



NEXION Group

# Market Update - Q1 FY24

14 November 2023

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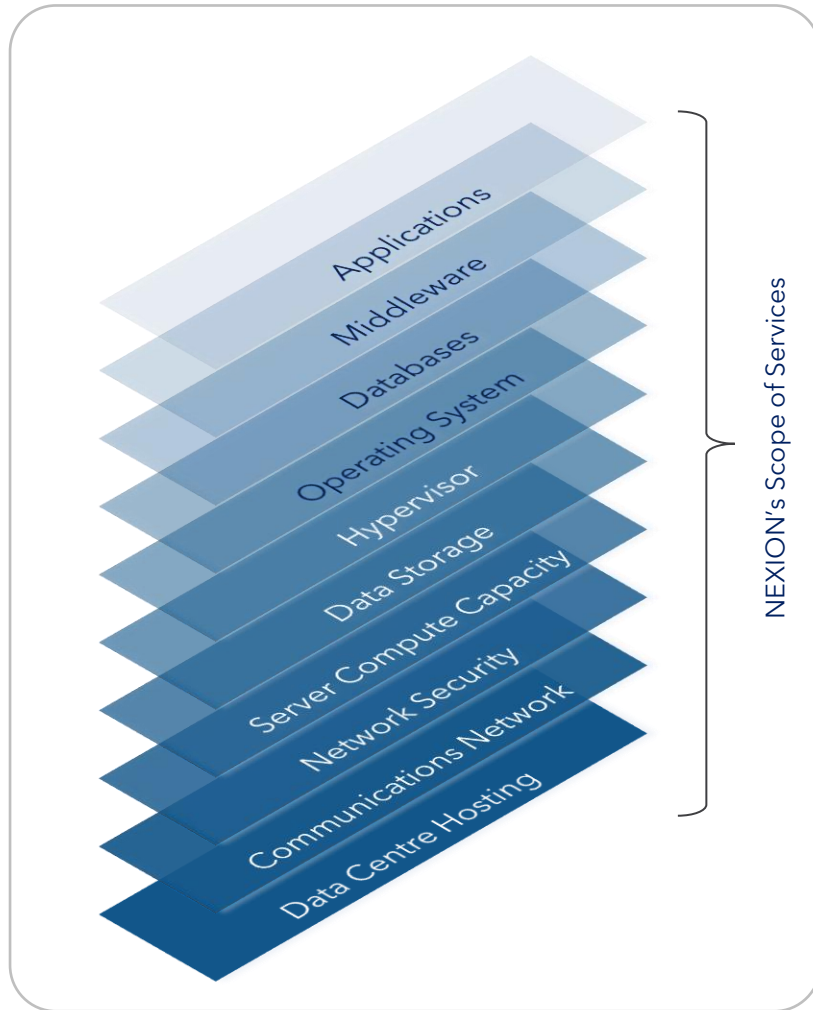
This presentation was authorised by the Board of NEXION Group Ltd.



|| NEXION provides Hybrid Cloud  
platforms and Software solutions  
used by Enterprise customers.



# NEXION's Scope of Services



Essential Enterprise Information Technology

*NEXION provides core compute, storage, network and security services, essential for enterprises to operate.*

## NEXION's Revenue Streams



### Cloud

We host servers and data storage in our points of presence (PoPs) for our customers.



### Network

NEXION delivers data and voice across fibre, satellite and wireless networks including security management from end-to-end.



### Services

NEXION provides the smart-hands customers need to keep their information technology running.



### Products

Where necessary, NEXION sells hardware and software to our customers to support their business.



NEXION Group

# STRATEGIC PARTNERS



NYSE:IBM Mktcap USD119.66B



NASDAQ: FTNT Mktcap USD46.96B



Private, US HQ excess of 100M ARR



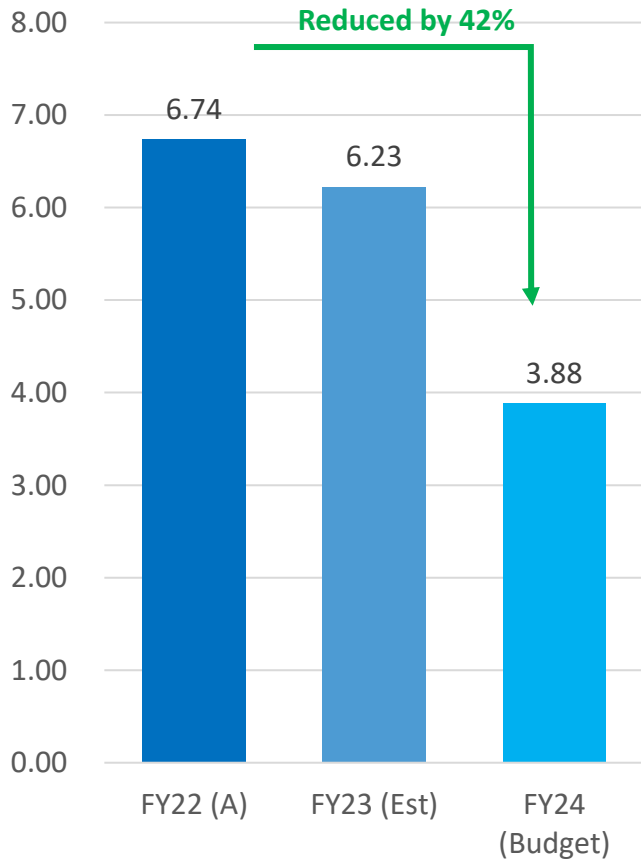
NASDAQ: NTAP Mktcap USD16.4B



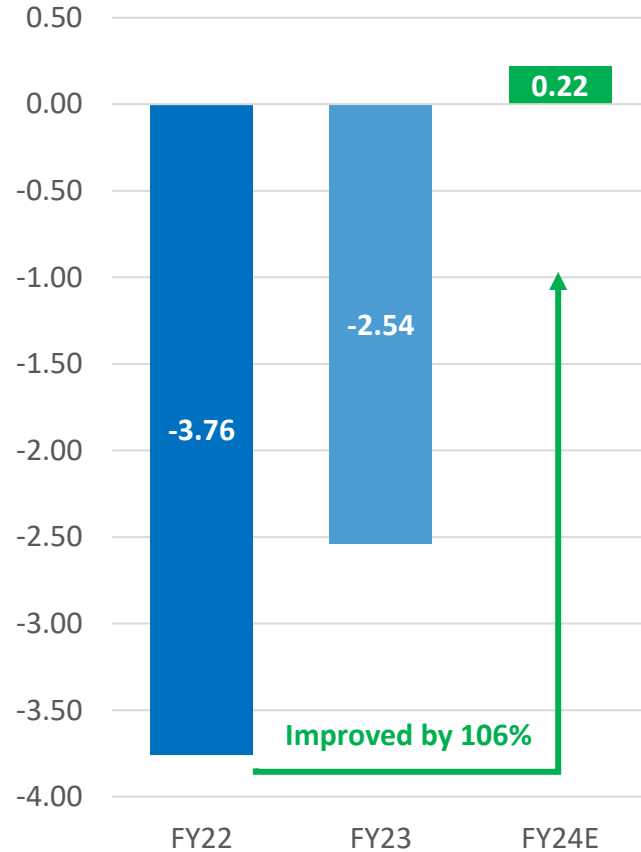
Ecosystem of strategic technology providers that enables NEXION to scale globally.

# Review of our Previous Operating Plan at end of FY23.

**\$2.86M Cost Reduction Completed**



**\$3.98m EBITDA Improvement**



## Substantial improvements Implemented from February 2023

Right-sized the workforce to deliver profit from the existing revenue baseline.

Eliminated some low margin contracts that distracted the team from pursuing profitable growth.

Renegotiated supply contracts to suit current needs.

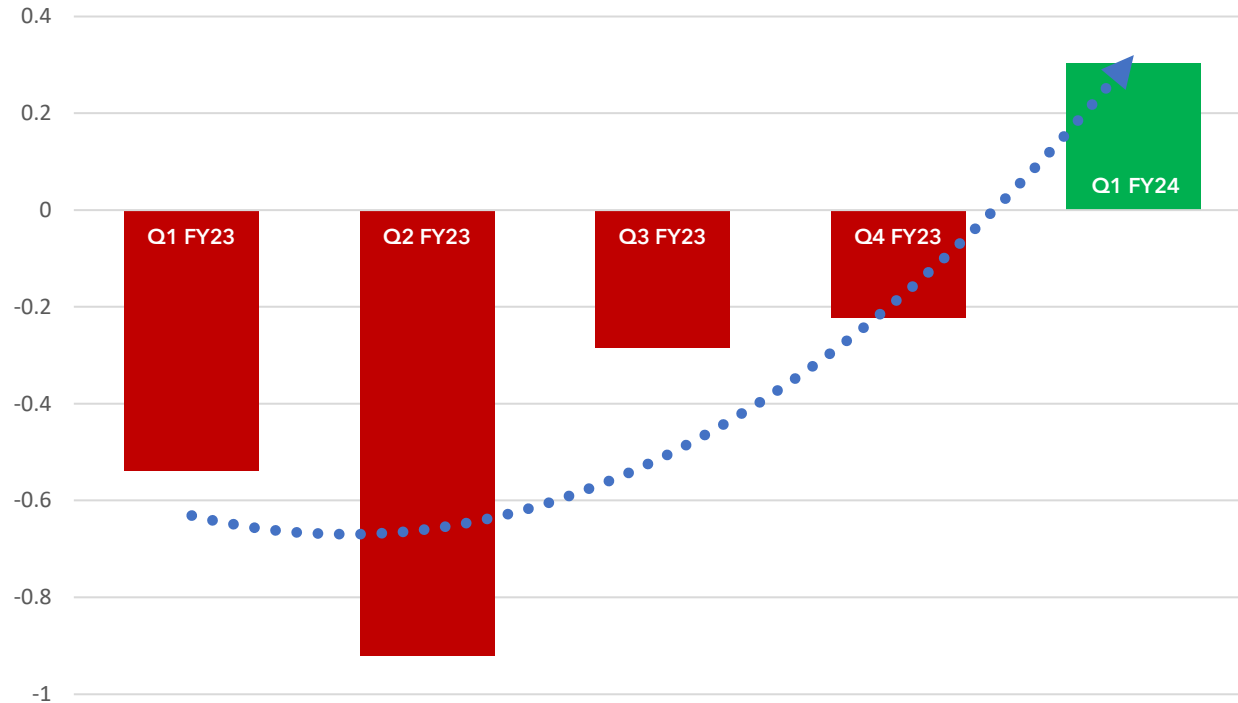
Reduced current liabilities substantially to improve the balance sheet.

*All data here is indicative to demonstrate the objectives of NEXION's current operating plan. This information may change substantially and often without notice. This is not a forecast and should not be relied upon for investment decisions.*

# Operating Result at Q1 FY24

*\$2.1M Revenue and 15% EBITDA in Q1 of FY24 exceeds our full year plan in the first quarter.*

EBITDA Improvement FY23 to Q1 FY24



## Positive EBITDA Trajectory

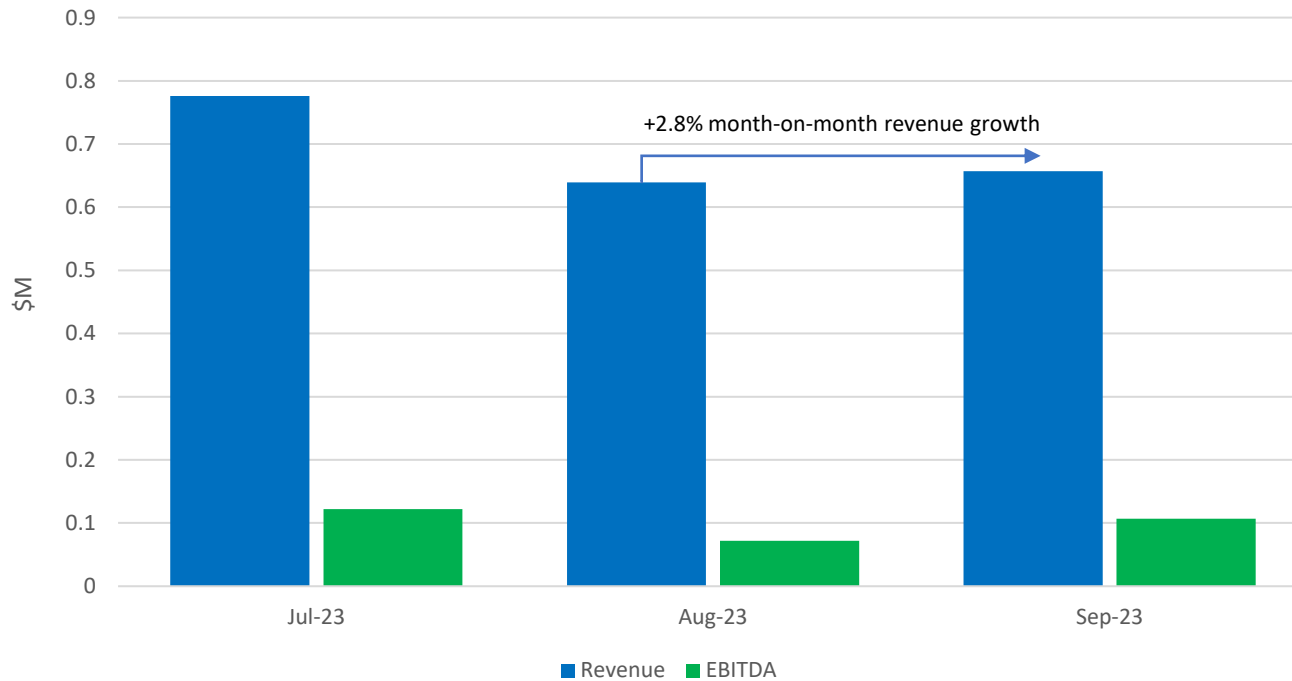
Achieved positive EBITDA for the first time in NEXION's short history.

Exceeded our *full-year* FY24 EBITDA target in Q1, delivering \$301k.

Positive operating result includes costs of our investment in new revenue initiatives in the enterprise software sector.

# Stable and Consistent Monthly Performance

NNG by Month for Q1 FY24



## Consistent month-on-month performance

Revenue stabilised at an annualised exit run rate more than \$8M.

Rebuilding revenue growth momentum with a focus on maintaining profit margins.

Majority of revenue in Q1 is recurring revenue.

Anticipate consistent results in the coming months with some seasonal variation over the Christmas period.





# New Initiatives for Growth

Growing our traditional business and expanding into enterprise software

## Traditional Business

NEXION has a strong track record in networks and cloud and have added new sales-people in Q2 to accelerate growth in this segment of our revenue mix.

Delivering Low, Mid and Geo-stationary orbit satellite solutions with 100+ units deployed and 10% quarterly growth.

Introducing new partners Arctic Wolf in Cyber Security and Telesmart in voice services (VOIP and Teams Calling) to our portfolio.

Continuing to close new business with Fortinet and NetApp.



## New Initiatives

Aligned with IBM's enterprise software group to deliver projects focussed on their Maximo, Envizi, Watson AI and MRO products.

Solutions cover asset management, environmental impact reporting and supply chain optimisation, augmented with IBM's AI solution, Watson.

Established a partnership with Fuse Forward from Vancouver to deliver experienced functional and technical resources to these new projects.

Enterprise software offers projects with larger revenue and higher gross margins.

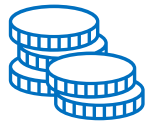


# Strategy for FY24

## Profit, growth & Innovation

### Create Profit

Focus on optimising operations with streamlined management processes and accurate measurement of costs.



### Build Strength

Gain a diversified customer base that ensures consistent revenue growth across industry and geography.



### Innovate

Broaden the technology base with unique products select new strategic partners.





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**We believe in what's next, not what's now.**