



NetLinkz - EGM June 2018



Agenda

- Company operations
- Product development
- Sales and revenue strategy
- China update
- Other activity

Company Operations

- The company has two full time staff.
 - Executive Chairman
 - Networking Engineer/Chinese Liaison
- Outsourced Software Development
 - Core Software Development outsourced to Systemic
 - Non Core Software Development outsourced to regional reseller
- Cash burn continues to decline, as a result of:-
 - A more focused strategy. and
 - Assignment of further software development costs to regional reseller.
 - Australian operation only ongoing business unit
 - Resignation of the two US directors, Robert Turner and John Galt
 - Targeted engagement of consultants and experts

Product

- All code secured with exiting patents for the US, UK Europe, China and Australia
- Product now defined as a private network solution commonly known as SD WAN
- Core software has been stabilised
- Mobility and scalability are the next phases of development.
- Additional development work for China to add further features to localise the product
 - Cost of development borne by the regional reseller with a licence of improvements back to Netlinkz Ltd

Sales & Revenue Strategy

- Source of revenue will be via the licensing of our core software to a regional reseller
- Targeting between 20% to 30% of gross sales revenue to the point of sale
- Licensing deal in China has been implemented
- Will develop revenue model by the end of September quarter of the new financial year
- Telecoms will be an active target in partnership with a local reseller to take advantage of existing captive customer base and to embed product in existing bundles/packages

China Update



- China Telecom
 - Wuxi - Have sold a total of 10,000 VINS - as at the end of May.
 - Suzhou - agreed to start selling VINs from 1 August.
 - Jiangsu - confirmed the VIN and VSP will be added to their CRM as a an ICP (internet content provider)
- Expect to receive first cash payment by end of June, \$30,000 licensing fee for March 2018 quarter based on the sale of 5,000 VINs
- Next city to be targeted will be China Telecom Nanjing

China Update



- Potential - 13 cities in Jiangsu
- Seventh largest state based economy in the world
- Suzhou, Wuxi and Nanjing have a greater population than Australia
- China Telecom Jiangsu needs to sign up to its cloud services 200,000 SME's by 2019 with multiple VIN components via 600 plus account managers
- Internet of Everything Jiangsu provides accelerating opportunity vis the sensor market and data analytics across SME's and home electronics roll-out



Other Activity

- Reviewing opportunity in the UK with a junior telecom
- Blue Tech have approached the company post a 12 month testing period to discuss a reseller arrangement

- Current Cash Holdings \$193,153
- R&D Refund due: \$349,094
- Repayment of loan from JAST of \$420,000 expected in 30 days
- Monthly Revenue \$80,000 RMB or AUD \$15,000
- Cash Burn on average \$135k per month (excluding payout of old creditors)
- Cash burn declining as resellers will absorb more of the development costs