

March 2018 Quarterly Update

Highlights

Cash and Operating summary

- Sales set to grow in Q4 from launches associated with existing and new partner activity with advance orders received;
- Cash as at 31 March 2018 \$1.2 million;
- RnD Grant lodged April 18 estimate : \$520k;
- Operating Overheads reduced by \$1.2 million (Annualised);
- Operating cashburn reduced by 33% on Q2;
- Cash flow on track to be positive at an overall level and neutral at an operating level in Q4.

New Distribution

- New large Global Insurer signed in March and will be launched in Q4; Details to be released at launch;
- Several new global wifi and sim Resellers signed in Q3.
- Circa 10,000 forward orders from new and existing partners have been received on SIM cards. 5,600 of these orders are from new resellers.

New products

- SOS Alerts was launched into Chubb Connect App in January and is now earning revenue;
- Flight Delay Insurtech solution schedule for release in Q4 with existing partners.

Wi-Fi strong revenue growth

- Q3 take up rate up to 35% of all offers;
- 96% Compounded growth in activations quarter on quarter since launching;
- 310% increase in Wi-Fi Revenue was recorded March from the February and January average sales and 160% on Q2 in total.
- New partners launching in Q4 will drive further revenue for Wi-Fi.

Global SIM business KPIs trending positively

- Global SIM retail data rates reduced by over 70% in the Quarter;
- New SIM Order Volume up 30% on previous quarter to 10,120 SIMs;
- New promotions with existing partners resulted in significant increase in customer satisfaction ratings (NPS) reflected by doubling in the Customer Satisfaction Index score and increased ARPU to \$83 up from \$68 Q3 FY 17.

Business Overview attached

FOR FURTHER INFORMATION

Mr Nicholas Ghattas

Managing Director
United Networks Limited
nghattas@unitednetworks.net.au
PH: (02) 9003 9514

