



# Investor Q&A Webinar

28-Jun-2018

**Gary Greenbaum**  
CEO and co-founder

**Rahul Agarwal**  
CTO and co-founder

Contact: [ir@syntonic.com](mailto:ir@syntonic.com)

Syntonic Limited (SYT.ASX)  
ABN 68 123 867 765



# Disclaimer



This presentation does not constitute or form part of any offer to sell, or solicitation of any offer to buy, any securities in the United States or any other country. This presentation may not form the basis of any contract or commitment whatsoever with any person. Distribution of this presentation may be restricted by applicable law. In particular, only persons in the United States who are "qualified institutional buyers" (as defined in Rule 144A under the US Securities Act of 1933) may receive this presentation.

This presentation has been prepared by Syntonic Limited ("Syntonic") as a summary only, and does not contain all information about Syntonic's assets and liabilities, financial position and performance, profits and losses, prospects, and the rights and liabilities attaching to Syntonic or Syntonic's securities. Any investment in Syntonic should be considered speculative and there is no guarantee that they will make a return on capital invested, that dividends would be paid, or that there will be an increase in the value of the investment in the future.

Some of the statements contained in this report are forward looking statements. Forward looking statements include but are not limited to, statements concerning Syntonic's business plans, expected costs, and expected revenues, and other statements which are not historical facts. When used in this presentation, and in other published information of Syntonic, the words such as "aim", "could", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements.

Although Syntonic believes that its expectations reflected in the forward-looking statements are reasonable, such statements involve risk and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

## Corporate Details

ASX Stock Code	<b>SYT</b>
Issued Ordinary Shares	<b>2,609,543,546</b>
Market capitalization (27 June 2018, undiluted)	<b>A\$31.3 MILLION</b>

## Mission Statement

Syntonic enables mobile carriers to unleash the value of mobile data, growing new revenue streams based on differentiated and high margin services generated from Syntonic's two products: Freeway by Syntonic® and Syntonic DataFlex®.

Freeway, Syntonic's Content Monetisation Platform, enables carriers to offer sponsored and unlimited-data content plans.

DataFlex, Syntonic's Enterprise Mobility Platform, enables enterprises to reduce the cost of deploying, managing, and operating their company's smartphone program.

## Major Shareholders (27 June 2018)

Gary Greenbaum	<b>17.98%</b>
Rahul Agarwal	<b>17.98%</b>
Mr Gavin J. Dunhill	<b>2.41%</b>
Citicorp Noms	<b>2.36%</b>
BNP Paribas Noms	<b>1.88%</b>
Arredo Pty Ltd	<b>1.53%</b>
Sunset Capital Management	<b>1.15%</b>
<b>Total Top 25:</b>	<b>57.26%</b>



## First Mover Advantage

First and only cross-carrier Content Monetisation Platform and Mobile Split Billing Solution

Created a defensible technical and business barrier of entry for sustainable marketplace leadership



## Vast Market Opportunity

Strong installed user base of 34.1 million smartphones [1-May-2018] with a CY2018 pipeline *addressable audience* of +950m



## Credible Partnerships with Global Reach

Capturing business opportunity with market leaders such as Verizon Wireless, Smart Communications, Tata Communications, and other tier-1 carrier customers



## Revenue Generating & Available Today

Broad distribution throughout the world:

- U.S.
- Southeast Asia
- India
- Latin America
- *Coming soon Africa*

# Unleashing the value of mobile data



**Freeway**

**Content Monetisation Platform**  
enabling mobile carriers to capture  
new revenue streams from content  
services



**SYNTONIC  
DataFlex**

**Enterprise Mobility Platform**  
enabling businesses to reduce their  
mobile costs and increase workforce  
productivity

**SYNTONIC**

## One platform, two solutions





# Content Monetisation Platform

Freeway offers mobile carriers a solution for capturing new revenue streams from advertisers, value-add service providers, and consumers.

## Services:

Ad Supported Access

Data-free Promotions

Subscriptions ( 'content plans' )

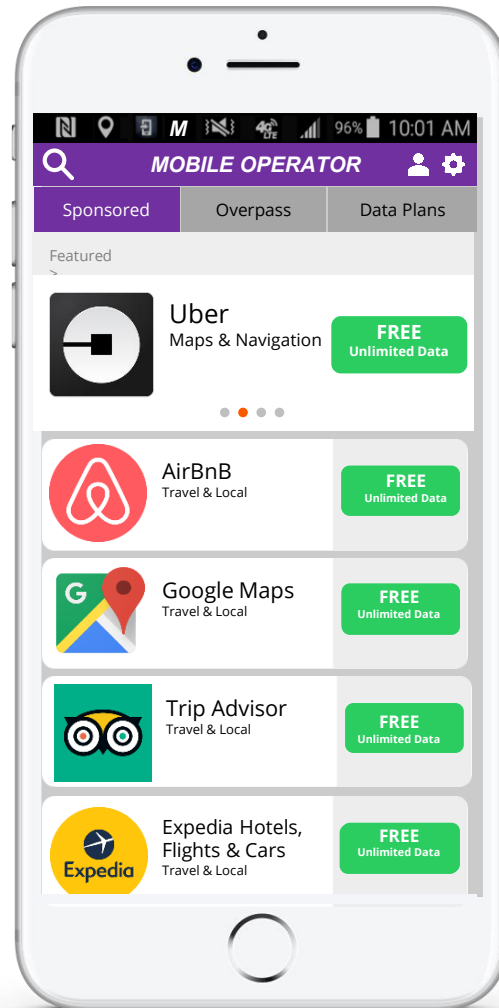
Data Gifting

Zero-rated downloads

Action based Data-Rewards

Wallet for storing, retrieving, transacting with earned credits

## Freeway Traveller App



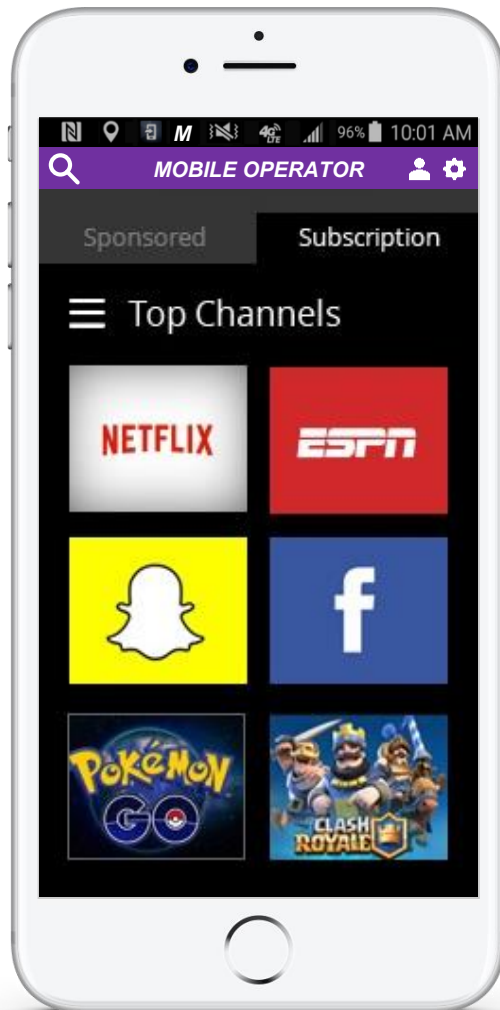
## Mobile Operator Branded Freeway Experience





# Revenue model

## Mobile Operator Experience (powered by Freeway)



## Recurring Fees

### Device Royalties

Volume pricing based on active units/month

### Revenue Sharing

Gross revenue generated by service split between operator & Syntonic

### Maintenance Support

Fixed percentage of monthly invoiced fees

### Hosting Fees

Optional hosting across Syntonic's global network of data centers

## Market Opportunity

### Large Operators (>50M subs)

Potential revenue opportunity >US\$500K/month/operator\*

Represents ~30 operators

### Midsized Operators (10m – 50m subs)

Potential revenue opportunity US\$100K-US\$500K/month\*

Represents ~65 operators

### Small Operators (<10m subscribers)

Potential revenue opportunity US\$50K/month\*

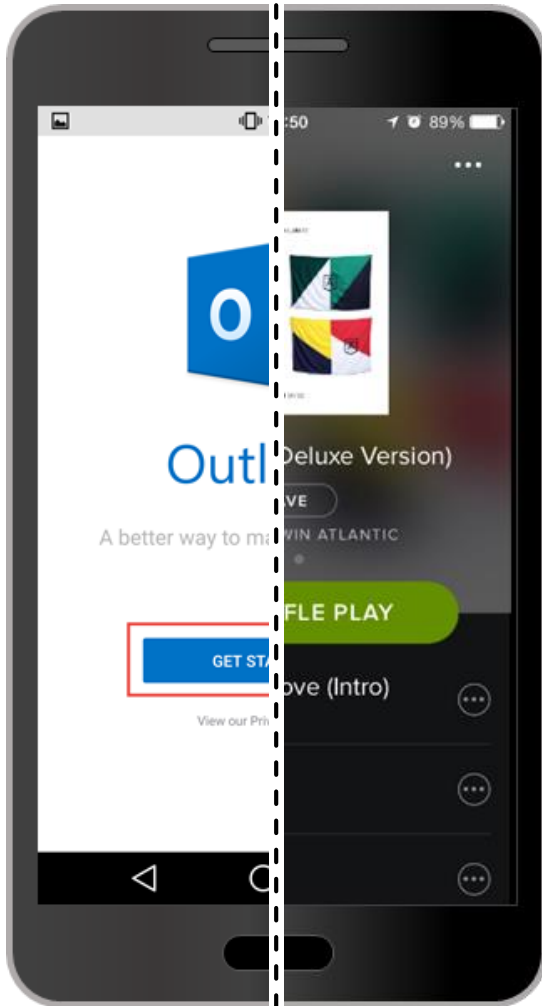
Represents ~1000 potential operators and ~1000 MVNOs

\*Revenue numbers assume full deployment and will vary by geography

# Split Billing and Application Data Analytics

Business Data

Personal Data



**Separates personal and business use**

**50% or more reduction**  
of corporate mobile costs

**10% or more enhancement**  
of workforce productivity

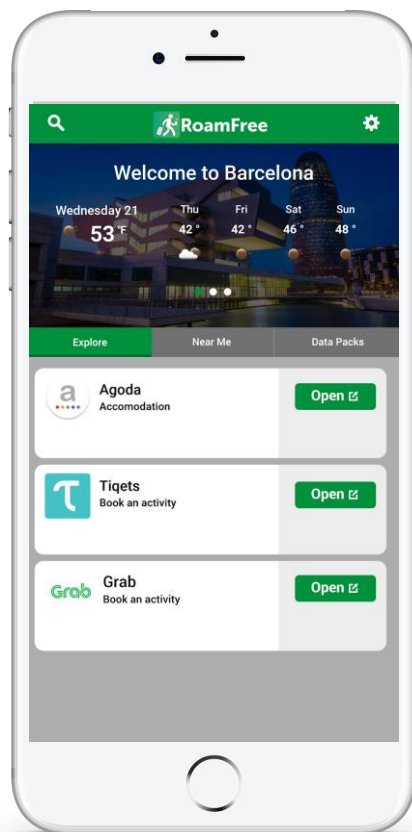
**Enhanced corporate security**  
with employee usage analytics

Addressable market for Syntonic DataFlex

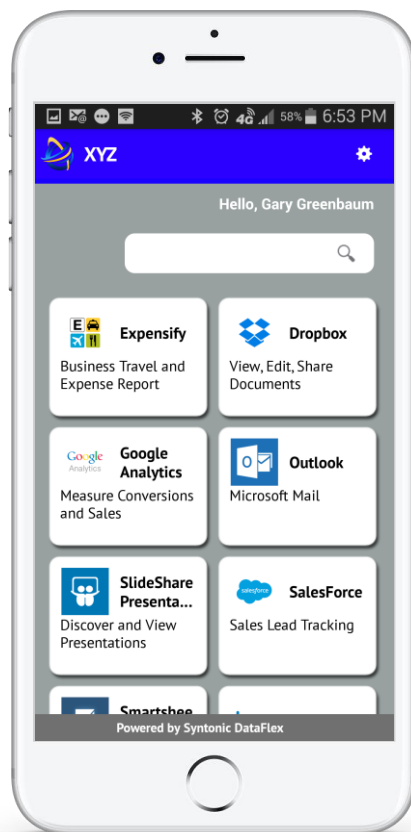
**100,000+ companies with over  
75M employees in the U.S. alone**



## Deployment of the Freeway International Roaming Services

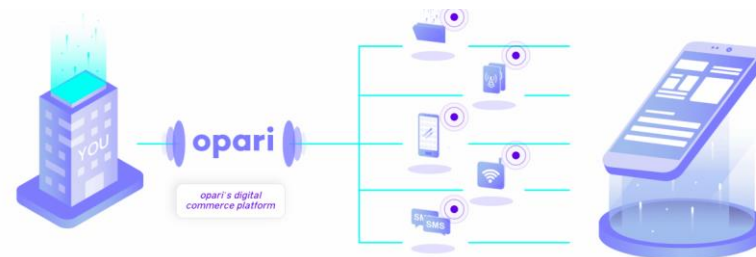


## DataFlex commercialization and first revenue agreement

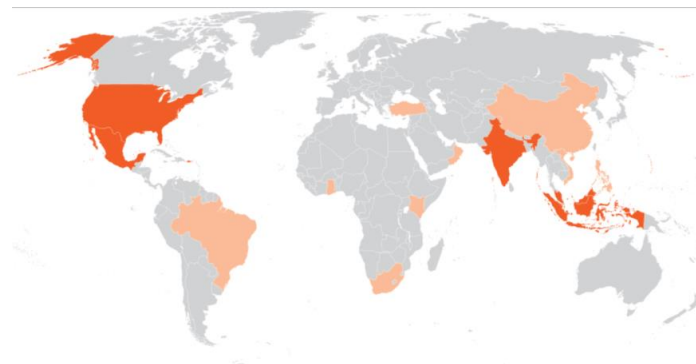


## Tier-1 Platform licensing:

Tata Communications, Smart Communications, and others



## 25% Q-on-Q growth in Freeway Installed Base



Adding new CY2018 partnerships: Turkey, Oman, Africa, Brazil, and Philippines

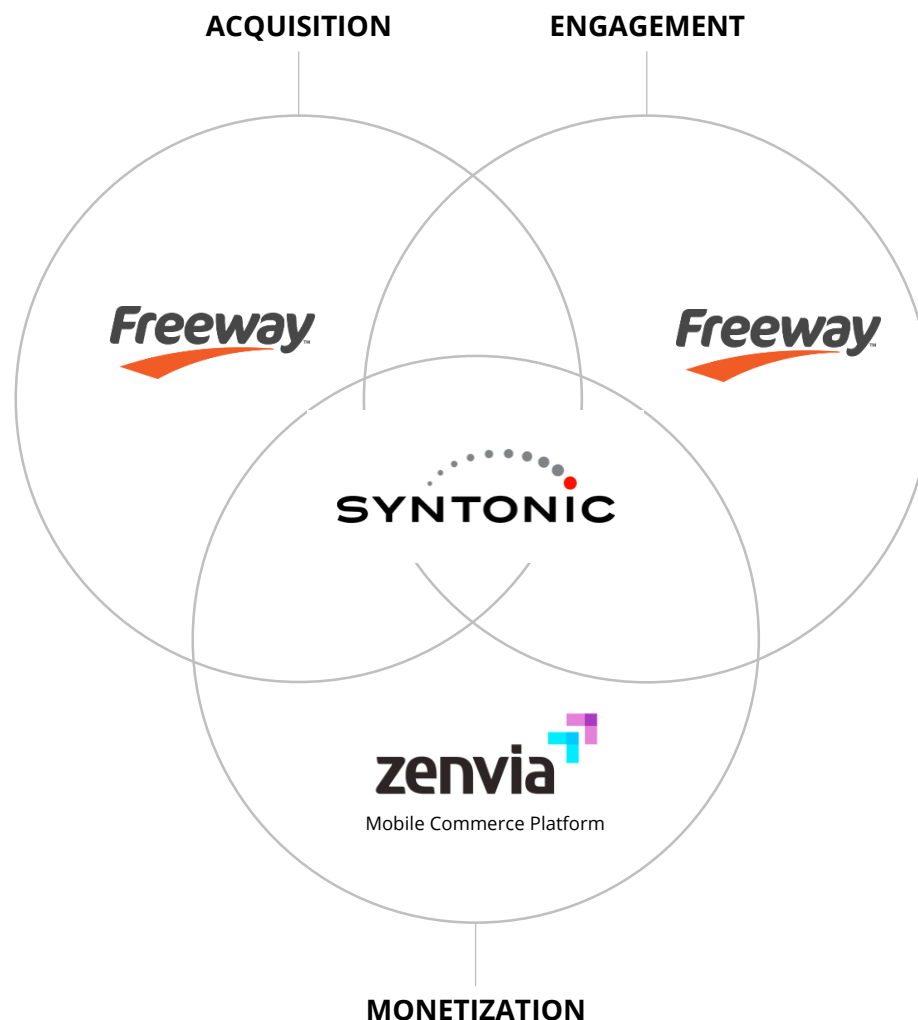
## Proposed acquisition of Brazilian mobile commerce business unit

Syntonic is proposing to purchase the assets of the mobile commerce business unit of Zenvia Mobile Servicos Digitais S.A ("Zenvia"), a leading Brazilian B2B messaging platform company servicing >50% of the top Brazil companies.

Acquisition of Zenvia's mobile commerce business unit assets is subject to the satisfaction of Syntonic's due diligence investigations and the execution of formal documents.

Zenvia's mobile commerce platform is the only solution directly intergrated with all four major Brazilian mobile operators, with access to nearly 240 million mobile phones<sup>1</sup>, which enables consumers to make online purchases, billed directly to their phone bill.

<sup>1</sup>Source: [http://www.teleco.com.br/en/en\\_ncel.asp](http://www.teleco.com.br/en/en_ncel.asp)



# Syntonic Brazil: Deal Terms

**Subject to execution of a formal binding agreement between Syntonic and Zenvia**

## Indicative Deal Terms

It is proposed that the acquisition will be on the following terms:

- Zenvia will transfer all technical assets, business agreements, and key employees associated with Zenvia's mobile commerce business unit to Syntonic
- Purchase price will comprise of a non-dilutive, all cash consideration of US\$700,000
- Zenvia will be entitled to a cash earnout of 20% of the first US\$21.5M of contribution margin<sup>2</sup> generated by the acquired assets, over a period of 3.5 years
- Completion proposed to occur in H2 CY2018

## Zenvia's Mobile Commerce Business CY 2017 Financials<sup>1</sup>

Gross Revenue (unaudited)	A\$ 13.95 million
EBITDA (unaudited)	A\$ 0.89 million

<sup>1</sup> Assuming Dec 2017 conversion of A\$ 1.00 = R\$ 2.588

<sup>2</sup> Contribution Margin = net revenue - marketing spend



# CY2018 Outlook & Strategy



Major growth in Freeway platform licensing to carriers in Africa, Asia Pacific, Latin America, and Central Europe

Broadening deployment of the Freeway International Traveler app in popular tourist destination markets

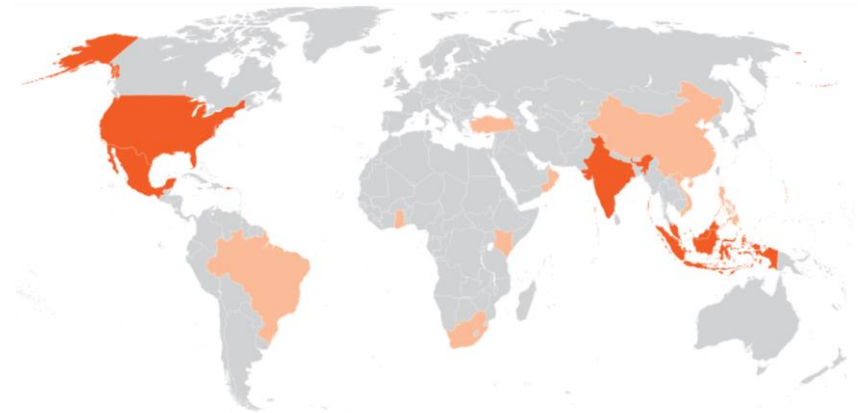


Advancing commercial deployments and re-seller relationships



Full ownership transition resulting in quarter-on-quarter revenue growth for mobile commerce services in Brazil

## Freeway CY2018 Market Expansion



And more...



# Q&A



Please contact:  
Syntonic Investor Relations  
E: [ir@syntonic.com](mailto:ir@syntonic.com)

Syntonic (USA)  
119 First Ave, Suite 100  
Seattle, Washington 98104  
USA

Syntonic Limited (Australia)  
945 Wellington Street  
West Perth, WA 6005  
Australia



[www.syntonic.com](http://www.syntonic.com)