



ASX Announcement

SYDNEY OCTOBER 31, 2019

Revenue Forecast 12 Months ended 31 December 2020 - \$10.1m

NetLinkz Ltd (ASX: NET) ('NetLinkz' or the 'Company'), is pleased to provide a revenue forecast for the 12 months ended 31 December 2020 from its China and Australian Operations of AUD \$10.1m.

Revenue Generation Achievements This Year

As previously advised to the market this year, Netlinkz has:

1. successfully completed the China Telecom Wuxi pilot; and
2. continued the sales of the VIN product through an expanding agency and reseller network established by the Hong Kong based reseller's agent – JAST Limited; and
3. engaged iSoftStone (China's largest software engineering company) to develop, market and sell the VIN and the Virtual Secure Networks (**VSN**) products; and
4. recently entered into an agreement to acquire the business of Security Software International Pacific Pty Limited (**SSI**).

Strong Revenue Growth Projection

The revenue modeling forecasts have been prepared from the established sources of revenue mentioned above.

SSI has had an average of \$2.5m per annum of Revenue over the previous 3 years (unaudited). The existing SSI business and revenue to be acquired by the Company will continue and the revenue projection does not include any amount for increased opportunity to sell the SSI product into Netlinkz's established sales channels in Australia and China.

JAST Limited has continued the sale of the VIN product through its expanding network of agents and resellers in China. Based on current and anticipated sales as advised by JAST Limited, sales of the VIN product is expected to be an annual revenue of \$2.4m for Netlinkz from its existing business without any allowance for additional new Provinces, resellers or agents being added to the existing JAST Limited network.

iSoftStone has introduced the Company's VIN product (known as VSN Lite) to its customer and supplier base with a commitment to increase its customer uptake by 100,000 VSN Lite units per month from 1 September 2019. Revenue to the Company from the sale of VSN Lite by iSS is expected to be \$5.2m for the 12 months from 1 January 2020 to 31 December 2020.



Guidance has not been provided for the Japanese market as the IoT lab in Japan is in the early stages of being established. Revenue forecasts will be updated on a quarterly basis or upon the signing of major contracts.

The Revenue forecast* for the 12 months ended 31 December 2020 is forecast to be AUD\$10.1m.

** Please note all Revenue forecasts disclosed in this announcement have been normalized to be apportioned over a calendar year as opposed to accounting for revenue on receipt.*



ENDS

About NetLinkz Limited

NetLinkz provides secure and efficient cloud solutions and is the world's only fully meshed peer-to-peer network provider. The company's technology makes Fortune-500 security commercially available for organisations of all sizes. NetLinkz has received numerous industry awards for its technology, including being a worldwide winner of the Global Security Challenge.

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