

norwood
connect globally, locally™

Investor Presentation

Norwood Systems Ltd
ASX:NOR

March 2017

Paul Ostergaard
CEO and Founder
Norwood Systems Ltd

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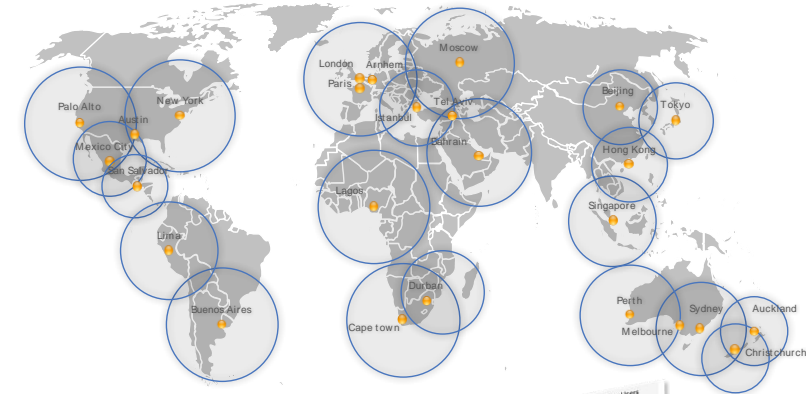
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- Award-winning Global SaaS Provider
- Proven software:
 - Used by individuals and businesses globally
 - Over five million downloads in first year
- Now expanding further into Corporate & Loyalty (Fintech)
- ASX:NOR



<u>Capital Structure</u>		
<u>Shares on Issue</u>	<u>Performance Shares/Rights</u>	<u>Unlisted Options</u>
970,779,598	165,595,070	102,374,485





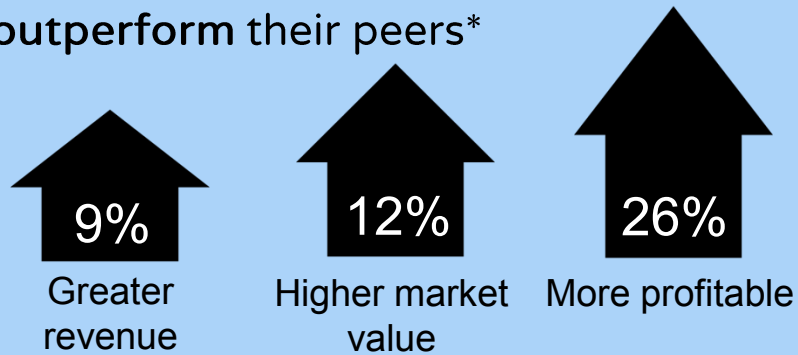
IT'S TIME !

- **Material channel relationships set up and starting to bite**
- **Core enterprise technology portfolio recently completed**
- **Unique and market-relevant solutions defined and recently released**

We solve the mobile-corporate disconnect

More and more business is done on smartphones...

Mobile-focused businesses outperform their peers*



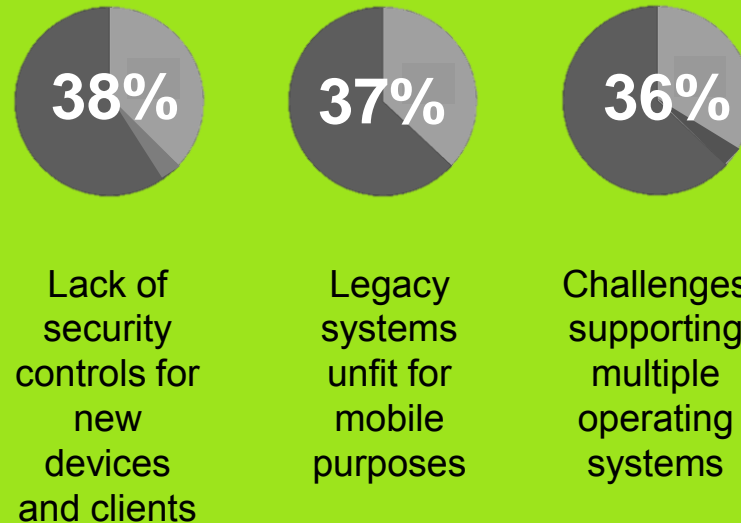
MOBILITY DRIVES THE ENTERPRISE



...but separation from corporate systems is costing companies dearly.

STRAGGLING ENTERPRISES HAVE ROADBLOCKS *

3 main barriers preventing mobility initiatives:



We address three key areas of pain:





for CCOs

Compliant retention of text messages and mobile call data



for CIOs

App-based business numbers for your BYOD employees and agents, with numbers controlled by you



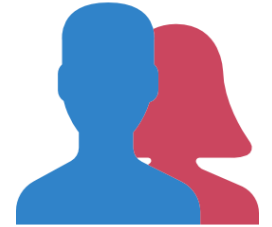
for CFOs

Lowest cost calling and internet, globally. No more investment in corporate devices



for Sales & Marketing Leaders

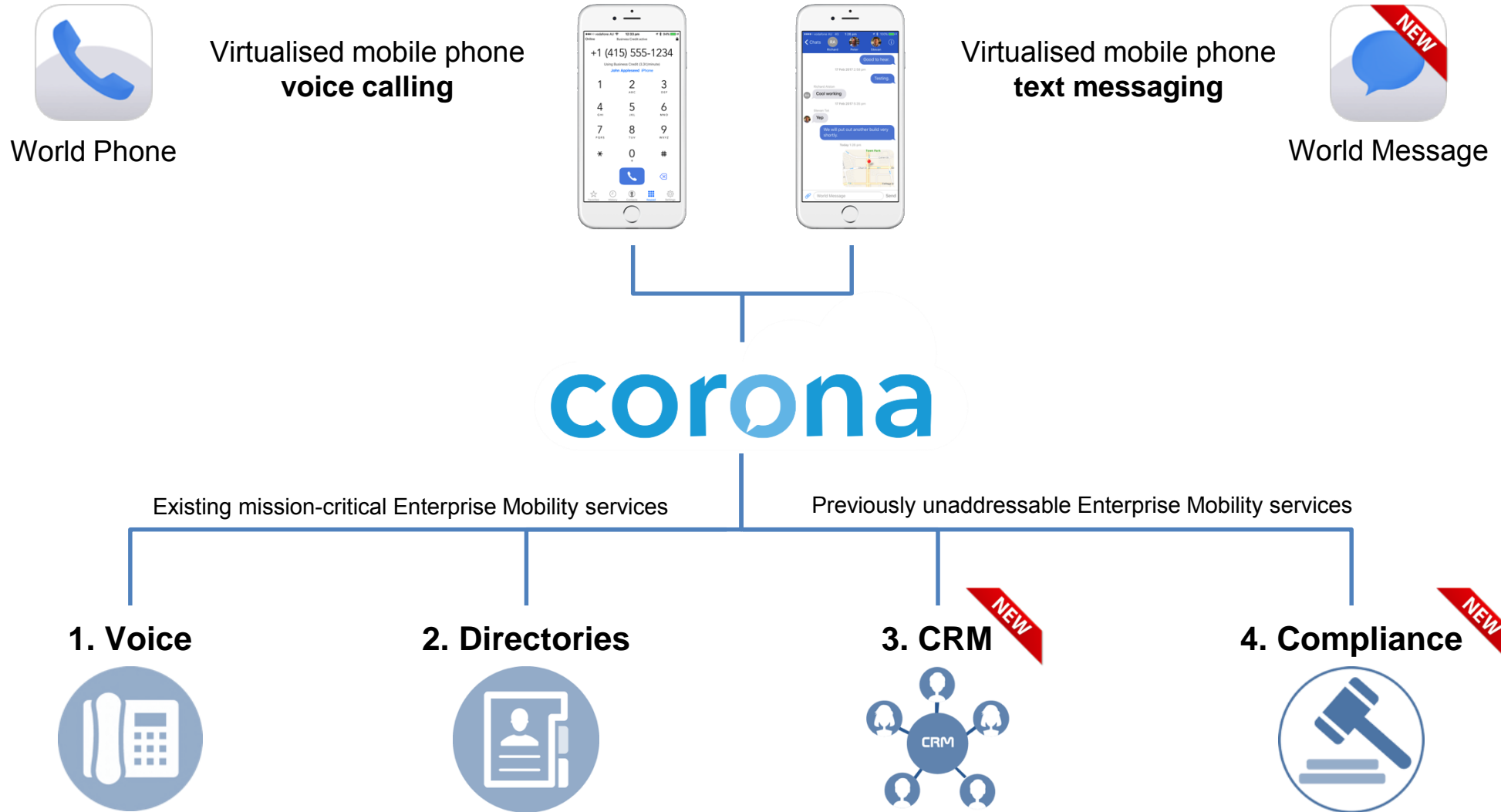
Automatic logging into your CRM of text message and mobile call data



for HR Leaders

Private number obfuscation for field worker security and employee privacy

We glue together smartphones *and* mission-critical enterprise services



We deliver Virtual Business Phone



World Phone
for voice



World Message
for messaging



Business Number*
for identity



Corona Cloud
for fleet management



World Wifi
for wifi

- **Developed**
- **Launched**
- **In market**
- **Proven**

- **Developed**
- **Launching this month**

- **Developed**
- **Launched**
- **In market**
- **Proven**

- **Developed**
- **Launched**
- **In market**
- **Proven**

- **Developed**
- **In testing**
- **GA: 2017**

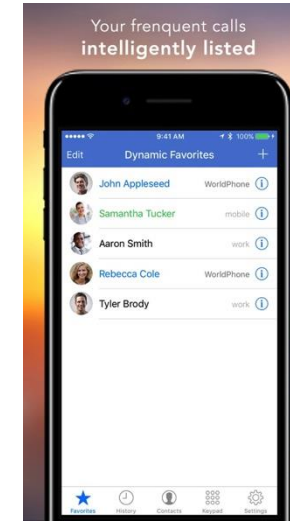
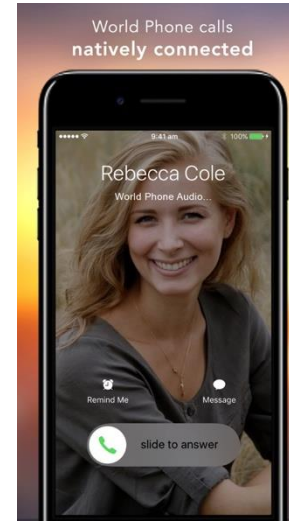
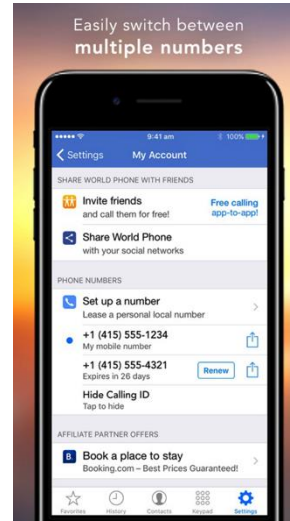
USP: A complete mobile phone for business, all app-based

* SIM-free second mobile number supported in 16 countries at launch, including USA, UK and Australia



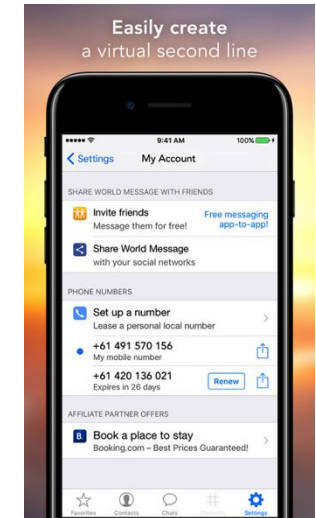
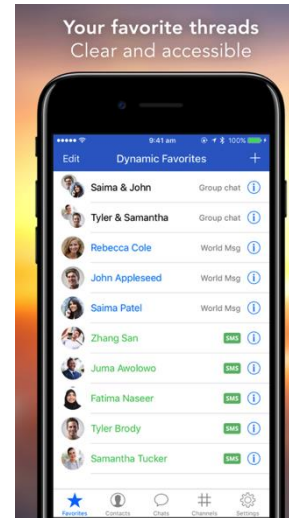
World Phone

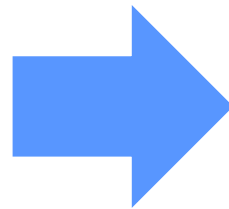
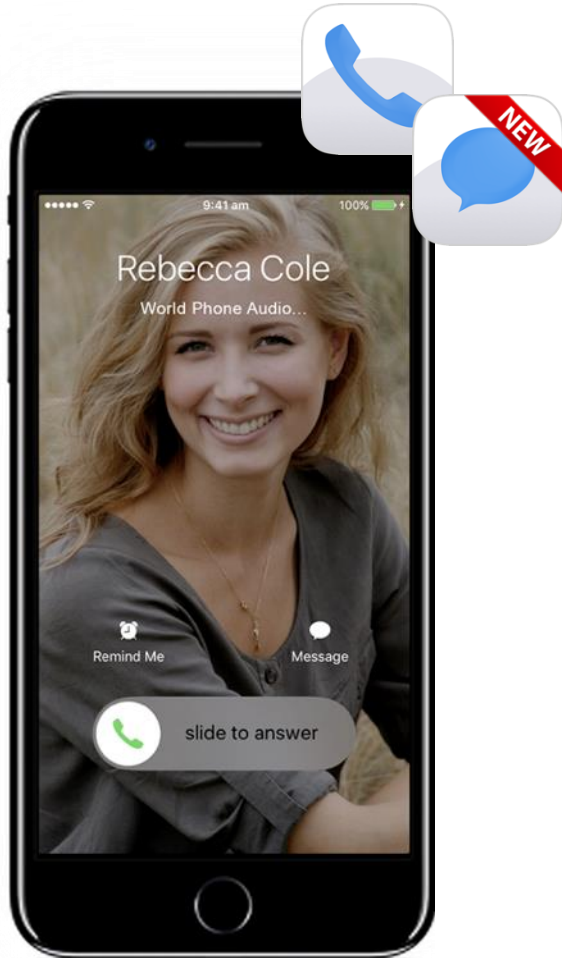
- Award winning app
- 5 million downloads
- Used in 210 countries
- Available in 33 languages



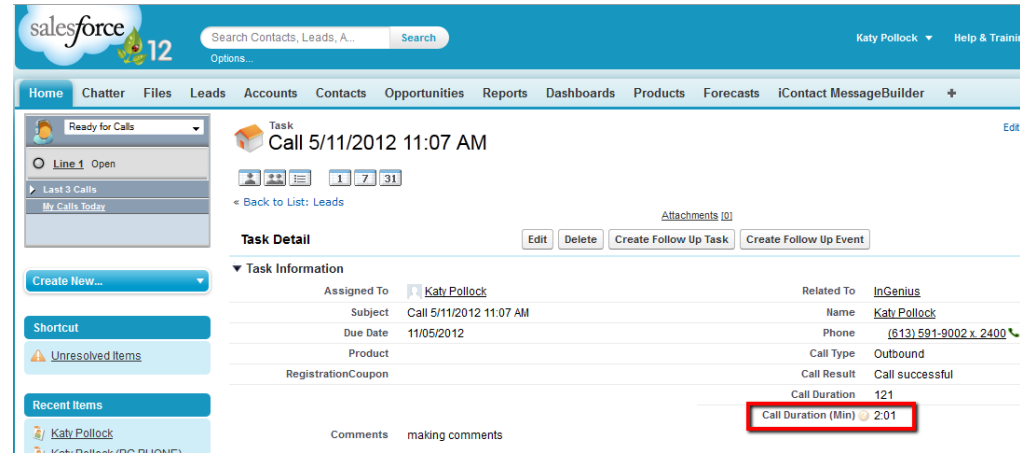
World Message

- Launching on App Store!
- Seamless user experience
- Can message any mobile
- Tied-in to corporate systems





- SaaS-based logging of mobile calls and texts into the enterprise CRM
- Logs 100% of customer-facing **World App** calls and texts



- Records and logs bidirectional call and text meta-data in near real-time, including text message content
- 100% cloud-based solution
- Launch integration support for **Salesforce.com**
- Planned support for **Microsoft Dynamics** and **Oracle CX**

This is what companies pay today to manage their mobile device fleets:

\$2.92 billion

Managed Mobility Services - market size - 2014

\$11.05 billion

Managed Mobility Services - market size – 2019*

30.5%

Compound Annual Growth Rate - 2014-2019*

All amounts are in USD

* Forecast.

Source: "Managed Mobility Services Market by Solution (Sourcing & Logistics Management, Mobile Service Management, Security & Content Management, Device & Systems Management, Application & Collaboration Management, Program & Financial Management) – Global Forecast to 2019" – MarketsandMarkets.com, Dallas TX. 2015.



Loyalty Market Size

Affinity: \$50 billion

Enterprise Market Size

BYOD: \$72 billion

Compliance: \$19 billion

CRM: \$36 billion

<https://www.quora.com/How-big-in-US-is-the-loyalty-program-market>

<http://blogs.air-watch.com/2014/04/marketsandmarkets-expects-byod-enterprise-mobility-market-grow-284-7-billion-2019/#>



<http://www.marketsandmarkets.com/PressReleases/enterprise-governance-risk-compliance.asp>

<https://www.auscontact.com.au/news/apac-tops-growth-as-global-crm-market-hits-us263-billion>

Unique SaaS propositions for high-value segments

- Three multi-\$billion enterprise segments
- Multi-\$billion loyalty and engagement market

Recent wins:

-  Multi-nationals being signed up and already expanding contract scope
-  Significant distribution relationship signed up in a \$50B loyalty market

High-margin SaaS model for loyalty and enterprise segments

“Software as a service” model:

- Annual SaaS fee
- Multi-year, recurring
- High-margin (> 70%)

Applies to both enterprise and loyalty segments

Targeting “NASDAQ scale”

Leveraging growth strategy used by NASDAQ-listed enterprise SaaS businesses

- Software focus
- Direct sales
- SaaS revenue

Targeting secondary listing on major US/UK/EU exchange in 3-4 year timeframe

Loyalty

- 2-tier distribution model through major loyalty benefits aggregators:

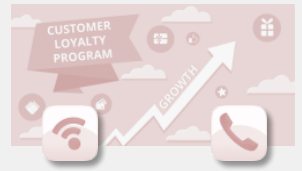


- Aggregators get their clients to bundle apps into the clients' loyalty and engagement programs
- Support aggregator channel with sales collateral, promos and channel incentives

Enterprise

- SaaS structured direct sales pipeline
- Manage SaaS funnel:
- Manage according to key SaaS metrics
 - Annual recurring revenues (ARR)
 - Lifetime Value (LTV)
 - Churn





Macedonia								
Madagascar								
Malawi								
Malaysia								
Mali								
Malta								
Mauritania								
Mauritius								
Mexico								
Micronesia								
Moldova								
Mongolia								
Montserrat								
Mozambique								
Namibia								
Nepal								

Loyalty

- Complement loyalty offerings with specialised comms app

• Progress:



Significant distribution relationship signed up in a \$50B loyalty market



Already in consideration by global banks, airlines, and others

Enterprise

- Simplify corporate mobile comms with virtual business phone
- Ideal for arms-length agents, free agents

• Progress:



Multi-nationals being signed up and already expanding contract scope



Already in contracted use by two global majors, in oil field services and manufacturing



Loyalty

- Annual fee per bundled app: typically sub \$10 per App per user
- High volume – 100,000's users per end clients
- Bundled minutes or gigabytes
- High margin > 50%



Enterprise

- Monthly SaaS fee: \$10 - \$30 per seat
- Strategic focus is on applications that can't easily be replicated by carrier networks
- Focus on applications that deliver enduring client engagement and revenues
- High margin > 65%



1. A field-validated, scalable business model

High-margin Software-as-a-Service (SaaS) revenue model, requiring minimal CAPEX and OPEX – targeting direct enterprise sales and white-label opportunities



2. A monetisable relationship with major loyalty aggregator

Targeting major credit card issuers, credit card processors and airlines



3. Recently completed compelling suite of Apps and Solutions

Simple, high-quality integration to corporate networks, with patented barriers to entry

Our board understands the opportunity

Paul Ostergaard
CEO & Founder



- One of Australia's 100 Most Influential Engineers in 2015 (Engineers Australia)
- Led strategy for a \$1bn revenue data network platform at 3Com Corporation in the 1990s
- Founded and led one of Europe's 30 Hottest Tech Firms (ranked by Time Magazine) in the 2000s
- Pearcey Foundation's WA Entrepreneur of The Year in 2014
- MBA (INSEAD), BE (UWA)

Amit Pau
Non Executive Chairman



- Former Group Managing Director for International Accounts and Business Markets at Vodafone
- Led divisional units of AT&T, Global TeleSystems
- Former director of Vodafone Spain Radamec Plc
- Managing Director of Ariadne Capital Ltd

Giles Everist
Non Executive Director



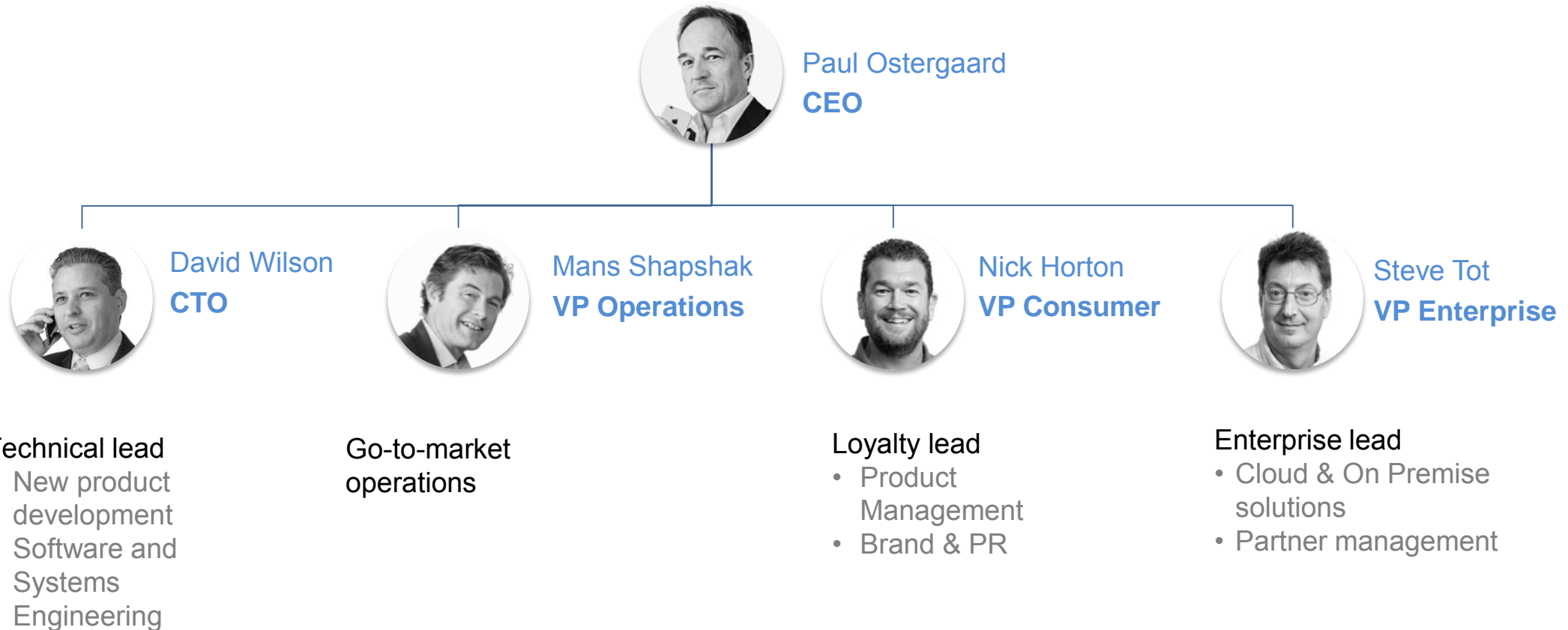
- Extensive corporate and financing experience at Coopers & Lybrand, Rio Tinto, Fluor Australia, and Monadelphous
- Has chaired ASX listed companies and is a Director of ASX listed Macmahon Holdings, Decmil Group and Austal

Mike Edwards
Non Executive Director



- Over 20 years Senior Management experience in the private and public sector
- Former CEO, Monterey Mining Group and CEO and Exploration Manager for ASX listed Latitude Consolidated
- Non-Exec Director of ASX listed Dawine Ltd
- Consultant to Ventnor Capital

We have experienced senior managers



50+ Years Cumulative Start-up Experience
75+ Years Cumulative Telco Industry Experience



Paul Ostergaard

CEO and Founder

paul.ostergaard@norwoodsystems.com
www.norwoodsystems.com

4 Leura Street
Nedlands, WA
6009
Australia

+61 8 9200 3500