

(ASX: ICU)



Building the Digital Economy
in South East Asia

1H16 RESULTS PRESENTATION

24 February 2016



Agenda

1.	1H16 overview
2.	Financial highlights
3.	Operational highlights
4.	Outlook
5.	Appendix

1H16 in summary

- Strong earnings growth
- NPAT of \$1.70m
- Expansion of mobile banking into Cambodia
- New connection to payment aggregator in Thailand broadening subscriber base for digital media services
- Continue to execute growth strategy and expansion, launching the 1st Mobile Customer Self Service App in conjunction with Sarawak Energy Berhad (SEB) in Feb 16

Financial highlights

Key profit and loss items \$m	1H16	1H15	Change
Revenue & Other income	5.45	3.90	↑ 40%
EBITDA	1.40	-	↑ >100%
Net Profit/(Loss) after Tax	1.70	(0.27)	↑ >100%
Earnings per share (cps)	1.25	(0.82)	↑ >100%

- Revenue up 40% to \$5.45m
- EBITDA of \$1.40m
 - Arte Mobile was the substantial driver with continuing strong growth in both top line and gross contribution. Digital Media Service is well positioned for strong growth with huge profit margin.
- Net profit after tax of \$1.70m up from a loss in 1H15 of (\$0.27m)
- Earnings per share up from loss 0.82cps in 1H15 to 1.25cps

Utilising balance sheet to support business growth

Key balance sheet items \$m	31 Dec 2015	30 Jun 2015	% Change
Cash and equivalents	0.5	1.2	(58%)
Accounts Receivable	3.5	3.8	(8%)
Other Assets	0.8	0.2	300%
Total Current Assets	4.8	5.1	(6%)
Total Non-current Assets	18.0	18.0	-
Total Current Liabilities	2.9	4.2	(31%)
Total Equity	19.9	18.4	8%

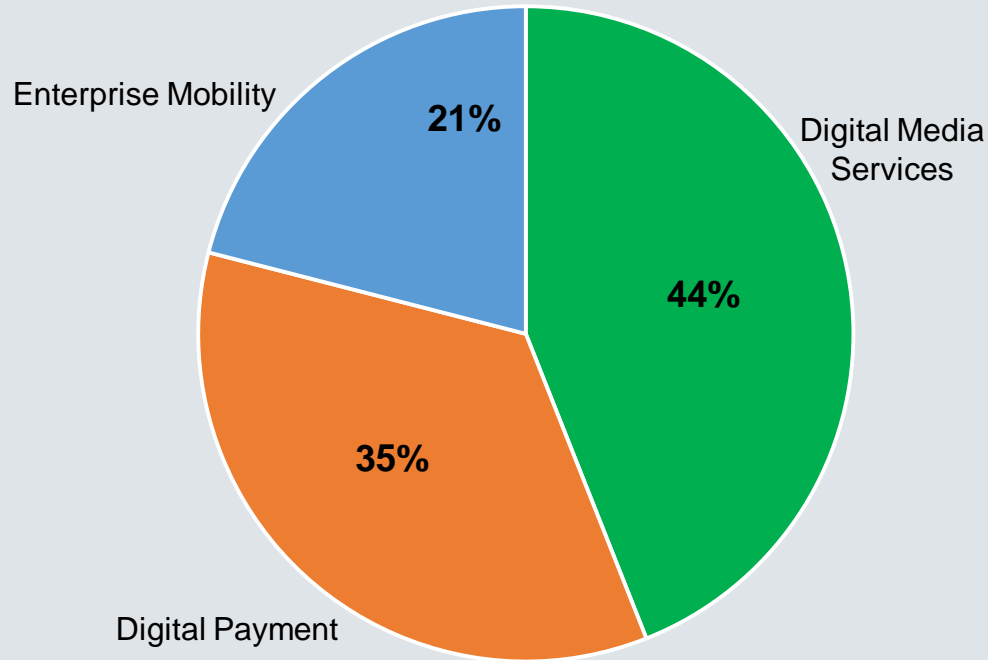
- Cash down 58% to \$0.5m at 31 Dec 15 as a result of the repayment of vendor finance for the acquisition of Arte Mobile in last year. This also caused the reduction in current liabilities of 31% to \$2.9m.
- Increase in other assets of 300% to \$0.8m was due to deposit paid for the purchase of office building in Indonesia.
- Other assets also benefitted from an increase in tax refundable due to payment of withholding tax which can be used as a tax credit, and the prepayment of corporate tax.

Segment analysis

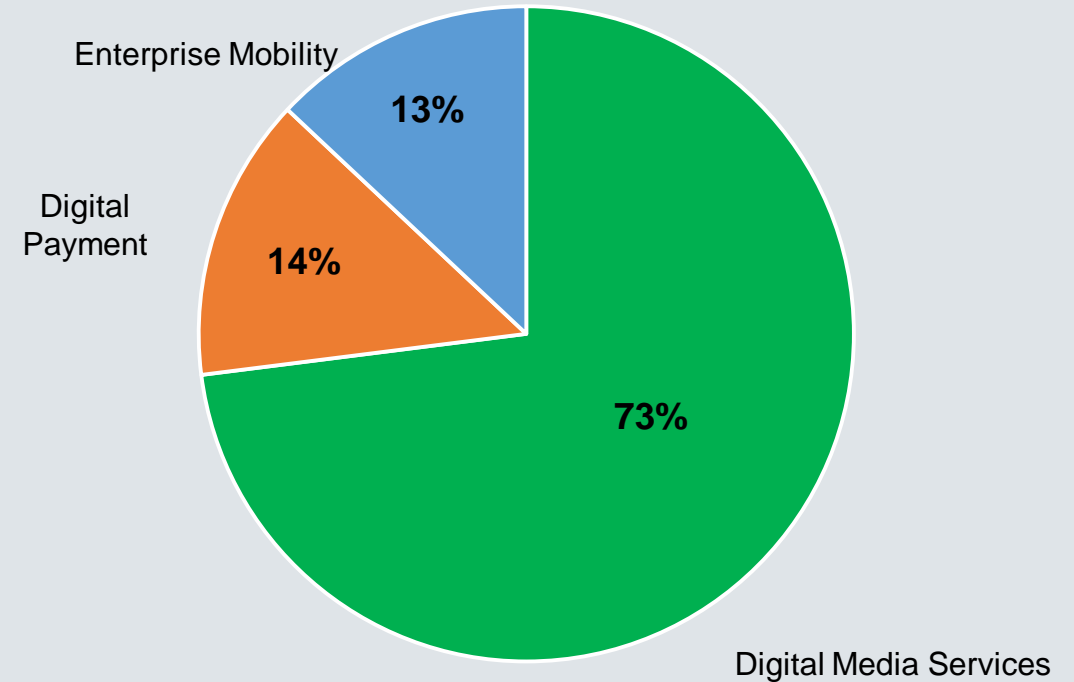
Revenue and Gross Profit Contribution 1H16

Achieving strong growth in the high margin Digital Media Services segment

1H16 Revenue Contribution
(\$5.4 million)



1H16 Gross Profit Contribution
(\$3.2 million)



Operational highlights

BUSINESS OPERATIONS

- ✓ 80 staff
- ✓ Presence in Malaysia & Indonesia (280m population) and connected to payment aggregator in Thailand enabling distribution of digital media services to subscribers
- ✓ Connected to 9 telcos
- ✓ 70% of Business income is recurring

MARKET LANDSCAPE - SOUTH EAST ASIA

- ✓ 10 Countries
- ✓ 25 Major telcos
- ✓ 625m population
- ✓ ~90% Prepaid Subscription

DIGITAL MEDIA SERVICES - B2C

- ✓ 10m active paying subscribers
- ✓ Content IP: celebrity, lifestyle, sports & games
- ✓ Average sign up rate per month, 500k new subscribers

DIGITAL PAYMENTS - B2B

- ✓ 100+ Digital content providers
- ✓ Transaction volume per month, 2million +
- ✓ Transaction value, A\$0.20 to A\$1.50

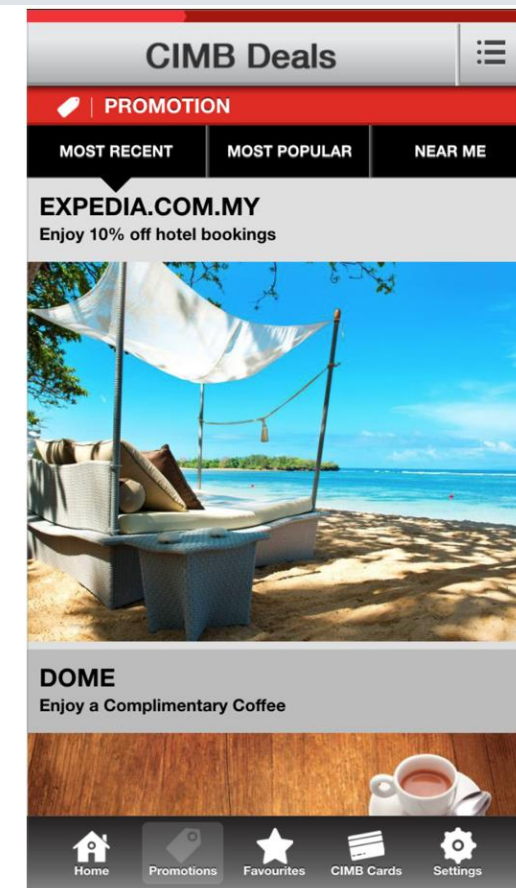
ENTERPRISE MOBILITY - B2B

- ✓ 13 Financial Institutions
- ✓ 50+ Large Enterprises
- ✓ Technology IP: Mobile Banking Platform

Enterprise Mobility Mobile Commerce Service

Mobile Commerce Application created for CIMB Bank (Malaysia) during 1H16

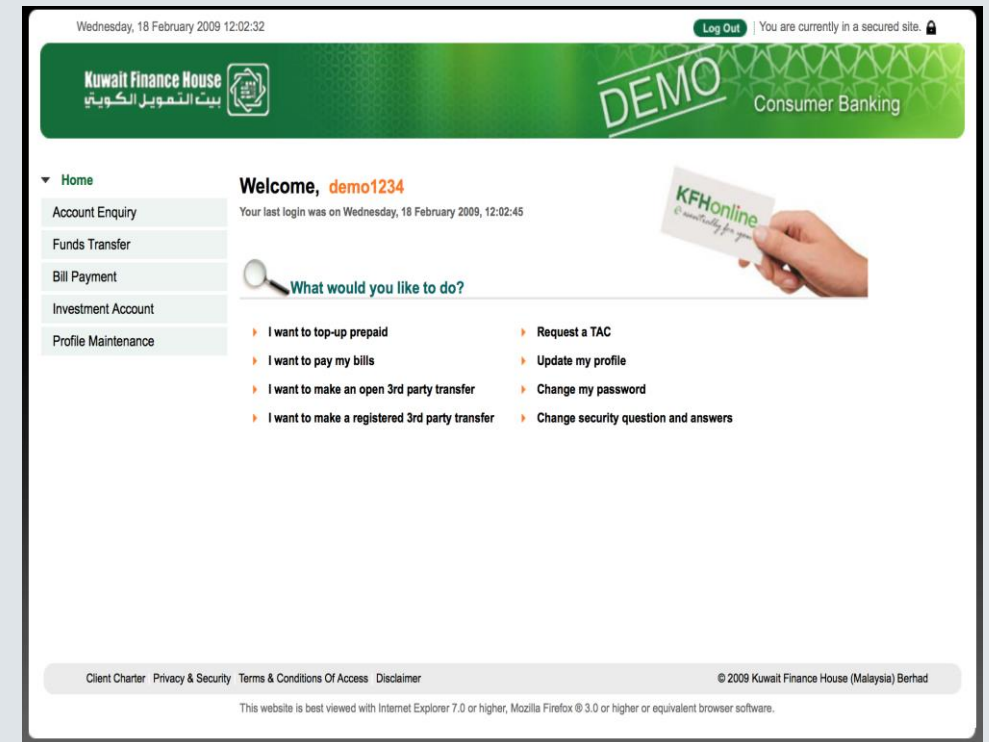
- CIMB Deals is a lifestyle application targeting existing and potential credit card customers of the bank
- With the app, customers get timely, contextually-relevant, and personalised promotions and marketing messages from the bank
- Features such as push notifications, and geo-location enable customers to receive updates on the go
- This helps the bank to effectively engage with their customers at a lower cost whilst boosting spending



Enterprise Mobility Digital Payment Gateway Solution

Digital Payment Gateway Solution for Kuwait Finance House (Malaysia) – Dec'15

- Successful implementation of iSentric Nexus Payment integration solutions to link up the bank's channels (e-banking, ATM) to JomPAY and FPX
- The electronic payments projects are in line with the aspirations of Bank Negara Malaysia and adds richer functionality to the bank's e-banking services, creates greater convenience for the customer, and increases fee income for the bank
 - JomPAY is Malaysia's national bill payment scheme established and operated by MyClear, a wholly owned subsidiary of Bank Negara Malaysia (Malaysia's central bank), with the participation of banks and large billers
 - FPX (or Financial Process Exchange) is a convenient and secure online payment solution that allows real-time debiting of customers' internet banking account of multiple banks. FPX is operated by MyClear



Growth Drivers



- Connected to payment aggregator in **Thailand** enabling us to distribute digital media services to a market of 93 million
- In progress of connecting to payment aggregator in **Australia** to further tap into high ARPU audience there
- Aim to connect to payment partner in **Vietnam and Myanmar** in CY16

1. Online Interactive TV featuring celebrities
2. Games

EPS accretive acquisition of strategic capabilities and markets

Growth Drivers

An online interactive TV

- A revolutionary rich communication social platform that engages users in real-time online group activities through voice, text and video
- Leveraging on iSentric's access to vast popular celebrities, after a soft launch in Nov 15 we are now developing the technology behind the product in-house instead of using a third party, due to launch in Q3 CY16
- Similar business model as NASDAQ:YY INC, operations in China, with market cap of US\$4b



Growth Drivers

New product launched - GameBuffet



- Launched in Malaysia during 1H16
- Target launch in Indonesia and Australian during 2H16.
- About GameBuffet:
 - 100 HTML5 Games all-you-can-play for AUD 0.30 a week.
 - Games are compatible with iOS, Android, Windows, Blackberry and Symbian which requires no installation
 - This service allows us to penetrate into both existing markets and across new markets as these casual games have no language or cultural barriers while being highly compatible with all handsets.

Key Priorities and Outlook

- Enter new geographies focussing on Thailand, Vietnam and Myanmar
- Grow the high margin Digital Media business which will drive growth in the Digital Payments business
- Grow the Enterprise Mobility business via messaging and mobile banking
- Further leverage relationships with telcos in order to invest in new products with a high return on capital
- Assess potential strategic acquisitions
- On track to achieve FY16 EBITDA guidance range of \$2.8m to \$3.1m based on existing business



Building the Digital Economy
in South East Asia

Appendix

Client Portfolio

BANK&FINANCIAL INSTITUTIONS

mobility2u

citibank

Standard Chartered

CIMB NIAGA

AIG

RHB

Bank Muamalat

ipay88

Al Rajhi Bank

Takaful Malaysia

AmBank Group

ENTERPRISE MOBILITY CLIENTS

mobility2u

HUAWEI

Kenny Rogers ROASTERS
World's Greatest Chicken

NU SKIN
THE DIFFERENCE. DEMONSTRATED.

TOYOTA
Moving Forward, Forward and Forward

PETRONAS

TAHAN INSURANCE

California FITNESS

MANDARIN ORIENTAL THE HOTEL GROUP

sarawak energy

PUBLIC BANK

DIGITAL MEDIA PARTNERS

mobilityPay mobilityGames

News Corp **Kosmo!** mface

easy2pay mimopay **sinchew-i**
星洲互动.com

GAMES MANA MyCard funnel

homey iG-Interactive 独立新闻网
merdeka.review.com

GAMEVIEW 游戏网 www.gameview.asia 南洋网
nanyang.com 星洲日报
SIN CHEW DAILY

Utusan MALAYSIA **TODAY**
SPORTS-LIFE-STYLE

SKYLER 天乐网 Let's Fly 中国报新网
ChinaPress.com

DISCLAIMER Some of the information contained in this presentation contains “forward-looking statements” which may not directly or exclusively relate to historical facts. These forward-looking statements reflect iSentric Limited current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside the control of iSentric Limited.

Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks. Because actual results could differ materially from iSentric Limited current intentions, plans, expectations, assumptions and beliefs about the future, you are urged to view all forward-looking statements contained herein with caution.

(ASX: ICU)



Building the Digital Economy
in South East Asia

1H16 RESULTS PRESENTATION

[24] February 2016

