

A person wearing a blue t-shirt is holding a black smartphone in their hands. The background is blurred, showing other people in a bright, indoor setting. A black horizontal bar is overlaid across the middle of the image, containing white and yellow text.

OTHERLEVELS

ASX: OLV

Corporate Presentation

April 2016

Highlights



- **Leading digital marketing Software-as-a-Service (SaaS)** business enabling content distribution across multiple platforms
- High quality **enterprise customer base**, including 3 of the top 10 global games companies
- Rapid progression towards **positive operating cash flow** in 1H CY17
- Fast growing revenue base, with **110% monthly revenue CAGR from the period July 2014¹ to March 2016**
- Customers older than 12 months average **US\$158k revenue per annum**
- Sticky client base with **85%+ customer retention rate²** and steadily increasing contract spend
- Senior management **replicating previous sales growth success** at software pioneer and heavyweight Oracle
- Market opportunity underpinned by **600% growth in smartphone devices** in the last 5 years
- OtherLevels products have received **significant industry recognition** from the highly regarded Forrester Report alongside Oracle, Salesforce, Adobe and IBM
- **Several operational catalysts in 2016** including the progression towards positive operating cash flows, new product sales to existing customers and new customer acquisitions

Company overview

OtherLevels is a digital marketing SaaS business focused on providing market leading second generation messaging services

Company overview

- **Leading SaaS business** with operations in San Francisco, London, Melbourne and Brisbane
- OtherLevels provides **second generation digital marketing software** to global enterprises to distribute active marketing content to customers
- Proprietary software enables marketers to engage and retain their audience across **smartphones, mobile web and desktop applications**
- OtherLevels is at the **forefront of the enterprise marketing industry**

Financial information

| | |
|--|-----------------|
| Share price (21-Apr-16) | A\$0.077 |
| Number of shares ¹ | 188.1m |
| Market capitalisation (21-Apr-16) | A\$14.5m |
| Cash (31-Mar-16) | A\$2.6m |
| Debt (31-Mar-16) | Nil |
| Enterprise Value | A\$11.9m |

Source: IRESS, company filings

Notes:

1 Includes 73.7m of escrowed ordinary shares. Excludes 12.9m unlisted options

Top shareholders

| | |
|--|------------|
| Brendan O’Kane (<i>Managing Director / CEO</i>) | 16% |
| Halfbrick International (<i>customer / strategic investor</i>) | 15% |
| Brian Mitchell (<i>Chairman</i>) | 9% |
| Steve Baxter (<i>Non-Executive Director</i>) | 8% |
| Ian Lowles (<i>Non-Executive Director</i>) | 7% |
| Top 20 shareholders | 73% |

Clean capital structure with no debt,
minimal options on issue and
**high levels of insider
ownership** and **supportive
shareholders**

Board and management

A highly entrepreneurial Board and management team with a strong track record of success in the information technology sector

- OtherLevels Board and management team is significantly invested in its success
 - Track record of software success with Brendan O’Kane, Brian Mitchell and Ian Lowles previously senior executives for global software companies, and Steve Baxter a serial founder and investor in high quality businesses
 - Board has a wealth of innovative technology experience



BRIAN MITCHELL
CHAIRMAN

More than 30 years in senior IT management and sales executive roles. Previously CEO of Australia and NZ, Head of M&A for Oracle APAC and most recently Senior VP of Oracle APAC software license sales and consulting



BRENDAN O’KANE
MANAGING
DIRECTOR / CEO

15 year sales and marketing experience with US software companies, including senior appointments with Oracle Corporation in the UK, Europe and the Asia Pacific region



STEVE BAXTER
NON-EXECUTIVE
DIRECTOR

Founder of Internet Provider SE Net, co-founder of telecommunications infrastructure company, Pipe Networks, and founder of River City Labs



TANYA COX
NON-EXECUTIVE
DIRECTOR

More than 25 years experience in financial services, having been the COO and Secretary of DEXUS Property Group for over a decade

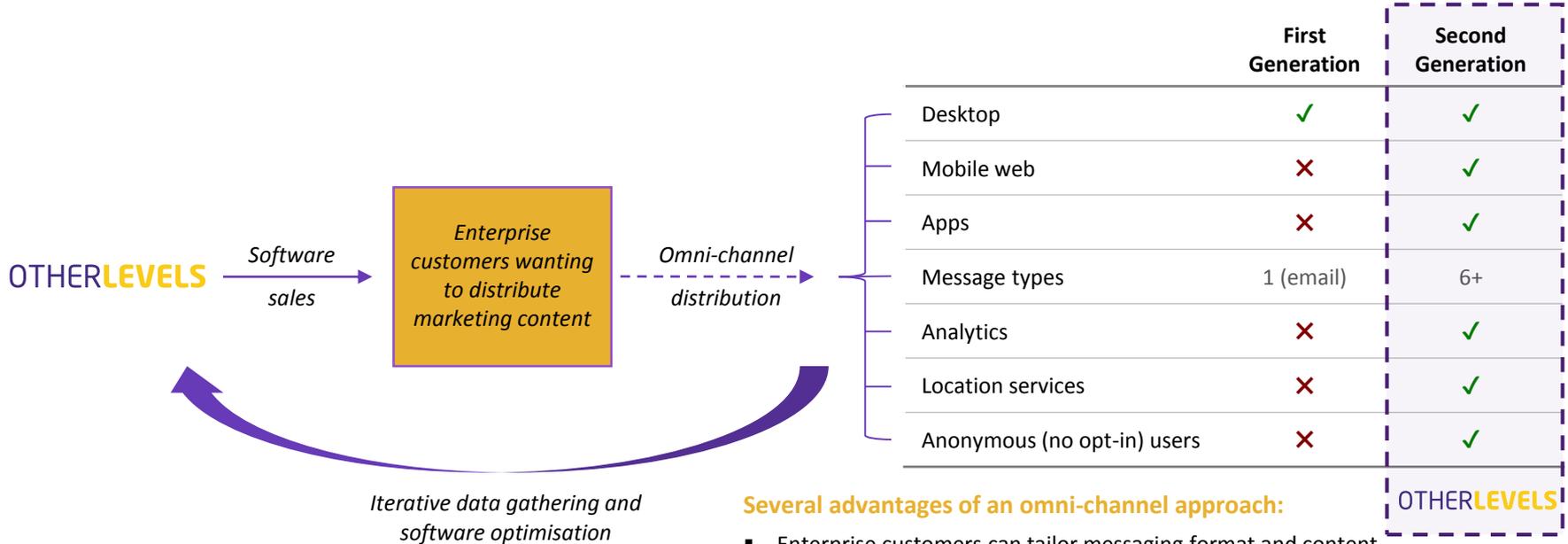


IAN LOWLES
NON-EXECUTIVE
DIRECTOR

25 years in senior management roles in the software industry, including as Managing Director of Oracle Russia, Central Asia & Baltics, using his expertise in the mobility and carrier sector

The leading next generation marketing service

OtherLevels is part of the second generation of marketing services focusing on sophisticated technology to reach 100% of the smart device audience



Several advantages of an omni-channel approach:

- Enterprise customers can tailor messaging format and content to individual customers based on their observed preferences
- Benefits from the resilience of desktop and mobile web usage despite the ascendancy of apps
- A sophisticated omni-channel approach drives engagement by reaching 100% of the enterprise's user audience

Increasing product recognition and validation

Awareness of the quality of OtherLevels' product suite is increasing on several fronts

Industry recognition



FOR B2C MARKETING PROFESSIONALS

Vendor Landscape: Mobile Engagement Automation Solutions

Mobile Moments Demand Speed, Speed Demands Automation

by Jennifer Wise and Julie A. Ask
November 5, 2015

- In November 2015, OtherLevels featured in Forrester Report "Vendor Landscape: Mobile Engagement Automation Solutions"
- OtherLevels sits alongside the biggest enterprise vendors such as Oracle, Salesforce, Adobe and IBM
- OtherLevels was in the top 3 vendors, for "Campaign Actions Offered"

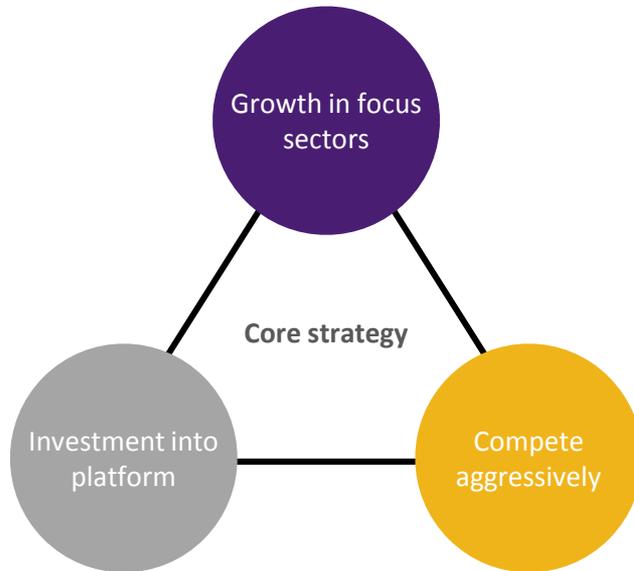
Customer recognition



- OtherLevels' customer base is spread across multi-billion dollar sectors, each with mobile centric audiences
- No major incumbent service provider in these sectors gives an opportunity for OtherLevels to increase market share

Strategy overview

OtherLevels' strategy is to provide the leading enterprise marketing automation platform remains unchanged



Growth in key focus sectors (wagering, games and loyalty membership)

- ✓ A\$1m quarterly revenue milestone achieved in March 2016
- ✓ Largest ever contract signed in November 2015 (A\$1.1m)

Compete aggressively

- ✓ Quarterly cash burn reduced to A\$1.3m¹ in March 2016 (from A\$2.3m in June 2015)
- ✓ Recognition in Forrester Report as an **emerging competitor** alongside heavyweights Oracle, Salesforce, Adobe and IBM

Investment into platform

- ✓ Launch of OtherLevels Intelligent Messaging platform
- ✓ **Strong pipeline of products** slated for 2016 release

+110% headline revenue growth in H1 FY16 to comparable FY15 period²

Tight industry focus in areas of growing smart device usage

OtherLevels is focused on securing marquee customers within the games, wagering and loyalty memberships sectors

OtherLevels initial industry focus areas



Focus on building a high quality, secure Enterprise customer base

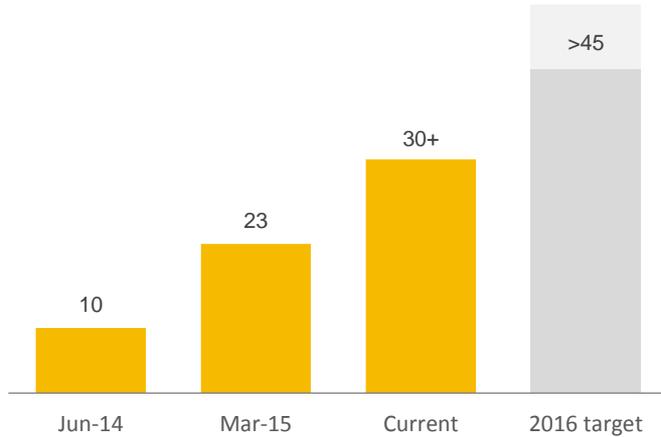
Strong potential to roll-out OtherLevels products into broader industries / verticals over time

3 of the top 10 global games companies have already successfully implemented OtherLevels services

Building a high quality enterprise customer base

OtherLevels senior management is replicating their prior software sales growth successes with a tried and tested methodology

OtherLevels customer base



+85% retention of existing customers

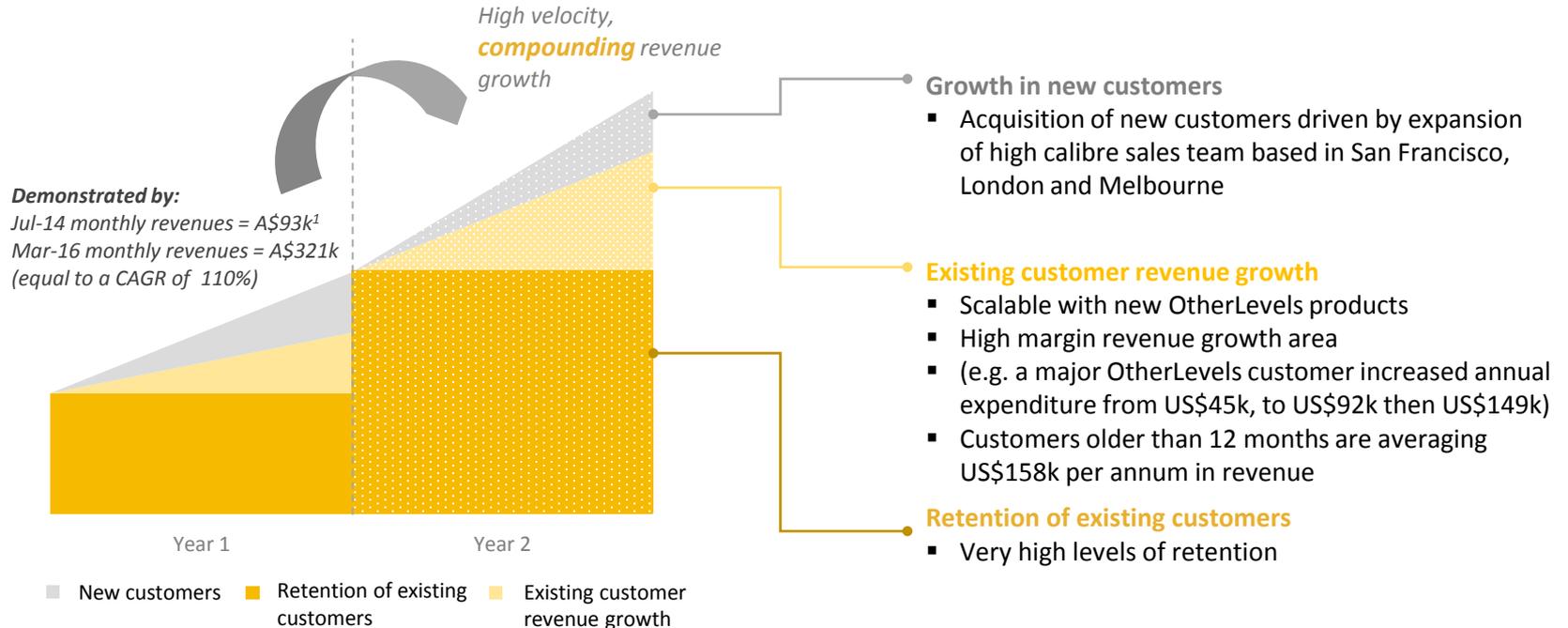
Types of enterprise customers

- FastStart led customers**
 - Target smaller initial contracts, **c.A\$30k – A\$50k pa**
 - Highly successful 12 week program allows customers to become familiar with product offering
 - “Let the product speak for itself” strategy
- Experienced customers**
 - Experienced customers who sign up to the core OtherLevels service offering, **c.A\$60k – A\$100k pa**
 - Customers have observed tangible uplift in sales as a direct result of OtherLevels technology
- Deeply engaged customers**
 - Strong relationship with customer with high degrees of success with OtherLevels’ services
 - Very high retention rates
 - High volume, multiple product users with contracts **>A\$150kpa** *Core focus for OtherLevels*
- High growth users**
 - Customer growth driven by new OtherLevels services (i.e. Intelligent Messaging) and increasing volumes

Multiple levers driving rapid revenue growth

OtherLevels focus over the next 12 months is to rapidly expand the revenue base with the aim to add over 15 new customers in addition to strong revenue growth from our existing customers

OtherLevels revenue trajectory



Strong product development pipeline in 2016

Continuing OtherLevels product expansion will allow our sales teams to grow revenues from existing customers, and access a wider range of potential customers

OtherLevels development focus

- Release of 3 additional message types in H1 2016 (email, SMS and web push):
 - ✓ Drives additional message volume as existing customers adopt further message types
 - ✓ Allows OtherLevels to position the platform to a wider range of potential customers
- V2.0 of the OtherLevels platform and user interface (“UI-UX”) to be released in Q1 FY17
 - ✓ Completely refreshed UI-UX for maximum visual impact with marketing audience

Intelligent Messaging™

✓ Released (H1 FY16)

- Targeting of content across message formats and channels based on machine learning techniques
- Successful take-up with major A\$1.1m contract announced in Nov-15

3 Additional Message Types

✓ Released H2 FY16

- Expands OtherLevels reach to browser and desktop messaging
 - SMS messaging
 - Email messaging
 - Web push

OtherLevels 2.0

Expected Q1 FY17

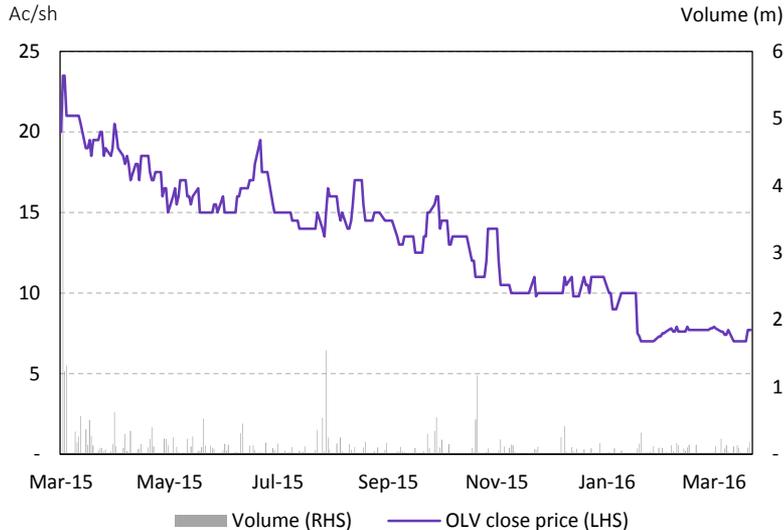
- Completely new ‘fresh’ user interface designed for maximum competitive impact
- Flexibility to support platform expansion over the next 24 months

Rapid revenue growth out of line with share price performance

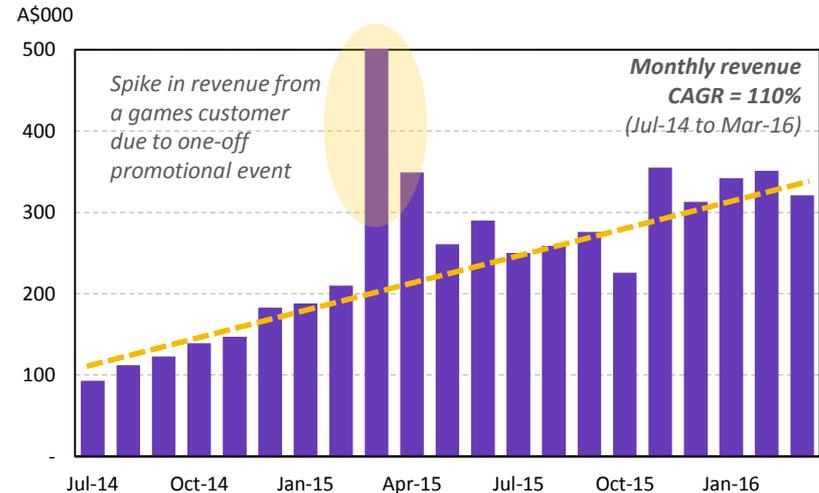
Share price has not been reflective of continued operational achievements

- OtherLevels management team have **focused on successful operational delivery**, yet this is **not reflected in the current share price**
- **Revenues have continued to steadily increase** as existing customer contracts have expanded and new customers added
- Additional revenue growth is expected with a **strong and growing network of strategic partners** who can be leveraged to expand market share

Share price performance



Monthly revenues



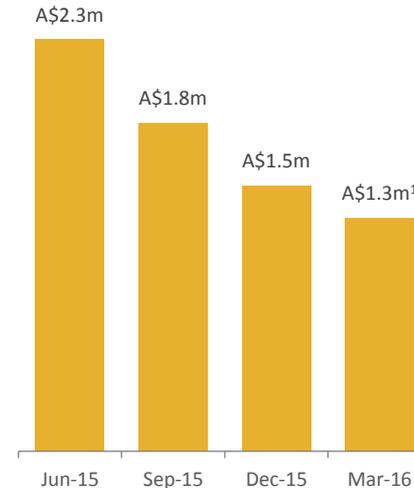
A clear path to profitability

Board and management are focused on optimising both revenues and operating costs

Clear focus on cash management

- Optimising the revenue base:
 - Funds raised through recent placement and entitlement offer will be used to strengthen balance sheet and expand the sales team
 - Terms of new contracts optimised with all 6 new contracts signed in 2016 structured with upfront cash payments
- Proactively managing operating costs:
 - US back office services relocated to Australia for more centralised operations
 - H1 FY16 saw a 20.4% reduction in US\$ server costs despite increasing volumes

OtherLevels quarterly cash burn rate



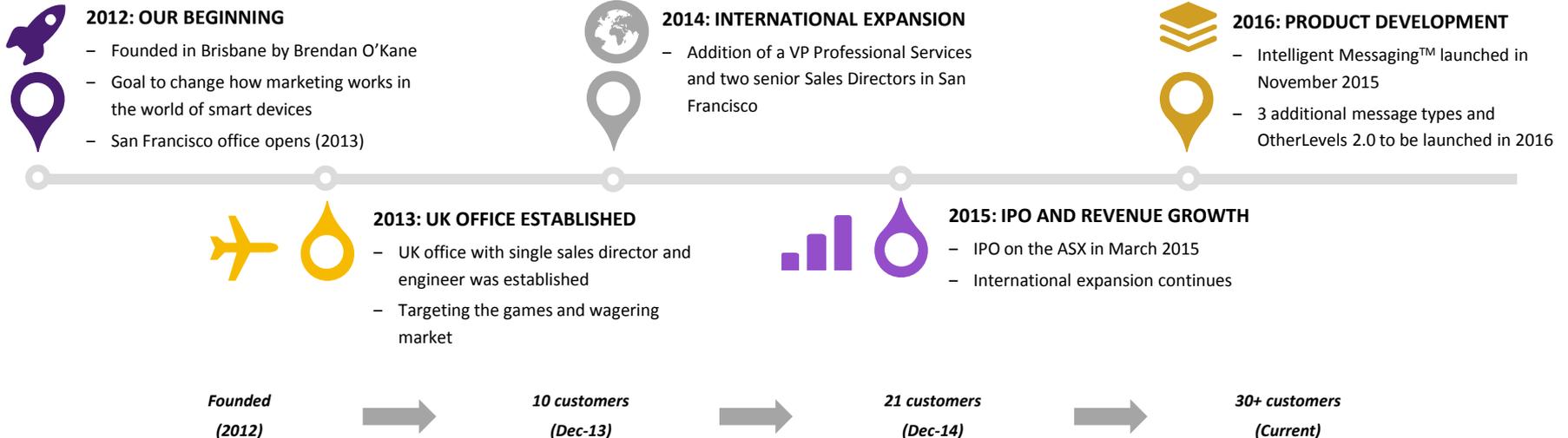
Increasing sales and cash management pushing towards positive operating cash flows

43% reduction in cash burn over the last four quarters is accelerating OtherLevels' path to profitability

History

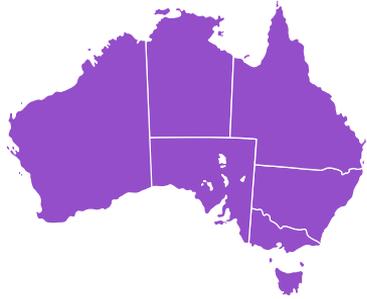
Across its short history OtherLevels has successfully expanded into the US and European markets and significantly grown its revenues and customer base

- OtherLevels has made **significant operational progress since it was founded in 2012**
 - Exceptional customer acquisition rate** with total of 30+ customers and 85%+ retention rates¹
 - Monthly revenues expanded from A\$93k (July 2014) to A\$321k (March 2016), equal to a CAGR of 110%²
 - Current organisational structure includes two General Managers – Sales for US and EMEA supported by Australian executive functions



Primed for rapid international growth

We are a digital marketing SaaS company with 45 staff in San Francisco, London, Melbourne and Brisbane



- 01 Offices in Brisbane and Melbourne
Engineering teams based in Brisbane
- 02 USA business based in San Francisco
Customers focused on hospitality and social gaming companies

03 Leading vendor to Sports Book gaming companies in the UK

- 04 Provide services to:
- Three of the largest social casino companies in the world
 - Three of the top games companies
 - Two leading lotteries operators



Steps to unlock our growth potential

Several upcoming catalysts exist in 2016 as OtherLevels progresses towards positive operating cash flows

Upcoming share price catalysts



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