

31 July 2018

June 2018 Quarterly Update

Highlights

Cash summary;

- Cash flow positive in Q4 goal achieved;
- Cash as at 30 June 2018 \$1.36 million up \$0.12 million from previous quarter;
- Net Cash from operating activities was \$0.50m;
- Customer Receipts up 59% to \$1.137m in Q4 from \$0.715m in Q3 and up 47% on Q4 FY17;
- RnD Grant received in May \$0.52m;
- Staff cost are down 27% to \$0.22m in Q4 from \$0.30m in Q3;
- Platform development payments down 40% to \$0.138m in Q4 from \$0.231m in Q3;
- Cash Outflow flow from investing activities is down 40% to (\$0.14m) in Q4 from (\$0.23m) in Q3.

New Distribution

- Large Insurer advised in last Q3 will launch in first week August 2018.
- Direct United Networks Global Sales have continued to increase from the previous quarter with new affiliates, white label partners and marketing.
- As part of the Covermore contract finalisation all customers will be migrated to United Networks as direct customers. Covermore continues to make offers until 28.8.18.

New products;

- First transaction based Insuretech product is on track for launch on 1.8.2018. Flight Delay Insurance is incorporated in the Chubb Connect Connect App and promoted to direct clients of the Insurer.
- United is developing further products focusing on streamlining the customers onboarding and friction normally associated with insurance products.

Wi-Fi and SOS continues to grow

- Q4 take up rate up remains above 30% of all offers for partners;
- New insurance partner has committed sales which is expected increase the Wi-Fi sales from August.
- Combined SOS has increased traction from 2,466 active users in Q3 to 4,479 users in Q4 with repeat sales from Chubb and United direct customers starting to flow through.

Global SIM business KPIs trending positively

- New Sim Order Volume up 11,477 in Q4 compared to 10,120 sims in Q3 which were 30% up on Q2;
- The Average Revenue per SIM has continue to Climb in the period to \$85 up from \$83 the previous period and \$70 in the previous period last year.