

## CHAIRMAN'S ADDRESS TO SHAREHOLDERS

Good afternoon and thank you for joining us here today. My name is Peter James and I am the Company's Chairman.

I am delighted to welcome you to Dreamscape Networks' first Annual General Meeting as an ASX-listed company.

Financial year 2017 was a very busy year for the group. Notwithstanding the substantial distraction that the IPO created for the management team, I am very pleased with the progress our company has been able to deliver during its first financial year as a listed company.

This progress would not have been possible without the great team we have at Dreamscape Networks. On behalf of the entire Board, I would like to thank all our staff for their significant contribution towards the Company's success. I would also like to acknowledge and thank our management team, led by Managing Director & CEO, Mark Evans, for the good work they have done in taking Dreamscape Networks from strength to strength.

With the dedication and hard work of our over 550 staff located in Australia, Dubai, Ukraine, Singapore and the Philippines, I am confident that we have set the foundations that will see Dreamscape Networks emerge as the leading online solutions provider in the South-East Asian region.

In its maiden year as a listed company, Dreamscape Networks was able to deliver strong financial results, and position itself for the future with the successful completion of two accretive acquisitions in Australia and Asia.

Today, I am pleased to give you an overview of our success to date.

**With regards to our financial performance, Dreamscape Networks has performed strongly and achieved growth across key financial metrics.**

Revenue in FY17 was up 8.2% to \$46.4 million driven by solid growth in hosting and online solutions. Adjusted EBITDA grew 36.7% to \$10.8 million, with earnings growing faster than revenues. This reflects the shift in Dreamscape Networks earnings mix, as the Company's higher margin Solutions and Hosting products continue to grow as a proportion of total bookings, relative to lower margin Domains. This shift highlights Dreamscape Networks' repositioning from being a low-cost domain provider, towards becoming a trusted and affordable online solutions provider.

### **In FY17, Dreamscape Networks acquired businesses that underpin Australian and offshore expansion.**

There's no doubt that for a leading Australian business like Dreamscape Networks, the opportunity to expand its footprint across South-East Asia has the potential to transform the company into the region's leading online solutions provider. Throughout South-East Asia, millions of people are joining the internet each month, making the region one of the fastest growing internet markets in the world. This presents a significant opportunity for our company.

For this reason, we should be particularly pleased with the successful acquisition, and now integration, of the Vodien Group. Vodien is the number one hosting provider in Singapore and the number three .sg domain provider. It also has emerging operations in Indonesia and Malaysia, giving it a presence across key South-East Asian markets.

The acquisition of Vodien significantly accelerated Dreamscape Networks' expansion throughout South-East Asia. Vodien provided Dreamscape Networks with a ready-made, world-class hub with excellent infrastructure and facilities in Singapore, a large customer base, strong bookings and attractive margins. We estimate it has saved us three years in establishing a stand-alone operation in the region, at an estimated cost of \$13 million.

Pleasingly, we welcomed Vodien's founders, John Lee and Alvin Poh, as shareholders in our business and members of our executive leadership team. They bring a thorough understanding of the South-East Asian online solutions marketplace to the Dreamscape team and a commitment to continue our company's growth and expansion throughout the region.

Consistent with our objective to continue growing our domestic market share, Dreamscape Networks successfully completed the acquisition of Net Logistics during FY17. In addition, following the end of the financial year, Dreamscape Networks also announced the acquisition of Enetica Group. Both acquisitions, of Australian based hosting and domain businesses, expand our presence and dominance in Australia and are earnings accretive for shareholders.

### **Given the achievements of FY17, the outlook for Dreamscape Networks is positive.**

In FY17, Dreamscape Networks successfully laid the foundation for strong, sustainable growth. I am confident that, in time, our company will achieve its objective of becoming the leading online solutions provider across Australia, New Zealand, and South-East Asia.

In FY18, the company will continue its transition towards becoming the leading, trusted and affordable online solutions provider in the region, and grow its higher margin Hosting and Solutions pillars. Additionally, Dreamscape Networks' management team will continue to ensure the successful integration of all acquisitions, so that the benefits for shareholders are realised. Mark Evans, our managing director will elaborate more on our initiatives in his address to you.

Once again, I would like to acknowledge the hard work of our dedicated staff across the globe. Without your efforts, none of this would be possible. In closing, I would like to thank you, our shareholders, for your ongoing support. With our first financial year as a listed company complete, we have entered an exciting phase in our company's growth trajectory and I am confident that we will continue to capitalise on the opportunities that we see.

We have a clear strategy that will see us emerge as the leading online solutions provider in the South-East Asian region. While at the same time, delivering innovative and affordable online solutions for our customers, and growing value for our shareholders.

