

# CEO Presentation

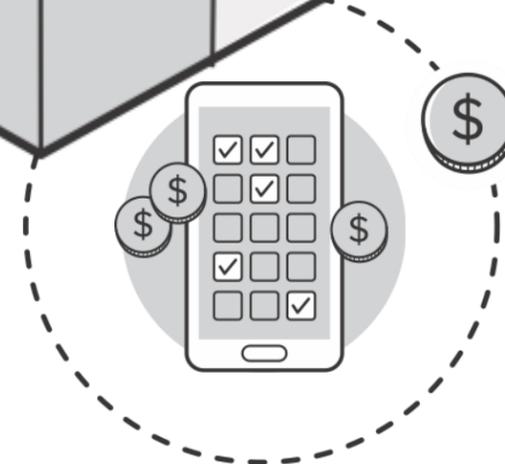
Mobile Advertising



Mobile Commerce



Content Monetisation



**SYN TONIC**

Connecting Premium Content with Mobile Consumers

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

Syntonic Limited (SYT.ASX)  
ABN 69 123 867 765

18 November 2019

# Syntonic

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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.

# Highly Experienced Board | Management Team

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**Gary Greenbaum**

Managing Director  
Co-founder and CEO

*formerly*



Hutchison Whampoa Limited 

*realnetworks.*



**Rahul Agarwal**

Executive Director  
Co-founder, President & CTO



*formerly*

*realnetworks.*



**Steve Elfman**

Non-Executive Chairman

Managing Partner  
Tap Growth Group

*formerly*



**David Wheeler**

Non-Executive Director

Foundation Director and Partner  
Pathways Corporate

# FY19 Highlights

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4X ↑

## 4X Annual Revenue Growth

Revenue from ordinary activities grew strongly during FY19 to reach **A\$7.1 million** - a **312% increase** from FY18

NEW  
Deployments

## Tier-1 Deployments

**Premium content partners** include Abril, Fox\*, and 14 other content brands

### Direct Carrier Billing integrations

Vivo  
Oi  
Claro  
TIM

\*Fox agreement occurred just after end of FY19

85%  
OF REVENUE

## New Revenue Generation (RGP) Platform

Successful integration of acquired mobile commerce assets to provide a new revenue streams from content monetization that resulted in 85% of company revenue.

# Syntonic Solution: Revenue Generation Platform™ (RGP)

Syntonic's RGP provides a full-service E2E content monetisation solution

## Content Services

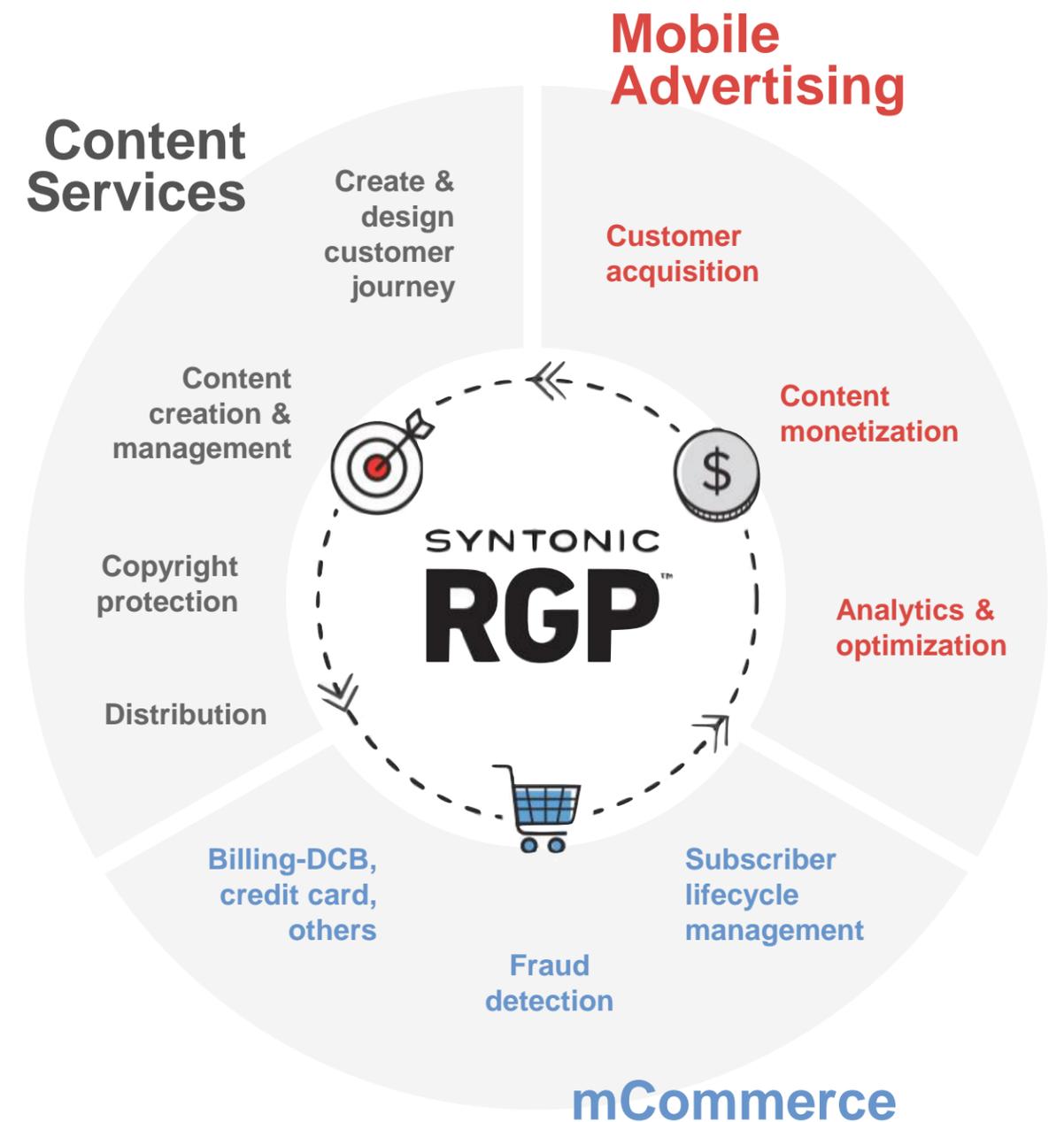
Syntonic sources and provisions content and distribution rights

## Mobile Advertising

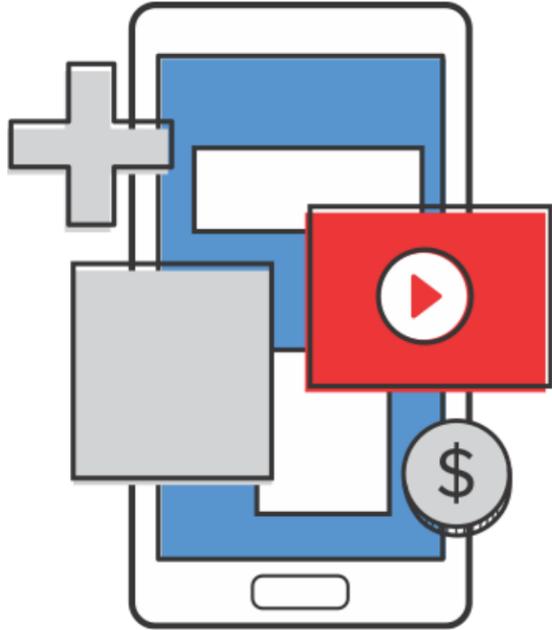
Syntonic acquires customers via mobile advertising and generates ad revenue from content

## mCommerce

Syntonic handles billing and payment settlement with tools and management for the entire customer lifecycle. Configurable for local requirements.



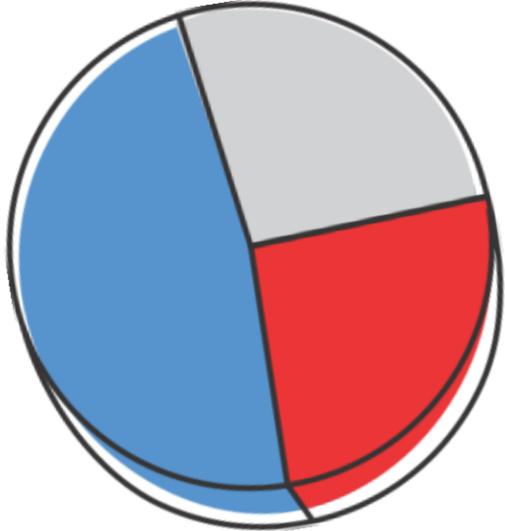
# Content Provider Model



Syntonic and partner work together on productising content



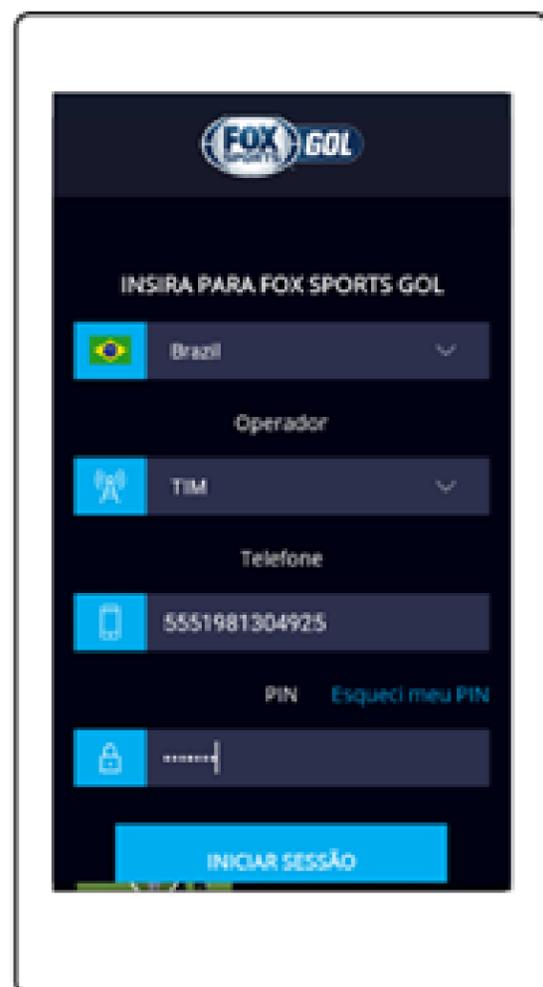
Syntonic promotes content products and acquires customers



Revenue split amongst content partner, carrier, and Syntonic

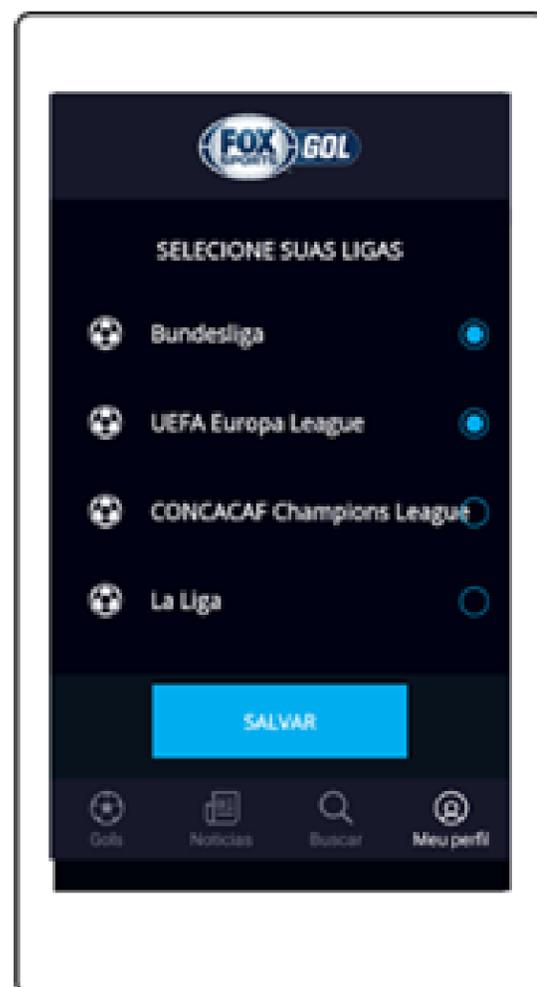


# Consumer Journey



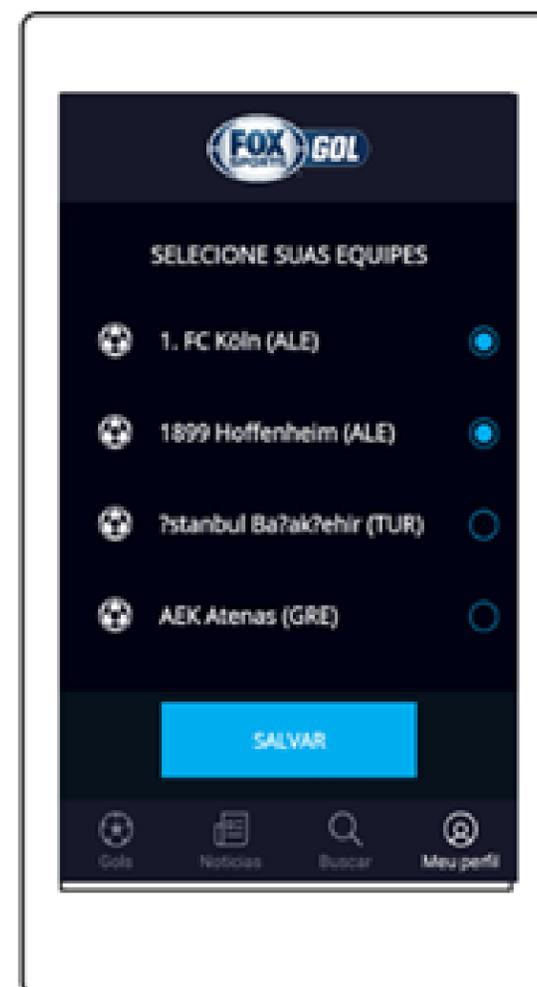
1

Select your mobile carrier



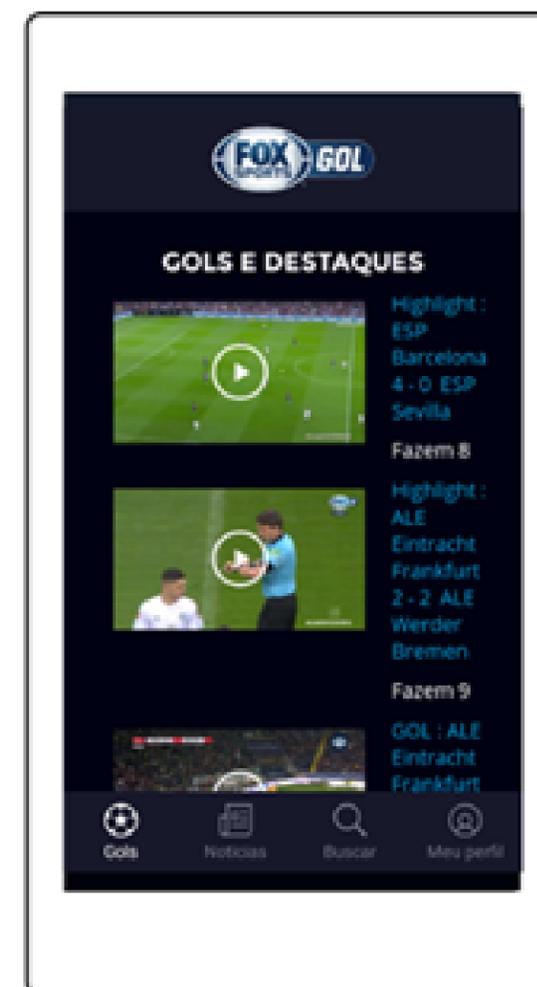
2

Choose which soccer league



3

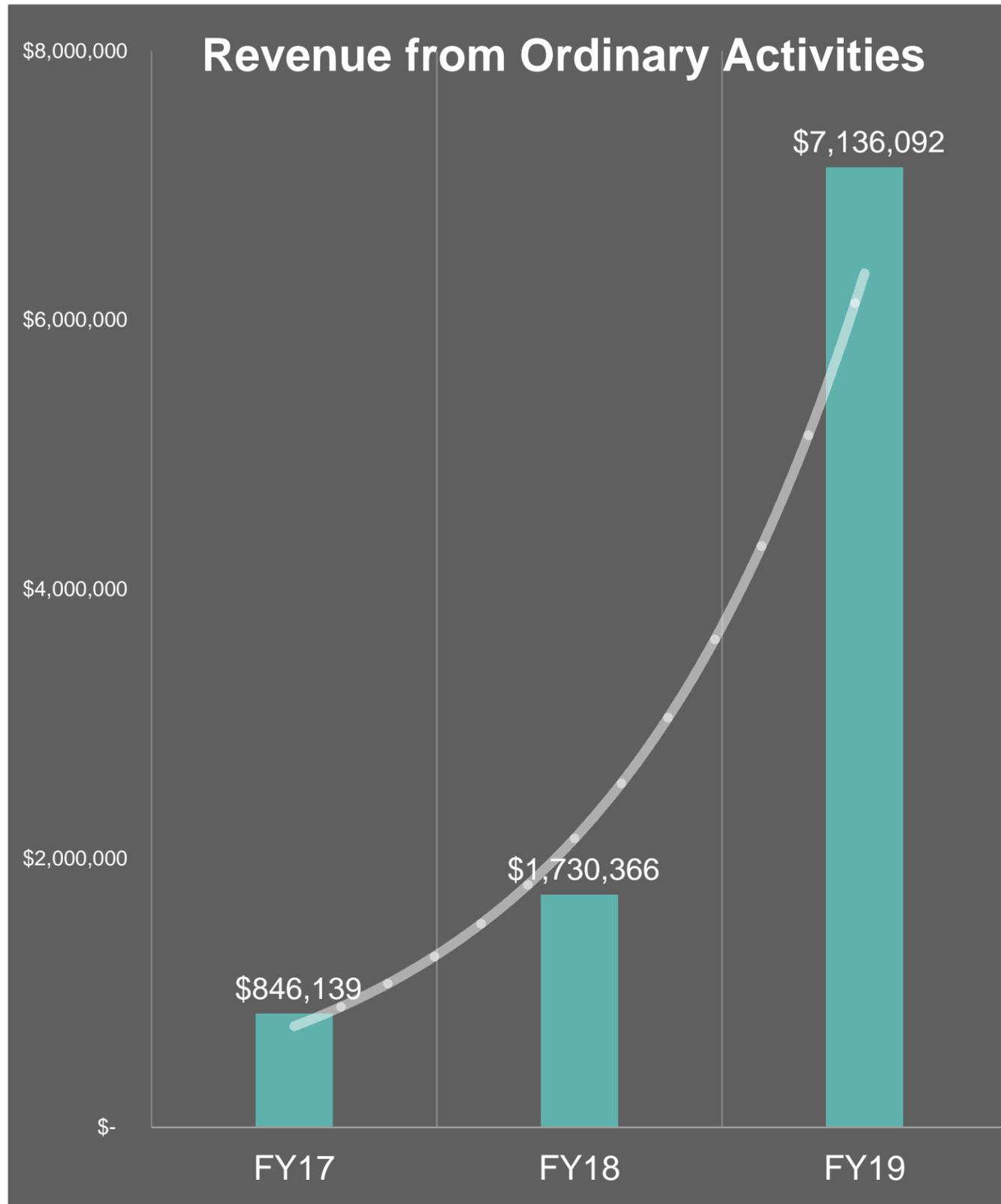
Pick your teams



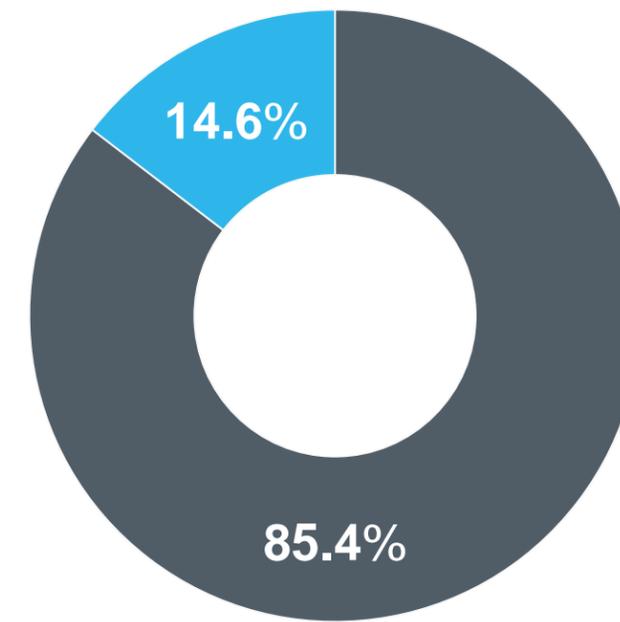
4

Enjoy videos!

# FY19 Financial Highlights



### FY19 Revenue Sources



- RGP (Content Monetisation)
- Freeway, DataFlex, CSP

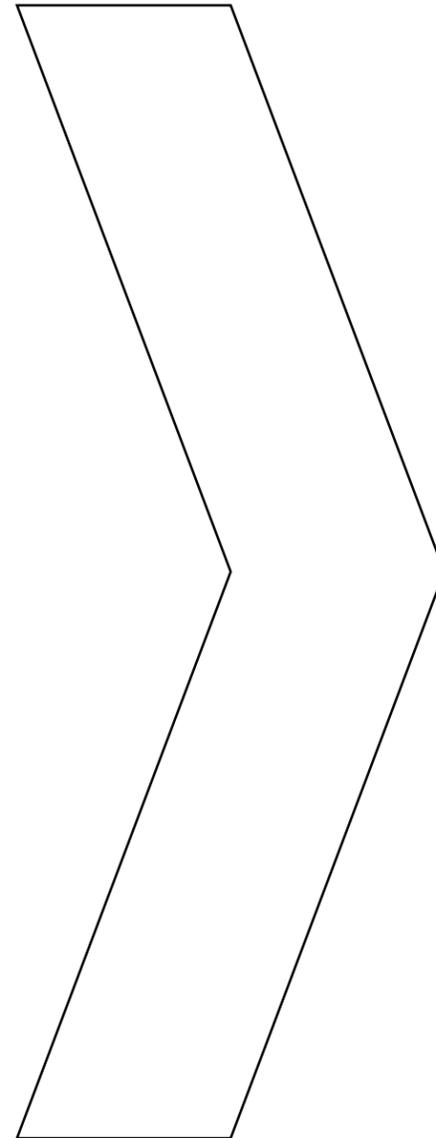
# FY19 Lowlights and Pathway for Comeback in FY20

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**Syntonic's value creation was not being reflected in the Company's stock price**

## **How did this happen:**

- Convertible note overhang damping SYT stock price and reducing market interest
- Increasing net expenses, largely due to acquisition and integration of Brazil subsidiary
- Pace of carrier deployment and revenues not matching expectations



**Activities taken to better align Company value creation with Company's stock price**

- 1. New company capitalisation**
- 2. New strategic focus**
- 3. Cost reductions**

Advancing the Company to achieve cash flow positive in late FY20.

# FY20 Strategy

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## New Capitalisation Structure

Providing Syntonic the working capital for targeted cash flow positive by end of FY20

- Terminate convertible note
- Replacement of unused convertible note funds with the proceeds from underwritten rights issue

## New Strategic Product Focus

Selling premium content direct to consumers using Syntonic's carrier-integrated RGP

- Refocus on higher margin, quicker-to-market content monetisation opportunities
- Phasing out of legacy products
- Transition of key strategic accounts to the RGP content services

## Cost Reductions

Managing expense and tight cost control as revenue increase

- Reductions in product development and support for legacy products
- Over 30% reduction in executive director salary

# FY20 Outlook

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- Strong year of growth in FY19 with record revenue and solid cash receipts, driven by mobile commerce business in Brazil and new deployments
- Plan to replicate mobile commerce business success in other similar geographic markets where Syntonic has an established presence
- Strategy to build customer base of content providers and sell premium content direct to consumers using its carrier integrated RGP
- Continued growth expected in revenues, margins, cash receipts, targeting cash flow positive in late FY20

# For Further Information

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