

Skyfii announces CEO transition

SYDNEY, AUSTRALIA, 9 August 2023 - Skyfii Limited (ASX: SKF) (Skyfii or the Company) can confirm that Founder and Chief Executive Officer, Wayne Arthur, has decided to step down today as CEO and as member of the Board of Directors.

The Board is delighted to confirm that Mr Antony Karp has been appointed as interim CEO, based in Australia.

The Board of Skyfii recently completed a strategic and comprehensive internal business review aimed at pursuing accelerated growth and resetting its operating cost base to achieve greater efficiency and generate improved and sustainable positive cash flows.

As part of the review process, both the Board and Mr Arthur identified that the timing was right to transition the leadership of Skyfii to an individual with the expertise to execute on the identified strategy and business transformation.

Skyfii will benefit from Mr Karp's experience in C-Suite and transformation roles within the fintech, retail and property sectors. Most recently, Mr Karp was the CEO and Managing Director for Prezzy gift cards where he was instrumental in expanding the company's global footprint. Mr Karp has also held senior leadership roles at Tonka Group, Woolworths Holdings Limited and David Jones Limited.

The Board congratulates and thanks Mr Arthur for successfully leading Skyfii from the start-up phase, a successful IPO and a period of significant growth to scale to a company that currently engages with over 15,000 venues across 35 countries. Customers include some of the world's largest airports, stadiums, QSR restaurants, retail property groups and retail companies.

Mr Arthur will remain available to the company over the next four months to ensure a seamless transition.

The Board is undertaking a process to identify a full-time CEO, including both internal and external candidates.

Commenting on the CEO transition, Skyfii Chairman said:

"The appointment of Antony as interim-CEO brings a wealth of experience to our Company. His critical skills in business transformation, senior executive experience, leadership and knowledge of our business will allow us to fast track the implementation of our strategic review and execute on capturing the significant growth opportunities within the markets our Company operates in. Whilst an excellent CEO candidate, in the interest of good governance, the board has commenced an external search, which will include Antony.

The recent strategic review highlighted the significant growth opportunities for our business, and we are grateful for the insight from Wayne with regards to his recognition of the skills required to lead our organisation into the future. Wayne's passion, technical skills and business development acumen

has contributed to the growth of our Company, and he leaves the organisation with a strong culture and sense of purpose.”

Outgoing CEO and Managing Director Wayne Arthur said:

“After 10 years as CEO, the strategic review provided the perfect opportunity to transition to a new leader to execute on our strategic pathway and deliver the benefits to our customers, employees, and stakeholders.”

Transformation to Drive Predictable Earnings Growth

Skyfii recently announced that it has completed a strategic review and is implementing various initiatives to pursue the growth opportunities across its core verticals of retail & retail property, major transport hubs, sporting stadia & events and quick service retail (QSR). The Company also reviewed its internal business to reset its operating costs and achieve greater efficiencies to generate improved and sustainable positive cash flows.

The Company will retire non-core legacy products, with \$0.6m in annualised recurring revenue at risk. The revenue associated with these products is low margin and will have limited impact on profitability and cash flow. Importantly, this plan will enable stronger focus on high growth opportunities.

Cost-out initiatives associated with the strategic review include:

- Streamline Sales & Marketing to deploy key resources to core growth verticals
- Increase engineering focus on automation and AI initiatives to accelerate deployment timelines, drive new revenue streams and billing of ARR
- Reduce headcount cost by 12% through improved efficiency, whilst increasing bandwidth
- Transfer of specific support and operations resources to newly established lower cost operating hubs (Philippines and Portugal)

Operating Model Transformation	Focussed Growth	<ul style="list-style-type: none"> • Focus on high margin, scalable verticals of retail & retail property, major transport hubs, sporting stadia & events and quick service retail (QSR). • Those 4 verticals accounted for 78% of TCV won in FY23 YTD
	Non-core technology retirement	<ul style="list-style-type: none"> • The company is retiring non-core legacy products • The retirement will put at risk approximately \$0.6m in annualised recurring revenue. • Revenue associated with these products is low margin, and will have limited impact on cash flow.

ASX: SKF | 9 August 2023

Cost Out Initiatives	Streamlining resources	<ul style="list-style-type: none"> Streamlining sales & marketing resources to deploy key resources to core growth verticals. Greater engineering focus on tooling automation to continue AI development initiatives & accelerate deployment timelines and ARR commencement.
	Headcount cost reductions	<ul style="list-style-type: none"> Efficiency strategies to reduce headcount costs by approximately 12%. Transfer of specific support and operations resources to newly established lower cost operating hubs in the Philippines and Portugal.

Summary of Key Terms of Antony Karp's Agreement

Commencement Date	9 August 2023
Term	4-month term then 30-day notice period
Total Fixed Remuneration (TFR)	\$360,000 p.a.
Short term incentive plan (STI)	Short term incentive to be agreed based upon board approved KPI's

Antony Karp Profile

Antony Karp is a turnaround and transformation specialist with experience in a range of C-suite roles across the fintech, retail and property sectors.

Antony was previously CEO and Managing Director of Prezzy gift cards, where he was instrumental in expanding the company's global footprint. Prior to his role at Prezzy, Antony's roles included Head of Group Transformation at Woolworths Holdings Limited where he was responsible for establishing and overseeing the global delivery and integration program. Antony was also a group executive for over 10 years at David Jones Limited where he directly managed a team of approximately 150 finance, IT, design, project management and procurement specialists.

Most recently, Antony has been a Director of Tonka Group, a boutique advisory and investment business, where he has been using his skill set and background to deliver business turnaround and transformation across a number of end clients.

Antony was runner up in the CEO Magazine – CEO of the Year awards in 2022.

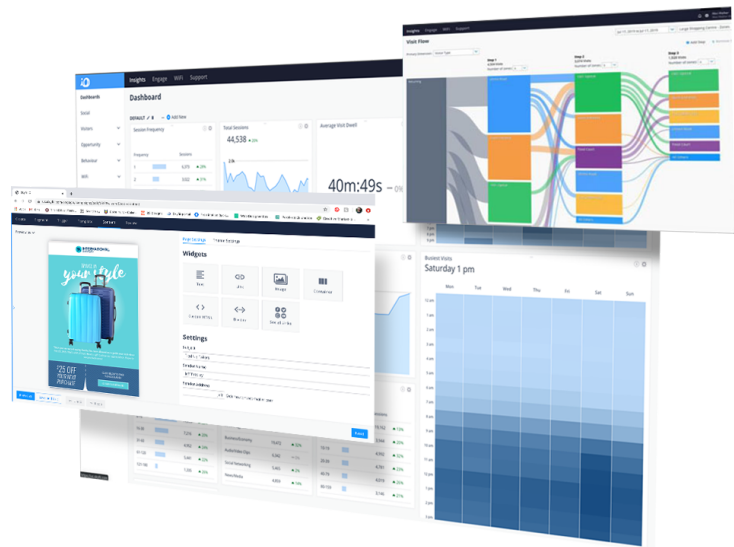
About Skyfii

Skyfii helps organisations activate the power of their data through technology & human ingenuity, to find new ways to optimise the spaces where we live, work, shop, travel & play.

Skyfii's IO platform unifies your data points on one proprietary platform to give you the insights needed to solve the complex challenges of your present and future.

We ingest data from a diverse range of technologies including WiFi, Camera, People counting, LiDAR, CCTV and IoT devices. We combine these datasets with contextual data like weather, retail sales and sociodemographic to improve operational performance for retailers, airports, stadiums, smart cities and other public and commercial venues.

Skyfii further augments insights generated by the IO Platform with its Data & Marketing Services offering: A team of data science and digital marketing consultants who help our clients harness more value from their data.



This announcement has been approved by the Board of Skyfii Limited.

Learn more at www.skyfii.io or follow Skyfii updates at <https://au.linkedin.com/company/skyfii>

Media

John Rankin
Chief Operating Officer
P: +61 424 783 499
E: john.rankin@skyfii.com

Investors

Craig Sainsbury
Automic Group
P: +61 428 550 499
E: craig.sainsbury@automicgroup.com.au