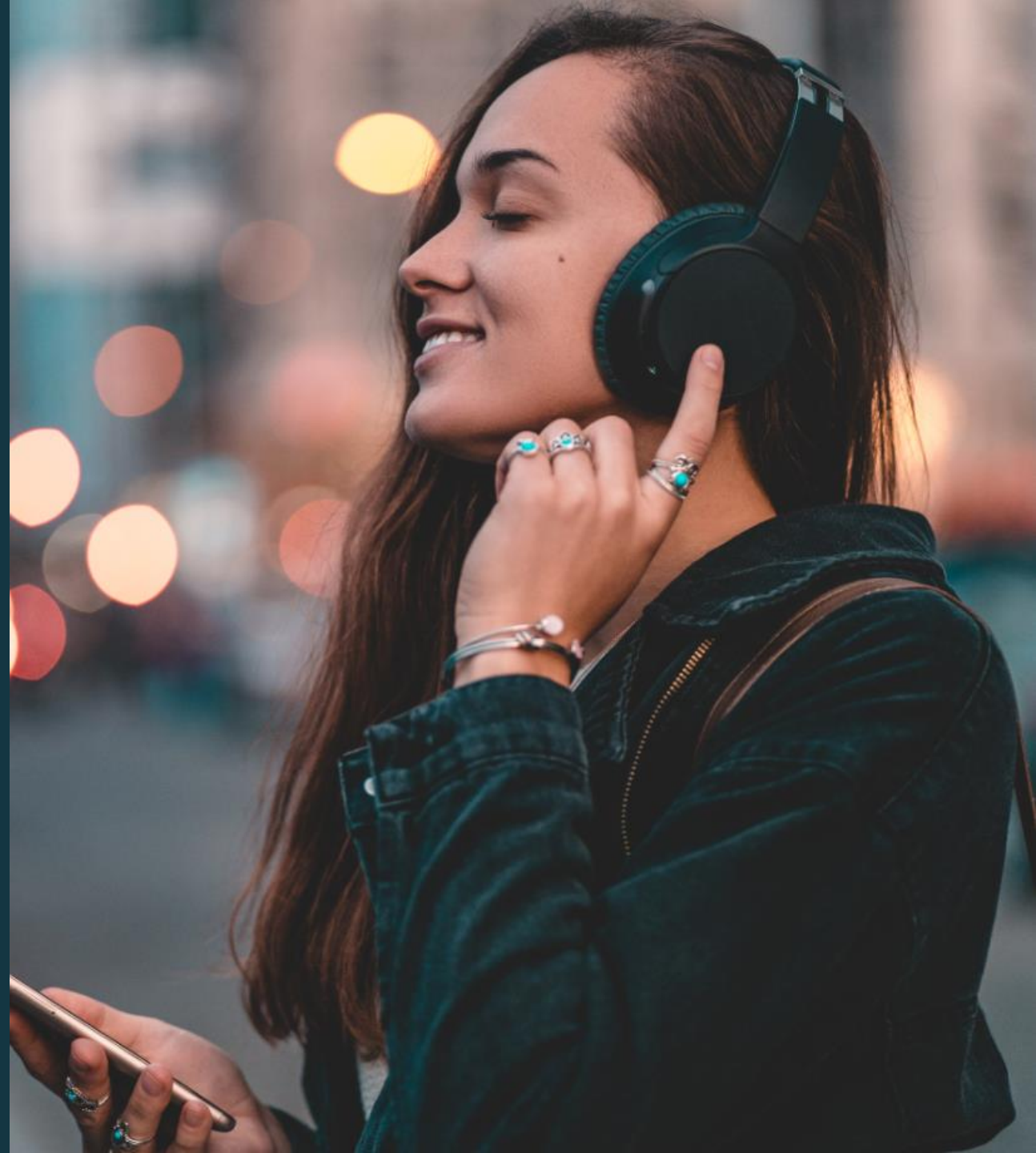
iPhone launch in review

- Apple announces on October 14 2020
- 3 new flagship devices – iPhone 12, 12 Mini, 12 Pro Max
- 5G unlocks mobile gaming and related accessories
- No wall charger or headphones supplied in-box
- Increases demand for aftermarket power and audio products
- MagSafe charging enables a new ecosystem of accessories

October 2020 recap

- **\$12.6m sales**
Up 18% year-on-year
- **\$1.05m net profit before tax**
Up \$1.02m year-on-year
- **Ytd net profit before tax of \$1.6m**
Up 410% on the same period last year

cellnet



November 2020 recap

- **\$14.8m sales**
Up 27% year-on-year
- **Net profit before tax of \$1.19m**
Up 174% year-on-year
- **Ytd net profit before tax of \$2.79m**
Up \$2.04m on the same period last year

cellnet



Successful strategy execution

- Foster and develop a rewarding, performance based culture
- Focus on growth segments with strong underlying demand profiles
- Accelerate ecommerce offering with enhanced fulfilment
- Optimise product portfolio to higher margin mix and own brands
- Continued focus on inventory control and demand planning
- Strengthen the balance sheet, extinguish term debt
- Increased attention to cost control

culture



CX
CUSTOMER
EXPERIENCE




**COMMERCIAL
OUTCOMES**

cellnet

discover
the **next**

Cellnet continues to **deliver**

- **Strongest** first-half performance **in 15 years**
- **Highest** Market Cap **peak in 10 years**, over **\$35m**
(16.5 cents share price on 22.02.21)

cellnet



First-half result FY21

- \$56.5m net sales
- First-half profit before tax of \$3.41m, up \$3.11m year-on-year
- All term debt fully repaid
- Cash at bank of \$4.7m as of 31.12.20
- Year-on-year cost reduction of over \$1m
- Capital management policy under review with a full-year dividend planned

cellnet



Cellnet in the press

The Cellnet (ASX:CLT) share price has rocketed up 21% today. Here's why.

Aaron Teboneras | December 14, 2020 4:52pm | More on: [CLT](#)



GENERAL

Cellnet (ASX:CLT) share price jumps 81% on trading update // Motley Fool Australia

Published 3 months ago on November 13, 2020



Cellnet Group (ASX:CLT) shares go ballistic, up 100%

Cellnet's pandemic era continues to be a wealthy one

BUSINESS

Brisbane-based tech distributor Cellnet is booming, with its share price jumping 27 per cent this morning after it announced its monthly pre-tax profit was up 174 per cent to \$1.19 million.

Cellnet readies for technology supercycle as profit booms

CHANNELNEWS

HOME LATEST NEWS LATEST REVIEWS CATEGORIES MA

Home > Industry > Distributors > Cellnet On A Roll Sales Up 18%, Profits 410% As Demand For Accessories & Gaming Soar

CELLNET ON A ROLL SALES UP 18%, PROFITS 410% AS DEMAND FOR ACCESSORIES & GAMING SOAR



By David Richards | 16 Nov 2020

SHARE [in](#) [g+](#) [t](#) [f](#)



Stockhead

November 13, 2020

Today's winner was Cellnet Group which more than doubled in early trade



Mobile distie Cellnet posts bumper October following iPhone launch

cellnet

discover
the next

What's **Next?**

Looking ahead to
second-half and **FY22**

- **Organic growth**
Online channel, new brands
- **M&A**
- **Capital management opportunities**

cellnet





Launch!

Welcome to Australasia's go-to digital products and accessories marketplace.

SHOP NOW



 **Free Delivery**

Free delivery to your door when you spend \$100+

 **Secure Payments**

Trusted payment methods to give you peace of mind

 **Free Returns**

30 days free returns to make sure you get what you need

Techunion website – now live

<https://techunion.com.au/>
<https://techunion.co.nz>

- Cellnet’s extensive brand portfolio in one place
- Utilises warehousing across Australia and NZ
- Store fronts to be extended across marketplace channels including Amazon, eBay, Kogan and The Market



Find you.

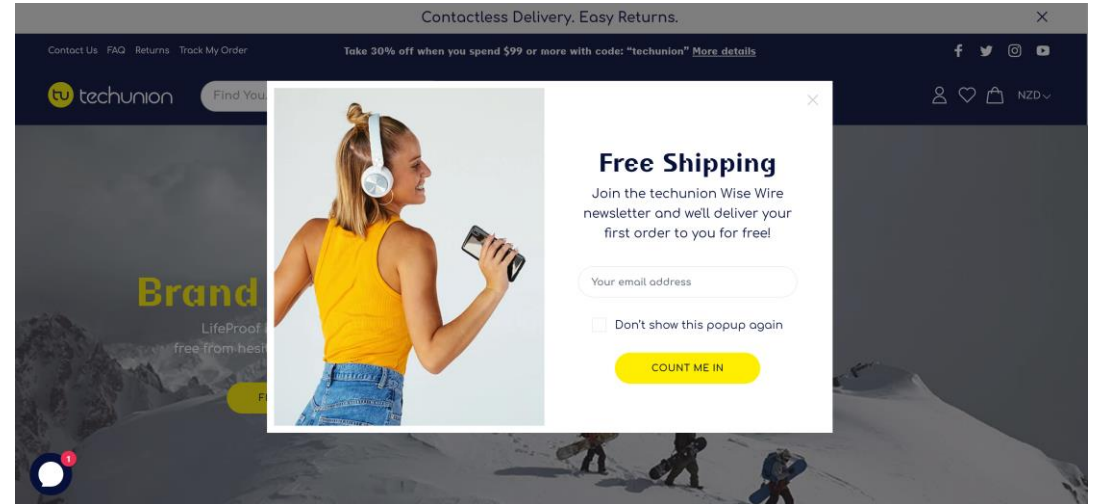
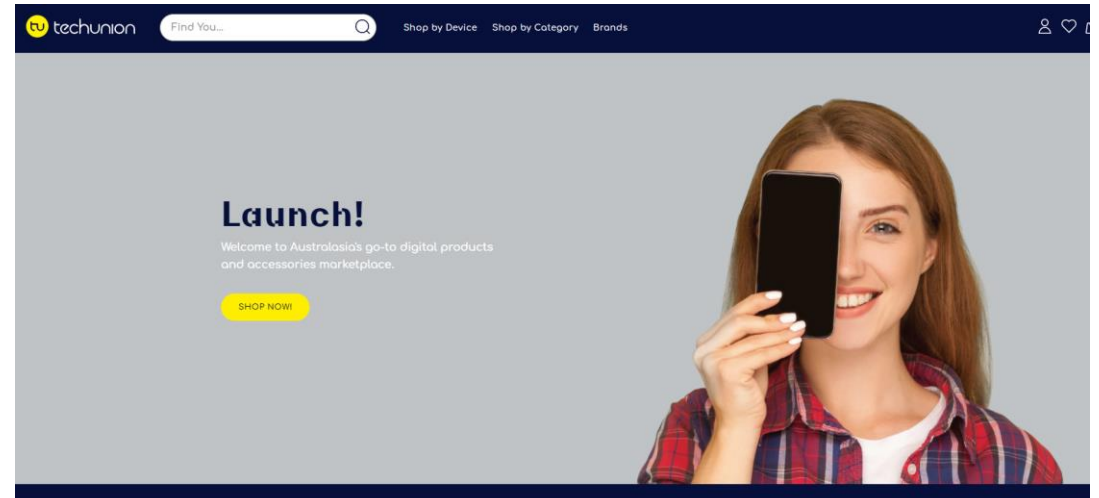
Reputable with proven expertise

Price competitive

Exclusive brands and products

Innovative and customer led

Committed to sustainability



Cellnet **Connect**

Cellnet's new 'state-of-the-art' B2B ecommerce portal

Launches 15 March 2021

cellnet
discover the next

**Streamline Your Stock
Replenishing By Ordering Online.**

01 - 03

cellnet
discover the next

Sign up to Cellnet

First Name
John

Lastname

Email Address
testtest.com

Next →

Already a member? [Sign In](#)

[Privacy Policy](#) [Terms of use](#)

cellnet connect

Change your password

You have requested to change your password, to retrieve access to your Cellnet account. Open click or tap the link below.

<https://cellnet.com.au/changepassword>

cellnet
discover the next

**Streamline Your Stock
Replenishing By Ordering Online.**

cellnet
discover the next

Success!

Your password has now been changed, you can [sign in](#)

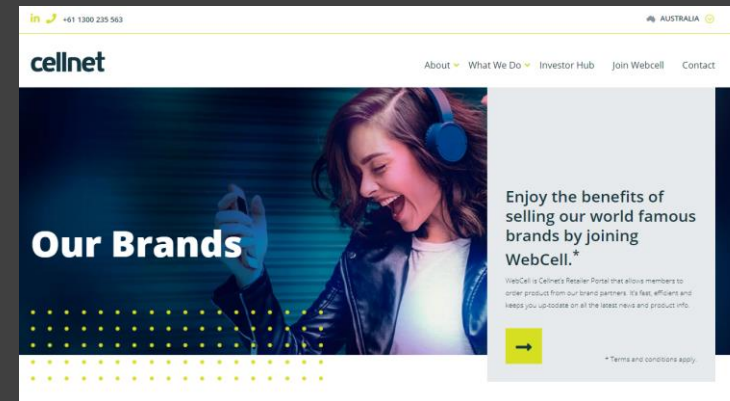
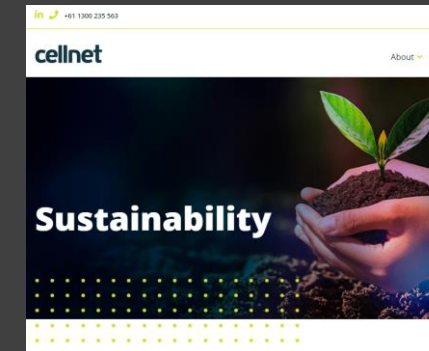
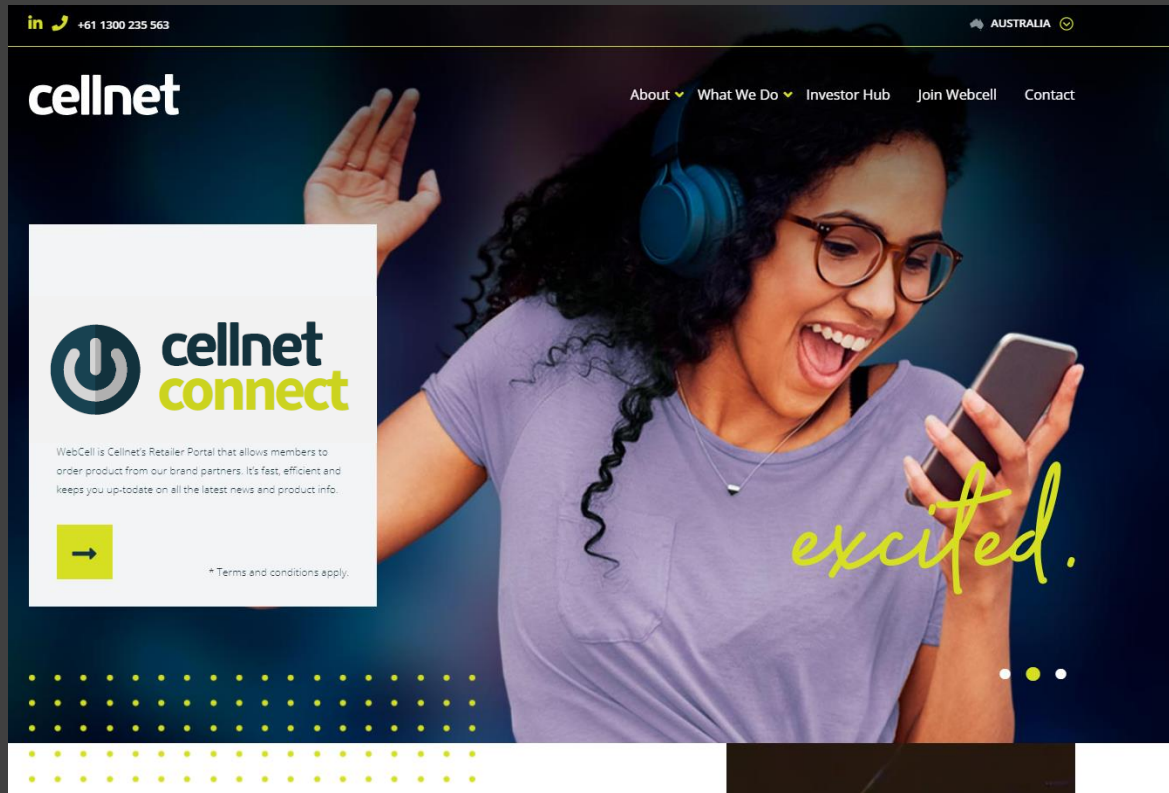
[Privacy Policy](#) [Terms of use](#)



cellnet

Corporate website refresh

Cellnet's new .com.au and .co.nz sites
Launches 26 February 2021



cellnet

discover
the next

Still positioned for growth



Gaming

'Next Gen' consoles & game streaming

- Xbox series X and PlayStation 5 gaming consoles in high demand
- MS Game Pass, the 'Netflix of gaming', to launch 2021
- Gaming console market to grow 18% over the next 5 years



Online

Accelerated growth

- Covid-19 has accelerated online growth to unprecedented levels
- Years of organic growth realised in the past year
- Consumer shopping behaviour has changed



5G

Mobile 'Super Cycle'

- iPhone 12 range supports 5G
- 40% of all phones sold in 2020 were 5G compatible
- Telsyte forecasts more than 60 per cent of new phones sold in 2021 will be 5G devices



Audio

Sustained growth

- The audio category is the largest electronics category in ANZ
- Global CAGR of 13% 2020-2025, True wireless to see growth surge
- Transition of Wireless Headphones into 'Smart Hearables'



CAPCOM®

Resident Evil Village

launches 7 May 2021

**Highly anticipated
AAA title from Capcom**

VILLAGE

RESIDENT EVIL™

Experience survival horror like never before in *Resident Evil Village*, which will utilise the power of PlayStation 5 and Xbox Series X to elevate each desperate fight to survive by showcasing the most realistic and terrifying graphics to date.

The all-new title is the eighth major instalment in the storied *Resident Evil* franchise, which established the survival horror genre nearly 25 years ago.

Set a few years after the horrifying events in the critically acclaimed *Resident Evil 7 biohazard*, the all-new storyline begins with Ethan Winters and his wife Mia living peacefully in a new location, free from their past nightmares.

Just as they are building their new life together, tragedy befalls them once again.

When BSAA captain Chris Redfield attacks their home, Ethan must once again head into hell to get his kidnapped daughter back.

PS5 PS4 XBOX SERIES X XBOX ONE STEAM

cellnet

discover
the **next**

OtterBox gaming - ANZ exclusivity



GAMING WITHOUT INTERRUPTION



Easy Grip Controller Shell

Turn your Xbox controller into an expert control device.



Gaming Carry Case

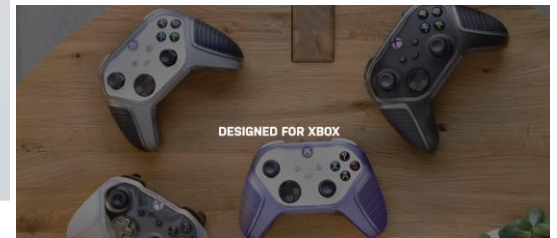
Protective carrying case that converts into a mobile command center.



Mobile Gaming Clip

Bring the Xbox console experience to your phone.

#1 MOST TRUSTED
IN SMARTPHONE CASE
PROTECTION



Easy Grip Gaming Case

Count on protection, comfort and convenience.



Gaming Glass Privacy Guard

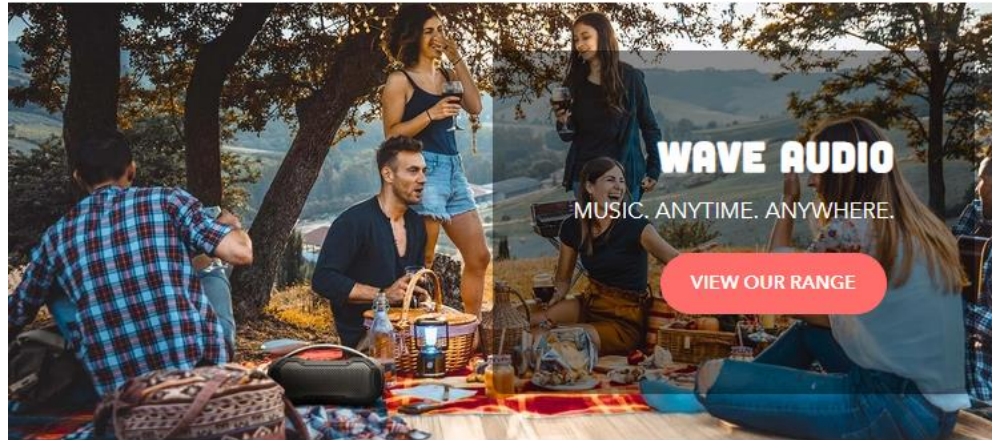
What you're playing is your business. Keep it that way.



cellnet

discover
the next

Wave audio by 3sixT



ABOUT WAVE

Wave by 3sixT is a passion project to connect, relax, and listen. We build quality products that unify all ages through the love of music. Grab a Wave, dance indoors, shuffle outdoors or simply share the beat.

PORTABLE SPEAKERS | OUTDOOR SERIES



OUTDOOR SERIES 1



OUTDOOR SERIES 2



OUTDOOR SERIES 3

CONNECT, WAVE, ENJOY

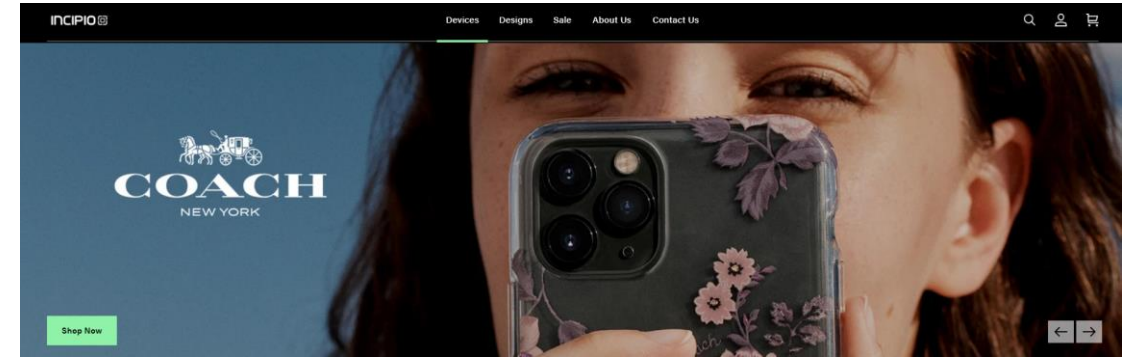
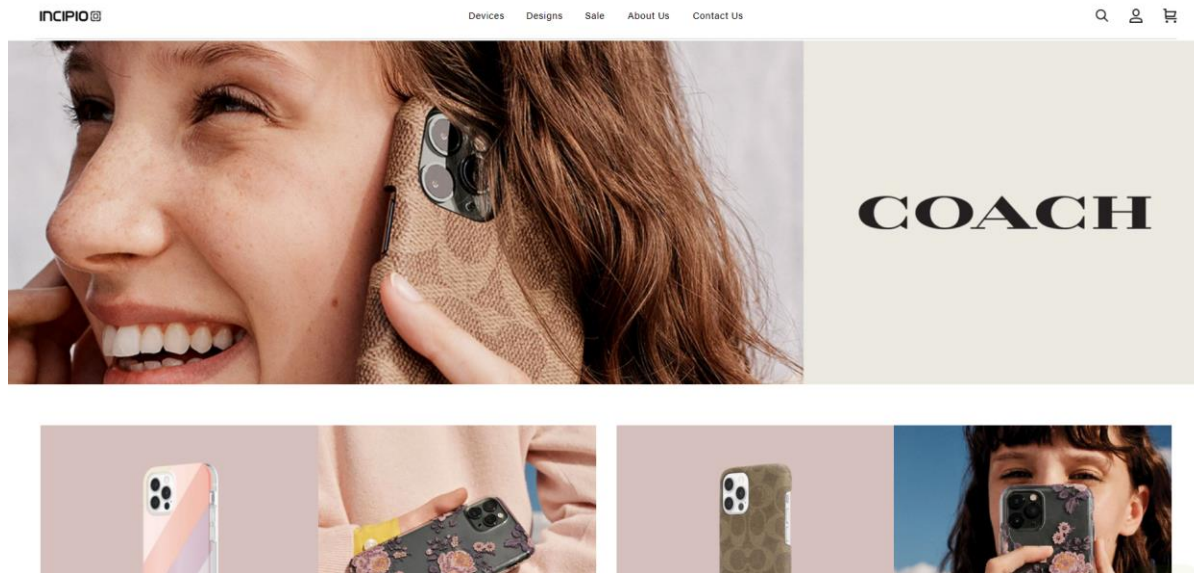
We Connect you, so you can re-connect to music.



Coach accessories - now available

<https://incipio.com.au/pages/coach>

- Cellnet now ranging Coach licensed mobile accessories
- Coach accessories are licensed by Incipio Brands



cellnet

discover
the next

New brand partners



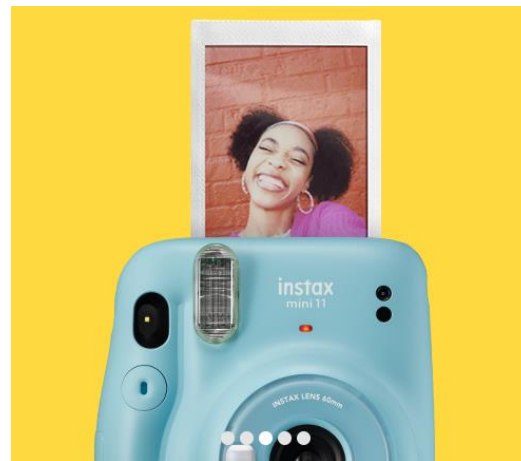
Category: **Mobile accessories**

- ANZ exclusive
- Wireless charging market forecast to have a CAGR of 25%
- B2C and B2B solutions



Category: **Camera & imaging**

- Telco channel exclusive
- Market leading instant cameras
- Mini Link printers
- instax film



Category: **Mobile gaming accessories**

- ANZ exclusive
- RIG MG-X mobile gaming
- Holds up to 6.7" mobile phones
- Built for Microsoft xCloud gaming



Investor Perks

Unique benefits for
CLT shareholders

Coming in 2021



- CLT shareholders can access the new **Cellnet Connect** web portal
- Exclusive **discounted pricing** on all gaming, audio and mobility products
- **Free Delivery** on orders over \$50 within Australia and New Zealand
- Purchase up to \$1000 annually for personal use
- Credit card payment with **nil surcharge**
- Min shareholding applies (200,000 shares)

cellnet

discover
the **next**

cellnet

