



8 March: ASX Release

Trading Update

Continuing growth

Dimension Data Systems Agreement

Telstra Agreement

Highlights:

- February month-on-month growth in International Recurring Revenue (IRR) of 36% in line with January's performance sees annualised recurring revenues approaching \$2m
- 3-year Level 1 agreement signed with Dimension Data Systems (DD), one of Africa's leading technology services companies and part of the global NTT Group
- Telstra PSA extended for further 12 months

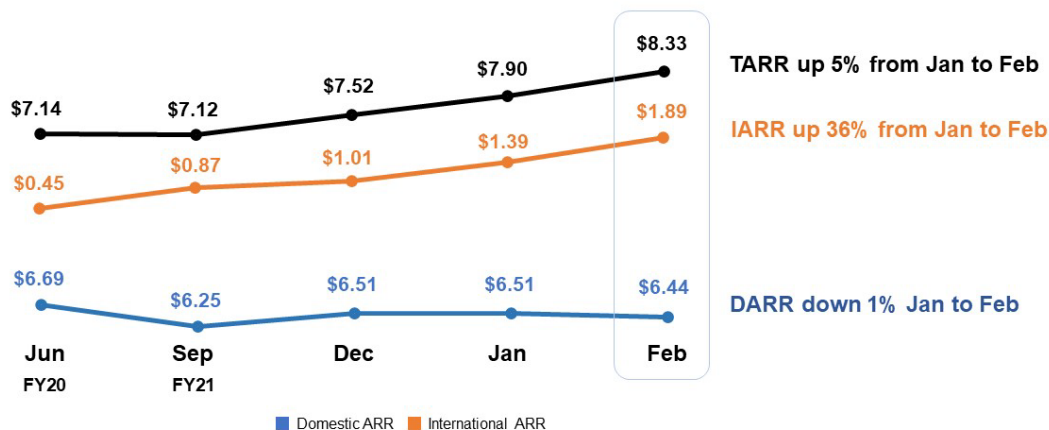
Trading Update

Leading Australian-headquartered, global, cybersecurity-as-a-service company, FirstWave Cloud Technology Limited (ASX: FCT) (FirstWave), provides the following trading update for February 2021:

International Recurring Revenue (IRR) in February of \$158k up 36% on January's \$116k and 690% on the prior corresponding period of \$20k. Revenue across the portfolio continued to grow and FirstWave's WebProtect DNS offering, by new pan-African Level 1 Partner Moja Access, part of the CSquared Group, contributed strongly.

International Annualised Recurring Revenues (IARR) increased to \$1.89m from January's \$1.39m.

FY21 Total Annualised Recurring Revenue (million)



*Revenue comparisons are pre-FX adjustments



Revenue AUD\$'000	Jan '21	Feb '21	Feb vs Jan '21	Feb '21 YTD	Feb'21 vs PCP
<i>Domestic Recurring</i>	543	536	-1%	4,325	-13%
<i>International Recurring</i>	116	158	36%	694	690%
Total Recurring	659	694	5%	5,019	9%

Notes:

- unaudited results
- revenue and prior corresponding period comparisons are pre-FX adjustments
- FX movements have an impact on both international sales revenues and expenses. Year to date, this is favourable to net results as a material proportion of FirstWave's costs are US\$ denominated
- PCP = previous corresponding period.

There are multiple factors influencing FirstWave's performance including:

1. **Domestic** - as previously advised, churn due to the end of life of a Cisco web solution impacted Domestic revenues through H1 as reflected in the comparative PCP numbers above;
2. **FirstCloud™ WebProtectDNS** – sales of this new offering from FirstWave's Technology Partner Simplifyd Systems UK have shown strong early growth which, on indications from our Partners, is expected to continue;
3. **COVID-19** – continues to impact international sales particularly in the UK and Europe as highlighted in FirstWave's H1 results announcement. Sales teams of some of FirstWave's international partners remain effectively, or actually, furloughed, making it challenging to forecast growth;
4. **Cisco** – opportunities with Cisco remain significant and revenues continue to grow but at rates that are slower than expected; and
5. **Telstra** – FirstWave's Product and Services Agreement (PSA) has been extended for a further 12 months. Billing arrangements have been brought in line with normal trading terms (rather than paid 12 months in advance) which will have a short-term impact on monthly cash balances but is expected to 'wash-through' by December '21.

We are pleased with the current growth trajectory in international recurring revenues and believe that growth in our domestic revenues will improve over the balance of the year. However, in light of the above factors, we now project year-end results, overall, will be below plan. We intend to continue to provide monthly updates.

Dimension Data Systems Agreement

FirstWave is pleased to announce the signing of a 3-year Level 1 Partner Agreement with Dimension Data Systems (DD), a US\$1.3Bn leader in designing, optimising, and managing evolving technology environments in Africa.

Under this partnership, the path to revenue is a new, powerful channel for FirstWave. DD's customers will get FirstWave's new FirstCloud™ WebProtect DNS offering on an "opt-out" basis through its subsidiary, Internet Solutions, a well-regarded internet service provider (ISP) in Africa.



This web security service will be included as part of their internet service and, if for any reason they want to discontinue, they must opt-out. This deployment model enables revenue to flow immediately.

In addition, momentum is expected to continue as the broader portfolio of FirstWave's cybersecurity-as-a-service solutions – email, web, firewall and endpoint protection - are rolled out through DD.

The 3-year agreement has rolling 6-month extension options, and, in keeping with FirstWave's unique service proposition – democratising enterprise-grade cybersecurity-as-a-service – the vast number of small and medium businesses across 15 African nations in East and West Africa can now be protected at their perimeter from cyber intruders gaining access to critical company data, on a consumption basis, at an affordable monthly price.

This announcement has been approved for release by the Board of Directors.

– ENDS –

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About FirstWave Cloud Technology Limited (FirstWave)

FirstWave democratises enterprise grade cybersecurity-as-a-service. An Australian headquartered global cloud security technology company, FirstWave, has delivered Security as a Service (SaaS) solutions since 2004. FirstWave provides safety through the most accessible and adaptive cloud-based cybersecurity solutions that are affordable and easy to implement. Its unique proprietary cloud-platform orchestration is available for service providers and enterprises of any size, anywhere. In an increasingly vulnerable digital world, FirstWave believes that safe business is good business and that all companies should have access to enterprise-quality cybersecurity at an affordable price. FirstWave's infrastructure, management and security processes are certified to ISO 27001 Information Security Management System Standard and ISO 9001 Quality Management System Standard.

www.firstwavecloud.com