

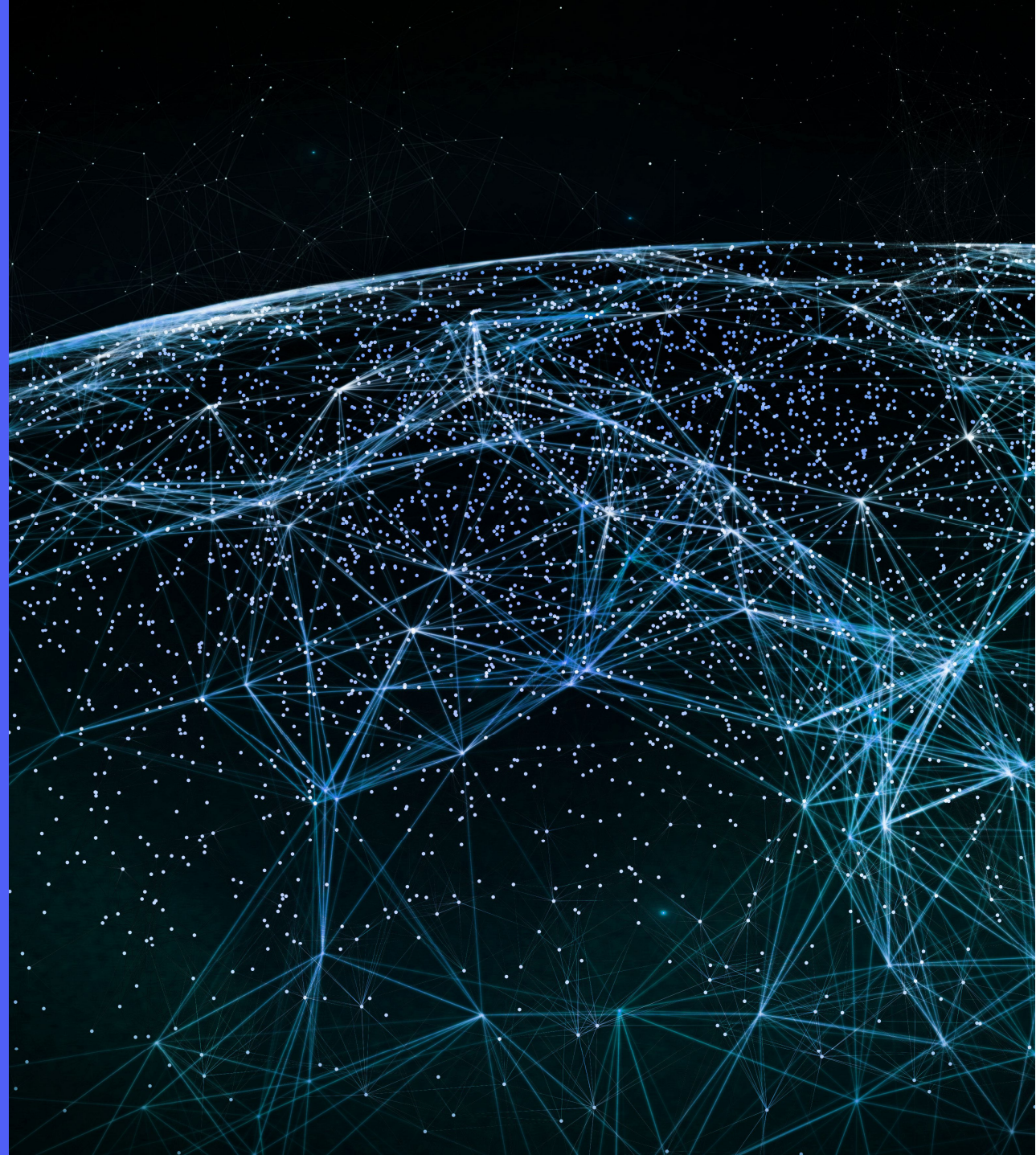


**Netlinkz**

# Securing the future of data transmission

**7 April 2021**

Netlinkz Limited | ABN: 55 141 509 426 | ASX: NET  
[www.netlinkz.com](http://www.netlinkz.com)



# Investment rationale.



# The nature of data transmission is changing rapidly.



Netlinkz

5G introduction

Big Data

Online gaming

Cloud

Artificial Intelligence

Internet-of-Things (IoT)

Machine-to-Machine connections

Robotics & drones

Autonomous vehicles

Streaming video



**COVID-19 has accelerated network security challenges and supercharged data safety priorities for all industries.**

**End-users continue to expect their online experience to be always available and always secure — and their personal and business assets to be safe.**



# The opposite is true...



**Microsoft Security Shocker As  
250 Million Customer Records  
Exposed Online**

Jan 22, 2020

**Atlassian software hit by  
Hezbollah-backed hackers**

Feb 9, 2021

**Hacked Sydney hedge fund part of  
\$170m cyber crime spree**

Nov 24, 2020

**US government, thousands of businesses  
now thought to have been affected by  
SolarWinds security attack**

Dec 15 2020

**ASIC server hit by cyber security breach**

Jan 26, 2021

**Cann Group flags  
\$3.6m cyber security fraud**

Feb 8, 2021

**267 Million Facebook identities  
available for 500 euros on the  
dark web**

Apr 20, 2020

**CBA under fire for losing 20m  
customer records**

27 June, 2019

**538 Million Weibo users' records  
being sold on Dark Web**

March 23, 2020



What do all these security breaches have in common?

**Companies generating and transmitting massive amounts of data struggle to implement timely and adequate security protocols.**

Why?

**Protecting data transmission is complex, expensive and intrusive.**



# That is why we created the Virtual Secure Network (VSN).



**100% control and data sovereignty**



**Cost-effective and effortless management and control**



**Layered Over-The-Top and invisible**



**High scalability and mobility**



**Cloud deployed; network, device and data centre agnostic**



**Unlimited data transfer at high speed**



**AES256bit Encryption**



**End-to-end cyber and infrastructure security**



**Native support iOS/Android/Win/MacOS**



# Netlinkz VSN secures networks and data transmission.



**Virtual Secure Network (VSN)** is a proprietary, patented, multi-award winning Network as a Service (NaaS) solution that:



**Protects a client's network and data**



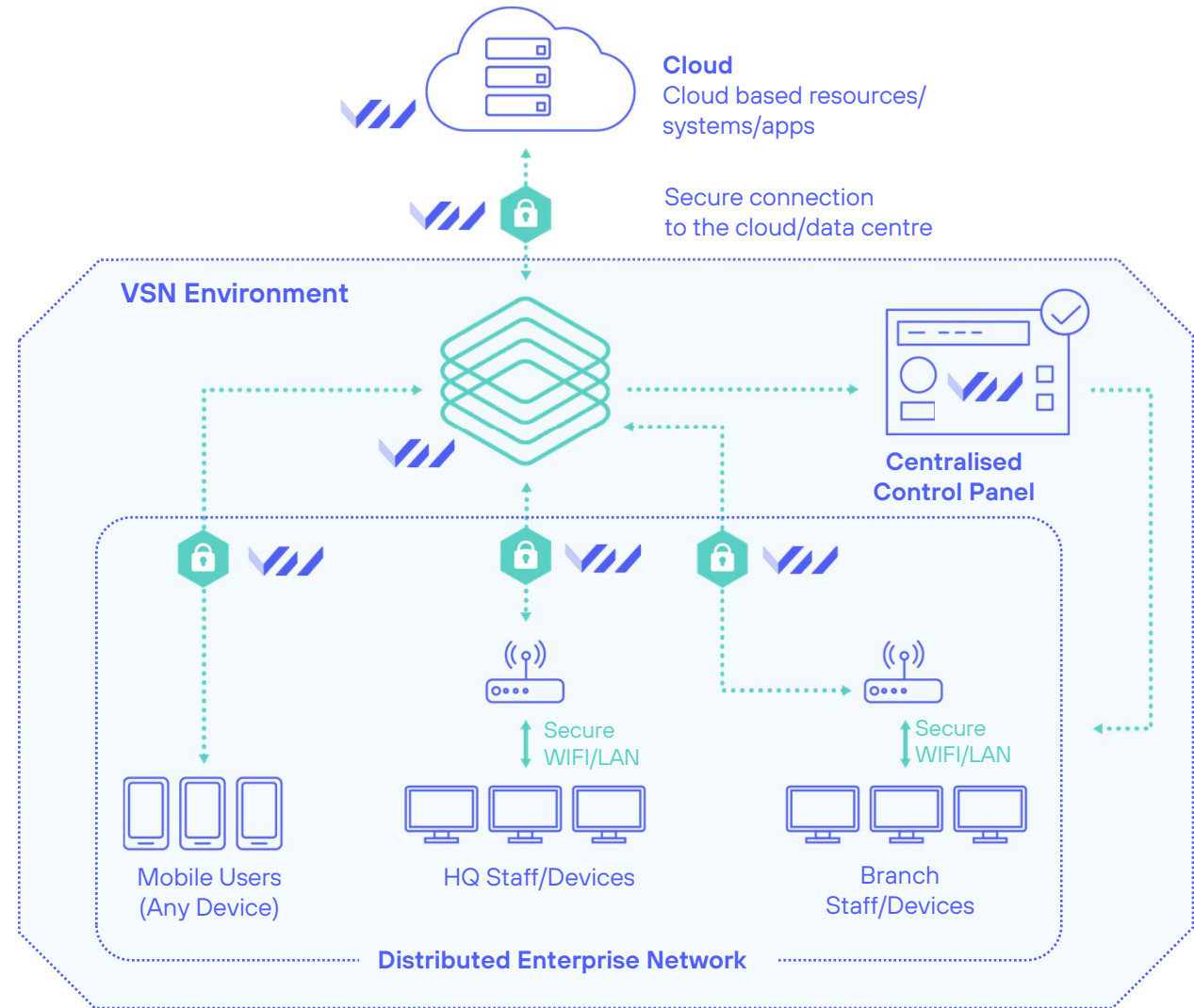
**Creates encrypted network data highways**



**Connects network users and devices virtually**



**Remotely deployable, eliminating significant administration complexities and costs**





# VSN responds to the growing demand for network security.



\$761b  
\$11.1b  
\$580m

IOT

**\$1,386b**

(CAGR 18.9%)\*

Cybersecurity

**\$26.4b**

(CAGR 18.9%)\*

5G Security

**\$5.2b**

(CAGR 44.3%)\*

2021

COVID-19 expected to accelerate cloud and cybersecurity adoption

2026

SMEs to implement proactive security measures against increasing cybercrime rates

2030

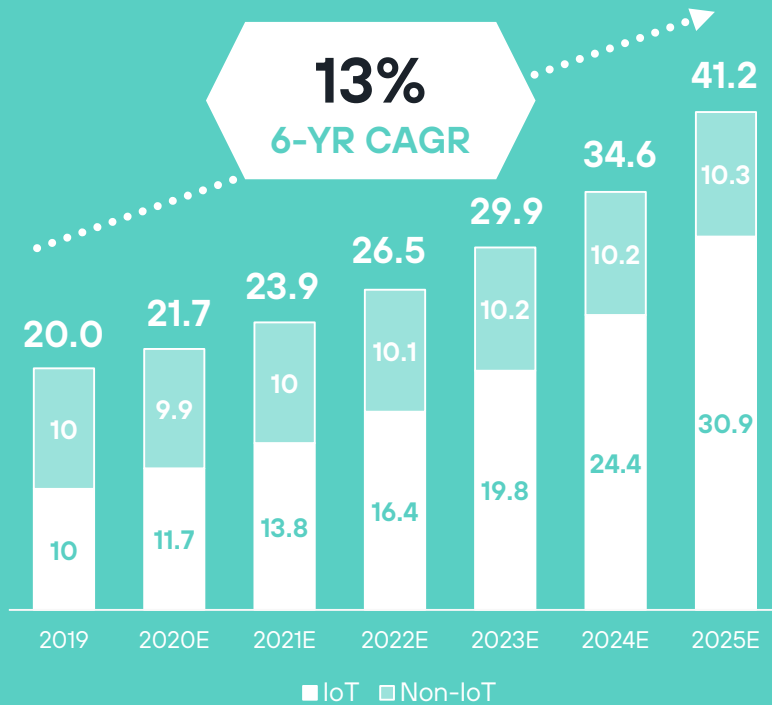
Growing societal reliance on cloud-based services and IoT to remain a key driver

# VSN capitalises on accelerating opportunities.



In a highly  
mobile world...

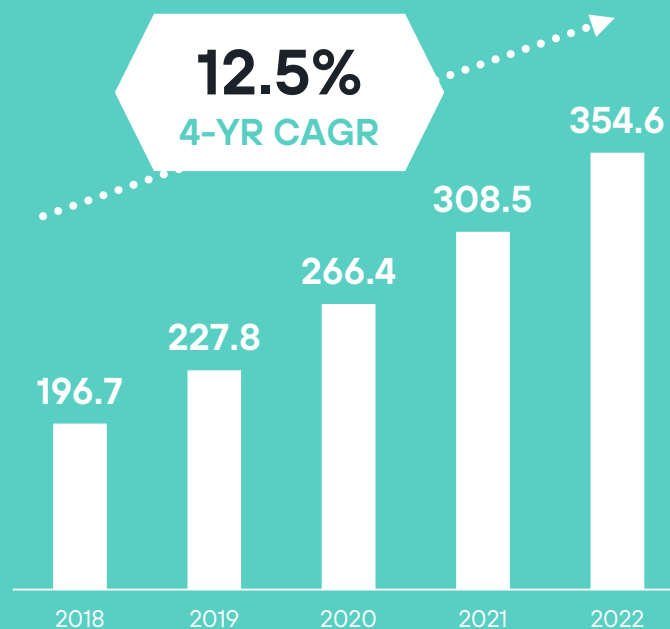
**Total number of device connections**  
#b of devices



Source: IoT Analytics

with rapid cloud  
adoption...

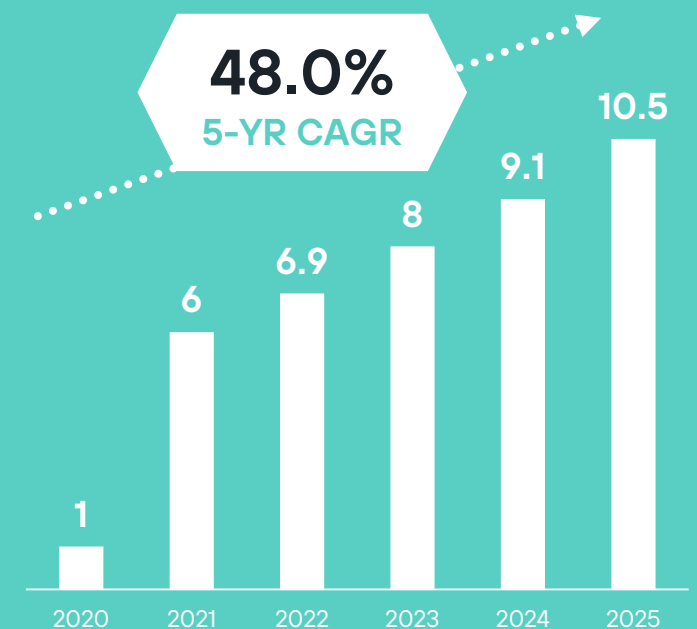
**Cloud services revenue**  
A\$b



Source: CyberSecurity Ventures, 2021

and growing levels  
of cyber crimes...

**Economic loss from cybercrimes**  
A\$t



Source: Gartner

# Enterprise connectivity solutions begin with VSN.



## Long-term network connectivity trends



Scalability



Security



Cost effectiveness



Transmission speed



Remotely deployable software

## Key enterprise client issues today

Frequent data  
compromise

Ease of network  
management

Expensive network  
solutions

Increasingly mobile  
workforce

## Netlinkz solution

Highest level of  
commercially  
available encryption

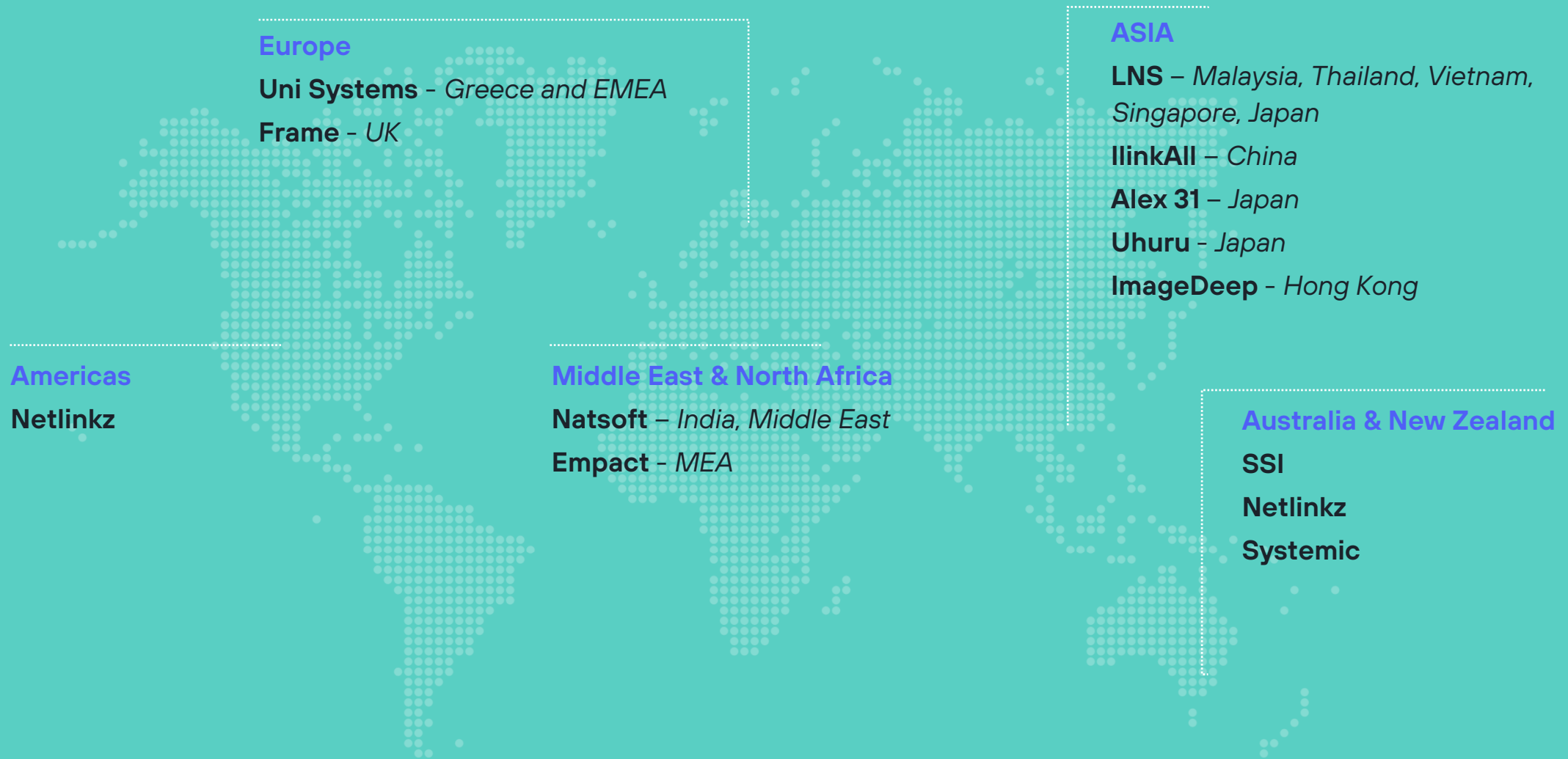
Centralised control for  
scaling up/down

Proprietary software  
that is secure by  
design

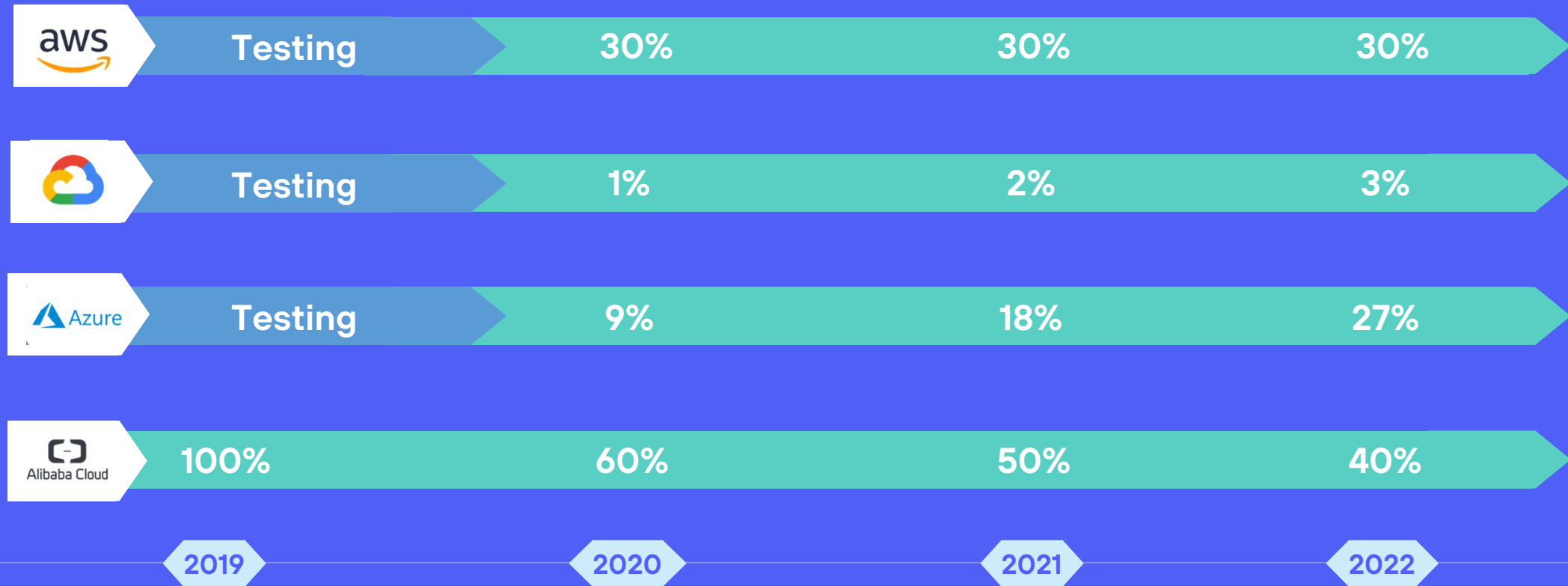
Built for a highly mobile  
and decentralised  
enterprise workforce



# Global VSN distribution with IoT hubs to localise solutions.



# VSN deploys across all major global cloud providers.



Percentages (%) = Share of revenue

# VSN is a compelling value proposition to drive significant ROI.



## Leading Fortune 100 Consumer Apparel Company

Problem	Solution	Client outcome
<ul style="list-style-type: none"><li>• Very slow network - US and China</li><li>• Insecure data communications</li><li>• Unable to run streaming video campaigns</li><li>• Unable to connect 100s of employees</li></ul>	<ul style="list-style-type: none"><li>• Built a new network</li><li>• VSN secured the edges of US and China</li><li>• Enabled video streaming and high bandwidth data transfer</li></ul>	<ul style="list-style-type: none"><li>• <b>Increased traffic 20x</b></li><li>• <b>Onboarded 100s of employees in minutes</b></li><li>• <b>Secured customer and employee data</b></li><li>• <b>Secured all mobile data traffic from China to US</b></li><li>• <b>Reduced latency from 470ms to 180ms</b></li></ul>

## World Bank Project

Problem	Solution	Client outcome
<ul style="list-style-type: none"><li>• Secure clean water for 81 million people</li><li>• Collect data at 100s of different locations</li><li>• Lack of network coverage</li><li>• Process data on the cloud data platform</li><li>• Secure edge devices from hacking</li></ul>	<ul style="list-style-type: none"><li>• Designed and built a new data network</li><li>• Connected 100s of devices with 4G VSN</li><li>• VSN secure connection to Cloud</li><li>• Built new network management console</li></ul>	<ul style="list-style-type: none"><li>• <b>Rapid, securely connected new devices</b></li><li>• <b>Dramatic increase in scalability 100x</b></li><li>• <b>VSN secured the edge from hackers</b></li><li>• <b>Customer data and systems secured</b></li><li>• <b>Provided simple admin and management for all assets</b></li></ul>

## Australian Financial Services

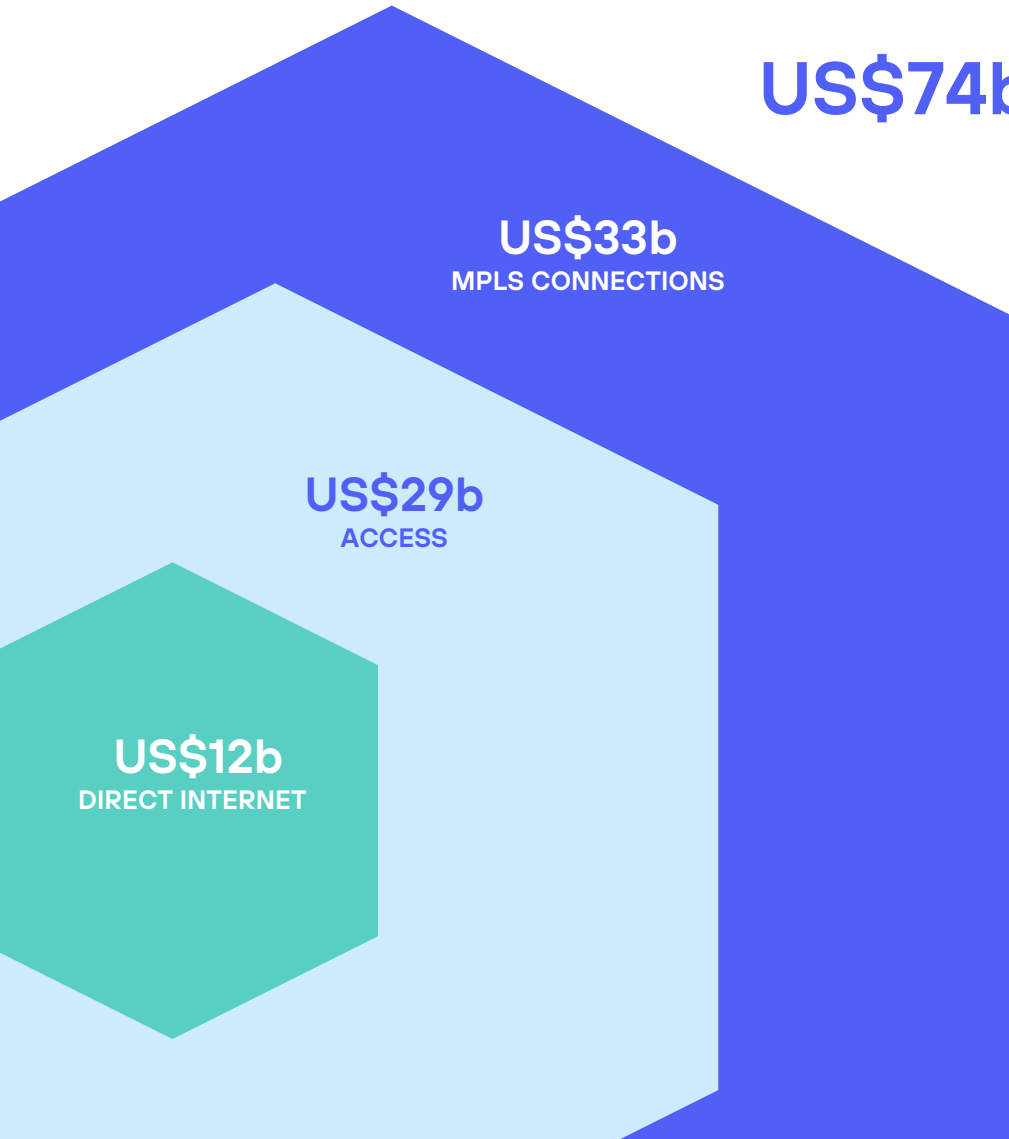
Problem	Solution	Client outcome
<ul style="list-style-type: none"><li>• Customer data insecurely accessed</li><li>• Remote working increased security issues</li><li>• Un-patched and legacy systems a risk</li><li>• Major business systems accessed over internet</li></ul>	<ul style="list-style-type: none"><li>• Designed new secure network</li><li>• Connected all remote users securely</li><li>• Connected all partners securely</li><li>• Provided new network management tools</li></ul>	<ul style="list-style-type: none"><li>• <b>Board able to report security compliance</b></li><li>• <b>Secured all customer data</b></li><li>• <b>Secured all business and partner data</b></li><li>• <b>Secured un-patched systems from hacking</b></li></ul>



# Netlinkz targets an extensive and growing market.



$$\text{US\$74b} + \text{US\$1.6b}_{\text{SD-WAN 2020}} = \text{US\$75.6b}_{\text{TAM 2020}}$$



SD-WAN 2026  
**18×**  
MARKET in 2020

SD-WAN 2026  
**40%**  
of 2020 TAM

# Netlinkz is a high-growth business with sticky clients and revenue.



CY19

CY20

Total revenue

A\$1.1m

A\$13.3m

+11x

Cash receipts

A\$0.6m

A\$16.1m

+25x

Revenue/employee

A\$0.18m

A\$0.31m

+69%

Enterprise clients

1

44

Data throughput

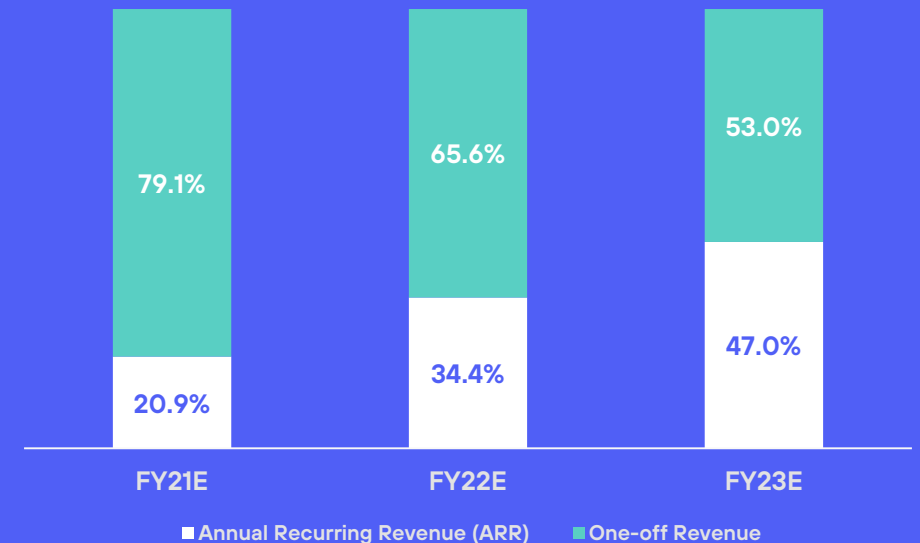
400Mbps

100Gbps

+250x

~50%

Recurring revenue  
expected in  
~3 years



The above reflects the Company's estimates and there is no certainty that they will be achieved.

# A growing client base with a long-tenured revenue profile.





# Key revenue channels.



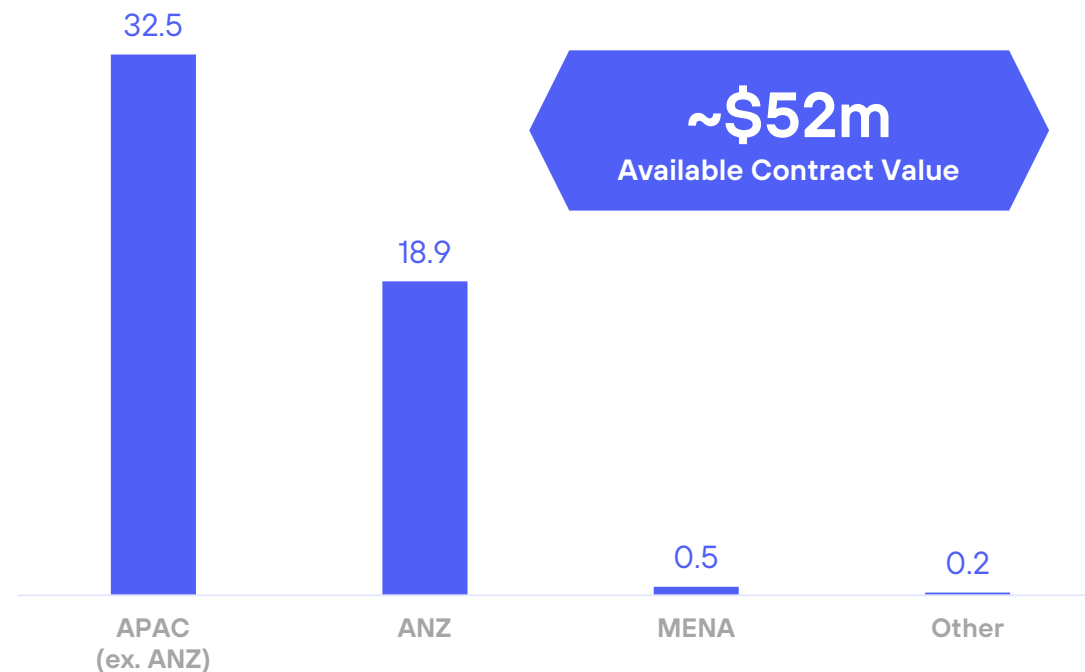
	Direct Sales	Resellers	Software Licensing
<b>Profile:</b>	<ul style="list-style-type: none"> <li>• Conglomerates/ enterprises</li> <li>• Telcos</li> <li>• Cloud vendors</li> </ul>	<ul style="list-style-type: none"> <li>• IT service companies</li> <li>• Systems integrators</li> <li>• Software bundlers</li> </ul>	<ul style="list-style-type: none"> <li>• OEMs</li> <li>• JV partners</li> <li>• Trial clients</li> </ul>
<b>Initial Contract Term:</b>	Multi-year rolling forward; turn-key	Ongoing; enterprises as direct clients of resellers, Resellers responsible for service	Perpetual unless terminated; usually jurisdiction exclusive
<b>% of Revenue as Recurring:</b>	20%-25%	~30% Inflating and scaling based on demand	100% As per the licensing arrangement
<b>Client Retention:</b>	Project based with 3 and 5 year recurring software licencing and support	Yearly recurring software licencing for the VSN plus maintenance and support	3 and 5 year recurring revenue contracts with software maintenance and support
<b>Pricing:</b>	Fixed upfront and ongoing as \$/device or \$/user	Fixed upfront and ongoing as \$/device or \$/user	Ongoing periodic fixed \$\$\$

# Near-term revenue analysis.

- APAC market consolidating and leading the growth
- European markets expected to ramp up as a result of the Uni Systems partnership
- Active conversations with global IT service providers to facilitate expansion
- Ongoing conversations with a few major global telcos to deploy VSN network wide

Available Contract Value (ACV) is calculated as the sum of contracted, advanced tendering and active pipeline of sales opportunities and does not take into account early discussions or potential targets. There is no certainty that the Company will be successful in winning any of the active tenders or sales opportunities.

ACV's regional split  
A\$m



# Global footprint and opportunity.



## Europe

Netlinkz signed up Uni Systems, a highly credible Europe-listed reseller. Actively working on multiple large potential revenue generating opportunities.

## ASIA

Netlinkz VSN was co-designed, tested and deployed initially here; bringing first revenue generating enterprise clients and completion of cloud deployment.

## Americas

Existing Fortune 100 retail client. Netlinkz is targeting opportunities for strategic expansion through reseller and partnership model.

## Middle East & North Africa



















Active reseller strategy evaluating multiple project RFPA's and large government clients.

## Australia & New Zealand

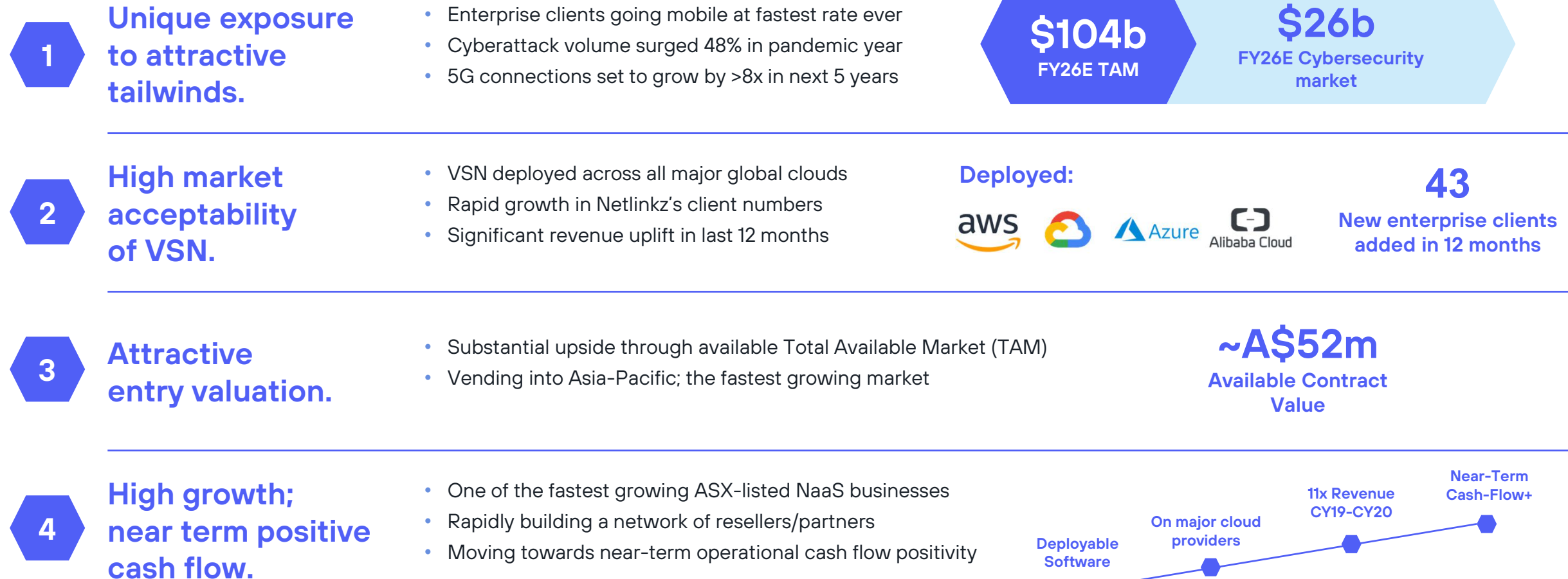
ANZ headquartered and listed, houses executive team and provides strategic and operational support to the worldwide operation. Second largest revenue generating jurisdiction.

# Industry investment activity.



Comparable	Notable Investors	Rationale	Valuation
	 	Juniper develops and markets networking products, including routers, switches, network management software, network security products, and software-defined networking technology.	<b>\$8.4b</b> 2021
		Barracuda understand that organizations want not only efficient and highly optimized SD-WANs, but also networks that are secure too. The company says that its technologies can help overcome traditional firewall limitations and provide next-generation cloud security for organizations transferring sensitive data over networks.	<b>\$1.6b</b> 2017
Meraki	  	Meraki is an IT solution-based services provider that allows companies and organizations to manage their mobile devices, computers and also ensure the security with high-end security cameras. It is currently owned by Cisco.	<b>\$1.2b</b> 2012
	  	Cato is one of the market leaders in what they call "SD-WAN 3.0" - or SD-WAN managed and operated in the cloud. The company specializes in the cloud deployment of SD-WAN and provides secure connectivity to both mobile users, cloud data centers, branch offices, and any other location where a stakeholder can access the internet.	<b>\$1.0b</b> 2020
	  	Viptela provides secure, overlay WAN technology for virtualization of the Wide Area Network (WAN). It allows global companies to build carrier agnostic, policy-controlled and cost-effective. It is currently owned by Cisco.	<b>\$0.6b</b> 2017
		Cradlepoint is a provider of network infrastructure and software-defined wireless WAN solutions for service providers and mobile enterprises. Its product portfolio includes router solutions and cloud management solutions to monitor manage endpoints in a distributed environment across networks from a single point.	<b>\$1.1b</b> 2020

# Netlinkz is an undervalued opportunity for investors.







Netlinkz

**We are building the future  
infrastructure for data transmission.**

**Making networks  
simple, fast and secure.**

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SECURING THE FUTURE OF DATA TRANSMISSION



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