



FY17 ANNUAL GENERAL MEETING PRESENTATION

Strong foundations for future success

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FINANCIAL SUMMARY



FY17 Revenue
\$37,025,141

Up 15% vs. PCP*



FY17 EBITDA
\$903,864

Up from FY16 of
(\$3,293,561)



FY17 NPBT
\$779,811

Up from a FY16 loss of
(\$3,388,509)



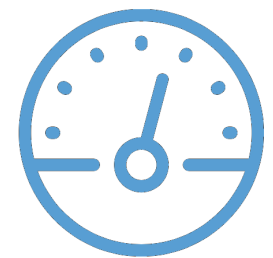
Cash
\$8,202,204

As at 30 June 2017

Up 46% vs. PCP

* Prior Corresponding Period

OPERATIONAL HIGHLIGHTS



26,496,608

App installs in FY17

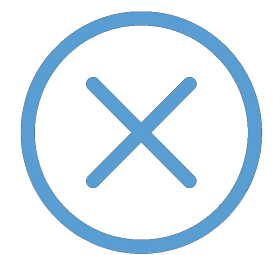
With our sole focus now on the growing market for mobile app installs, we've delivered **48% more installs for our clients**, up from 17.8m in FY16.



27%

Increase in revenue per client

Technology and servicing improvements have seen greater performance and ROI for our clients, resulting in **increasing budgets for Tech Mpire**. A sign of our competitive advantage.



2,500,000+

Fraudulent installs blocked

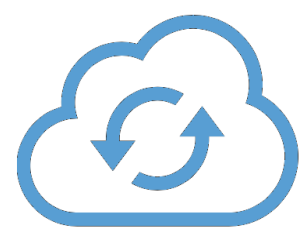
With the launch of TrafficGuard in October 2016, we now prevent a significant amount of invalid traffic and fraud from reaching our clients. With **competitors lacking a tool like TrafficGuard**, they continue to deliver this fraudulent traffic to advertisers.



833,401,333

Mobile users reached daily

Our efforts to scale our traffic sources, and focus on mobile users has seen us **grow our potential reach** to over 800m mobile users around the world. This scale helps us attract and retain high-tier clients looking for global user acquisition.



2 Trillion Data Points

Processed by nxus since launch

Our technology operates at scale, with a database of 2 trillion data points (such as who clicked on an ad, where they live, what device they used and more). nxus currently processes in excess of **6 billion data points each day** to monitor and report on campaigns, and algorithmically recommends the most relevant traffic partner for an advertiser campaign. It represents a **unique source of IP** for our business.

FINANCIAL OVERVIEW

- **Shift to profitability:** TMP recorded its first annual profit since relisting two years ago, with Net Profit Before Tax of \$779,811 for FY17. This exceeds the previously stated upper estimate of \$700K.
- **Continuing revenue growth:** TMP ended FY17 with another year of record revenue. FY17 revenue of \$37.0m is a 15% increase on \$32.1m FY16 revenue. TMP has now organically more than tripled its revenue from \$11.8m in FY15.
- **Improving margins:** gross margin has improved by 1.8% from 22.5% in FY16 to 24.3% in FY17.
- **Strong balance sheet:** Cash balance as at 30 June 2017 of \$8.2m is an increase of 46% on the 30 June 2016 level of \$5.6m.

	FY15	FY16	FY17
Revenue	11,849,518	32,123,476	37,025,141
Cost of Services	(9,890,720)	(24,895,438)	(28,014,267)
Gross Profit	1,958,798	7,228,038	9,010,874
Gross Margin %	16.5%	22.5%	24.3%
Other Income	151,555	359,585	208,484
Overheads	(3,910,285)	(6,695,194)	(8,224,106)
Operating Profit	(1,799,932)	892,429	995,252
Other Expenses	(8,473,365)	(4,280,938)	(215,441)
Pre-tax profit/loss	(10,273,297)	(3,388,509)	779,881

STRATEGY HIGHLIGHTS

- **Technology driven competitive advantage:** ‘Four-pillar’ technology strategy commenced (see slide 7).
 - Our technology platform, nxus, is driving our competitive advantage, focused on delivering high quality, high volume results for our clients.
 - Our proprietary quality assurance technology, TrafficGuard, launched in early FY17, is focused on ensuring app installs for our clients are real users (and not fraudulent). This provides a strong competitive advantage.
- **Focus on high-volume, high-quality traffic:** TrafficGuard continues our focus on quality.
 - **Our reputation for high quality customer results is paramount to long term growth.**
 - We prioritise **quality traffic supply over volume**, and continue to remove low-quality sources from our register.
 - Our quality focus is critical in continuing to attract and retain premium long-term clients.
- **New leadership:** CEO Lee Hunter commenced in May 2017, bringing 10 years' global adtech experience at YouTube and Google.
- **Ready to scale:** The CEO has focused on preparing TMP for further growth in FY18. Key actions include:
 - **Three-stage growth strategy (see following slide):**
 - 4 pillars technology strategy
 - Asia-Pacific rollout
 - Premium client focus
 - **Building a team for growth.** Starting with the appointment of Tech Mpire founder, Luke Taylor, as Chief Technology Officer. In addition, TMP bolstered its Board with the appointments of:
 - Mathew Ratty (a substantial shareholder), bringing significant capital markets and strategy experience.
 - Renaud Besnard, who joined in July 2017. Mr Besnard is the Regional Marketing Director of Uber, Asia-Pacific and previously held senior marketing positions at Google and Microsoft.

MULTIPLE GROWTH STRATEGIES FOR FY18

The next phase of Tech Mpire's growth is built on three elements.

Growth Strategy One
Accelerating our Four
Technology Pillars

Growth Strategy Two
Expansion into Asia Pacific

Growth Strategy Three
Targeting higher-value clients

GROWTH STRATEGY ONE: OUR 4 TECHNOLOGY PILLARS

In April 2017, we released on the ASX our technology strategy to enable global growth. We are accelerating the development of nexus to meet the market opportunity, investing in technology supporting our 4 pillars:

1:

Investment in **big data** analytics and automation to improve the efficiency, quality and profitability of our advertiser campaigns. This is the foundation for all of our technology.

2:

Accessing **higher-volume, higher-quality sources of supply**, allowing us to better satisfy the significant global demand.

3:

Strengthening our mobile business, by providing better audience data and easier engagement for mobile advertisers.

4:

The continued evolution of our **quality assurance measures** (i.e. TrafficGuard) to eliminate invalid traffic and improve the ROI for our clients and partners.

GROWTH STRATEGY TWO: EXPANDING INTO ASIA PACIFIC

The next phase of Tech Mpire's regional growth will be in Asia Pacific, as the region continues to dominate the app world.

Our technology and global reach positions us extremely well to tap into this explosive growth. Our Asia Pacific strategy is focused on export marketing, targeting app developers who are looking beyond their home countries, seeking to acquire new users around the world. nxus' scalable technology will allow us to expand into Asia Pacific efficiently and cost-effectively, focusing on satellite offices with lean business development teams securing clients throughout the region.



33% of the world's app developers are from Asia, with the region also reporting the highest rate of growth (Statista, 2017).



Mobile Internet advertising is **forecast to grow in Asia Pacific at a 22.2% CAGR** in the next five years (PWC, 2016).



60% of mobile game spending in 2016 occurred in Asia Pacific (IDC, 2017).



China accounted for nearly half of the iOS App Store's annual growth in 2016 (AppAnnie, 2017).

GROWTH STRATEGY THREE: TARGETING HIGHER-VALUE CLIENTS

With the developments to our supply sources, technology and management team, we are now in a position to pursue more diversified client base of global brands.

Tech Mpire remains focused on high-tier brands and apps that are looking to grow their user bases on a large scale. The companies we target are well funded, investing heavily and continuously seeking global user acquisition for their apps.

Building a more diverse mix of clients is expected to result in:

- Broader market appeal for Tech Mpire across diverse app categories and traffic supply sources
- Greater revenue potential through a more strategic approach to business development and the ability to extend our offering across verticals
- Reduced exposure to vertical-specific risk or seasonality

CURRENT PRIORITY: BUILDING QUALITY TRAFFIC SUPPLY TO MEET GLOBAL DEMAND

Finding advertisers is not our primary challenge; ensuring we have the right supply of quality traffic to meet the booming global demand is.

Measures to drive both quality and volume of online advertising traffic remain the highest strategic priority. These measures are critical to our ability to satisfy sustained, long-term demand from high-calibre clients. Here's how we're focusing our efforts:

1. **Scaling existing supply partners.** Through automation and mediation, nxus recommends the most suitable traffic sources, and optimises for each partner's full traffic potential.
2. **Gaining access to new high-volume supply partners** via business development and direct integration through APIs.
3. **Introducing new types of supply sources** through TMP-controlled media and integration with monetisation partners. For example, automating the media buying process through nxus.

OUTLOOK FOR FY18

Strategic business rollout to continue:

- Targeting new high-value, premium clients
- Appointment of global business development teams to focus on new geographies, verticals and client tiers
- Investigating a Silicon Valley presence to be closer to higher-tier clients

Organic revenue growth expected to continue:

- Fast growing addressable markets
- Scalable tech delivering competitive advantage
- Asia-Pacific rollout

Technology developments to improve competitive advantage:

- Continue to build the functionality of nxus, with a particular focus on improving the volumes of quality supply
- Improvements to TrafficGuard and fraud detection to build trust with top-tier clients

Ongoing efforts to prioritise high-volume, high-quality sources of traffic:

- Will continue to prioritise quality traffic supply over volume. Lower Q1 revenues as diminished traffic supply reduced capacity to meet demand
- Continuing technology investment in detecting fraud and removing low-quality traffic sources
- Urgent priority for bringing on new sources of high quality traffic supply

Expansion into Asia Pacific:

- Started recruitment process for APAC leadership
- Client facing operation likely to launch by start of 2018, with first revenues expected soon thereafter

FY18 earnings outlook:

- Expect annual revenue growth to continue, back-weighted to the second half FY18
- Expect positive cash flow from operations for full FY18 year
- Expect profits for the full FY18 year, despite a soft Q1

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