



Investor Presentation | Sept-17

CIRRUS NETWORKS LIMITED

The Next-Generation
Managed Service provider



PERTH | CANBERRA | MELBOURNE | BRISBANE | SYDNEY

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INVESTMENT HIGHLIGHTS



- ✓ Next generation Managed Service provider delivering technology solutions to large, SME and Government organisations.
- ✓ Experienced board and management team with proven track record of delivering growth.
- ✓ Revenue up 176% on prior year at \$53.9m – fourth consecutive period of revenue growth.
- ✓ Results demonstrate success of Cirrus growth focused strategic plan which includes NGage acquisition.
- ✓ FY18 revenue outlook for continued growth while focusing on margin and NPAT growth – Proforma annualised FY17 is circa \$75m

CORPORATE OVERVIEW



Cash (as at 30 June 2017)

\$3.95M

Market Cap
@2.0c

\$15.92M

Debt

\$0

CAPITAL STRUCTURE – 18 AUG 2017

*Directors and Senior Management represent 21.5% of shares on issue

Description	Holders	Shares
Shares on issue	1,375	795,771,629
Unlisted Options		100,925,000
Fully Diluted Share Capital		896,696,629

CNW 12 MONTH SHARE PRICE



KEY MANAGEMENT AND BOARD



ANDREW MILNER
Non-Executive Chairman



MATT SULLIVAN
Chief Executive Officer



DANIEL ROHR
Non-Executive Director



PATRICK GLOVAC
Non-Executive Director

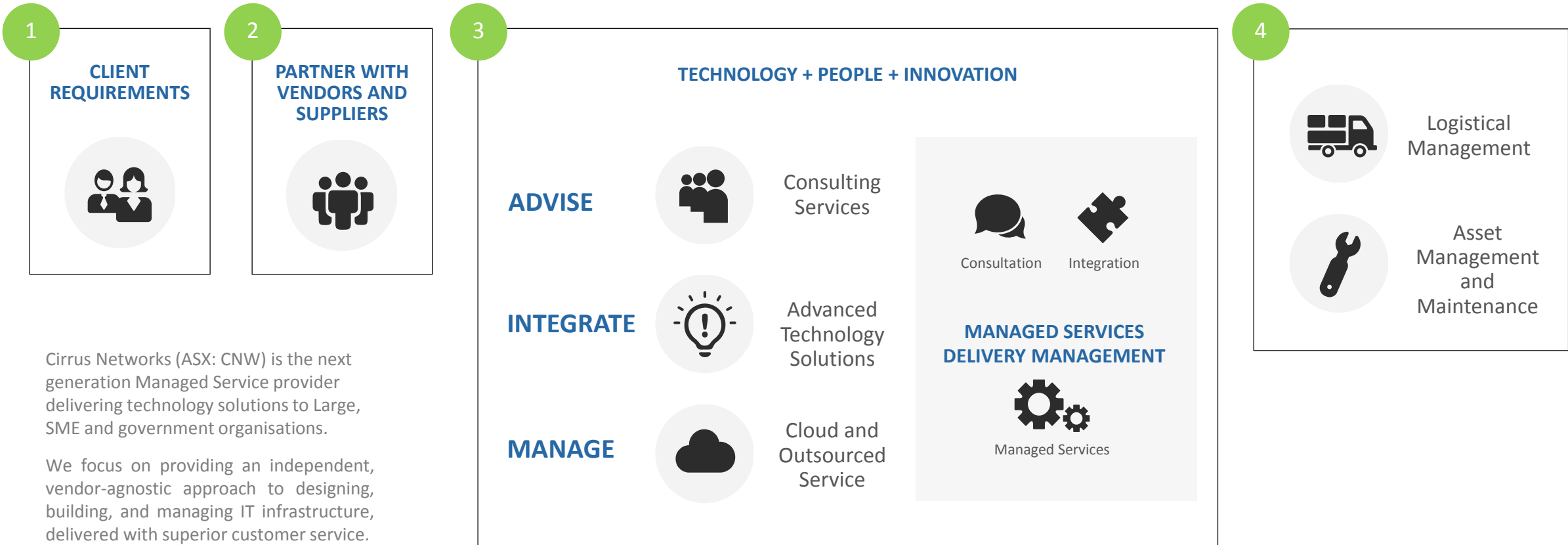


MATT GREEN
Chief Financial Officer

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Cirrus Networks has a experienced board and management with a proven track record of delivering sustained growth and shareholder value within the IT sector.

WHAT DOES CIRRUS DO?



Cirrus Networks (ASX: CNW) is the next generation Managed Service provider delivering technology solutions to Large, SME and government organisations.

We focus on providing an independent, vendor-agnostic approach to designing, building, and managing IT infrastructure, delivered with superior customer service.

FY17 AT A GLANCE



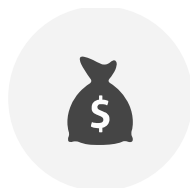
Revenue up
176%
to \$53.9m



Managed Services
Annuity Margin up
147%



Staff Numbers
Doubled



Underlying Profit
751K
(FY16 \$1,630k Loss)

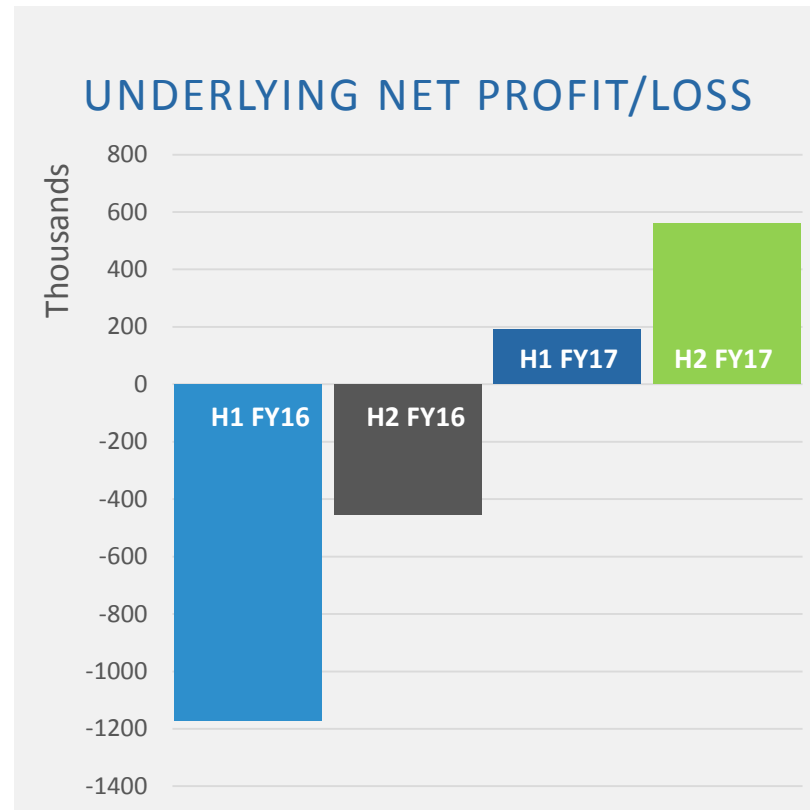
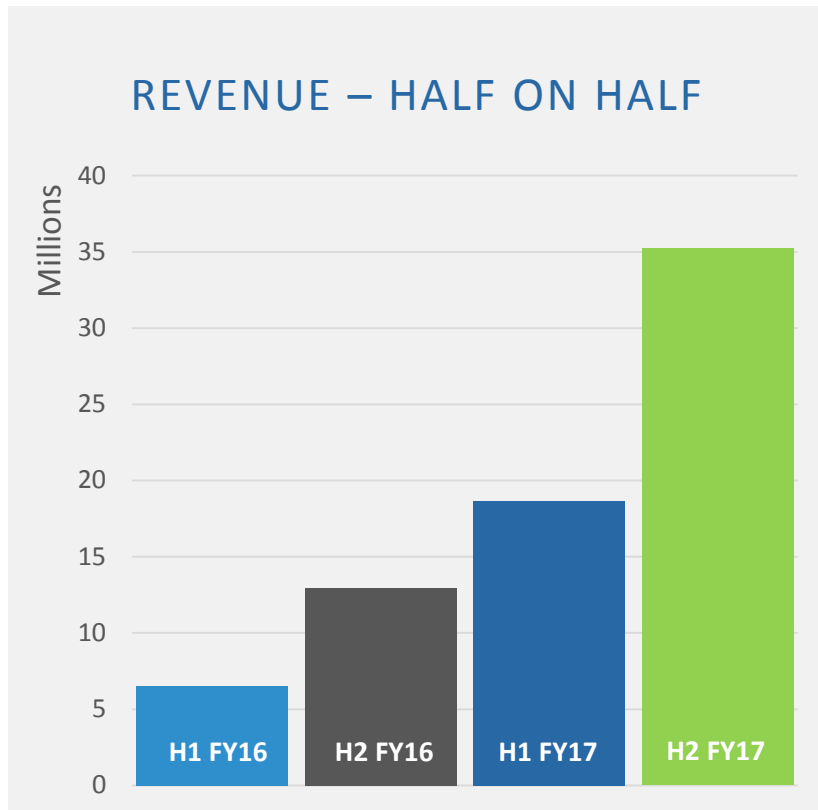


9M
In Backlog Product and
Contracted Services



Acquired NGage
which delivered \$15m
of Revenue

REVENUE TRENDS



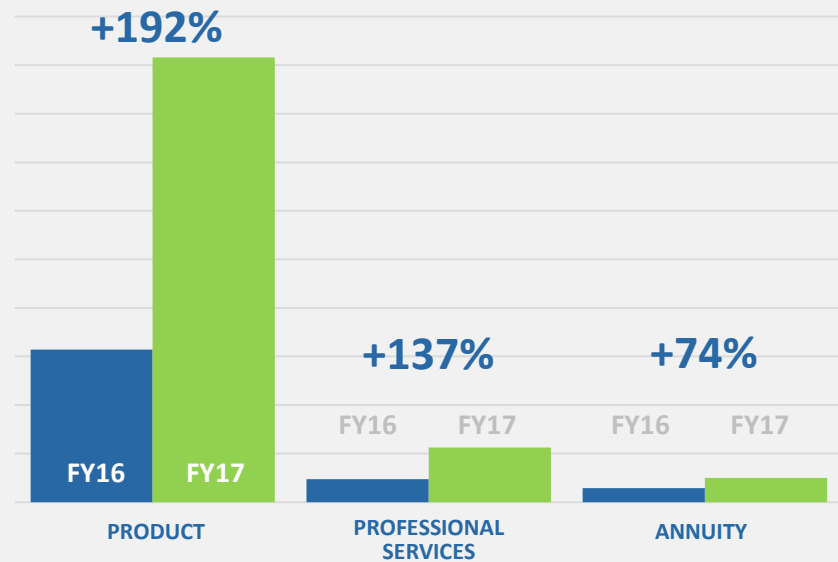
- Consistent revenue growth across final periods.
- Improving profitability.
- YOY growth expected to continue.

*Refer to Appendix for Underlying Profit calculation

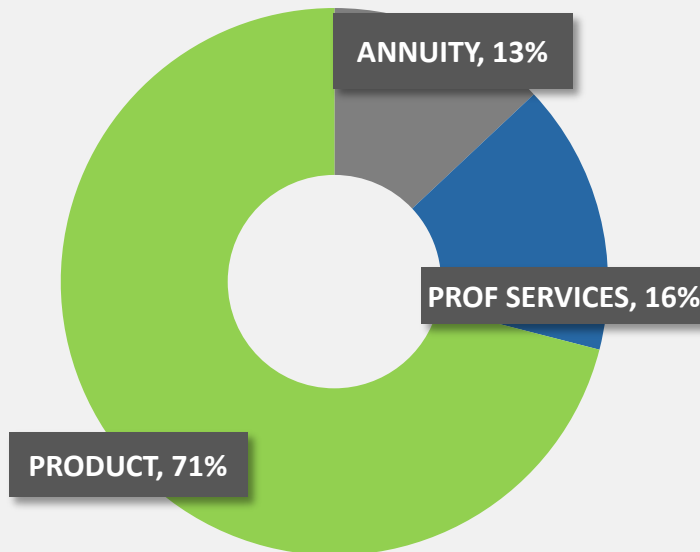
DELIVERING GROWTH



REVENUE BY INCOME TYPE



FY17 MARGIN SPLIT

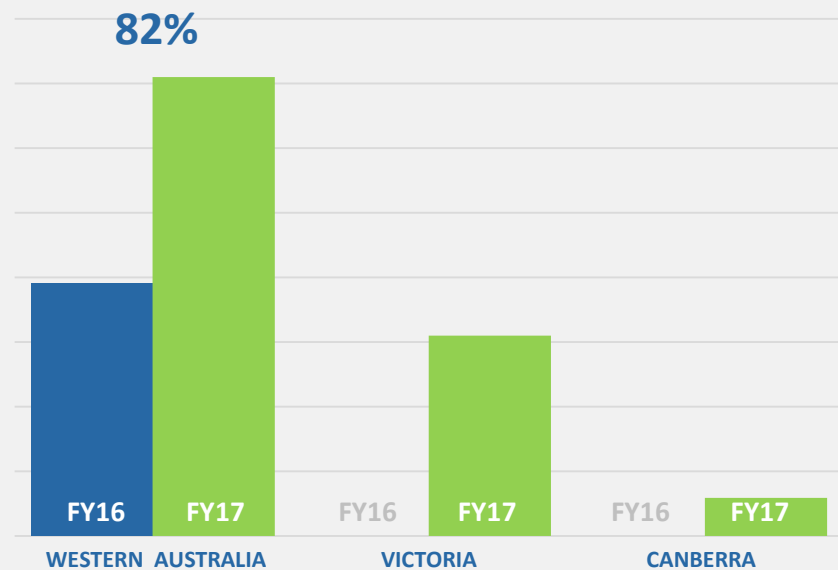


- Solid growth across all income types
- Revenue growth delivered with improved margins
- Focus on continued improvement in blended margins
- Continued opportunities across key sectors and revenue types

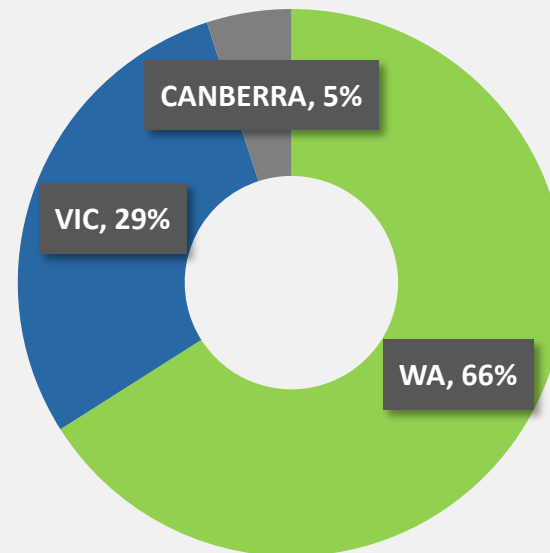
GEOGRAPHIC GROWTH



REVENUE BY REGION



FY17 REVENUE SPLIT



- Geographic expansion delivering
- Strong organic growth in WA
- Consolidating our market position
- Victoria strong final quarter
- ACT showing good signs

DELIVERING ON OUR GROWTH STRATEGY



12 MONTH FOCUS

GROWTH THROUGH ACQUISITION

Acquired NGage - \$15m revenue in 2017

Acquired VTS – Panel Status

Expand Geographical footprint – Canberra & Melbourne

ORGANIC GROWTH ENGINE PERFORMING STRONGLY

WA revenue growth 82%

Growing employee numbers

IMPROVING MARGINS

	Revenue	Margin
Annuity	+74%	+147%
Professional Services	+137%	+2,545%
Product	+192%	+135%

FY18 OUTLOOK



FY16 – Establish a solid base and start to build



FY17 - Rapid revenue growth to get scale



FY18 - Growth with improving revenue mix and margins

FY18 OUTLOOK

- Proforma annualised revenue of \$75m with expectation of continued growth.
- Utilise the benefits of scale for improved margins.
- Targeted acquisition on geographic or competency based metrics.
- Continued working capital and cash focus.

CONTACT

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APPENDIX



FINANCIAL SUMMARY



FY2017 – FULL RESULTS

Description	H1	H2	FY
Underlying Net Profit/Loss for the period	\$190,499	\$560,707	\$751,206
Adjustments:			
R&D Tax Offset	\$1,188,686	-	\$1,188,686
Amortisation of Intangible	-\$4,511	-\$15,704	-\$20,215
Share based options expensed	-\$95,774	-\$135,153	-\$230,927
Investment in Canberra Expansion	-\$513,311	-\$625,102	\$1,138,413
Acquisition costs for DD	-	-\$103,784	-\$103,784
Redundancy Costs	-	-	-
FX Impact	-\$41,196	-\$4,781	-\$45,977
Net Profit/Loss consolidated entity for period	\$724,393	-\$323,817	\$400,576

- Revenue up 176% on prior year at \$53.9 million (FY16: \$19.5 million).
- Record annuity revenue up 74% on prior year at \$2.5 million (FY16: \$1.06 million) with associated margin up 147%.
- Fourth consecutive reporting period of revenue growth.
- Results demonstrate success of Cirrus' growth focused strategic plan, which included the successful acquisition of NGage.
- In FY18 Cirrus will look to continue growth of top line revenue while focusing on margin and NPAT growth.

CASE STUDY

PROJECT HIGHLIGHT

PERTH CONVENTION EXHIBITION CENTRE

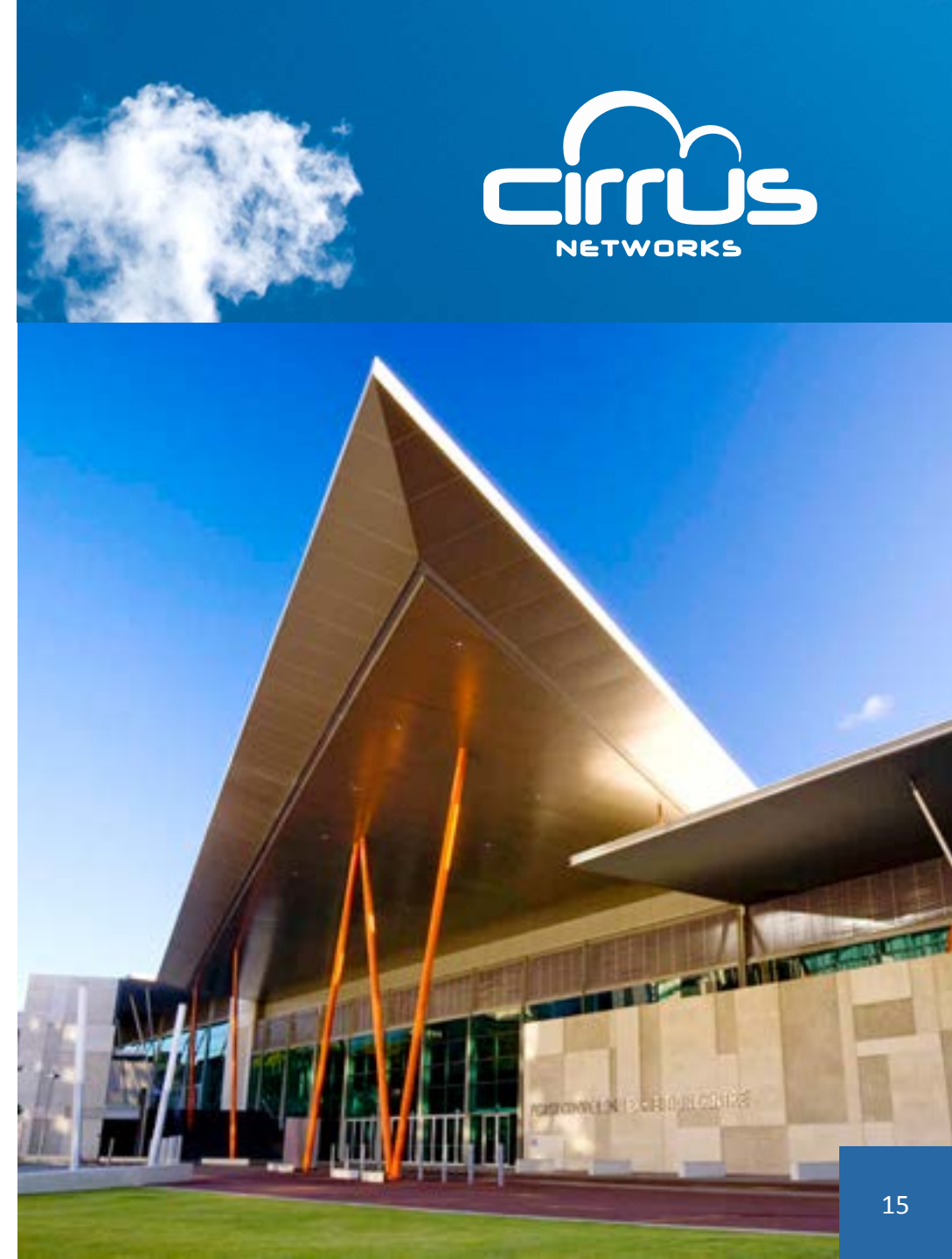
Large Scale Wireless Deployment

- Complete refresh of wireless infrastructure.
- Supports >10,000 concurrent users.
- Seamless transition meant only weeks to deploy.
- Hybrid project – Integration Project to Cirrus Managed Service.
- High-performance wireless network delivers on world-class exhibition facility promise.



PERTH CONVENTION AND
EXHIBITION CENTRE

Case Study: www.cirrusnetworks.com.au/cirrus-tv



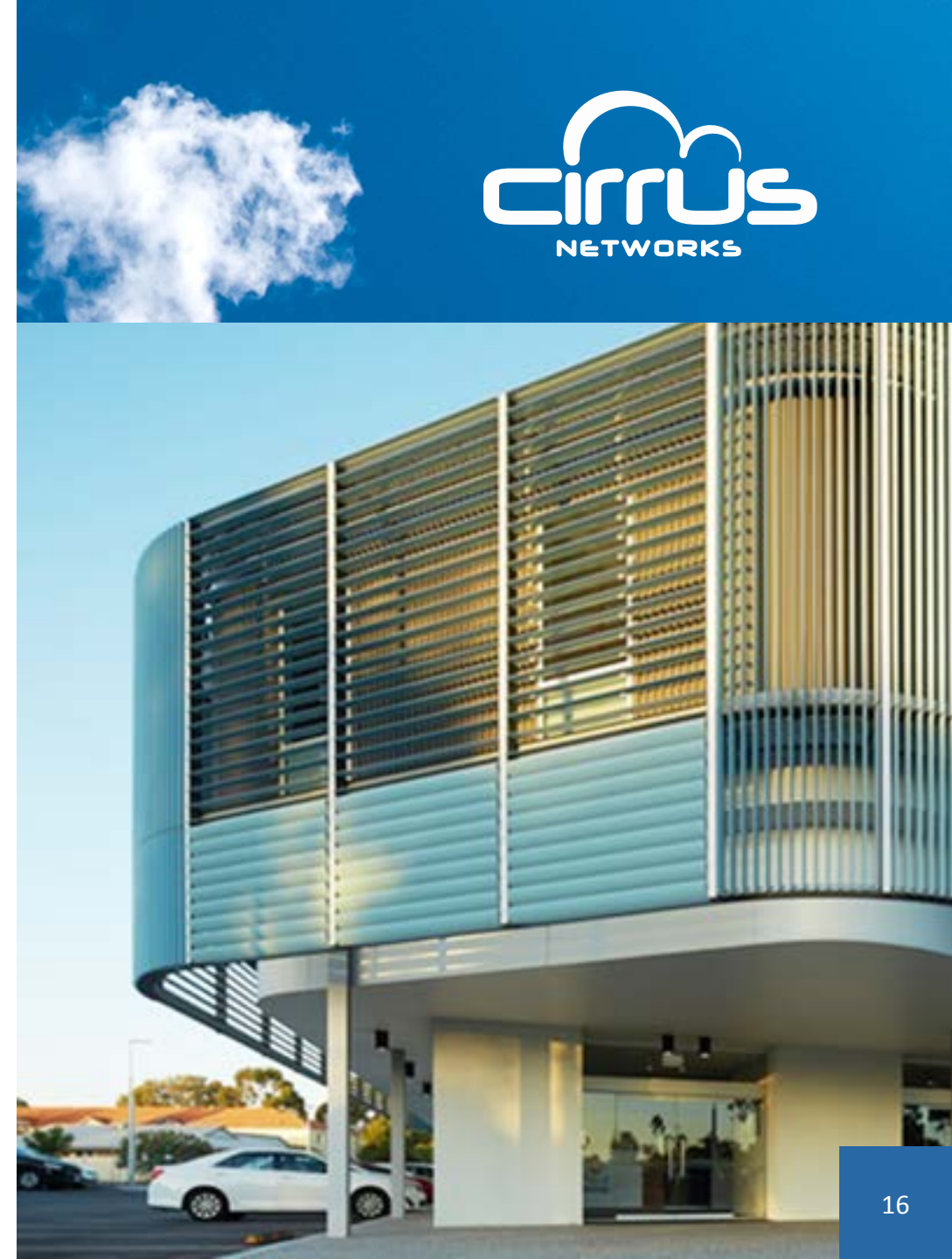
CASE STUDY

MANAGED SERVICE HIGHLIGHT

RICHMOND WELLBEING

Health Care Managed Service Contact

- Initial \$600,000 Managed Service contract.
- Term of three years.
- Additional add on services beyond the initial contract value.
- Key to the value solution
 - Ensuring business survivability & recovery
 - Improved network reliability, performance and reduced TCO
 - Improved staff mobility
 - Improved information security & reduced risk exposure
 - Leveraged Support model for IT
 - Budgeting flexibility
 - Making ICT a Business Enabling Asset



MARKET OPPORTUNITY



DEVICES



In 2020
1M

New devices will come online every hour

IT SPEND IN 2015

(Source: Gartner)



Global

\$699B

Expected growth \$1.3t in 2019



Asia Pacific

\$743B



Australia IT

\$78.7B

\$28.8B on IT Services

GLOBAL DATA REQUIREMENTS



In 2013 = 4.4ZB

44ZB

In 2020

