



Southern Crown Resources Limited  
Level 4, 100 Albert Road  
South Melbourne VIC 3205  
P 03 9813 3882 F 03 9813 4882  
ACN 143 416 531  
E [info@southerncrown.com.au](mailto:info@southerncrown.com.au)  
W [southerncrown.com.au](http://southerncrown.com.au)

1<sup>st</sup> May 2015

## **ASX Announcement**

*By e-lodgement*

### **ACQUISITION OF ROMIO – INVESTOR PRESENTATION**

Southern Crown Resources Ltd (**ASX:SWR**), is pleased to release an investor presentation detailing a company overview of ROMIO, a disruptive social media platform business being acquired by the Company..

Yours sincerely

A handwritten signature in blue ink, appearing to read 'R Grivas', is positioned above the printed name of the signatory.

RHODERICK GRIVAS  
CHAIRMAN  
SOUTHERN CROWN RESOURCES LIMITED



# Welcome to **ROMIO**

Recommendations you can  
trust from friends and locals

**Investor Presentation**

30 April 2015

# Disclaimer

This presentation contains summary information about the business of Romio, which is proposed to be acquired by Southern Crown Resources Limited (Southern Crown), and is current as at 30 April 2015. The information in this presentation is of general background and does not purport to be complete. It should be read in conjunction with Southern Crown's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at **[www.asx.com.au](http://www.asx.com.au)** and in particular its announcement regarding the acquisition of Romio made on 29 April 2015.

This presentation is not investment or financial product advice (nor tax, accounting or legal advice) and is not intended to be used for the basis of making an investment decision. Investors should obtain their own advice before making any investment decision.

Southern Crown has relied on information provided to it by Romio at the time of releasing this presentation. No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information, opinions and conclusions contained in this presentation.

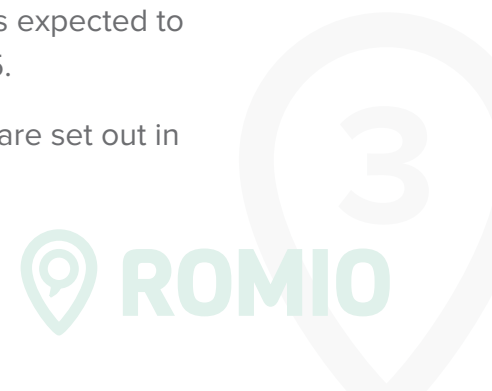
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# Indicative Transaction

- ROMIO Inc. (“ROMIO”) is seeking to list on the ASX and raise equity capital in conjunction with Southern Crown Resources Limited (ASX: SWR). The transaction is to be facilitated via a reverse takeover of ROMIO (“Acquisition”) by Southern Crown.
- ROMIO is a United States based company that has created a platform which provides its users credible and informative reviews of services within their communities/neighbourhoods. The platform also serves as a cost effective lead generation/referral avenue for freelancers and Small and Medium Enterprises (SME) looking to service clients within their local community.
- It is envisaged the Board of Directors upon listing will comprise of three ROMIO nominated directors, the appointment of Tarik Sansal as Managing Director and CEO and the resignation of two existing Southern Crown directors.
- Contemporaneously with the Acquisition, Southern Crown (which is to be renamed ‘ROMIO Limited’) will undertake an equity issue of up to 160m Shares at minimum an issue price of A\$0.05 per Share to raise up to A\$8m (“Offer”).
- Subject to the satisfaction of a number of conditions precedent, Southern Crown Resources Ltd will issue 200 million shares in Southern Crown to acquire ROMIO.
- Foster Stockbroking Pty Ltd has been appointed as Lead Manager to the Offer.
- Following approval by Southern Crown Resources shareholders to proceed with the Acquisition (expected to be obtained in July 2015) and re-compliance with Chapter 1 and 2 of the ASX Listing Rules, ROMIO is expected to list on the ASX in September 2015.
- Further details on the transaction are set out in ASX Release dated 29 April 2015.



# Company History

ROMIO is a **New York based company** founded in 2010 by Tarik Sansal



ROMIO partnered with **a growing list of prominent local experts** in NYC who are authorities in local recommendations and categories.

To date ~US\$6million **has been invested in developing the platform**



ROMIO v1 was rolled out in early 2015 with **no marketing spend and has already attracted thousands of users.** ROMIO v2 to be rolled out in May 2015.

Over the course of the last 30 months ROMIO has received backing from heavyweight US venture capitalists', prominent media CEOs and hedge fund managers in the US, Europe and Asia.

# Company Overview

ROMIO's platform provides users with a superior alternative to connect with and engage local service providers.

By using high quality curated recommendations ROMIO is disrupting the way consumers source services

The company's core operations involve:

1. Providing its users a place where they can source **trustworthy** and **credible** services
2. Driving commerce within communities in urban settings via ROMIO industry experts
3. Providing freelancers and small and medium enterprises (SME) a cost effective lead generation method to drive sales

ROMIO's key differentiator from its competitors is that it sources recommendations from user's **social graphs** via several social media platforms – increasing **credibility and trustworthiness**

**Highly scalable** and **high margin** business model with multiple revenue streams

Disrupting an industry with forecasted annual advertising spend of **\$152 Billion\*** by 2017

**ROMIO is a multi-faceted network designed to deliver the very best recommendations and drive commerce at a neighbourhood & citywide level.**

# The Problem

up to **40%**

of revenue is generated with assistance of online reviews for small businesses

**15%**

Of people will not visit a small business if there is even a single poor review

## However

Given the nature of the online review business model i.e. anonymous and unregulated and it's importance – businesses are increasingly posting fake reviews online to either drive their own sales or destroy competitor's market share

It is estimated that  
**15-20%**  
of online reviews are fake.

# The Proof

Fake reviews  
in ACCC's sights

FINANCIAL REVIEW

*The Seattle Times*

Amazon sues to block  
fake reviews on its site

TripAdvisor fined  
\$600,000 for  
fake reviews

 **CNBC**

**Forbes**

Why Consumer  
Reports Says You Can't  
Trust Angie's List

Angie's List sets aside  
\$4M to settle suit over  
fee renewals

INDY**STAR**  
A GANNETT COMPANY

**Sunday Times**  
perth**now**.com.au

Restaurant owners hit  
out at fake reviews

A Whopping 20%  
Of Yelp Reviews  
Are Fake

**BUSINESS  
INSIDER**

*The Sydney Morning Herald*

"authorities reveal companies  
paid writers.. to write glowing  
reviews of services they had  
never experienced"

Craigslist ad offers cash  
in exchange for fake  
Yelp reviews



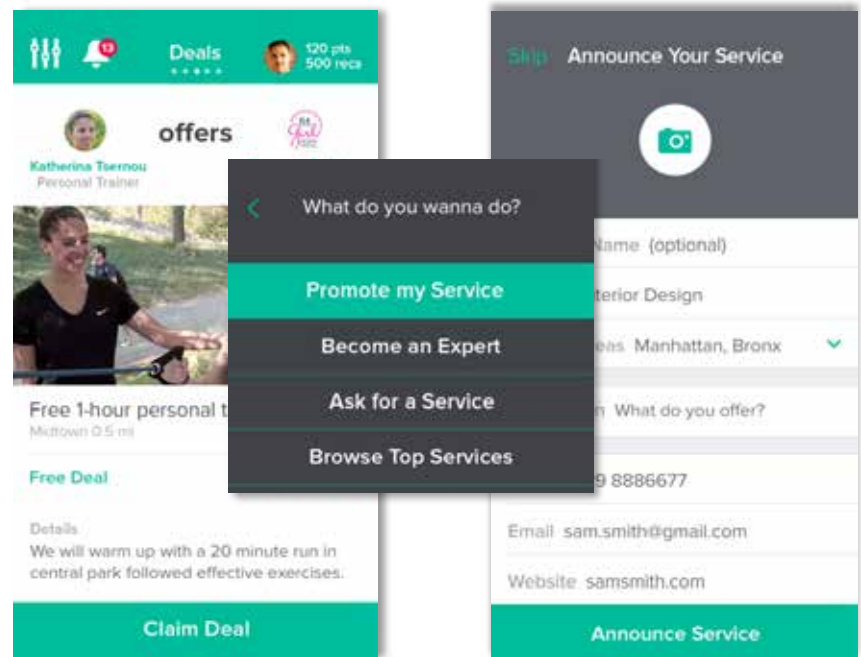
**THE WEEK**  
THE VERY BEST OF THE BRITISH AND INTERNATIONAL MEDIA

Don't believe  
everything you read  
on Yelp



# ROMIO is the solution

- Allows users to discover the best services in their neighbourhoods and cities via high quality curated recommendations by local experts and personal connections
- ROMIO's proprietary algorithm is able to generate the best fit, streamlining the sourcing process and weeding out the noise
- Variety of crowd sourced services available on demand. Examples include:
  - Personal trainers
  - Photographers
  - Web developers
  - Real estate agents
  - Dog walkers
- Allows small businesses and freelancers a risk-free, efficient and cost effective avenue for lead generation



Discover your  
neighbourhood and city.



# ROMIO V Incumbents



## Yelp, TripAdvisor Craigslist, Nextdoor

- Reviews from strangers
- Reviews for everyone = Lots of noise
- Words not endorsements
- Consumer has to spend substantial time reading reviews before forming an informed opinion
- Open to fake reviews manipulation, etc.
- Limited accountability due to the anonymous nature of the platform

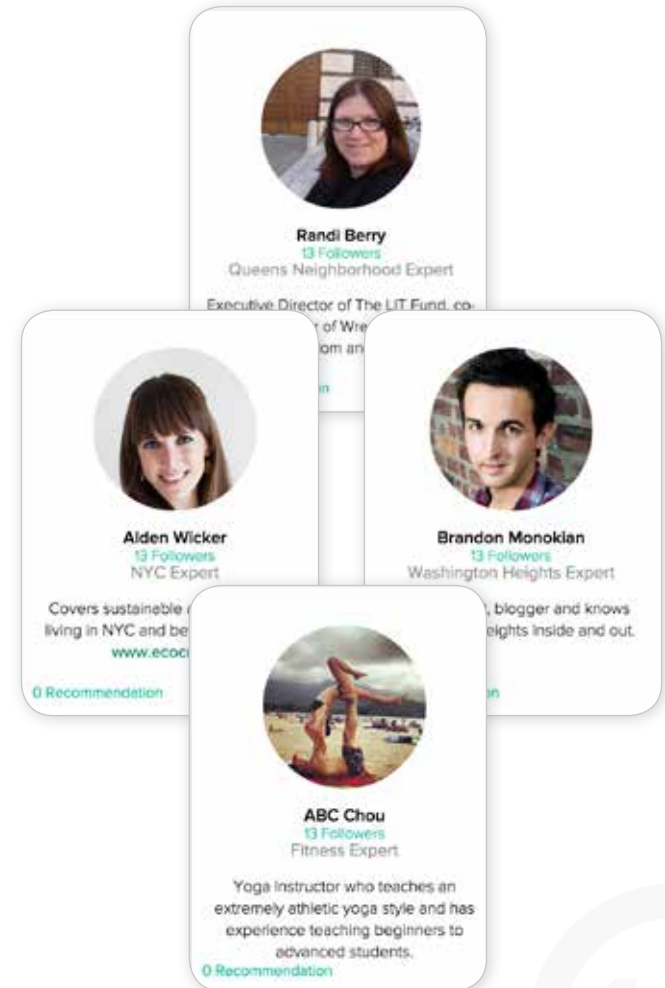
- Endorsements from credible people i.e. friends, acquaintances and local experts
- For platform-users - personalised, curated, recommendations
- Positive platform – No ulterior motives for competitors to place negative reviews



# ROMIO

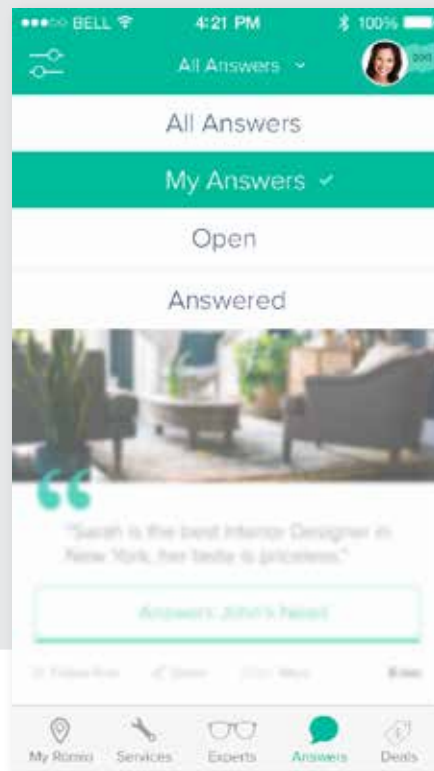
# How ROMIO Helps

- **Freelancers & Small to Medium Enterprises**
  - Ability to turn social network into a referral network by engaging people within its immediate neighbourhood
  - Lead generation
  - Marketing and PR
  - Building trust within community
- **Individuals with knowledge within a specific field – ‘ROMIO Expert’**
  - Ability to promote knowledge
  - Promotional deals and incentives from business owners on platform
  - Networking with relevant industry participants
  - Get visibility – cross promoting own business
- **Users**
  - High quality reviews for local business with enhanced trust
  - Comfort of knowing they won't receive a bad service
  - Source services at short notice i.e. babysitter, hair dresser, etc.
  - Recommendation and rating system ensures accountability & transparency e.g. Airbnb, UBER



# Revenue Model

Multiple revenue streams with further opportunities to monetise as the platform evolves



## Transactional fee

ROMIO to take a fee for all platform transactions  
- Similar to Airbnb & UBER

## Advertising Revenues

Premium/ultra premium listings on the platform – similar to Google, Carsales.com/Seek.com

# Marketing Channels

Signing up bloggers & influencers to the platform – mutually beneficial cross promotion – 65 already integrated



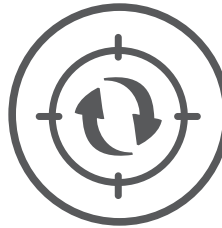
Encouraging users to advertise to their social graph's to gain ROMIO points and recommendations



Continue to expand on ROMIO's online community through various social media outlets



Advantages with Search Engine Optimisation (SEO) due to ROMIO's local and targeted nature



Traditional word of mouth and recommendations – consistent with the business' operations



Leveraging ROMIO's inspirational stories to the public via traditional newspapers and PR agencies

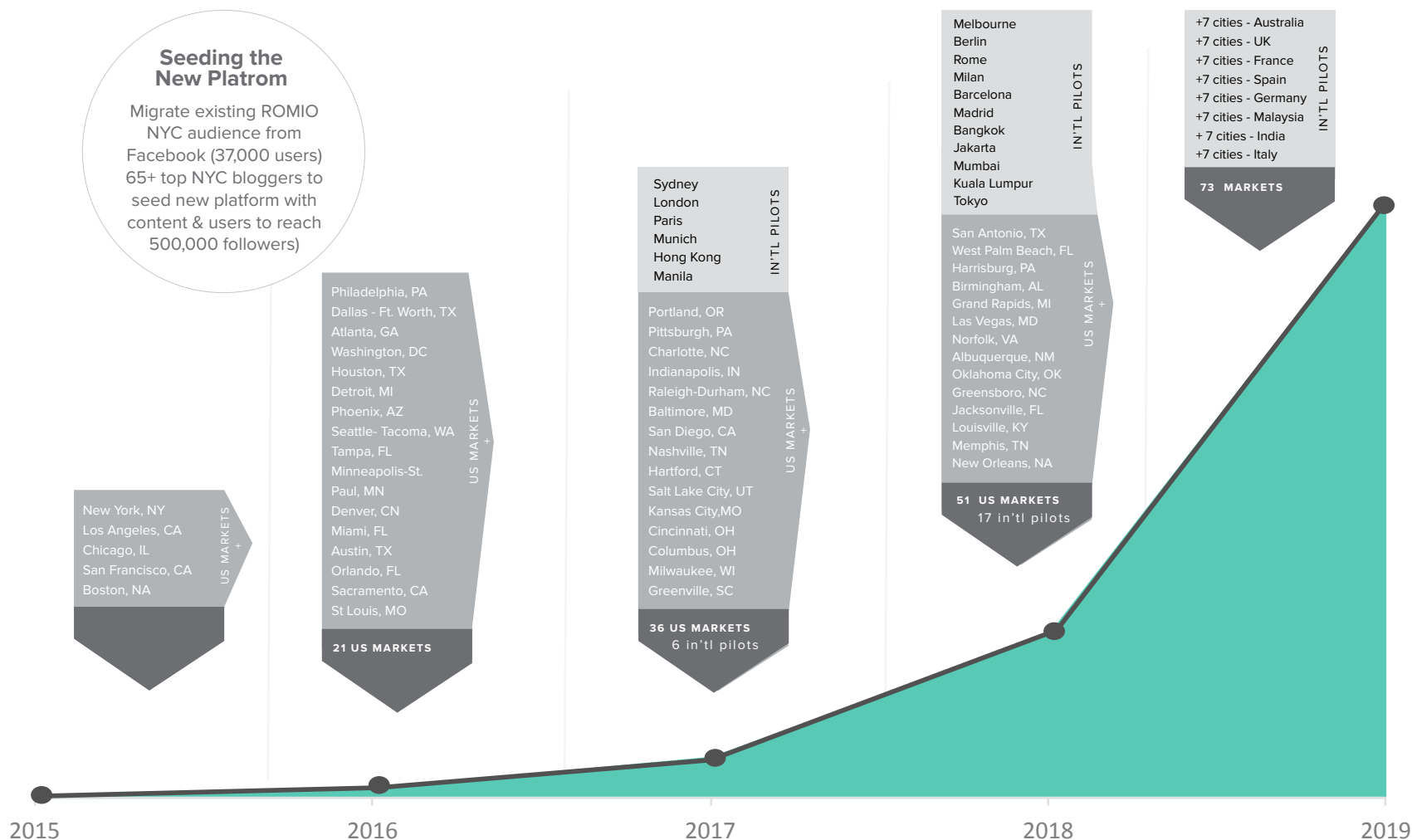


# User + Market Growth Projections

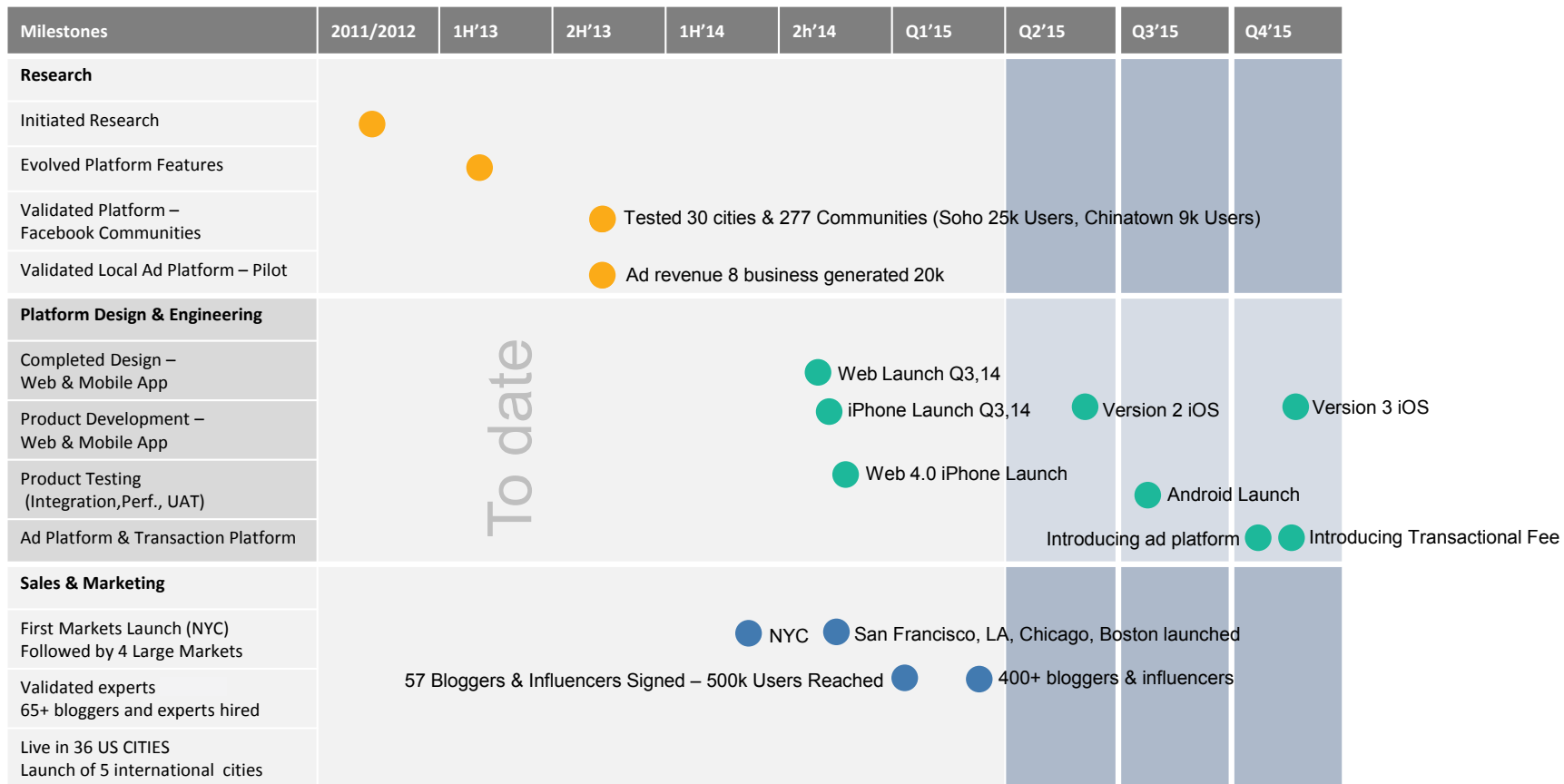
Roll-out of four more cities in US in Q4 2015 then fast-track further cities in 2016 and move internationally in 2017

## Seeding the New Platform

Migrate existing ROMIO NYC audience from Facebook (37,000 users)  
65+ top NYC bloggers to seed new platform with content & users to reach 500,000 followers)



# Developmental Timeline



Time line in accordance with Calender years

# Peer Valuation Metrics

## Start Ups

Valuation ~\$600m

\$162.4m raised  
in 6 Rounds

Microsoft most  
recent investor

**Foursquare**

Valuation \$660m

~ \$165m raised  
in 7 rounds

Sequoia Capital,  
Vy Capital & Info Edge

**Zomato**

Valuation ~\$1.1bn

\$210.2m raised  
in 4 rounds

Valor Capital, Insight  
Venture Partners investors

**Nextdoor**

**GrubHub**

**TripAdvisor**

**YELP**

## Public

\$4.9Bn Market Capitalisation

Revenue: ~\$326m Gross  
Margin: ~65.5% EV/EBITDA  
Valuation: 53.1x EV/Revenue  
Multiple: 14x

\$15.2Bn Market Capitalisation

Revenue: ~\$2Bn Gross  
Margin: ~96.8% EV/EBITDA  
Valuation: 30.9x EV/Revenue  
Multiple: 9.3x

\$4.4Bn Market Capitalisation

Revenue: ~\$500m  
Gross Margin: ~94%  
EV/EBITDA Valuation: 128x  
EV/Revenue Multiple: 8.4x



# Executive Team



**Tarik Sansal**  
Founder, CEO

Previously founded OnTargetJobs.com, network of niche recruitment sites backed by Warburg Pincus and acquired by Dice. Prior, he worked for Hedge Fund, Moon Capital.



**Max Schwartz**  
EVP of Business Development

Experience in designing and executing digital and grassroots marketing campaigns with emphasis on driving behaviour through custom social media strategies.



**Chris Aiello**  
CFO

Chris handles all financings, accounting and legal. He has over 5 years experience as CFO of Pan Capital handling all real estate and alternative investments.



**Makeda Mengistu**  
Senior Front End Developer

Makeda has over 10 years of industry experience in the development of medium to large-scale applications at various companies, notably SAP and NAMCO.



**Josh Cleetus**  
Head of iOS Development

iOS programmer since 2011 Coded numerous apps, including Yooka BeUrSelfie and Tagrigator. Previously worked as a mechanical engineer for 5 years



**Henry Brown**  
Director of Design

Helped build apps for large companies such as MTV, Bloomberg, to name a few, and small start-ups, he has increased traffic and usage through excellent user experience and user interface design

## Select Investors

**Nigel Morris,**

Aegis CEO

**Bob Gelfond,**

Amazon Angel

**Jean Bernard-Levy,**

Current CEO of Thales and Ex-CEO of Vivendi Universal

**Ken Kwok,**

Ex-Chairman of UBS Asia

**Sean Reynolds,**

Managing Partner, Lazard Investments

## Advisors



**Scott Krause**

Scott has over 14 years of consumer Internet product management experience, primarily in the mobile and social space; AdKeeper.com, IgoUgo, Napster & Infoseek



**Chao Wang**

Senior back end engineer at Pinterest, was previously with Zynga for 2 years and Google for 4 years.

# Investment Highlights



- I ROMIO solving a growing problem amongst consumers – especially Gen Y
- II Clear business model with multiple revenue streams and clear path to monetisation
- III Disrupting an industry with an estimated annual advertising spend of \$152 Billion by 2017
- IV Substantial upside based on peer valuations with significant M&A activity in the space
- IV User friendly and attractive platform built and ready to be rolled out
- V Marketing partnerships in place with influential bloggers and ‘experts’
- VI Backed by proven and highly experienced board, management and strategic investors

# Thank you

Contact:  
[Tarik@romio.com](mailto:Tarik@romio.com)



# ROMIO