

Delivering digital growth.





About us.



Regional digital commerce and marketing group underpinned by strong technology skill set and tools.



ASX-listed with
A\$55m in FY14 sales,
A\$30m market cap



300 digital professionals



work with over
1,000 clients



from 9 offices across
7 Pacific Rim countries



offering integrated digital services
in high growth markets

Three specialist divisions combining to deliver end-to-end eCommerce.

Strategies and Solutions



Strategy



Technology

Customer Acquisition



Discovery



Acquisition

Customer Management



Conversion



Retention

Technology skills and tools

End to end eCommerce

nextdigital

empowered
communications

dgm

jericho





Team.




Major shareholder has a track record in building and exiting technology and digital businesses.

travel.com.au
ONE DESTINATION. ENDLESS POSSIBILITIES.

lastminute.com.au

SOFTWARE OF EXCELLENCE
A HENRY SCHEIN® COMPANY



CO INVESTOR | STRATEGIC BLOCK INVESTING

About Us | The Opportunity | Screening Test | Executive Team | Case Studies | Investments | ESG | Media | Contact | Investors

Co-Investor is a value investor in growth companies. Our strategic block investing framework enables us to identify deep value opportunities in the small cap listed markets then make concentrated investments of **capital, skills and time.**

We're not conventional. We seek out companies that small cap fund managers overlook, and we work hard to add value to them. Unlike private equity firms, we spend most of our time investing in companies that are listed on regional stock exchanges. As our name implies, we are comfortable investing in a partnership context alongside management, strategic and other financial investors.

We're not just a source of capital. Co-Investor is a strategic partner that works with other stakeholders to take emerging companies to the next level, maximising value for all shareholders. We believe that if we can add value to the companies we invest in, all shareholders including ourselves will benefit.

This "all in together" approach differentiates Co-Investor. Because we invest in, work with and sometimes run small caps, we understand how difficult the process can be, and we can see the world from the perspectives of both investor and investee.

We're regional in focus. With offices in Sydney and Singapore, we see a flow of opportunities that spans the region. We focus on Australia, New Zealand and ASEAN, aiming to deploy capital where we believe we can generate the best returns for our investors.

Motivated and experienced team across the region.



Roger Sharp
Executive Chairman

30 years of international leadership roles in technology and investment/banking.

Formerly Chairman of travel.com.au Limited, Global Head of Technology & CEO of Asia-Pacific Equities for ABN AMRO. Non-Executive Director of Webjet.



Peter Hynd
Chief Operating Officer

15+ years in finance and active investment.

Managing Director of Co-Investor, Asia Pacific Digital's major shareholder.



Campbell Nicholas
Chief Financial Officer

21 years' experience as a CPA.

CFO & Company Secretary of Digital Performance Group for the last eight years.

Motivated and experienced team across the region.



Newton Smith
Head of Strategies and Solutions Division,
Group CEO - Next Digital

30 years' experience in technology, sales and operations.

Previously led IBM's emerging markets eCommerce offer and its global outsourcing business in Manila.



Shaun McNamara
Head of Customer Acquisition Division, CEO - Empowered

20+ years' experience in sales, marketing and online performance marketing.

Last 12 years building Empowered Communications.



John Matthews
CEO - dgm

15 years' digital marketing experience working with leading local and multi-national blue chip brands across UK, Europe and ANZ.

Established the dgm search offering in Australia in 2004.



Paula Harrison
Head of Customer Management Division,
Group CEO - Jericho

20 years' experience in digital marketing disciplines including email, mobile and social.

Previously CEO of Returnity in Australia.



Sean Toohey
Head of eCommerce Division

20 years' experience in the delivery of software solutions and online retail.

Previously General Manager, eCommerce of Salmat Digital.





Clients.



Supporting over 1,000 clients on their digital journey.



Managing Ford's digital platform to suit the unique needs of more than 100 international markets.

Client Objective: up-to-the-minute content available to international consumers across emerging markets

Services: Next Digital runs Ford's international digital platform and content in a partner relationship



“Our affiliate marketing has increased revenue by 43% and gained 500% ROI - well ahead of industry benchmarks.”

CHRIS JOWSEY, SENIOR MANAGER
WEB E-COMMERCE, LENOVO

Client Objective: increase revenue, new leads and ROI

Services: Empowered & dgm provide exclusive affiliate partnership & lead generation programs in Australia

lenovo.



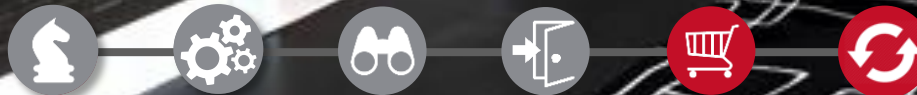
“This customer-centric approach is crucial to our digital strategy, customer engagement and relevant online experience for travellers.”

RAPHAEL SAW, CHIEF OPERATING OFFICER
FAR EAST HOSPITALITY

Client Objective: boost customer engagement, repeat visits and cross-sell the Far East hotel portfolio

Services: Jericho manages Far East Hospitality’s CRM, email marketing and digital communications

 FAR EAST
HOSPITALITY



ARRIVAL #A167
ENJOY ACQUINO INTL

Asia

JUN 08 1996

7 Flight Status Stay Immigration
7816781678167816781678167816781678167



Asia.

JUN 09 1997

DEPARTURE
ENJOY ACQUINO INTL AIRPORT

Flight D211 Immigration Office

JUN 06 1996

ccfcr
Flight D267

PHILIPPINES 2000
ARRIVAL
ENJOY ACQUINO INTL AIRPORT

JUN 10 1997

Visitor - Permitted to remain until

20 Jun 96

HONG KONG
- 6 JUN 96 -
IMMIGRATION

HONG KONG DEPARTED
10 JUN 1996
MANNING
40475
HONG KONG
- 9 JUN 1997
HONG KONG

Visitor - Permitted to remain until
23 JUN 1996

HONG KONG DEPARTED
JUN 1996
HONG KONG



Asia is the world's fastest growing digital advertising market.

China & Hong Kong

 623m/45%

 \$9.6bn

 27%

Southeast Asia


 158m/37%

 \$0.6bn

 47%

Australia & NZ

 22m/78%

 \$6.6bn

 13%

Digital Advertising Market



Online population m / %



Market size US\$

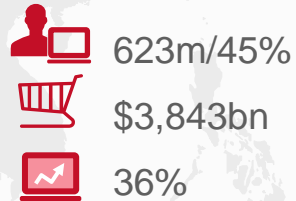


CAGR 2013-16

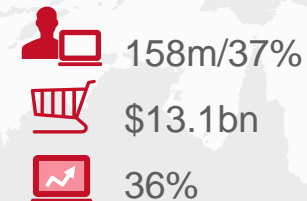


eCommerce in Australasia is maturing while Asia surges.

China & Hong Kong



Southeast Asia



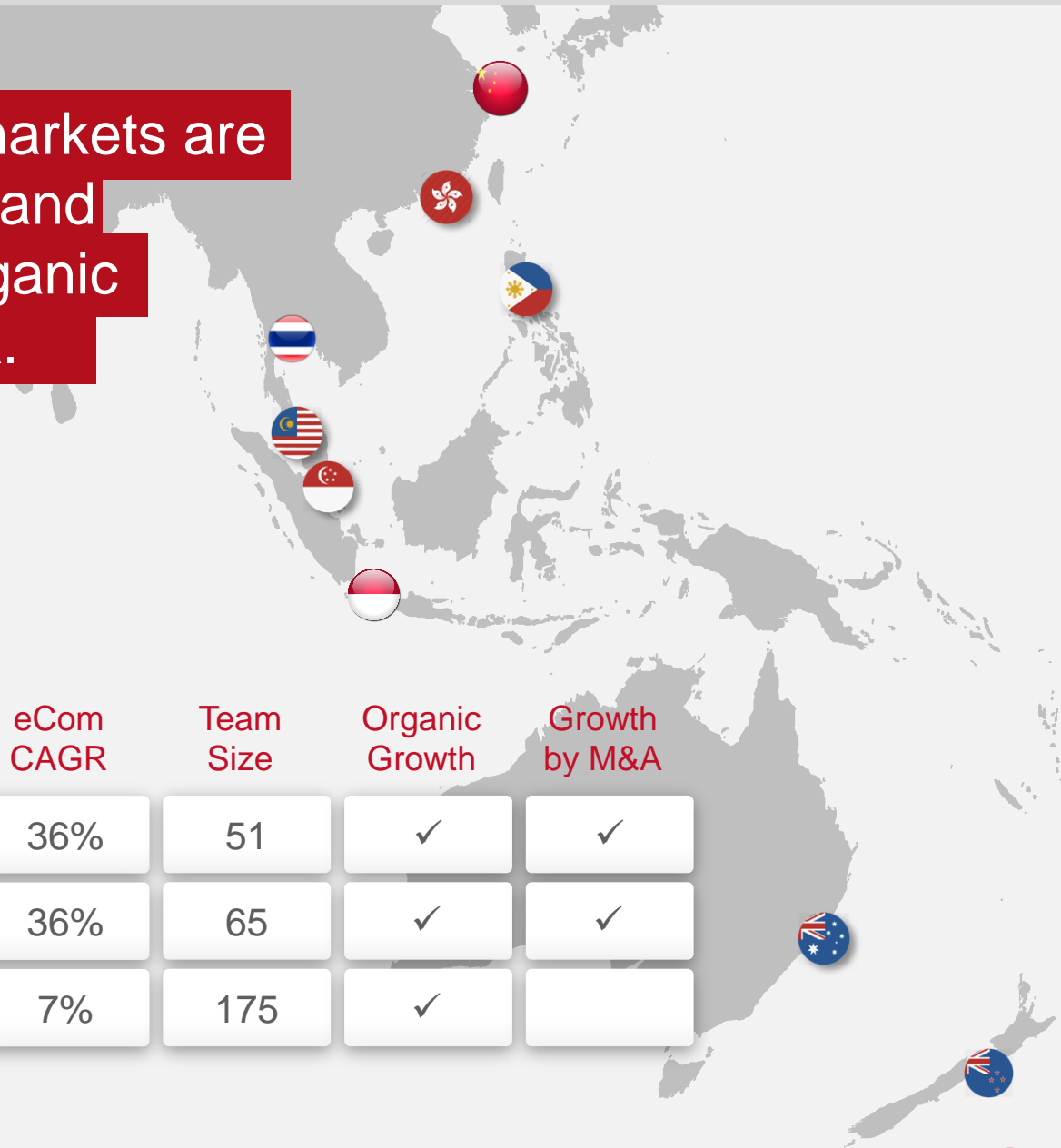
Australia & NZ



eCommerce Market



Priority growth markets are South East Asia and China/HK via organic growth and M&A.



	Digital ad CAGR	eCom CAGR	Team Size	Organic Growth	Growth by M&A
China & HK	27%	36%	51	✓	✓
SEA	47%	36%	65	✓	✓
ANZ	13%	7%	175	✓	

Business activity of company

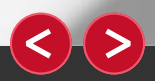
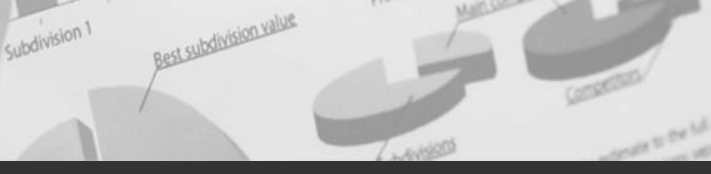
Data and prognosis of activity



Detailed information of changing business activity of subdivisions of main company



Product placement in different regions





eCommerce capability across Australasia and Southeast Asia.

Fee-for-service across all disciplines

eCommerce technology tools

Strategic alliance with aCommerce

End-to-end eCommerce ventures

Stimulating digital commerce for 85 regional clients.

The logo for Westfield, featuring the word "Westfield" in a red, cursive script font.The logo for Harvey Norman, with "Harvey" in blue and "Norman" in red, both in a bold, sans-serif font with horizontal lines through them.The logo for Marks & Spencer, with "MARKS &" in grey and "SPENCER" in yellow, in a clean, sans-serif font.The logo for BONDS, with the word "BONDS" in white, bold, sans-serif font on a black rectangular background.The logo for THE ICONIC, with the words "THE ICONIC" in white, bold, sans-serif font on a black square background.The logo for Cellar Master Wines, with "CELLAR MASTER" in black, sans-serif font above "WINES" in a smaller font, on a yellow square background.The logo for advintage, with "advintage" in white, lowercase, sans-serif font on a red rectangular background.The logo for StyleTread, with "STYLETREAD" in orange, sans-serif font above "AUSTRALIA'S NO.1 ONLINE SHOE STORE" in a smaller font.The logo for ELEVEN, featuring a large red number "7" with a white "1" inside it, and the word "ELEVEN" in black, bold, sans-serif font below.The logo for Shoes of Prey, with the words "Shoes of Prey" in a black, cursive script font.The logo for REBEL SPORT, with "REBEL" in white, bold, sans-serif font inside a black rectangular box, and "SPORT" in black, bold, sans-serif font below it.The logo for SHERIDAN, with the word "SHERIDAN" in white, bold, sans-serif font on a dark blue rectangular background.The logo for booktopia, with "booktopia" in green, lowercase, sans-serif font, with a horizontal line under "topia".The logo for SurfStitch, with "SurfStitch" in blue, sans-serif font.The logo for boohoo.com, with "boohoo.com" in black, lowercase, sans-serif font.

Alliance with aCommerce provides eCommerce capability across SEA and Australasia.



aCommerce is Southeast Asia's leading eCommerce service provider

Offering technology, marketing, logistics and delivery via a motorcycle fleet

Operating in Bangkok, Jakarta, Manila and Singapore

US\$1m investment and operating alliance



End-to-end eCommerce ventures.

Focus on regional F&B, fashion, health & beauty

Long term ventures with equity and revenue share

Eight ventures sought within three years

Small, dedicated team supported by wider group

The logo for 'advintage' features a stylized red 'a' with a white swirl above it, followed by the word 'advintage' in a white, lowercase, sans-serif font on a dark red rectangular background.The logo for 'CELLAR MASTER WINES' consists of the words 'CELLAR MASTER' in a bold, black, uppercase, sans-serif font, with 'WINES' in a smaller, black, uppercase, sans-serif font below it, all on a yellow rectangular background.

Strategy
Development

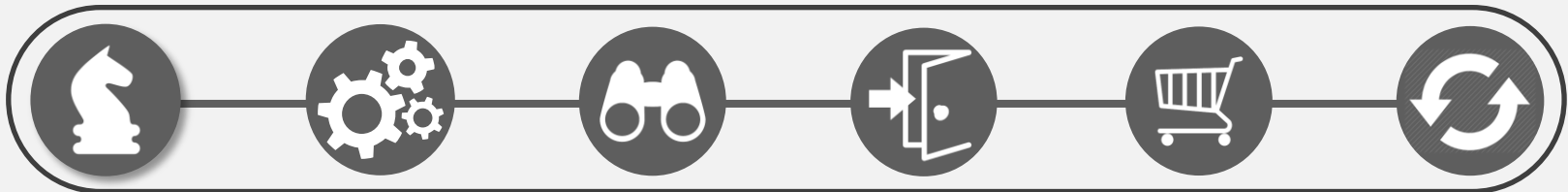
Technology
Platform

Social
Media

SEO & PPC

Conversions
CRM & Email

Retention
Marketing





“It’s a transformational relationship, delivering powerful digital and financial expertise in an accountable framework. They know their digital like we know our wine.”

ANDREW KEMENY, CHAIRMAN
CELLARMASTER WINES, HONG KONG

Client Objective: build HK’s #1 online liquor site

Services: Five year end-to-end digital commerce partnership with shared risk and reward.

Remuneration: Equity, retainer, revenue share

CELLAR
MASTER
WINES



Business activity of company

Data and prognosis of activity



Detailed information of changing business activity of subdivisions of main company



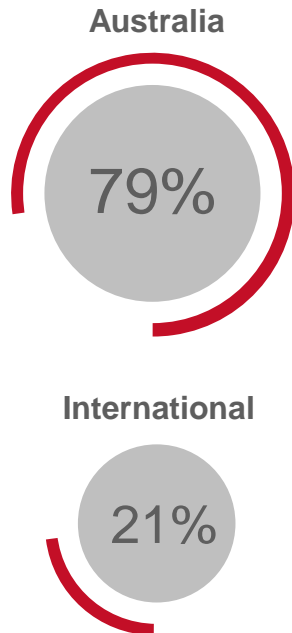
**Financial
snapshot.**



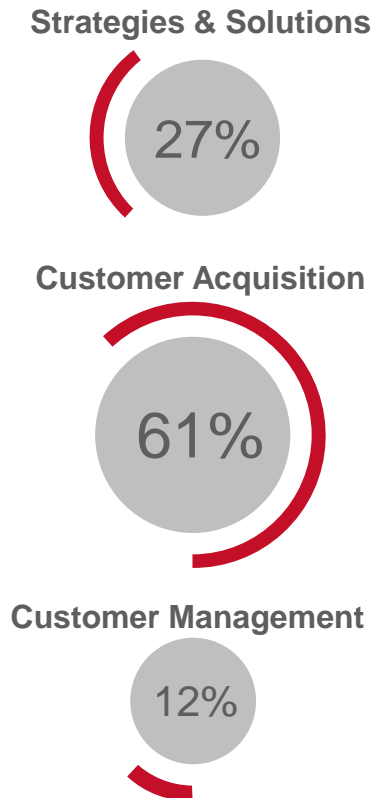
Target to increase international revenues to 50%

FY14 pro forma revenues ~A\$55m

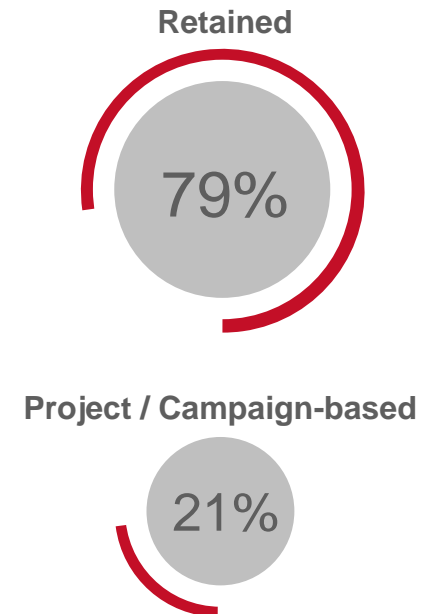
By Geography



By Division



By Tenure



Re-investing profits
to achieve growth
across the region.

Business unit EBITDA before investment in growth¹ \$4.5m - \$5.0m

Digital in Asia is growing
3-4x faster...

so we're re-investing our
earnings in Asia...

and running the business
at around breakeven.

Note: EBITDA from business units before investments in current growth initiatives (Jericho Asia, End-to-End eCommerce, Singapore Regional Operations), and before listed company corporate costs.



A successful regional rollout will generate a substantial earnings base.

3 year revenue and earnings potential

Current Revenues	\$55m		
<i>Assumed Market Growth Rates</i>			
Australasia	10% pa		
Asia	30% pa		
Three Year Revenues	\$80m	\$80m	\$80m
Assumed Margins	10%	12.5%	15%
Implied EBITDA	\$8.0m	\$10.0m	\$12.0m

Note: the scenario analysis above is illustrative only and is based on current market growth rates and approximate industry margins from an organic growth strategy. It is not a forecast. The Company plans to grow in Asia through a combination of acquisitions and organic growth, therefore the actual outcome is likely to differ.



Key structural elements of balance sheet.

Net Cash Position	
Cash at Bank	\$2.5m
Debt	
Vendor Finance Facility	\$0.4m
Long Term Receivables Financing	\$1.9m
Loan – Co-Investor Capital Partners	\$1.1m
Convertible Finance Facility - Co-Investor	\$5.5m
Net Debt	\$6.5m
Repayment Profile	
FY15	\$1.6m
FY17 (unless converted)	\$5.5m
Ongoing facility (with annual renewal)	\$1.9m

Working Capital	
Trade receivables & prepayments	\$8.5m
Work in progress (but unbilled)	\$0.6m
Trade payables and accruals	\$(7.8)m
Net Working Capital Position	\$1.3m

Investment Assets	
Minority equity interests in:	
Macro (Cellarmasterwines.com) (19%)	
Advintage (24%)	
Total Investment Assets	\$2.2m

point of view
Value [y
proper
useful or est
reasonable

**Value
proposition.**



This sector is defined by high valuations and a 'land grab'.

Quoted eCommerce, digital and agency comparables trade on **high multiples of EBITDA and revenues**

Relevant M&A transactions have been concluded at **13-43x EBITDA and 2-8x revenues**

See comparables analysis in Appendix

May 20, 2013
Accenture Acquires Acquity

In its quest to become the panacea for the data-driven woes of CMOs, Accenture agreed on Friday to acquire **Acquity Group** for \$316 million. Acquity's 600 employees will join Accenture Interactive, a global enterprise with more than 4,000 employees in 120 countries offering marketing solutions.



eBay Acquires GSI Commerce For \$2.4 Billion In Cash And Debt

Posted Mar 28, 2011 by **Robin Wauters**

27 Like 0 Tweet 1,198 Share 0

THE WALL STREET JOURNAL | TECH

TECHNOLOGY
Salesforce.com Lands Deal for Online-Marketing Race

By **STEVEN D. JONES**

Updated June 4, 2013 10:17 p.m. ET

Salesforce.com Inc. CRM -0.72%'s \$2.5 billion acquisition of **ExactTarget Inc.** is the latest in a series of high-profile deals for Web marketers as the largest enterprise-software companies plunge into the world of online marketing.

Marketing managers are eyeing the biggest buyer in the deal announcement.

ExactTarget, with clients. Eloqua effectiveness of



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IBM acquires Silverpop, rounds out marketing cloud

Summary: *IBM has aggressively building out its marketing suite as it tries to land chief marketing officers, which increasingly control more technology buying power.*

IBM on Thursday said it will acquire Silverpop, a company that specializes in cloud marketing software.

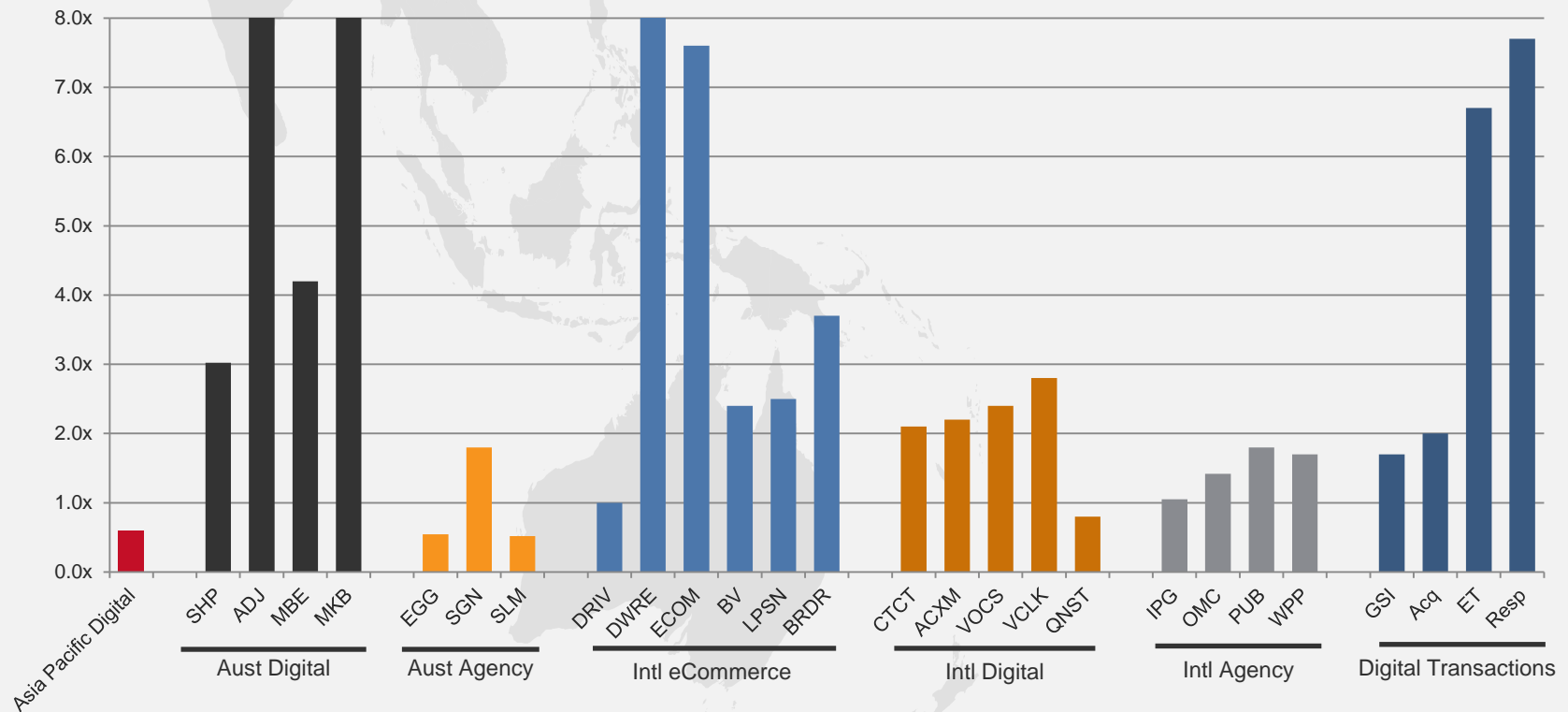
Silverpop, a privately held company based in Atlanta, competes with the likes of Lithium and Marketo to name a few.

IBM has aggressively building out its marketing suite as it tries to land chief marketing officers, which increasingly control more technology buying power.



Peer group multiples and sector transactions demonstrate intrinsic value opportunity.

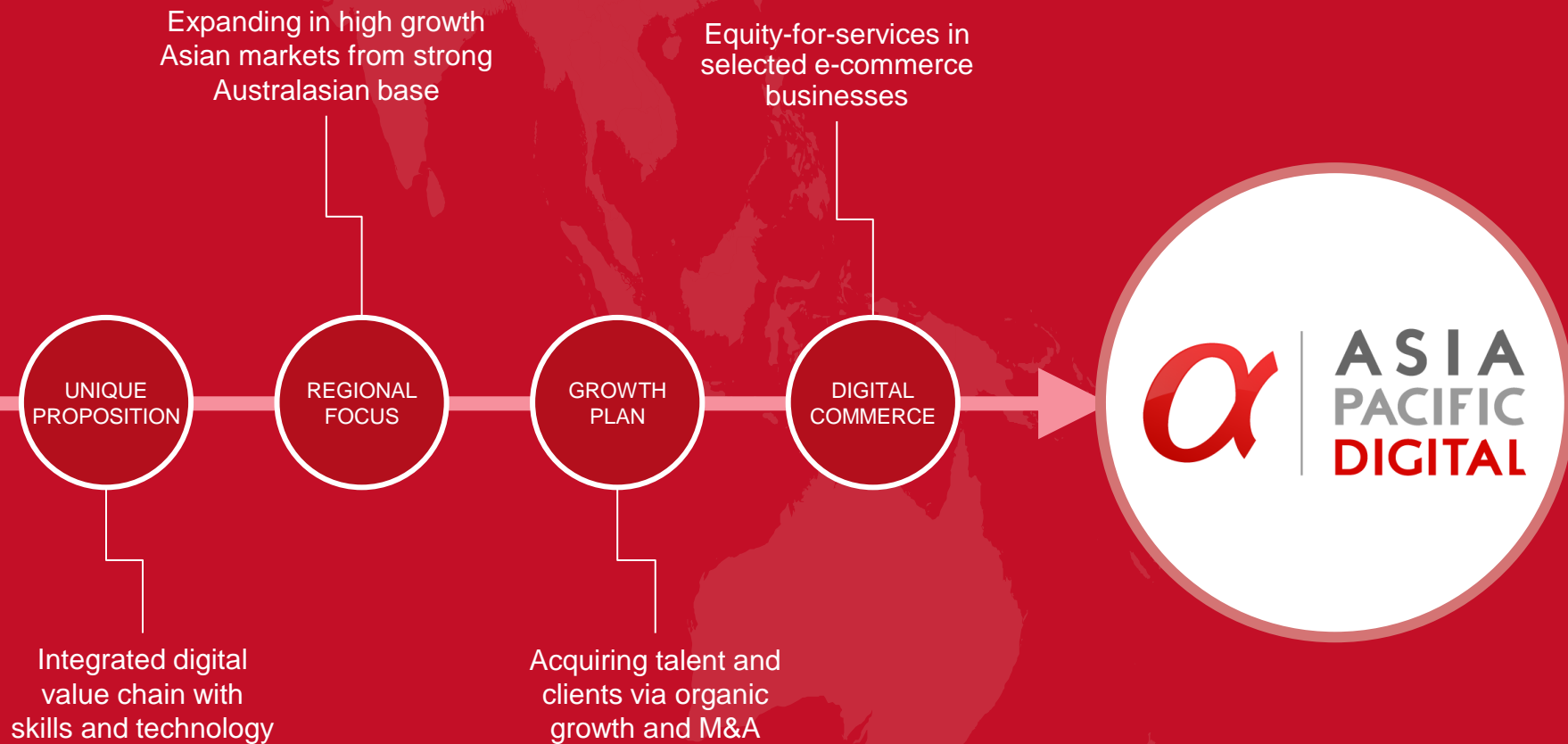
Revenue Multiples



Source: Thomson One market data and consensus forecasts, as at 28 April 2014



Delivering digital growth.





Appendices.

Appendix: Equity market comparables

Australian Pureplay Digital				Revenue Growth	Multiples	
Company	Ticker		EV		Revenue	EBITDA
Shoply	SHP	Online shopping (via owned retail websites) and online advertising focused on search advertising.	8	n/a	3.0x	nm
Adslot	ADJ	Global programmatic direct trading platform for premium display advertising.	82	n/a	23.2x	nm
Mobile Embrace	MBE	Mobile payments and mobile marketing company.	84	64%	4.2x	27.5x
Moko Social	MKB	Tailored mobile online community applications and premium and targeted mobile advertising.	92	n/a	11.7x	nm
AVERAGES			66	64%	10.5x	27.5x

Australian Agency (Mix of Traditional and Digital)				Revenue Growth	Multiples	
Company	Ticker		EV		Revenue	EBITDA
Enero Group	EGG	Network of stand-alone, part-owned marketing and communications businesses.	67	-7%	0.5x	6.7x
STW	SGN	Network of stand-alone, part-owned marketing and communications businesses.	780	7%	1.8x	8.0x
Salmat	SLM	Mature direct marketing, trying to transform into digital.	240	-2%	0.5x	9.2x
AVERAGES			362	-1%	1.0x	8.0x

Source: Thomson One market data and consensus forecasts, as at 28 April 2014



Appendix: Equity market comparables

International eCommerce				EV	Revenue Growth	Multiples	
Company	Ticker		Revenue			EBITDA	
Digital River	DRIV-US	End to end digital commerce.		356	-5%	1.0x	7.4x
Demandware	DWRE-US	SaaS eCommerce business.		1,759	38%	12.2x	439.8x
ChannelAdvisor	ECOM-US	SaaS solutions that integrates, manages and optimizes merchandise sales across online channels.		649	25%	7.6x	nmf
Bazaarvoice	BV-US	Social commerce solution that captures, display and analyse consumer reviews and ratings.		475	9%	2.4x	nmf
LivePerson	LPSN-US	Online chat.		515	13%	2.5x	23.4x
Borderfree	BRDR-US	International e-commerce service provider specialising in cross-border solutions.		516	25%	3.7x	109.8x
AVERAGE				712	18%	4.9x	145.1x

International Digital Marketing				EV	Revenue Growth	Multiples	
Company	Ticker		Revenue			EBITDA	
Constant Contact	CTCT-US	Online marketing including email marketing, social media marketing, online survey, digital storefronts.		701	16%	2.1x	11.7x
Acxiom	ACXM-US	Enterprise data, analytics and SaaS company.		2,365	0%	2.2x	10.6x
Vocus	VOCS-US	Cloud-based marketing and public relations software.		433	-2%	2.4x	18.8x
Conversant	VCLK-US	Digital marketing solutions including data analytics and marketing technology and affiliate marketing.		1,752	8%	2.8x	7.7x
QuinStreet	QNST-US	Digital marketing based on industry verticals, including owned websites and paid search.		227	-6%	0.8x	7.1x
AVERAGE				1,096	3%	2.1x	11.2x

Source: Thomson One market data and consensus forecasts, as at 28 April 2014



Appendix: Equity market comparables

International Agencies				EV	Revenue Growth	Multiples	
Company	Ticker		Revenue			EBITDA	
Interpublic Group	IPG-US	Marketing and communications conglomerate.		7,474	4%	1.0x	8.0x
Omnicom	OMC-US	Marketing and communications conglomerate.		20,670	4%	1.4x	9.2x
Publicis Group	PUB-FR	Marketing and communications conglomerate.		12,983	5%	1.8x	9.7x
WPP	WPP-LN	Marketing and communications conglomerate.		19,294	1%	1.7x	10.1x
AVERAGE				15,105	3%	1.5x	9.2x

Source: Thomson One market data and consensus forecasts, as at 28 April 2014



Appendix: Selected M&A

Recent Relevant Transactions			Date	Value	Revenue Multiple	EBITDA Multiple
GSI Commerce	eBay	End-to-end eCommerce.	Mar-11	2,177	1.7x	24.8x
Acquity	Accenture	eCommerce agency.	May-13	316	2.0x	14.9x
ExactTarget	Salesforce	Email platform.	Apr-13	2,532	6.7x	nmf
Responsys	Oracle	Email platform.	Dec-13	1,480	7.7x	nmf
AVERAGE				1,626	4.5x	19.9x

Source: Thomson One transaction data, as at 28 April 2014



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