

ASX RELEASE

24 August 2017

OVER THE WIRE HOLDINGS LIMITED FULL YEAR RESULTS TO 30 JUNE 2017

FY17 Highlights

- Total Revenue up 45% to \$34.217m
- Organic Revenue up 21%
- EBITDA up 36% to \$7.369m
- NPATA up 37% to \$4.415m
- NPAT up 26% to \$3.598m
- Acquisition of Telarus completed
- Final dividend of 1.25 cents per share declared

Over the Wire Holdings Limited (ASX:OTW) is pleased to announce its financial results for the year ended 30 June 2017 (FY17). Key financial highlights from the results include:

| | FY17 | FY16 | % Change |
|----------------------|-----------|-----------|----------|
| Total Revenue | \$34.217m | \$23.611m | 45% |
| EBITDA | \$7.369m | \$5.423m | 36% |
| NPATA | \$4.415m | \$3.229m | 37% |
| NPAT | \$3.598m | \$2.847m | 26% |

Commenting on the FY17 results, Managing Director Michael Omeros said, "We are pleased with our FY17 result and the current position of the business. The acquisition of Telarus has been very successful and we have also achieved strong organic growth, especially in New South Wales and Victoria where we have been concentrating our sales and marketing initiatives. With a focus on customer experience and an evolving product capability we are well positioned to continue to deliver our targeted growth in FY18."

Business Performance

Total revenue from ordinary activities for the year was \$34.217m (FY16: \$23.611m), representing an increase of 45% on the previous year. The result demonstrates demand from customers across all four product lines including:

| | FY17 | FY16 | % Change |
|---------------------------------|-------------|-------------|-----------------|
| Data Networks | \$15.915m | \$10.456m | 52% |
| Voice | \$10.714m | \$7.895m | 36% |
| Cloud / Managed Services | \$4.845m | \$2.698m | 80% |
| Co-location | \$2.742m | \$2.562m | 7% |

The Group continued to build upon its geographic expansion strategy outlined in its Initial Public Offering (IPO). A primary focus was to deliver growth in the New South Wales and Victorian markets and this has been successfully achieved both organically and through acquisition:

| | Organic Growth | Statutory Growth |
|------------------------|-----------------------|-------------------------|
| Queensland | 12% | 13% |
| New South Wales | 58% | 84% |
| Victoria | 45% | 452% |
| Other | 48% | 49% |

The Group delivered EBITDA of \$7.369m (FY16: \$5.423m), representing an increase of 36% on the previous year. NPAT was \$3.598m (FY16: \$2.847m), representing an increase of 26% on the previous year.

As at 30 June 2017 the Group has \$5.484m in cash and cash equivalents with a net cash position of \$0.995m. The Group continues to remain a strong converter of EBITDA into positive operating cashflows.

Dividends

The total dividend for the full year has increased to 2.00 cents per share fully franked, with the Board declaring a final dividend for 30 June 2017 of 1.25 cents per share fully franked, to be paid in October 2017.

Business Outlook

Our business performance is tracking well against our strategy and we continue to generate positive operational cash flow and maintain a strong balance sheet. We remain well positioned to continue to deliver organic growth and pursue further accretive acquisitions.

The company remains confident that it will achieve its stated organic growth targets and continue to deliver sustainable profit growth for shareholders.

ENDS

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About Over the Wire Holdings Limited

Over the Wire Holdings Limited (ASX: OTW) is an ASX listed telecommunications, cloud and IT solutions provider that has a national network with points of presence in all major Australian capital cities and Auckland, NZ. The company offers an integrated suite of products and services to business customers including Data Networks and Internet, Voice, Data Centre co-location, Cloud and Managed Services.

Over the Wire Holdings Limited companies include Over the Wire, NetSIP, Faktortel, Sanity Technology and Telarus.