ASX Announcement/Media release
30 November 2015

ASX: SKF

SHAREHOLDER UPDATE

HIGHLIGHTS

- **Significant revenue pipeline growth continues - $40m from advanced stage pipeline,** assuming 5 year contract terms, excluding any revenues from advertising or data services
- **Accelerated installation rate of new venues** – live, billable venues have more than doubled increasing from 17 at 30 June to 42 as at 31 October 2015
- **Revenues have doubled in Q1 FY16 from $231k to $466k, up 101% from previous quarter**
- **Increased market penetration with two new distribution deals signed,** accessing the UK & Ireland and the SE Asia markets
- **New focus on US market** – preparation to capitalise on major growth opportunities in US during Q3 FY16

Data analytics company Skyfii Limited (**Skyfii, the Company**) is pleased to provide an update on its progress and outlook for the current financial year.

Skyfii has made strong progress growing its customer base both domestically and internationally, entering two new important geographical markets in quick succession, the UK and South East Asia.

South East Asian Market
Through its August 2015 distribution deal with Originex, a leading distributor of wireless hardware and IT solutions across Asia, Skyfii is identifying potential reseller targets and end clients to provide access to the Hong Kong and Singapore markets initially. Advanced stage discussions are already underway with several major retail property groups. The SE Asian market has approximately 1,200 retail malls which are the primary target for Skyfii.

UK Market
Shortly after, in October 2015 the Company signed a new distribution deal with leading UK IT sales and marketing distributor, Data Solutions taking the Company into the UK and Ireland geographical market. The agreement has already yielded its first new customer in Ireland and there is strong pipeline growth in the region.

Australia
In Australia the Company's number of installed venues have more than doubled reaching 42 venues as at 31 October 2015, a significant increase from 17 venues at end of FY15.

The Company's strong customer growth and increase in new installations has driven an equally significant increase in revenue which continue to accelerate into the new financial year. Revenues for Q1 FY16 increased by 101% to reach $466k in Q1 FY16 (up from $231k in Q4 FY15). This revenue growth was driven by growth in retail mall contracts where the Company currently holds a 15% penetration of the Australian retail mall market from its current customers and advanced stage sales pipeline.

Customer Focus & Segmentation
Strategically, Skyfii will continue to focus on converting mall pipeline prospects to customers, penetrating new verticals outside of retail malls, including transit, healthcare, education & hospitality. The Company also plans to continue to secure further distribution and reseller agreements globally, with a particular focus on growth within the US market in Q3 FY16.

Development of Additional Revenue Streams
Skyfii will continue to broaden its customer offering through product development to include further marketing automation functions and will continue to pursue associated media and advertising partnerships for this revenue stream. In addition, its hardware agnostic platform will be enhanced with the integration of new data sources and the development of further data services products.

Skyfii remains extremely confident about FY16 and expects to continue its strong growth across financial and operational metrics as it builds out its footprint globally. The Company has a substantial pipeline of qualified sales prospects, including circa 200 retail malls in advanced stages of commercial negotiation, and is pleased to be maintaining its 90% conversion of pilots to contracted customer rate.

ENDS

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ABOUT SKYFII

Skyfii is an innovative data services company that harnesses the power of mobile and big data to increase online and in store results for venue owners, operators, retailers and advertisers. We help you improve your customers' experience by helping you better understand human behaviour.