

CIRRUS

# Cirrus Networks Holdings Ltd

Next Generation National Managed Services Provider

Investor Presentation  
November 2022 Update

PERTH | CANBERRA | MELBOURNE



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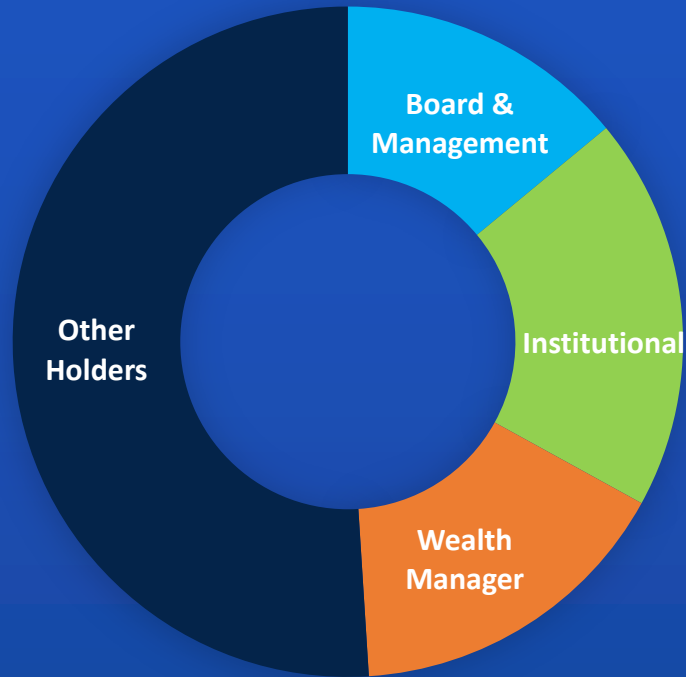
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## Top Shareholders



## Capital Structure and Finance

**Debt Free**

CASH AT 30 JUNE 2022

**\$9.6M**

DEFERRED TAX ASSET

**\$4.97M**

SHARE PRICE **3.3c**

MARKET CAP \$30.69M

### BOARD OF DIRECTORS

**Paul Everingham** (Non-Executive Chairman)  
**Chris McLaughlin** (CEO and Managing Director)  
**Daniel Rohr** (Non-Executive Director)  
**Adam Waterworth** (Non-Executive Director)

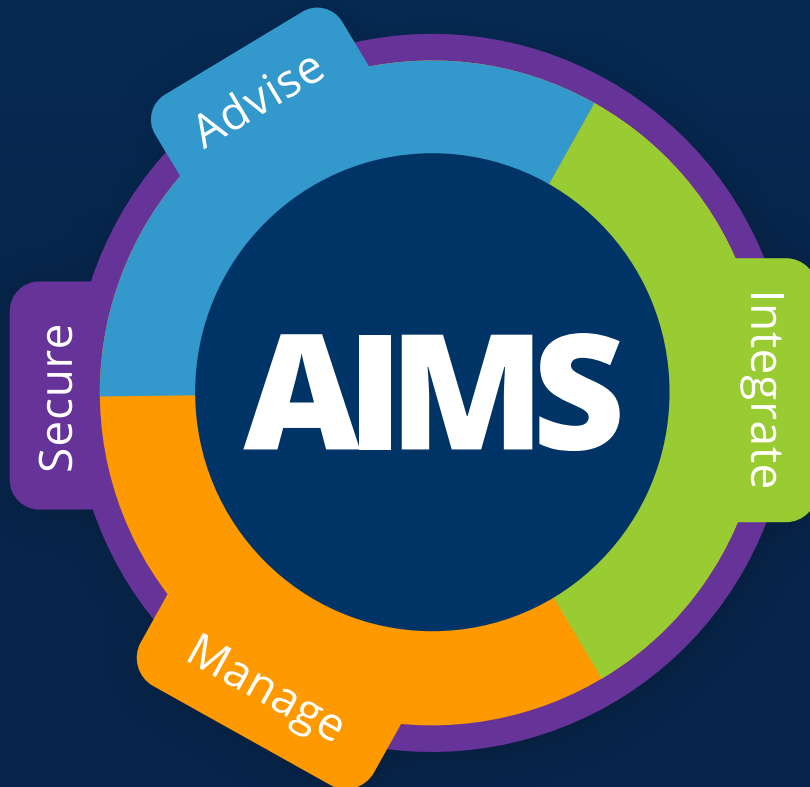
### MANAGEMENT

**Chris McLaughlin** (CEO and Managing Director)  
**Matt Green** (Chief Financial Officer)  
**Darren Grocott** (Chief Solutions Officer)  
**Matt Shelley** (Chief Technology Officer)  
**Helen Weightman** (GM – Integration Services)  
**Paul Crockford** (GM – Managed Services)

### BROKER RESEARCH COVERAGE

**Veritas**  
**Euroz Hartleys**

# Who we are



## Advisory Services



**Pushing the transformation envelope** - We engage our clients via a consultancy approach and push technology innovation specific for the industry type.

**Business Strategy**

**Business Process**

**Project Management**

## Integration Services



**Relentless market disruption** - Staying on top of the emerging technology trends helps us stay ahead of competitors that are too slow to adapt, embrace and seize the available market.

## Managed Services



**Annuity focus** - Providing longer term relationships, investment predictability and the opportunity for continuous service improvement.

**Networks & Connectivity**

**Collaboration**

**Digital Transformation & Hybrid Cloud**

**Modern Workspace & Mobility**

**Apps, Data & IoT**

**Security Services**



# Our Customers

## ACT



## Western Australia



## Victoria



# Our Partners

## Connectivity & Collaboration



## Analytics, Reporting & IoT



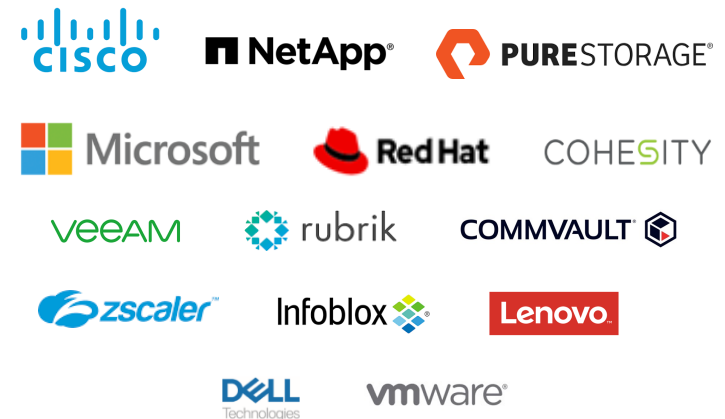
## Security



## Cloud



## Hybrid Cloud Centre



## National Technical Practices

100+ Trained Engineers

## Networks

Route, Switch, Wireless and Firewalls

## Collaboration

Telephony, Video, Meetings and Teams

## Cyber Security

Multi-domain information security

## Hybrid Cloud

Storage, Compute, Automation and Cloud

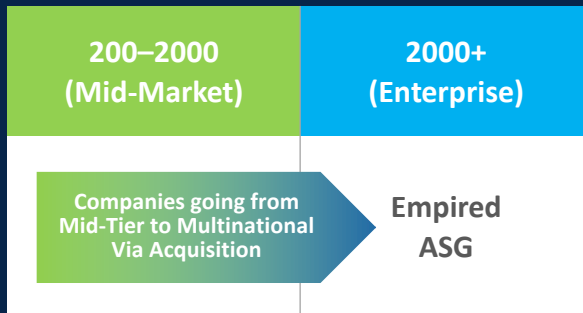
# Growth Journey to Date



	2015	2016	2017	2018	2019	2020	2021	2022
2012 CIRRUS FOUNDED	Cirrus lists on ASX and relocates to a new corporate office including state of art National Operations Centre (NOC).	New Strategic Focus pushing into IT Services.	Cirrus achieves Cisco Gold status and wins CRN Leader Award.	Major Managed Services Wins - Peter Mac, Crown and UWA. Cirrus awarded Cisco Enterprise Networking Partner of the year. New Offices in Vic and ACT.	Last year of the 5 Year Strategic Plan, moving from Product to Services model.	New WA Office in CBD. COVID-19 Business Strategy implemented.	Major Managed Services Win - Geoscience Australia. Security Practice Growth and Business Restructure.	Major Managed Services Win – Icon Water and ENI. NetApp Star Partnership. National growing team. Enviably client base. Well positioned in mid-market.
Business 								
Acquisitions	Cirrus Acquires L7 in WA.	Cirrus Acquires VTS in ACT.	Cirrus Acquires NGAGE in Vic. Cirrus Acquires Correct Comms in ACT.					

# Company Positioning

Cirrus is a market leader in Mid-Market Managed Services

- ✓ Strong Competency
- ? Not key element for the market segment



CLIENT SEGMENT	 0–200 (Small/SME)	 200–2000 (Mid-Market)	 2000+ (Enterprise)
AGILITY	✓	✓	?
AUSTRALIAN SOVEREIGNTY	✓	✓	?
VALUE	✓	✓	✓
CAPABILITY	?	✓	✓
SUSTAINABILITY	?	✓	✓
Competitive Advantage in the client segment	Small Niche Startup	Cirrus Networks	Multinationals



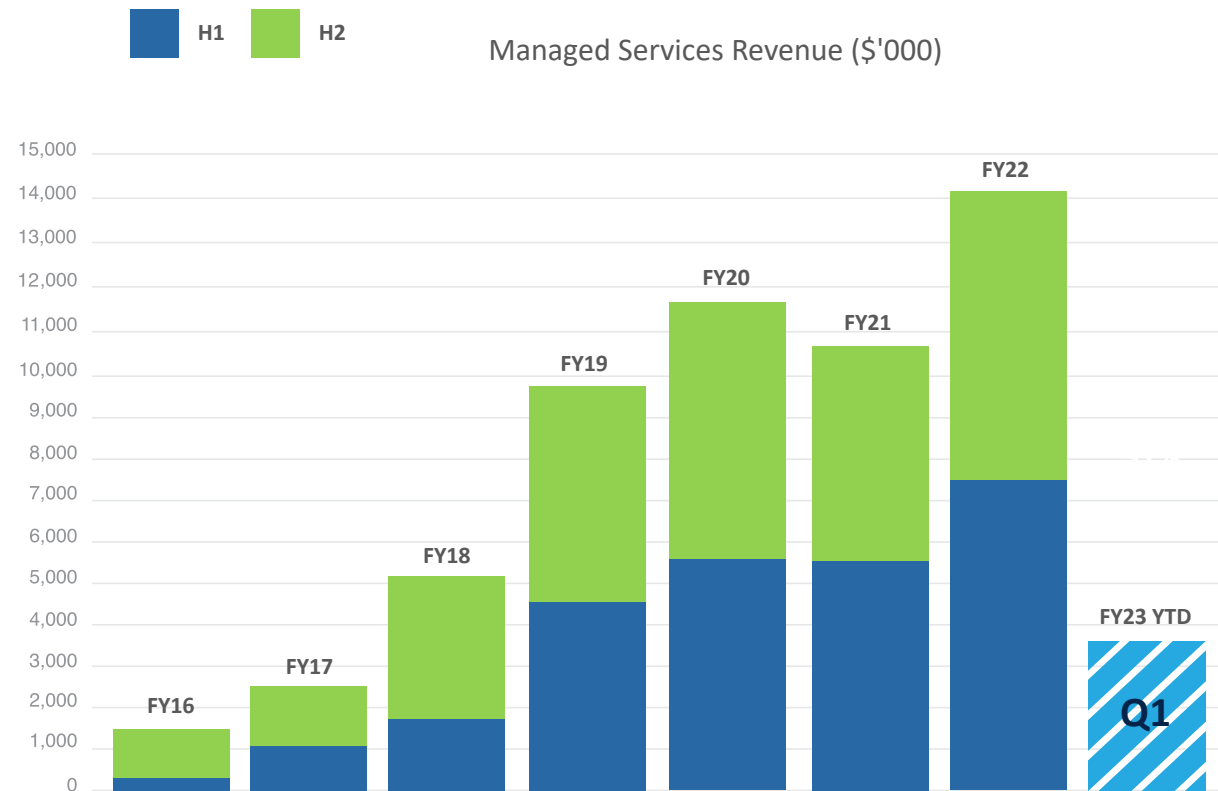
# Managed Services Focus

## Overview

- Multi-year higher margin reoccurring revenue contracts
- Cloud & DC, niche managed services, outsourcing and XaaS, Maintenance/Asset Management
- Australian based National Operations Centres with location-based support including Canberra state-of-art Secured NOC
- Average margin at circa 35%
- Provides a stream of complementary adhoc IT solution projects.

## Q1 FY23

- Significant new ENI contract signed Aug 22
  - > Transition on track – operating and contribution from Nov
- Implementation of Icon progressing well – MS expected to contribute from Q4
- Continues to grow with some good opportunities awaiting final decisions and strong pipeline across the country.



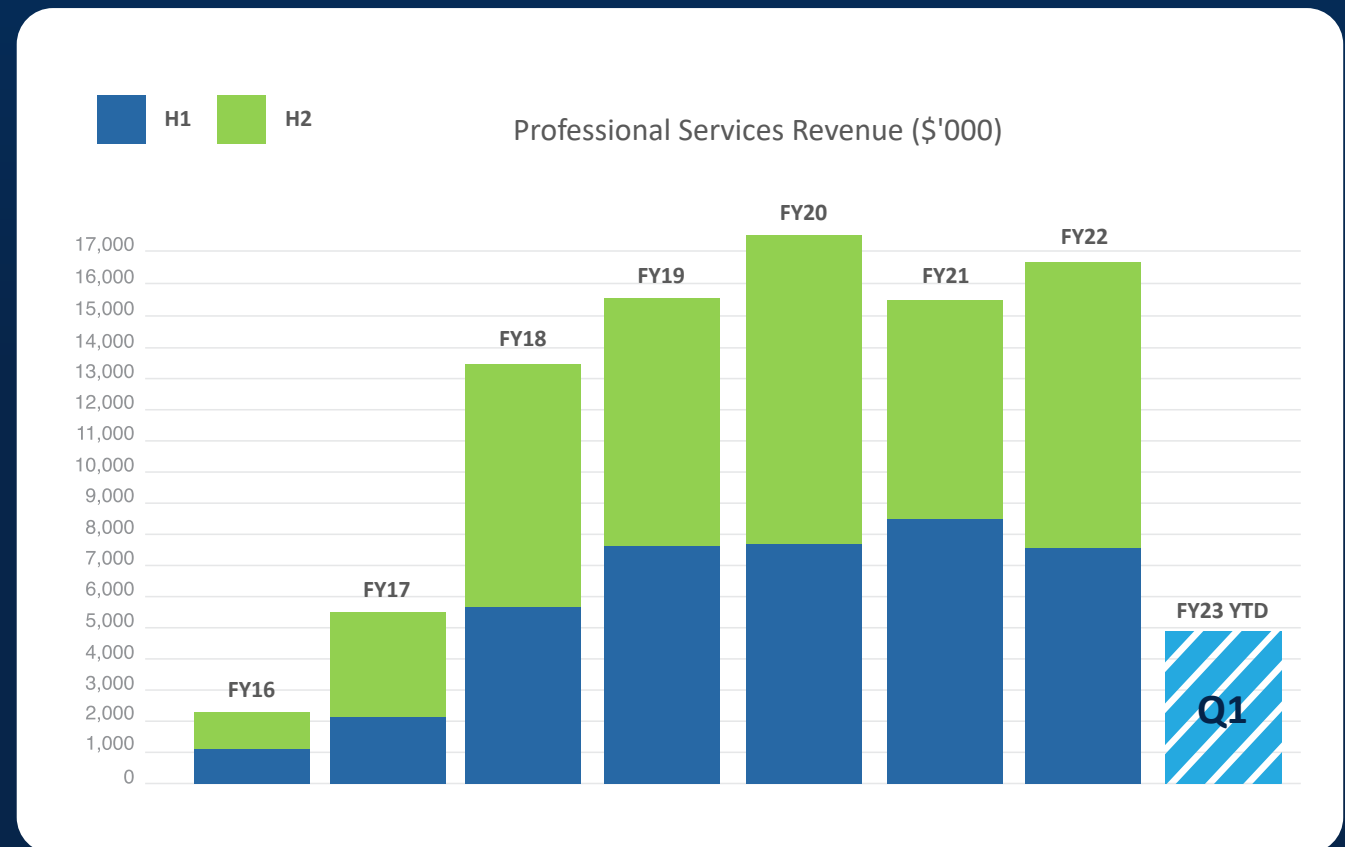
# Professional Services

## Overview

- IT Consulting, architecture, integration and support services
- Continued strategic focus
- Mid-cycle margins average 20% - 25%
- Upside of fixed price contracts

## Q1 FY23

- Trends of H2 FY22 continue
  - > Strong demand for labour resources
  - > Pandemic challenges continue in both access to and cost of labour
- Headwinds causing squeeze in margins
- Executing on H2 FY22 wins in Canberra with a solid pipeline of work across numerous key government agencies
- WA continues to be strong with ongoing work with bluechip resource companies



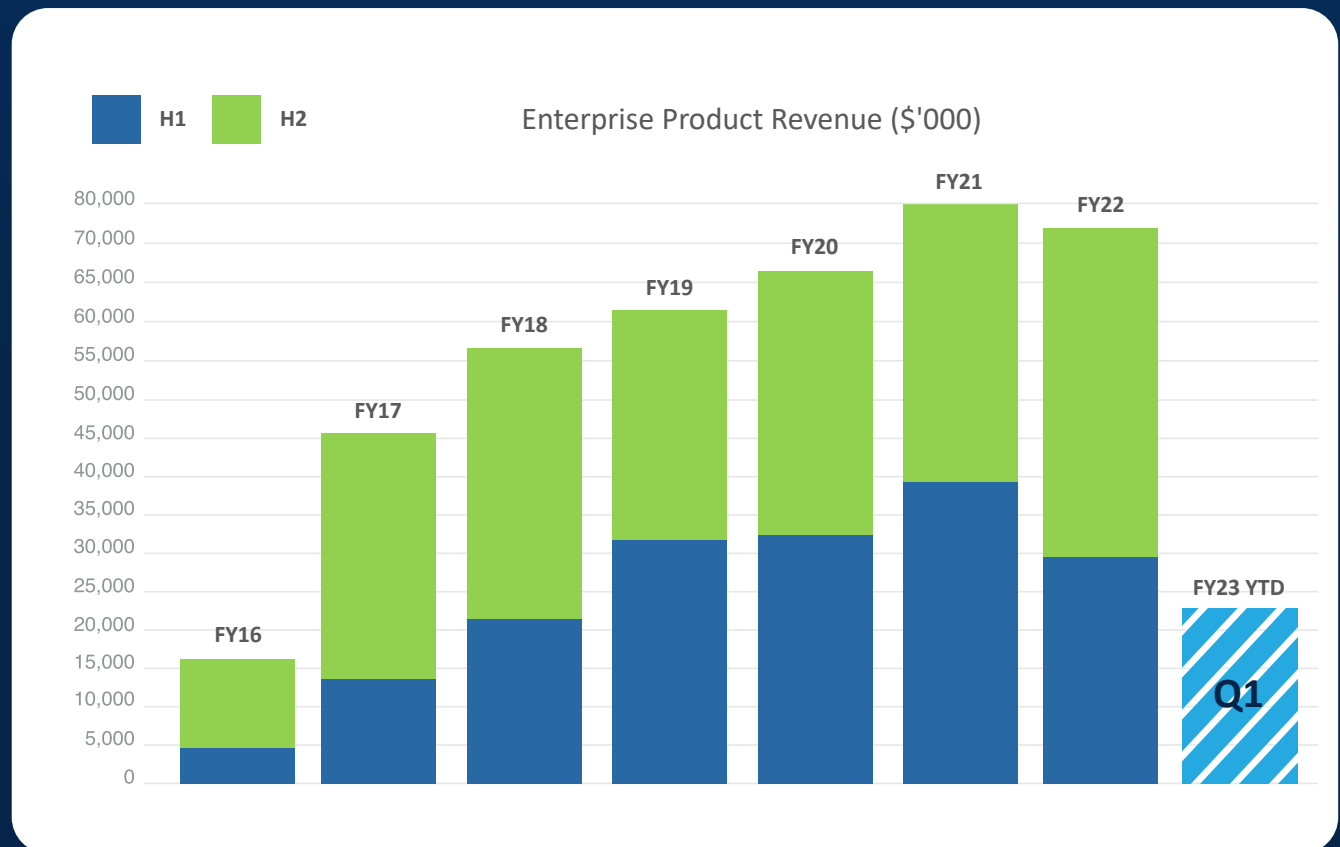
# Enterprise Product

## Overview

- Enterprise level product resale, both hardware and software
- Integral in full-service solutions-based IT provider
- Tier 1 vendors and technical knowledge support and integration
- Average margins 8% - 10%, lower margins as we move into larger enterprise deals
- Transitioning business to services growth with less underlying reliance on product margin

## Q1 FY23

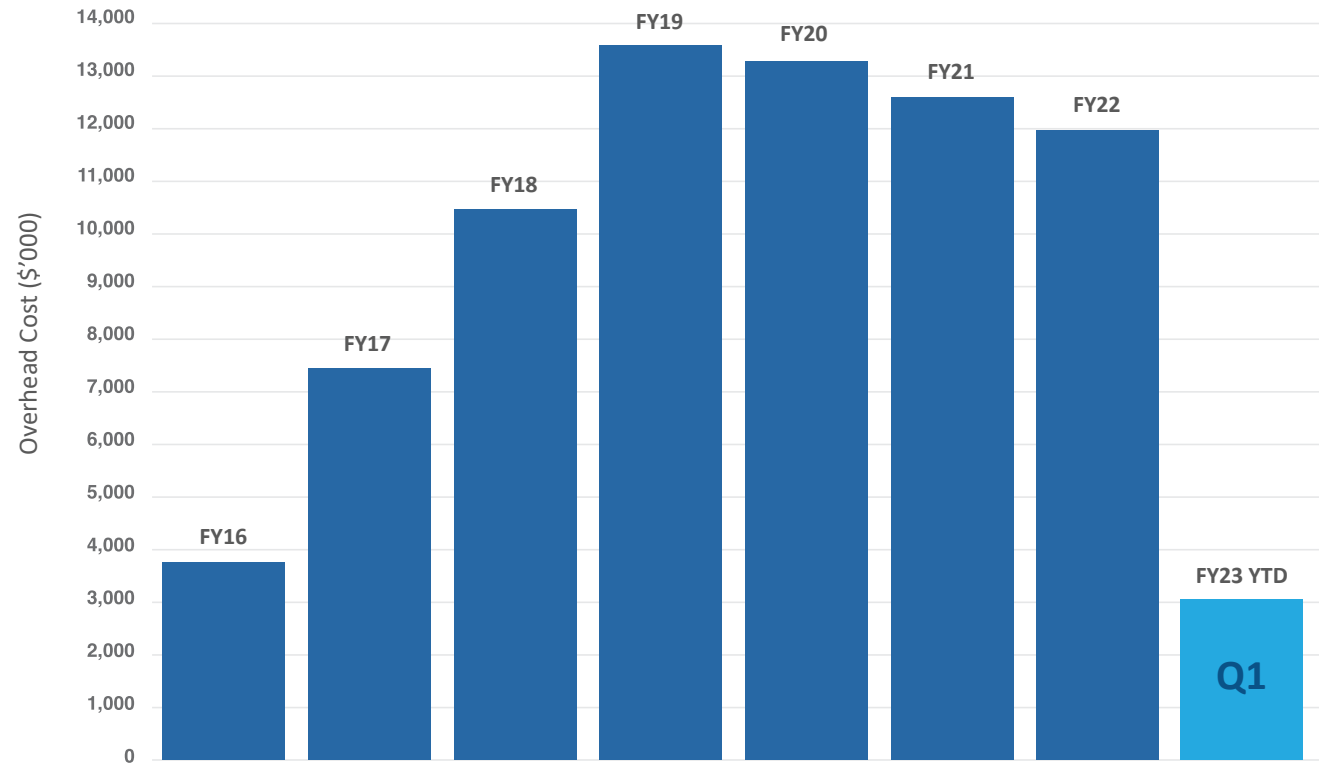
- High calibre national Enterprise Sales team continue to drive opportunities
- Strong backorder exiting FY22 has been maintained while delivering record Q1 product revenue
- Pandemic related supply chain challenges easing but ongoing
- Margins continue to be under pressure in competitive commoditised space and shift to Enterprise
- Solutions focused to drive greater value in associated services rather than a “box drop”.



# Cost Management

## Significant business restructure benefits maintained

- Continued disciplined focus on overhead spend
- Q1 FY23 overhead cost includes higher sales commissions associated with strong professional services and product revenues
- Q1 FY23 overhead cost also include higher than expected recruitment expenditure which is expected to normalise for the remainder of FY23
- Continued to yield benefit of CirrusWay business systems powered by Netsuite/OpenAir and Microsoft Power BI overlay
- Reviewed and automated processes to deliver improved efficiency and governance.

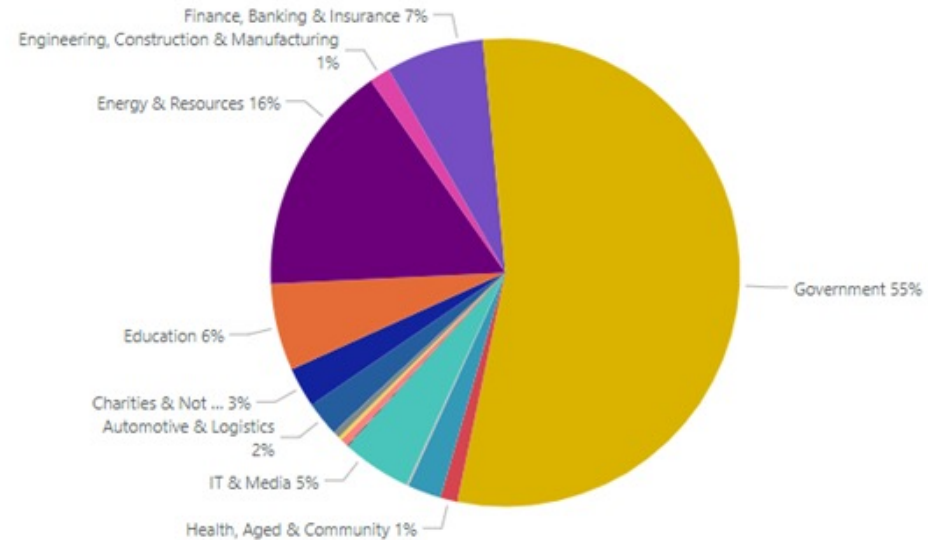


# Q1 Industry Sectors and Clients

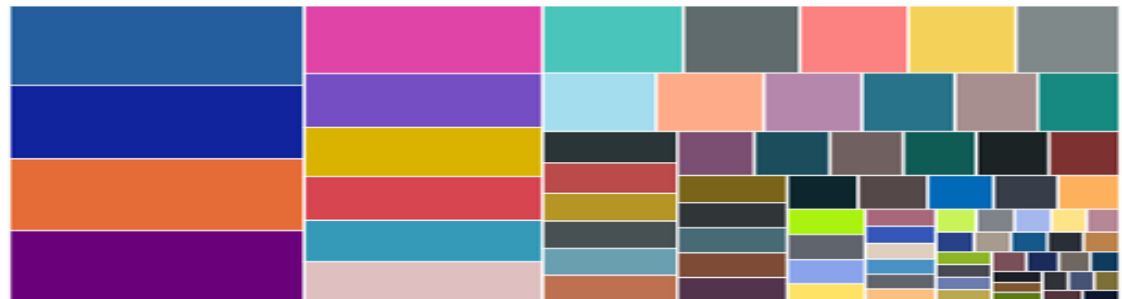
## Spread of clients across key sectors

- Cirrus continues it's strong position in Government and resources with significant growth opportunities
- We remain focused on growth opportunities Nationally across services
- Positioned for expansion in a number of large corporate and government clients.

### Revenue by Sector



### Revenue by Customer



# Strategic Priorities

## Key Priorities

### 1. Grow Managed Service Recurring Revenue

- Key-market focus 200–2000 seats
- Promote operational excellence and reference ability
- Very large total addressable market and organic growth opportunity

### 2. Expand transformation offerings for digital, data and cloud

- Advisory agile approach
- Use Microsoft Gold and other technology partners as a platform for growth

### 3. Broaden Offerings for Cyber Security and Consulting Practice

- Leverage Defence Industry Security Program (DISP) certified Canberra secure NOC.

### 4. Accelerate Acquisition Plan

- Build out geographic diversity along with Managed Service and Security capability.

# Business Capabilities

## Legend

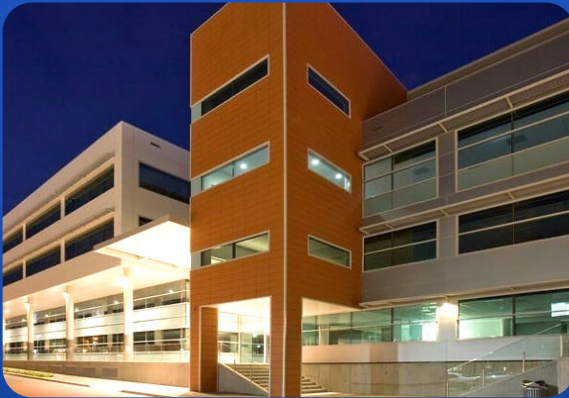
- Partner
- Future or Building Capability
- Strong Presence and Capability



# National Offices

1800 549 616

## ACT



Equinox 4  
Level 1, 70 Kent St  
Deakin ACT 2600

## VIC



Level 2  
5 Queens Rd  
Melbourne VIC 3004

## WA



Level 28  
108 St Georges Terrace  
Perth WA 6000