

2 March 2021

Norwood Systems Ltd (“Norwood” or the “Company”) (ASX: NOR) provides the following information, to be read in conjunction with the quarterly activity report previously lodged with the ASX on 1 February 2021.

Business Activities Expenditure

In accordance with ASX Listing Rule 4.7C.1, with respect to business activities expenditure, Norwood can confirm there was a decrease in business expenditure by \$260k in comparison to the previous quarter expenditure. Total direct business expenditure was \$531k for the December 2020 quarter (vs \$791k last quarter), consisting of research and development expenses of \$205k (vs \$269k), operating costs of \$81k (vs \$133k), staff costs of \$137k (vs \$175k), and administration and corporate costs of \$108k (vs \$215k). Net cash used in the operating activities increased to \$234k and it was primarily due to a decrease in customers receipts and government grants.

Authorised for release by Paul Ostergaard, Managing Director of the Company.

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Norwood is changing the way we globally connect

At Norwood Systems, we’re passionate about revolutionising your telecommunications. To actualise this goal, we have developed amazing platforms that realise the world’s largest federated telco network. By connecting your smartphone effortlessly and simply to local networks around the world via our award-winning Apps, you get high quality connections, clear and secure conversations for a fraction of international roaming costs.

About Norwood Systems

Norwood Systems provides voice, messaging and data services to consumers, enterprises and carriers globally, leveraging its’ federated telecommunications services network partnerships. Our mission is to deliver disruptive end-user communications apps that streamline and simplify how users around the world can access affordable, high-quality telecommunications services – anywhere, anytime. Norwood has solutions that service Enterprise, Telco and Partner channels.

Our [Enterprise Solutions](#) deliver powerful, yet simple corporate communications platform to make communications more cost effective, easier to manage, and regulatory compliant. This is all made possible by Corona® Cloud and Corona GTS, with its suite of mobility Apps.

Norwood Systems' innovative [Telco Solution](#) addresses all three categories of telecommunication provider. Major carriers, mobile virtual network operators (MVNOs), and Data-only providers.

Finally, our [Partner Solutions](#) are designed for the forward looking, customer driven Travel and Loyalty partner, providing an easy way to invigorate brand offerings with App based benefits. Norwood Systems listed on the ASX in June 2015 and trades with the stock ticker NOR.