

Skyfii 2023 AGM Chair's Address

Good morning, Ladies and Gentlemen, my name is Bob Alexander and I am the Chair of Skyfii Limited. On behalf of the Board of Directors, I am pleased to welcome you to the 2023 Annual General Meeting, the 9th AGM for Skyfii as a listed Company.

I would like to start by acknowledging Management and Directors who are joining the meeting today. With us is our Chief Operating Officer, John Rankin and Non-Executive Directors Kirsty Rankin and Mark Devadason. We also have Billy Tucker, our newly announced CEO and Executive Director.

I will first provide a brief address on Skyfii's FY23 highlights and strategic review, after that, I will ask John to give you some more insights into our financial and operating performance in FY23 and the outlook for FY24 and beyond.

FY23 Performance

During FY23, Skyfii continued to grow its customer footprint, securing over \$15.8m in new Total Contract Value via a range of contracts with quality customers such as London Heathrow Airport, JFK International Airport, The Hajj and many others. We continue to experience strong demand for our technology (as evidenced by the recent announcement of the \$5m Abu Dhabi airport win) and evolve our solution offering to provide valuable operational efficiencies, improved people data and increase revenue opportunities to our clients.

Our financial performance in FY23 was in line with the bottom end of our guidance range, with total revenues of \$23.5m and exiting FY23 with \$17m in Annualised Recurring Revenue (ARR).

In FY23, we also delivered approximately \$1m of cash inflow from operations (before interest and tax), this compares to an outflow of \$1.8m in FY22.

The Company also ended the financial year with a \$3.8m cash balance.

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Although we delivered a solid performance in FY23, we believe we can do more as a business to penetrate the large addressable market for our products. In August 2023, the Board announced a strategic review to accelerate revenue and earnings growth. We have refreshed our Board and transitioned our CEO to ensure that we have the right people, skill sets and organisational discipline to fast-track the growth of Skyfii and deliver improved returns to shareholders in FY24 and beyond.

Strategic Review

Through the strategic review that the Board undertook, we have commenced changes to the operating model to take advantage of the opportunities in our core verticals of:

- Travel Hubs;
- Quick Service Retail (QSR);
- Retail; and
- Commercial Property

In addition, we reviewed our internal business to reset our operating costs and achieve greater efficiencies to generate improved and sustainable positive cash flows.

We will continue to ensure that we have the right people, in the right regions, targeting the right opportunities in our core verticals. We are optimistic that the combination of these initiatives will drive ARR growth in FY24 delivering operational leverage to generate earnings and sustainable free cash flow in the future.

CEO Transition and Board Refresh

As announced in August and part of the strategic review process, the Board identified the need to transition the leadership to an individual with expertise in executing business transformation, as a result, Wayne Arthur decided to step down as CEO and as a Board Member of Skyfii.

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After an external CEO search, we are delighted to have secured Mr Billy Tucker as Skyfii's incoming CEO and Executive Director. Billy displays the leadership and skills that we believe will allow Skyfii to unlock the latent growth potential we see in our business via the execution of our strategic initiatives and the streamlining of our cost profile. Billy brings a wealth of experience to Skyfii through his successful career in leading global technology companies as well as a range of startups and growth focussed companies. I am confident Billy will lead Skyfii successfully through its next stage of growth.

Billy commenced as CEO on 13 November 2023 replacing interim CEO, Tony Karp. I would like to take this opportunity to thank Tony for taking on the Interim CEO role and steering the company over the last 3 months.

At a Board level, we also want to ensure the appropriate skill set, diversity of experience and corporate governance capabilities are in place to execute our transformation strategy. We will continue to focus on the Board skills required.

The appointment of Mark Devadason as a Non-Executive Director early in FY23 delivered a diverse background in banking, finance and sustainability, complementing our other Non-Executive Director Kirsty Rankin who brings a deep skillset in data-driven marketing and scaling businesses globally.

As part of streamlining our Board, John Rankin has agreed to step down as an Executive Director after 2 years. John brings a great deal of experience to our senior leadership team and he will continue to be involved in all facets of our strategy and execution in his ongoing role as Chief Operating Officer.

I was honoured to be appointed as Chair in December 2022 when the Company's long-term Chair, Andrew Johnson announced his retirement. On behalf of the Board and all of Skyfii, I would like to take this opportunity to once again thank Andrew for his commitment and dedication to Skyfii. I would also like to thank Sue O'Malley, who stepped down as a Non-Executive Director at the 2022 AGM for her contributions.

Lastly, on behalf of the Board I would also like to thank Wayne Arthur who stepped down as CEO in August 2023. As one of the founders of the company in 2013, Wayne has been able to launch and build an international business with a

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tremendous opportunity ahead with a blue chip customer base and technology able to capitalise on the trends in large data sets and AI.

Remuneration Framework

In the past two Annual General Meetings, over 25% of shareholders' votes were cast against the resolution to adopt the remuneration report. The Board has listened to our shareholders and during FY23 engaged an external remuneration specialist to review the Company's executive remuneration framework.

The review included a benchmarking analysis against our local and global peers as well as a review of Skyfii's short-term and long-term incentive plan. The report is expected to be completed with a new remuneration framework finalised by the end of March 2024.

With no executive share options granted to the executive team since December 2020 and the planned realignment of our remuneration structure, we will ensure that our management team remains incentivised and is rewarded in line with the Company's financial performance.

Rebranding to Beonic Limited

As part of the formal process of this AGM, we are seeking shareholder approval to rebrand as Beonic Limited, with the ASX code 'BEO'. The business is rebranding under one name and a new go to market positioning, we seek approval to change the listed entity name to align with this.

The change reflects the Company's transition from a WiFi analytics provider to a data analytics company powered by enhanced AI and machine learning capabilities. In the presentation to follow, John Rankin will spend time taking us through the rebrand to Beonic and what it means for the company.

Outlook

As a Board we remain confident that the strategic review will position Skyfii to benefit from the significant growth opportunities ahead. We truly believe that the Company is well positioned to deliver its financial and operational goals in FY24 through:

- Delivery of operational cost savings through transformation initiatives to drive sustainable free cash flow from the second half of the financial year;
- Continue to invest in new product development, including AI;
- Improve conversion and increase market share through marketing investments;
- Release of our digital-first product initiatives to drive recurring revenues growth and operating leverage to generate sustainable earnings and free cash flow.

I would like to thank the Board of Directors and the incredible Skyfii team for their hard work and efforts during FY23 and I would also like to express my appreciation to our new and existing shareholders for their continued support.

I will now hand over to John to take you through a financial and operational review of FY23.

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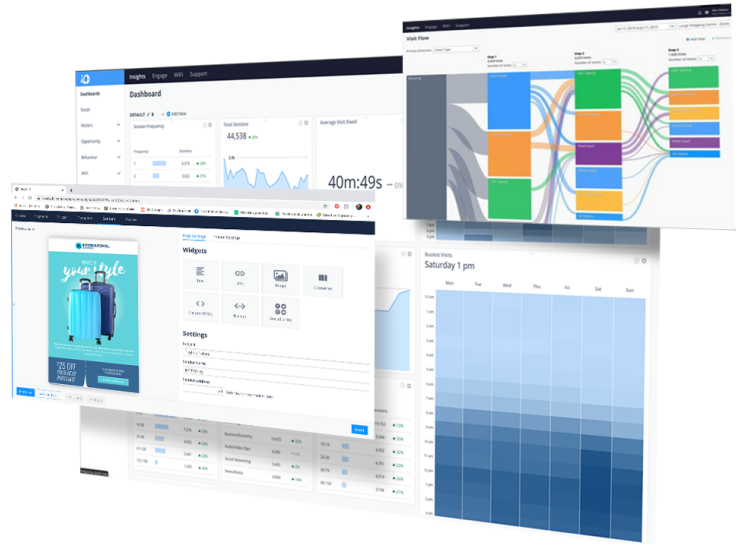
About Skyfii

Skyfii helps organisations activate the power of their data through technology & human ingenuity, to find new ways to optimise the spaces where we live, work, shop, travel & play.

Skyfii's IO platform unifies your data points one proprietary platform to give you the in needed to solve the complex challenges of present and future.

We ingest data from a diverse range of technologies including WiFi, Camera, People counting, LiDAR, CCTV and IoT devices. We combine these datasets with contextual data like weather, retail sales and sociodemographic to improve operational performance for retailers, airports, stadiums, smart cities and other public and commercial venues.

Skyfii further augments insights generated by the IO Platform with its Data & Marketing Services offering: A team of data science and digital marketing consultants who help our clients harness more value from their data.



This announcement has been approved by Skyfii Limited's Board.

Learn more at www.skyfii.io or follow Skyfii updates at <https://au.linkedin.com/company/skyfii>

Media

John Rankin
Chief Operating Officer
P: +61 2 8188 1188
E: john.rankin@skyfii.com

Investors

Craig Sainsbury
Automatic Markets
P: +61 428 550 499
E: craig.sainsbury@automigroup.com.au