

APPENDIX 4C

Quarterly Cashflow Report for quarter ended 30 September 2024

Netlinkz Limited (ASX:NET) and its consolidated subsidiaries (“Netlinkz” or “the Company”) is pleased to provide its Appendix 4C for the quarter ended 30 September 2024 (1st Quarter, September quarter) along with the following operational update for its key business divisions.

Highlights

- Restructure of operations continue with further cost cutting and reduction of head count
- Starlink operations have concluded, with inventory sold and customers transitioned directly to Starlink or other authorized resellers.
- Focus on Joint Venture Agreement with PT&T Philippines for Securelink Networks Limited as a base to establish new revenue opportunities starting with the Philippines and expanding into other ASEAN markets
- Receipts from customers were \$4.8 million for quarter, including \$1.8 million from hardware disposal.

Operations

Australia

Restructure and cost cutting to continue in Australia with a refocus on two core business lines:

- Cybersecurity and network opportunities (VSN+)
- Data management and Lawful Interception (SSI)

Philippines

NetLinkz is in discussions with PT&T to form a joint venture to provide broadband services (including satellite based broadband), cybersecurity products and services based on the VSN+ and SSI. The joint venture will be based in the Philippines and look to expand into other ASEAN markets.

The Company’s operations will be focused on scaling revenue from cybersecurity, networking and lawful interception product offerings through-out South-East Asia as the key focus for future revenue growth.

Financial

Receipts from customers for the quarter were \$4.8 million, which included \$1.8 million from the sale of Starlink hardware.

Further cost savings have been implemented which will take effect from the December quarter.

The SSI business remains stable with revenues in line with budget.

China operating receipts of A\$1.8 million for the quarter were significantly lower than the previous quarter and the same quarter last year. This is a result of poor economic conditions in China as small to medium enterprises reduce their network investment, in conjunction with Netlinkz cutting back on short term non-recurring low margin projects.

Product

Starlink

The transition of Starlink enterprise customers to Starlink directly or other resellers has been finalized leading to significant cost savings for the company with reduced head count, and inventory management expenses being eliminated.

Starlink Inventory sold on favourable terms and funds used to repay debt and provide working capital for the business. It is worth noting since this portfolio sale, Starlink has reduced the RRP by 50% on Enterprise Kits equating to a loss of \$3.5m of value if the inventory had not been sold when it was.

Resellers who have purchased significant Starlink inventory to qualify as a Starlink Authorised Reseller are now facing a 50% markdown of their inventory holdings.

The company will continue to collaborate with Starlink customers using VSN + and related services to grow its revenue base in Australia and South-East Asia.

Corporate

The Company is continuing its business restructure as well as the restructuring of its debt to extend the terms and reduce costs. The current facilities are as outlined in section 7.6 below of the Appendix 4C. Where no maturity date is stated, the facility term is in the process of being extended or part of an proposed debt reconstruction which has yet to be finalized.

Payments to directors during the quarter for director fees and salaries amounted to \$Nil, and were accrued for payment in the next quarter.

This report has been approved by the Board for release to the ASX.

**Quarterly cash flow report for entities
subject to Listing Rule 4.7B**

Name of Entity: Netlinkz Limited

ABN: 55 141 509 426

Quarter ended ("current quarter"): 30 September 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	4,783	4,783
1.2	Payments for		
	research and development	(331)	(331)
	product manufacturing and operating costs	(1,561)	(1,561)
	advertising and marketing	(10)	(10)
	leased assets		
	staff costs	(1,602)	(1,602)
	administration and corporate costs	(839)	(839)
1.3	Dividends received (see note 3)		
1.4	Interest received		
1.5	Interest and other costs of finance paid	(133)	(133)
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other		
1.9	Net cash used in operating activities	307	307

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	a) entities	-	-
	b) businesses	-	-
	c) property, plant and equipment	-	-
	d) investments	-	-
	e) intellectual property	-	-
	f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	a) entities	-	-
	b) businesses	-	-
	c) property, plant and equipment	-	-
	d) investments	-	-
	e) intellectual property	-	-
	f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	
3.3	Proceeds from exercise of options	-	
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid	-	
3.9	Other (provide details if material)	-	
3.10	Net cash from / (used in) financing activities	-	

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	884	884
4.2	Net cash from / (used in) operating activities (item 1.9 above)	307	307
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	
4.5	Effect of movement in exchange rates on cash held	11	11
4.6	Cash and cash equivalents at end of period	1,202	1,202

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,202	884
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,202	884

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	Nil
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Amounts shown in item 6.1 relate to remuneration payments made to Directors.

CONSOLIDATED STATEMENT OF CASH FLOWS

7.	Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	13,015	13,015
7.2	Credit standby arrangements	-	-
7.3	Other – Convertible note	2,427	2,427
7.4	Total financing facilities	15,442	15,442
7.5	Unused financing facilities available at quarter end under the convertible note of approximately of \$7.5m.		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

The Company had the following current borrowings at 30 September 2024:

<i>Lender</i>	<i>Secured/unsecured</i>	<i>Principal outstanding \$</i>	<i>Maturity date</i>
LA & MDP Pty Ltd	Secured	3,400,000	15 August 2026
Syndicate	Secured	2,055,000	2 January 2026
Loan Notes	Unsecured	310,000	Not determined
Akuna Finance Pty Ltd	Unsecured	1,000,000	15 August 2026
Others	Unsecured	1,000,000	31 January 2026
Booker Super Services Pty Ltd	Unsecured	3,250,000	30 September 2026
Philbook Pty Ltd		2,000,000	30 September 2026
Convertible note	Unsecured	2,426,908	
Total		15,441,908	

8.	Estimated cash available for future operating activities	\$/'000
8.1	Net cash from / (used in) operating activities (item 1.9)	307
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,202
8.3	Unused finance facilities available at quarter end (item 7.5)*	
8.4	Total available funding (item 8.2 + item 8.3)	1,202
	*not shown as drawdown subject to agreement	
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
	Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
	8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer:	
	8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer:	
	8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer:	
	Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.	

COMPLIANCE STATEMENT has been prepared in accordance with accounting standards and policies which

1 comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

7 July 2025 Authorised by: The Board

For further information, please contact:

Netlinkz Limited
James Tsiolis
Managing Director & CEO
T: 1300 134 799
E: jtsiolis@netlinkz.com

About Netlinkz Limited (ASX:NET)

Netlinkz Limited (ASX:NET) is a networking vendor with a vision to create secure personalised connections for every user. The Netlinkz Network-as-a-Service (NaaS) proposition that is user-centric, creating a per-user private network that is available, secure and performance optimised, for authorised users regardless of their location.

Netlinkz allows enterprises to embrace their new-normal by allowing IT departments to consistently enforce employee connectivity policies (compliance), simplifying operations (cost), improving security (business continuity), while directly correlating technology investment to user productivity (value).

The company offers a range of products across three broad categories:

- Secure Internet, with Netlinkz transforming Starlink technology into a business grade service providing secure high-speed internet and an invisible cloud network.
- Network Security, which future proofs clients' business with Netlinkz's high-speed, secure cloud first private work solutions.
- Secure CCTV and IoT, with Netlinkz ensuring that all clients' video feeds and data from their CCTV and IoT systems are securely transferred, integrity checked and securely stored.

To learn more, please visit: <http://www.netlinkz.com>

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