

ASX/Media Announcement

17 October 2024



FirstWave Delivers Cashflow Positive Quarter

Global network management and cybersecurity software group FirstWave Cloud Technology Limited (FirstWave or the Company) (ASX: FCT) is pleased to announce that its preliminary financial accounts show the Company was cashflow positive in the three months to 30 September 2024.

The Company's cash reserves (unaudited) at the end of September were \$1.679 million, compared to \$1.678 million at the end of June. The first quarter result was a significant turnaround on the previous quarter where the Company's cash reserves declined by \$1.82 million.

FirstWave has previously advised it expects to deliver a cashflow positive FY25 with only a modest level of new sales.

The first quarter result was underpinned by operational improvements and synergies implemented throughout FY24 combined with the cyclical impact of receipt of additional revenue from uplift in a key contract with Microsoft Corporation (NASDAQ: MSFT) and the receipt of a \$230K R&D offset grant from an amended FY23 tax return.

FirstWave CEO Danny Maher said the company had undergone a significant transformation since the acquisition of Opmantek in early 2022 and the acquisition of Saisei in 2023.

"We have streamlined operations, exited or renegotiated unprofitable contracts, restructured the board and management team and are growing high margin revenues," he said. "While somewhat cyclical in nature, being cashflow positive in the first quarter is an important step towards our goal of having a cashflow positive year."

Full details of the Company's quarterly result will be made available at the FirstWave shareholder webinar on 30 October 2024.

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

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About FirstWave:

FirstWave is a global software company formed in 2004. The company is a leading provider of enterprise-grade network management, automation, audit and cybersecurity software, with over 150,000 organisations using FirstWave software across 178 countries. Clients include Microsoft, Telmex, Telstra, Claro and NASA.

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