

## **ASX RELEASE**

**28 NOVEMBER 2019**

### **AGM CHAIRMAN'S ADDRESS & CEO'S PRESENTATION**

Attached is a copy of the Chairman's Address & CEO's Presentation for today's Annual General Meeting.

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, Telarus, VPN Solutions, Access Digital Networks and Comlinx.

## **OTW Chairman's Address – AGM November 2019**

Good afternoon

Welcome all to the 2019 AGM of Over the Wire Holdings Limited.

I will start the meeting by making a few overarching remarks and then Michael will provide a more comprehensive review of the Company. Following that we will move to the business of the meeting as outlined in the notice of meeting.

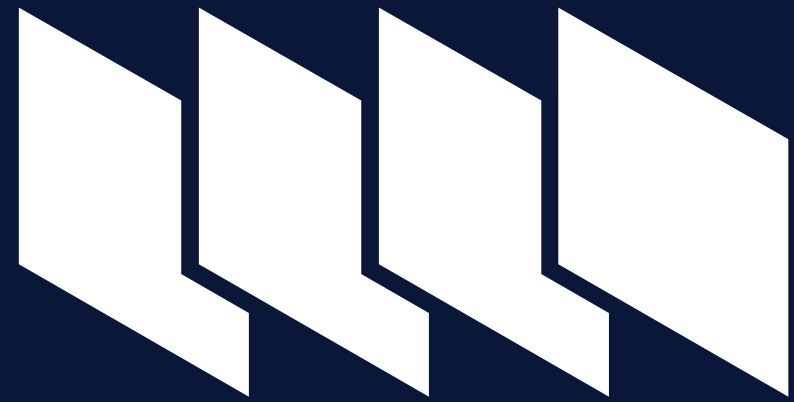
This year has been one of substantial growth for OTW. Headline indicators include revenue growth of about 50% and NPAT up about 90%. Notably this growth has been achieved within the context of 96% customer retention – our customer experience remains a key differentiator in an industry that is known for poor customer service.

We have continued to build the company into now being a national provider of technology to business throughout Australia, differentiated by quality of service.

To that end we conducted a strategic review this year, with wide participation from across the company. We felt this was necessary to follow on from the seven acquisitions we have made since public listing to confirm the integration of the acquired companies and to bring all of the group's collective activities into one comprehensive view of what we are endeavouring to achieve. We also wanted to recalibrate our values across the group and to emphasise the distinct Over the Wire culture. These plans are unified by our overarching purpose - Simplify Technology to Empower Business.

This has been a major effort on top of a busy year from a business perspective. To put that into context we have grown the business this year by an amount equivalent to our whole year's operations just three years ago. This rate of growth has challenged the Over the Wire Team. The results achieved are a tribute to the commitment of the whole team. The company has delivered excellently.

I'm pleased to take this opportunity to formally recognise the collective efforts that have been made and thank our staff, our executives and our Board members for their respective contributions. We are also grateful for the effective relationships we have with our various business partners. It's been a comprehensive team effort. The results are in and speak for themselves. We have positioned the company well. The future looks bright.



# OvertheWire

**AGM 2019**

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28 November 2019



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- The information in this presentation does not constitute personal investment advice. The presentation is not intended to be comprehensive or provide all information required by investors to make an informed decision on any investment in Over the Wire Holdings Limited ACN 151 872 730 (Company). In preparing this presentation, the Company did not take into account the investment objectives, financial situation and particular needs of any particular investor.
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- Any opinions expressed reflect the Company's position at the date of this presentation and are subject to change.
- References to Over the Wire in this presentation are to the Over the Wire group including all subsidiaries, unless stated elsewhere.

Our **purpose** is to

Simplify technology  
*to empower business*



# Agenda

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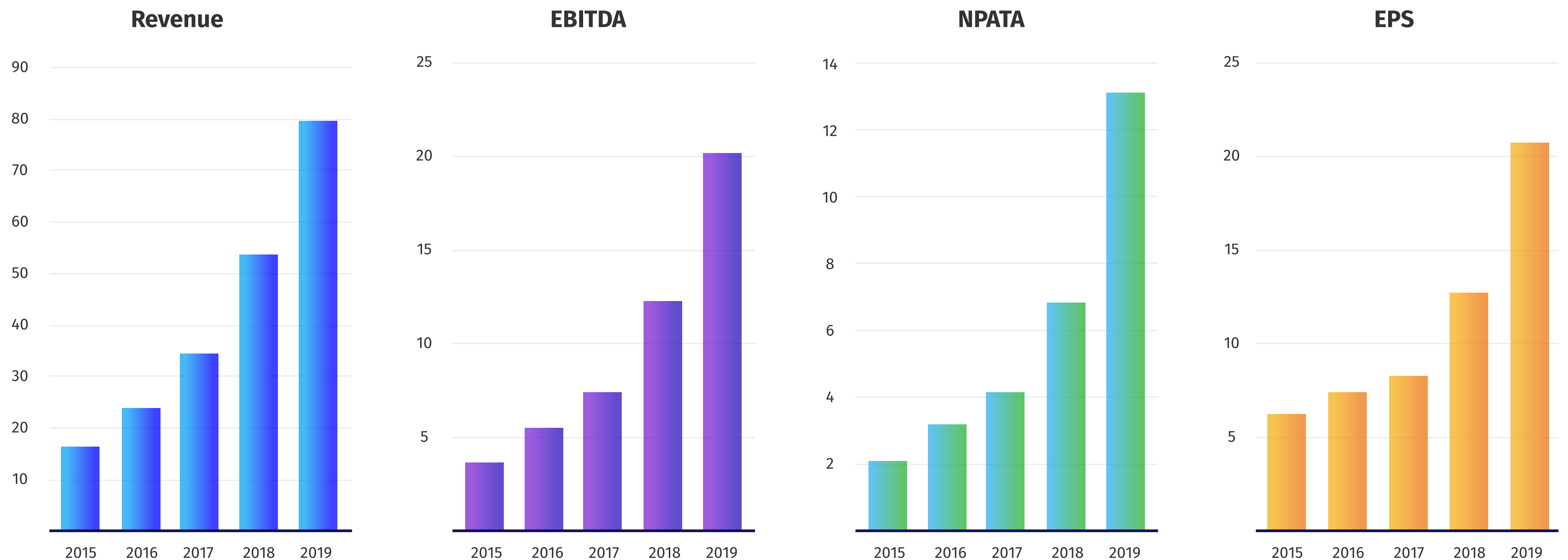
A photograph of a man and a woman in an office setting. The man, who is bald and wearing a light blue button-down shirt, is pointing at a laptop screen. The woman, with long blonde hair and wearing a dark top, is looking at the screen with a focused expression. They are both smiling slightly. The background is a plain, light-colored wall. An orange diagonal graphic element separates the photo from the text on the right.

# FY19 Highlights

- Completed the acquisition of Access Digital Networks
- Completed the acquisition of Comlinx
- Achieved statutory revenue growth of 49%
- Achieved organic growth of 15%
- Achieved EPS growth of 64%
- Full year dividend of 3.25 cps paid

# Strong Financial Performance

Over the Wire has delivered consistent growth in revenue and profitability

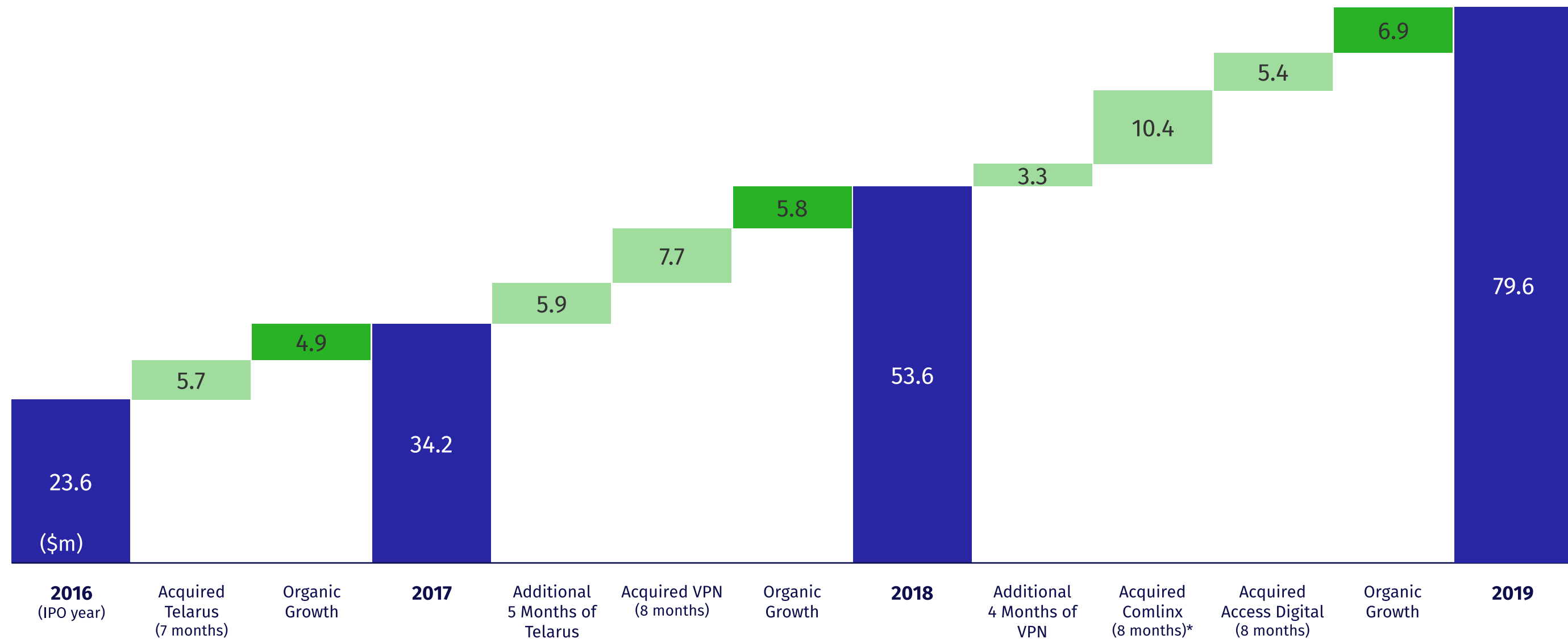


All graphs in \$m except EPS in c/share.



# Revenue Growth Profile

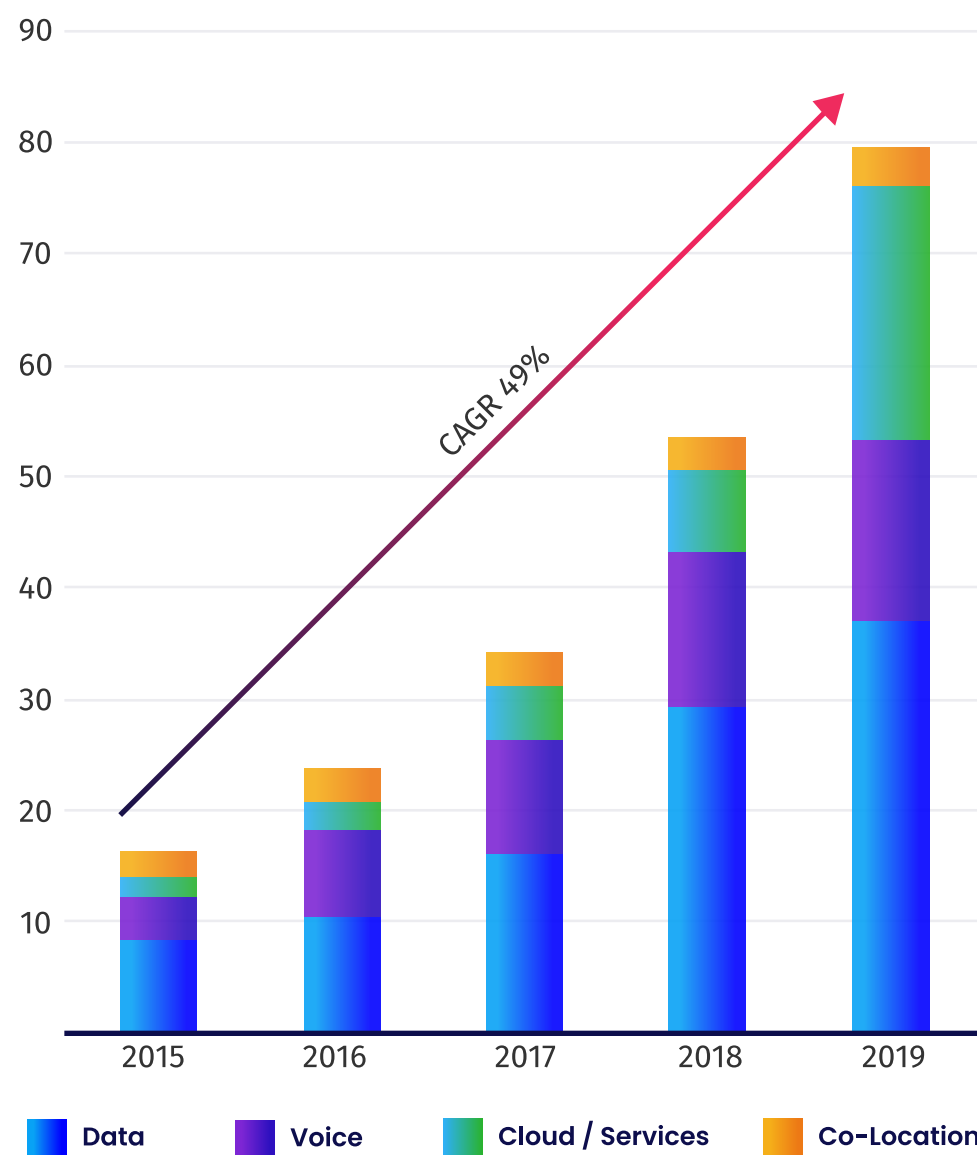
2019 produced record organic growth of \$6.9m, the largest year-on-year increase



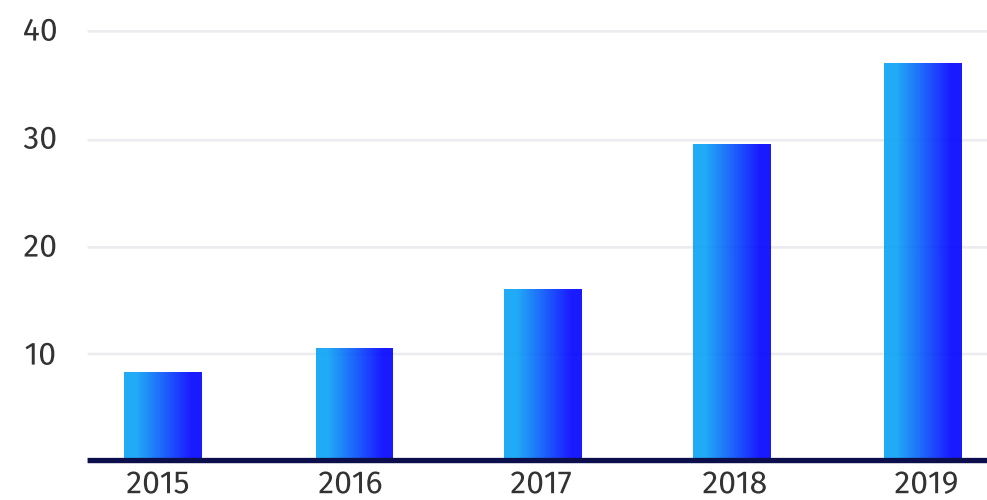
\* Equals post-acquisition contributed revenue: ie 11.1m actual 2019 revenue less 0.7m eliminated upon acquisition due to joint customers.

# Growth Across All Products

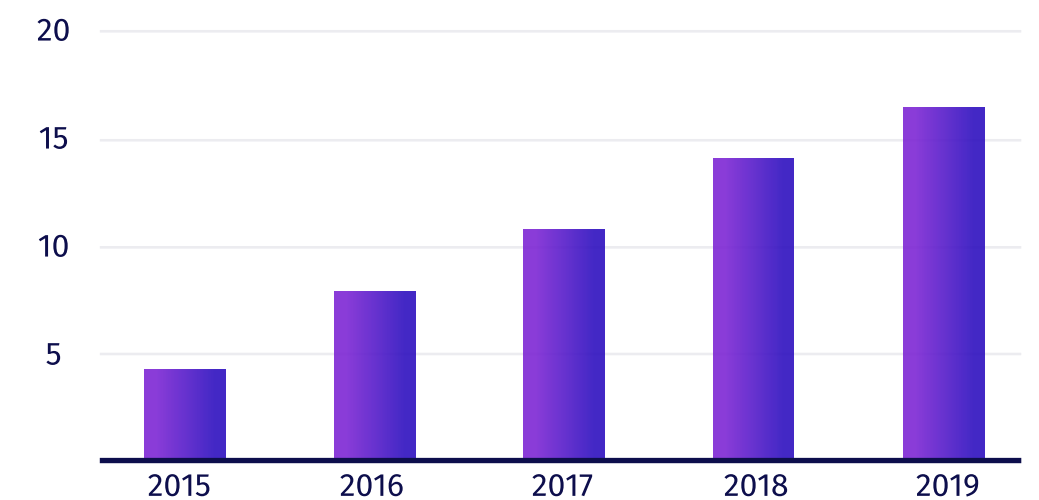
Total Revenue



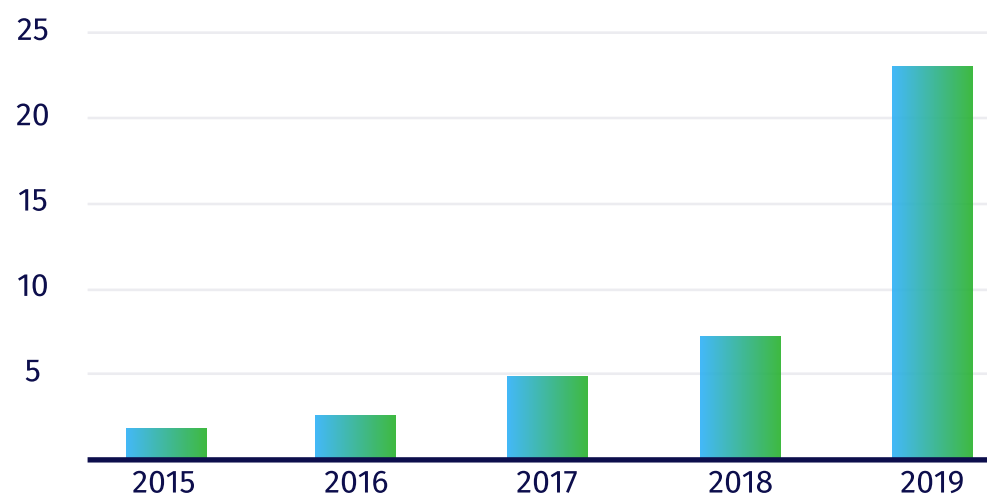
Data



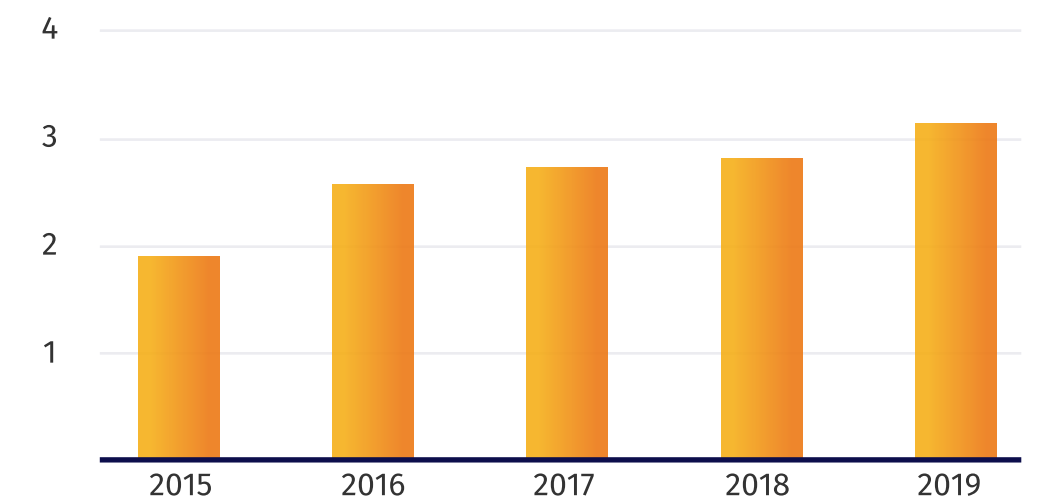
Voice



Cloud / Services



Co-Location



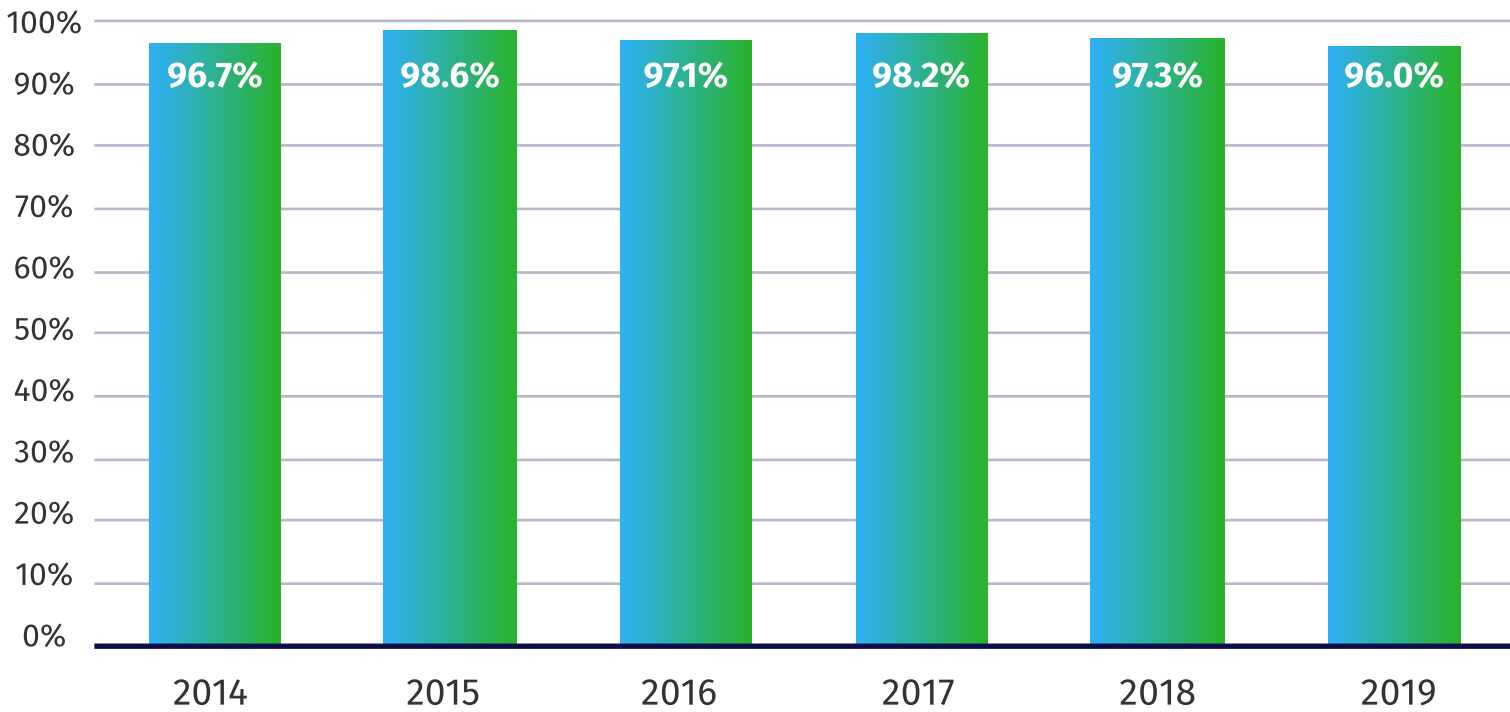


# Customer Service

Over the Wire’s customer service has led to very high levels of customer retention (96% in FY19)

- Over the Wire has developed a culture which consistently delivers high levels of customer service, and in turn, retention
- This high level of customer service allows Over the Wire to win customers from its competitors and expand the services provided to customers
- Our customer experience remains a key differentiator in an industry that is known for poor customer service

Customer Retention



Notes:  
1) Does not include acquisitions until they have been owned for 2 full comparative years.  
2) A customer’s revenue is classified as retained in a given year if Over the Wire had revenue from the customer in the current year and in the previous year, and excludes any growth in revenue.



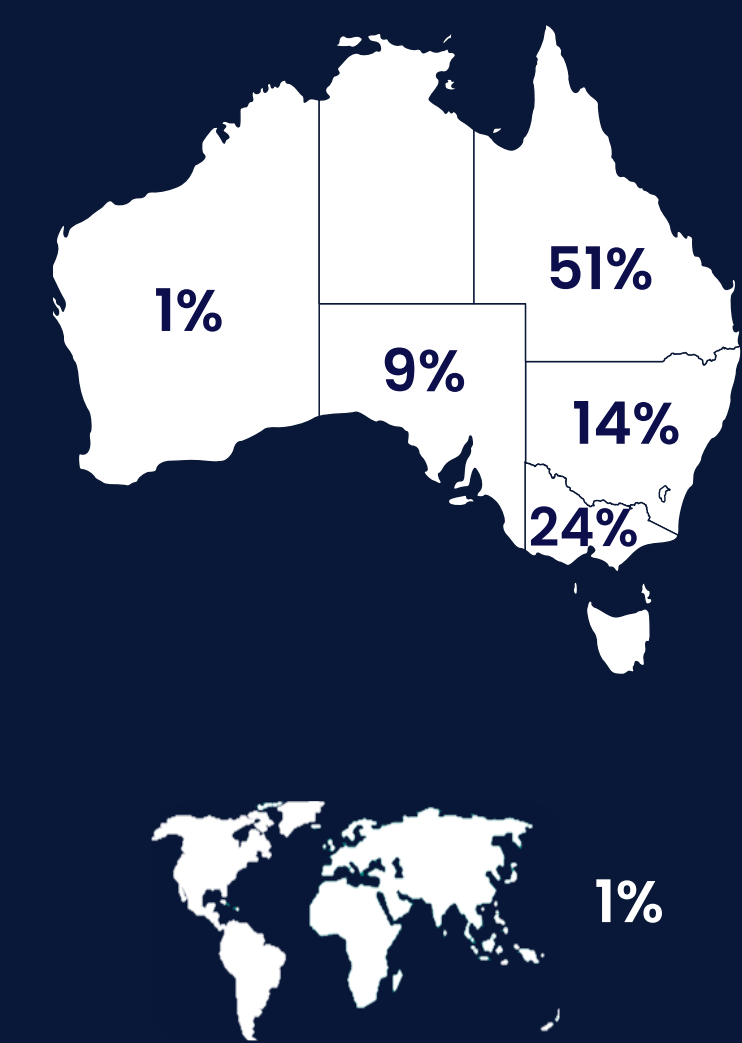
# Growth Strategy

- Strong organic growth achieved in FY19 across all states with an office presence
- Over the Wire will target >15% organic growth in FY20
- Organic growth will be delivered through:
  - ✓ Continued geographic growth and market penetration
  - ✓ Leveraging our strong customer relationships and high customer retention to provide a broader range of products and services
  - ✓ New customer acquisitions through targeted campaigns that focus on industry tailwinds in SD-WAN, Hosted Voice and Cyber Security

	Revenue Growth Organic	Revenue Growth Statutory
Queensland	17%	56%
New South Wales	14%	31%
Victoria	11%	18%
South Australia	13%	230%

Note: Revenue by State is based on the customer’s billing address.

FY19 Revenue by Geography



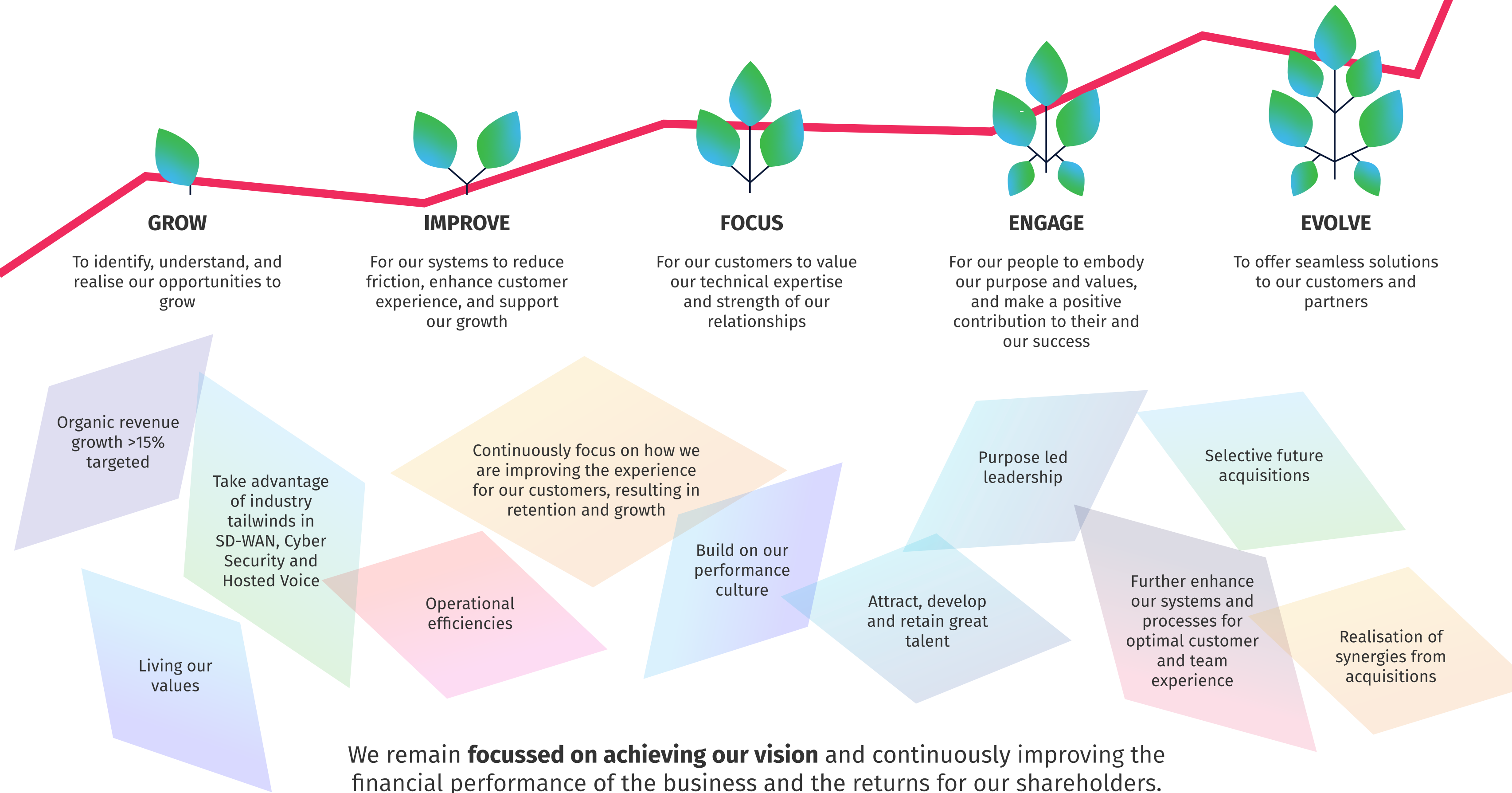
# Acquisitions to Accelerate Growth

Over the Wire will continue to identify acquisition targets following the same M&A discipline that has resulted in a track record of successfully acquiring and then integrating acquisitions



# Positive Outlook

Our vision is to be the technology solution partner passionately promoted by our customers







**Thank you for your time**

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Any questions?

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