CEO presentation to AGM

Etherstack plc (ASX:ESK)

June 2019

Disclaimer

This presentation has been prepared by Etherstack plc (ARBN 156 640 532) ("Etherstack" or "the Company"). The information in this presentation is for information purposes only and is not investment, financial product, legal or tax advice.

This presentation contains summary information about the activities of Etherstack and subsidiaries. The information in this presentation does not purport to be complete nor does it purport to contain all the information that a prospective investor may require in evaluating a possible investment in Etherstack. This presentation should be read in conjunction with Etherstack's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (**ASX**), which are available at www.asx.com.au or at www.etherstack.com

Statements in this presentation are made only as of the date of this presentation unless otherwise stated and the information in this presentation remains subject to change without notice. Etherstack is not responsible for providing updated information to any prospective investors.

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance. The historical information in this presentation is, or is based upon, information that has been released to the market. For further information, please see past announcements released to ASX.

This presentation may contain forward-looking statements with respect to the financial condition, results of operations, business of Etherstack and certain plans and objectives of management. Actual outcomes may differ materially from forward-looking statements. Forward-looking statements, opinions and estimates provided in this presentation are likely to involve uncertainties, assumptions, contingencies and other factors. As a result, unknown risks may arise, many of which are outside the control of Etherstack. Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Etherstack disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise.

Should you have any specific queries in respect of this disclaimer please contact Etherstack directly.

etherstack

FY2018 – Innovation, Profits & Growth

Presentation Overview

- **2018 Results:** R&D Investment, Profit & Revenue Growth
- **2019 Report:** Expanding global government business, continued innovation
- **2020 Vision:** Secure Hybrid Networks - blending 4G/5G, terrestrial and satellite communications solutions

Etherstack has supplied over A$100m globally in equipment and professional services in the past 10 years

etherstack

FY2018 – Highlights

Revenue Growth 26.6%

2018 Revenue of US$5.3m is an increase of $1.1m over FY2017 and an increase of 26.6%

Return to Profitability

2018 Net profit after tax (NPAT) is US$53k compared to loss in FY2017

US$1.9m EBITDA

EBITDA of US$1,863k which is a $1,771k increase over the FY2017 EBITDA

Positive Operating Cash US$1.5m

2018 Operating cash inflow of US$1,528 compared to outflow of $599 in 2017

Enabled:

- Increased R&D investment
- Debt reduction

etherstack

FY2018 – Highlights

Major project wins

Defence wins totalling US$2.1m in two separate countries

Continued Innovation

First IVX (P25 PTT over Satellite) sales

New 4G MC-PTT & LMR-IWF product developments underway

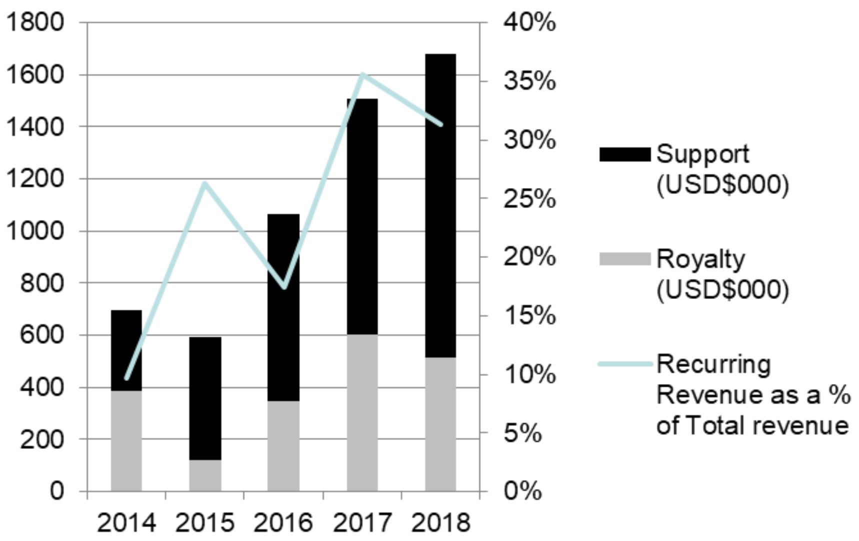
Expanding Govt Client Base

First US DHS (CBP) contract and product acceptance on stringent US DOI procurement panel

etherstack

FY2018 – Highlights

Recurring revenues continue to grow



Aggregate recurring revenues comprising Royalties and Support revenues are US$1.6m compared to $1.5m in 2017

11.5% increase in recurring revenues in 2018

141% over the 4 year period from $697 in 2014 to US$1.6m in 2018.

Recurring revenues contributed 31% of total revenue in 2018

2019 – Report

Continued Network Business Growth

- **Public Safety:** The Company continues to win critical communications networks in the US and AU markets at the state and federal level

- **Utilities:** Existing clients continue to expand their networks, providing repeat equipment sales and increased support revenues

- **Resources:** The Company has seen increased activity in the resources sector and expects to announce new awards this FY

SFFR-6 Tactical Repeater aka the "Go Box"

etherstack

2019: Building on 2018 Results

Revenue Mix Diversity Increases

Tactical Network Sales: The maturing of the Company’s tactical network product line has seen sales growth driven by our highly secure ad-hoc terrestrial and satellite network products to multiple govt clients in multiple regions

Underlying Support Revenues: Continue to grow, contributing to the bottom line

Technology Deals: Renewed interest in the Company’s deep intellectual property portfolio has driven new technology licensing sales and opportunities that will contribute to royalty growth in coming years

New Products: The Company continues to expand its product portfolio and has new product announcements slated for Q3 2019

2019: High Growth Products Gain Traction

Traditional Revenues, High Growth & Vision

Traditional Business: Etherstack continues to enjoy growth in deployed P25 networks providing new equipment sales and long term recurring support royalties

High Growth Focus: The company is receiving substantial new and repeat orders for the SFFR-6 P25 Tactical Repeater product as well as the recently released IVX product. The IVX V3 has been released with significant deal flow expect in the next 12-24 months

2020 Vision: Critical Communications

Innovation and Investment in R&D

- Etherstack has invested almost $20 million into our suite of intellectual property assets over an extended period and has developed a substantial intellectual property portfolio that generates a diverse range of revenue streams from multiple technology areas, clients and regions, and from a mix of mature, new and emerging product lines.

- As 4G cellular networks become ubiquitous and advances in satellite communications technologies are made, Etherstack is well placed to capitalise on the shift in technologies and the application of these to our market area with innovative communications products for public safety professionals, utilities and defence clients.

- The company is currently undertaking development of new military waveform technology for the defence industry as well as reimagining the form factor and functionality of highly specialised communications devices

IVX V3.0
P25 PTT over Satellite

etherstack

Contacts

Etherstack plc

93A Shephard Street,
Chippendale NSW 2008

Phone +61 2 8399 7500

David Deacon, CEO, david.deacon@etherstack.com
David Carter, CFO, david.carter@etherstack.com

London
+44 207 734 0200
info.eu@etherstack.com

New York
+1 917 661 4110
info.na@etherstack.com

Sydney
+61 2 8399 7500
info.au@etherstack.com

Yokohama
+81 45 342 9050
info.jp@etherstack.com

etherstack
wireless innovation