



## ASIA PACIFIC GROWTH STRATEGY

Building a growth focused APAC business into 2018 and beyond

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## WHAT WE DO

Tech Mpire is a global mobile marketing technology company.

**We help the world's biggest brands acquire new users for their mobile apps, wherever they are in the digital world.**

We operate on a cost-per-install pricing model, whereby the advertiser only pays when a user installs their app. Advertisers are attracted to this success-based pricing model as it represents low risk and high ROI.

## OUR COMPETITIVE ADVANTAGE

Historically, providers of cost-per-install advertising have relied on manual, unsophisticated, unscalable and opaque methods to build campaigns for advertisers.

TMP has taken a technology-first approach to deliver better results for advertisers. We use big data, machine learning and automation to find high quality mobile users anywhere in the world. We call this technology, **nxus**<sup>®</sup> and **TrafficGuard**<sup>™</sup>.

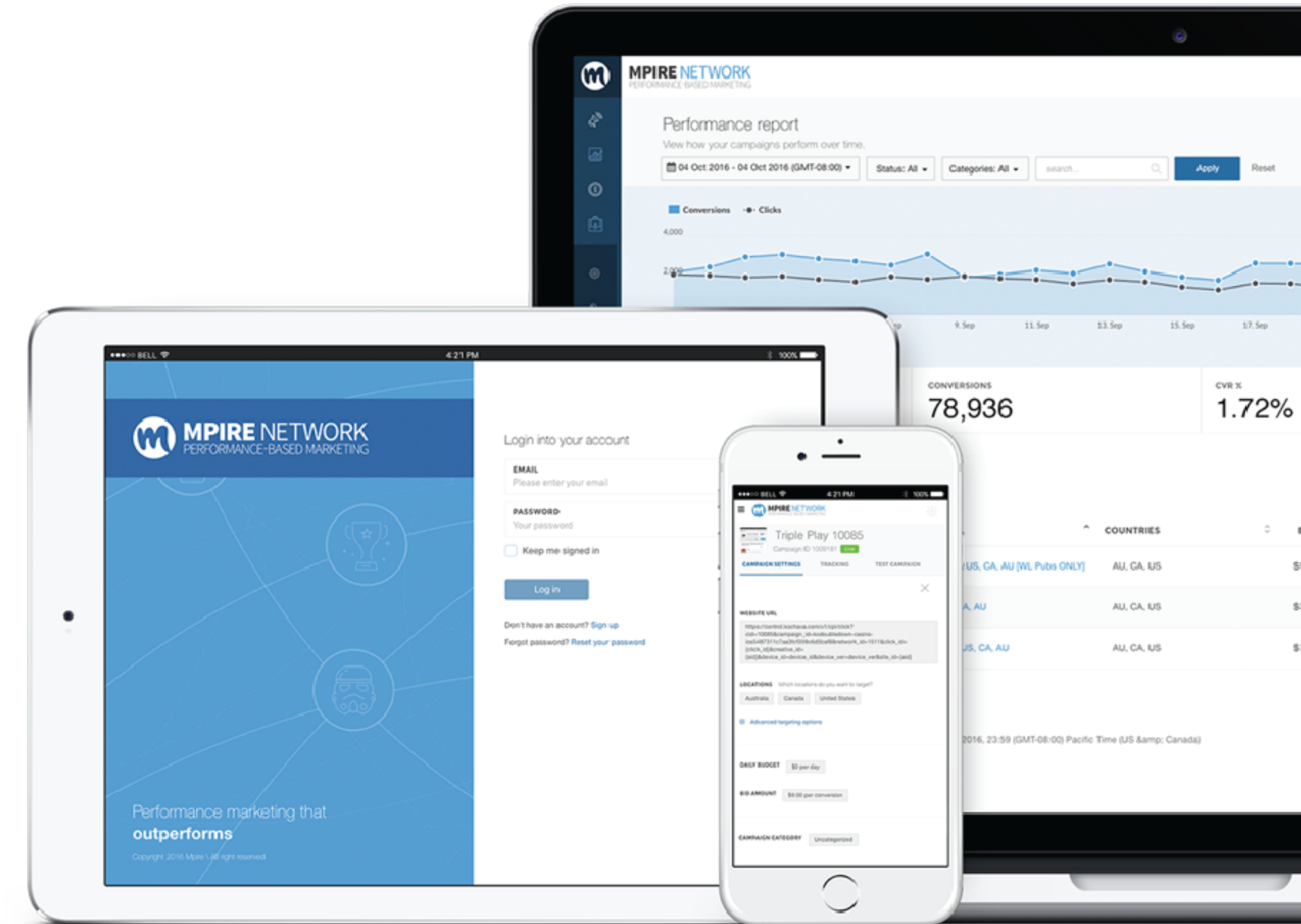
**Tech Mpire's proprietary technology will provide a strong competitive advantage for our entry into APAC.**

## OUR COMPETITIVE ADVANTAGE: NXUS

**nxus**<sup>®</sup> automates this previously manual process of finding high quality digital marketing leads.

It finds potential app users by aggregating thousands of sources of web traffic, all working to find new users and generate installs.

**nxus** optimises and scales the performance of these traffic sources to deliver the highest quality traffic and generate ROI, for both the advertiser and Tech Mpire.



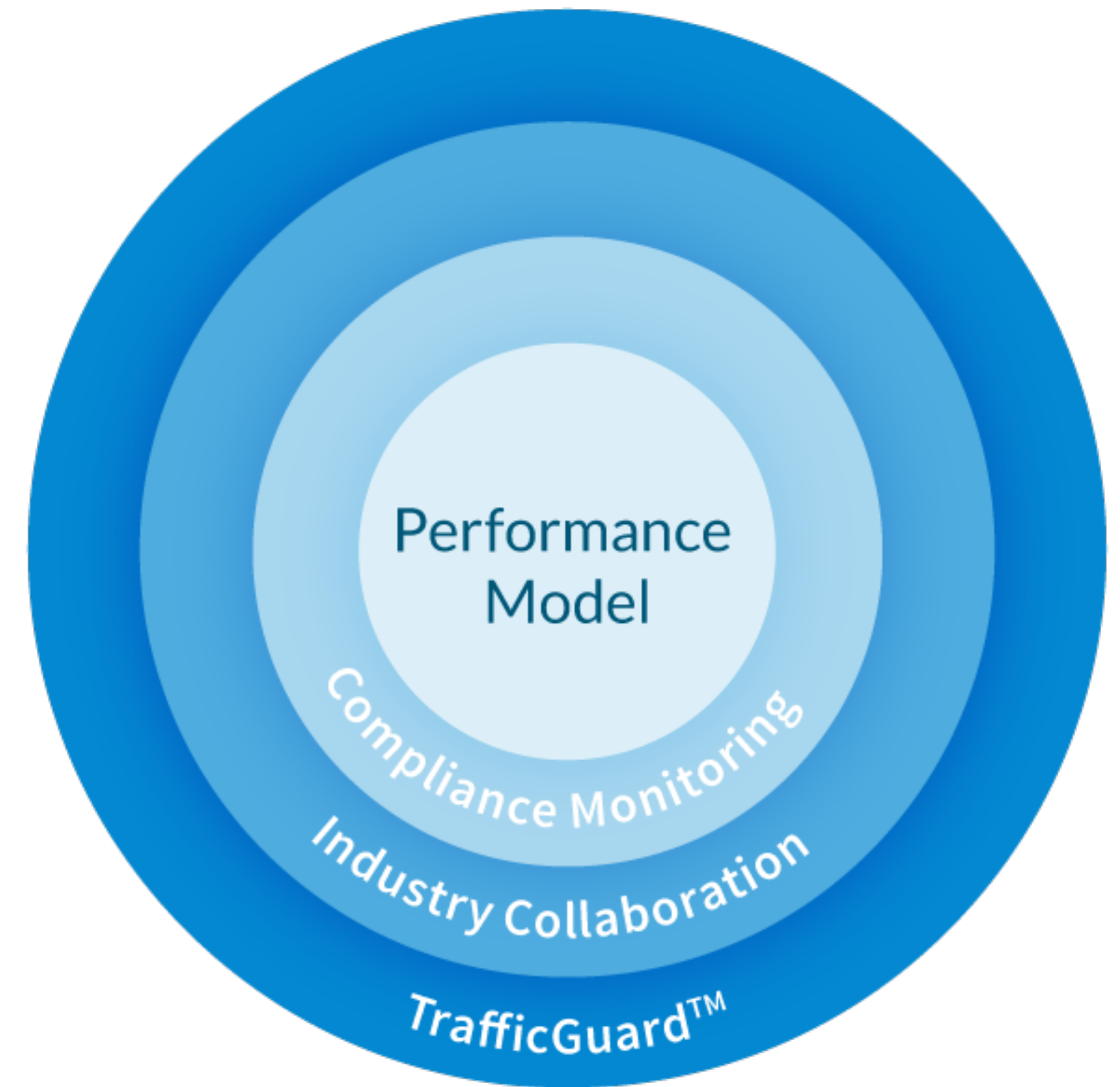


## OUR COMPETITIVE ADVANTAGE: TRAFFICGUARD

Protecting advertisers from fraud is a powerful differentiator in the mobile marketing space.

TMP's fraud prevention tool, **TrafficGuard™**, protects our advertisers from wasting their budgets on low quality or fraudulent traffic. In real time, we block invalid traffic or non-compliant campaign activity at the source, leaving only trusted, genuine installs.

This step is critical in being able to satisfy sustained, long-term demand from Tier 1 advertisers.



## APAC EXPANSION OVERVIEW

The next phase of Tech Mpire's regional growth will be in Asia Pacific, as the region continues to dominate the app world. 2017 mobile advertising spending in APAC has grown to over US\$54.4B, with the region leading global ad spend growth.\*

Our technology and global reach positions us extremely well to tap into this explosive growth. Our Asia Pacific strategy is focused on export marketing, targeting app developers who are looking beyond their home countries, seeking to acquire new users around the world. nexus' scalable technology will allow us to expand into Asia Pacific efficiently and cost-effectively, with lean business development teams securing clients throughout the region.



**33% of the world's app developers are from Asia**, with the region also reporting the highest rate of growth (Statista, 2017).



Mobile Internet advertising is **forecast to grow in Asia Pacific at a 25.7% CAGR** in the next five years (eMarketer, 2017).



**60% of mobile game spending in 2016 occurred in Asia Pacific** (IDC, 2017).



**China accounted for nearly half of the iOS App Store's annual growth** in 2016 (AppAnnie, 2017).

\* Source: eMarketer (2017)

# APAC IS THE FASTEST GROWING MOBILE AD SPEND REGION

## Mobile advertising spend in APAC set to grow at 25.7% (CAGR), with many countries set to be the fastest growing in the world.

eMarketer forecasts 2018 APAC mobile advertising spend will reach US\$72.52B (40% of global spend). Furthermore by 2019, mobile ad spend is set to rise to 35.7% of total APAC ad spend.

Currently, almost all of Tech Mpire's revenues are generated in North America, through our regional sales office.

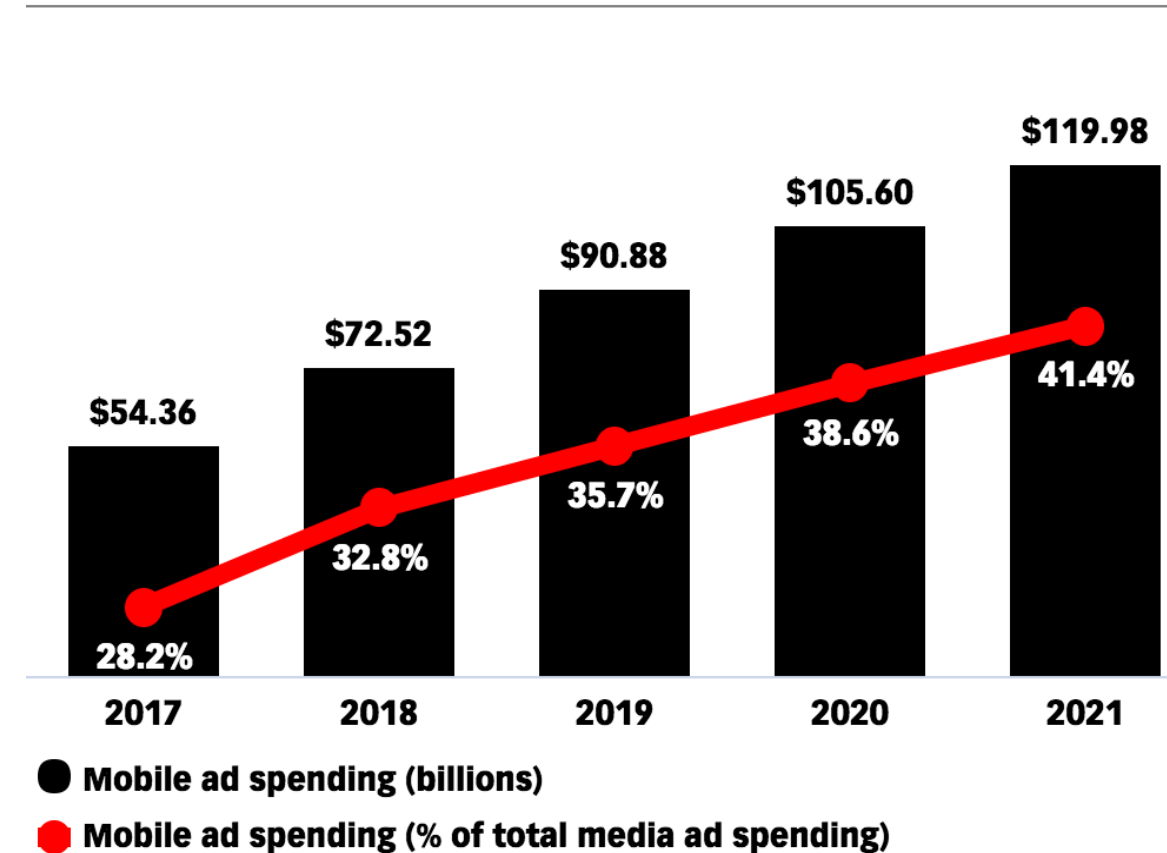
Launching an APAC sales operation will allow us to reach these new high growth markets, targeting well funded Asian mobile advertisers looking for global expansion.

### APAC Mobile advertising spend - forecast CAGR 2017-21

Market	CAGR 2017-21	Market	CAGR 2017-21	Market	CAGR 2017-21
US	17.0%	South Korea	14.2%	Indonesia	38.7%
Asia-Pacific	25.7%	Singapore	30.0%	India	47.4%
Vietnam	43.2%	Philippines	37.6%	Hong Kong	27.4%
Thailand	34.5%	Malaysia	31.8%	China	24.7%
Taiwan	14.8%	Japan	17.0%	Australia	17.5%

#### Mobile Ad Spend

Asia-Pacific, 2017-2021



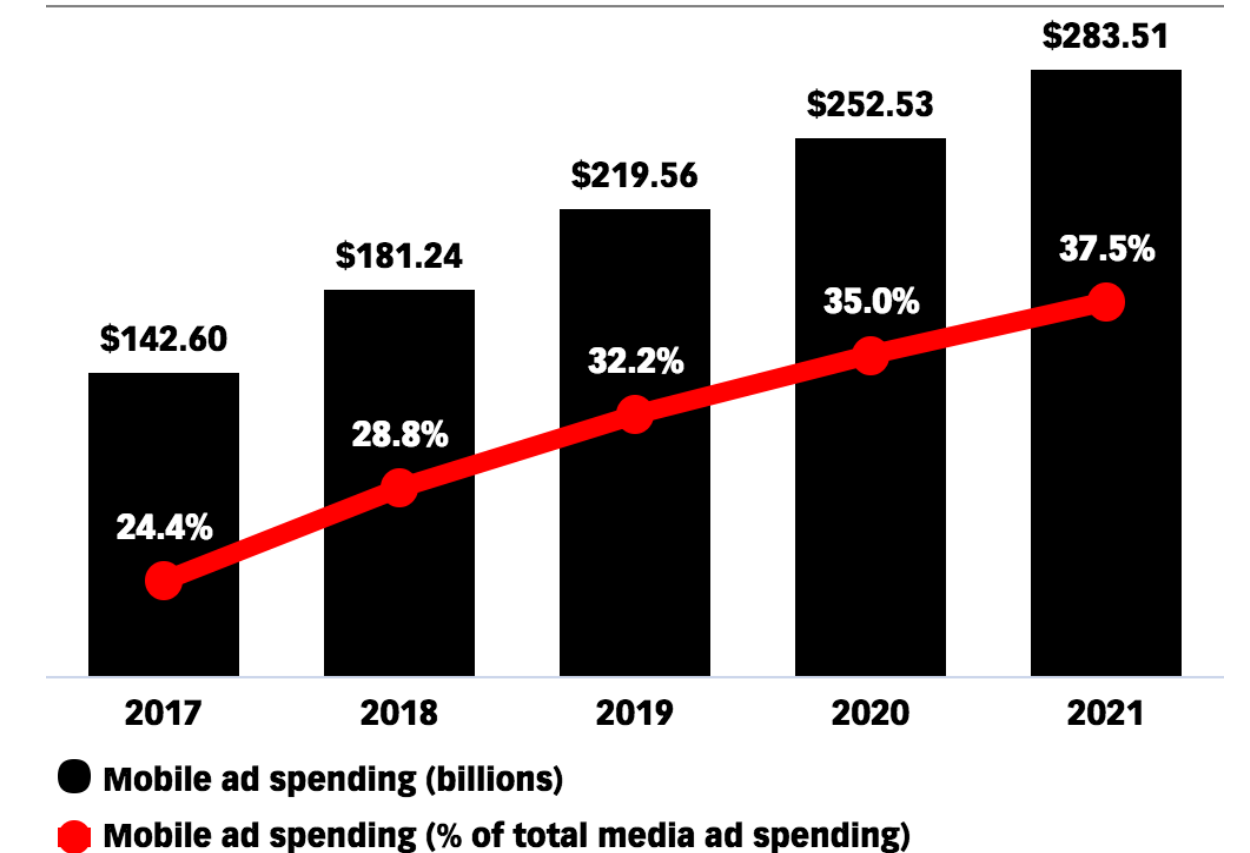
Source: eMarketer, Sep 2017

www.eMarketer.com

Source: eMarketer

#### Mobile Ad Spend

Worldwide, 2017-2021



Source: eMarketer, Sep 2017

www.eMarketer.com



ASIAN DEVELOPERS DOMINATE APP CHARTS (DOWNLOADS & REVENUE)

App Developers from China, US, South Korea and Japan dominate the global app charts, giving us clear direction on where to focus our sales effort once operations are established.



Top Companies

IOS & Google Play Combined - Overall - Worldwide - Oct 2017

#	By Downloads			Headquarters	Apps	#	By Revenue			Headquarters	Apps
1		Facebook	=		60	1		Tencent (腾讯)	=		734
2		Google	=		300	2		NetEase (网易)	=		299
3		Tencent (腾讯)	=		734	3		Activision Blizzard	=		95
4		Microsoft	=		304	4		Netmarble (넷마블)	=		178
5		Alibaba Group (阿里巴巴集团)	=		297	5		mixi (ミクシィ)	▲2		55
6		Cheetah Mobile (猎豹移动)	=		426	6		BANDAI NAMCO (バンダイナムコ)	=		373
7		Outfit7	=		52	7		Sony	▼2		1,394
8		Vivendi	▲1		678	8		Playrix	▲3		8
9		Gomo (久邦数码)	▼1		3,673	9		LINE (ライン)	=		137
10		Ubisoft	=		401	10		NCSoft	▼2		77

Source: AppAnnie

## APAC REGIONAL MANAGING DIRECTOR: JAMES DUTTON

**The establishment of an APAC sales operation has started with the appointment of James Dutton as the Regional Managing Director.** Mr. Dutton will lead the development and execution of business development and strategy, driving sales and business growth across the APAC region.

- Highly experienced digital marketing executive with a proven revenue generation track record.
- 20 years experience in digital performance marketing; 14 of those building businesses and growing revenues within the Asia Pacific Region.
- Most recently was the APAC Managing Director for Resolution Media (Omnicom's global digital performance marketing agency). Whilst serving in that position, he tripled the size of the business, building a team of over 300 performance media experts across 13 markets across the region.
- Deep networks across the region, with strong connections to Fortune 500 brands.

## APAC MARKET ENTRY STRATEGY

**Entry into APAC will commence with the establishment a regional HQ in Singapore; well placed geographically to build relationships with premium clients in key growth markets throughout the region. We will focus on:**

- Driving awareness and business development opportunities through the competitive advantage of TMP's combined nxus and Traffic Guard technologies.
- Lean business development strategies, with revenue-generating staff directly incentivised to drive new sales growth. Technology and back-office operations supported out of Australia and North America.
- Targeting a mix of existing networks and high revenue fortune 500 clients, initially in South East Asia.

### Immediate Opportunities

- Reactivate legacy customers, highlighting technology advancements
- Leverage existing senior executive networks (CEO and APAC MD)
- Initial focus on South East Asia markets

### Targeting High-Value Clients

- Focus on building relationships inside the largest APAC mobile gaming and utilities companies in Korea, Japan and Greater China
- Combined TrafficGuard and nxus technologies provide competitive advantage in increasing margins

### Lean Business Development

- Growth achieved through using scalable sales automation software and data technology; not by adding more people
- Focus on revenue generation and growth reinvestment, not on high cost rollout

## APAC OUTLOOK FOR FY18

### Team Expansion

- New APAC MD James Dutton appointed.
- Team recruiting underway. Additional heads to be revenue-generating staff directly incentivised to drive new sales growth

### Targeting Tier 1 clients

- Targeting new high-value, premium clients, reigniting legacy accounts, and leveraging management team networks
- Each Tier 1 client bring significant revenue opportunity

### APAC Earnings Outlook

- First APAC revenues expected in the March 2018 quarter
- Business unit profitability forecast by end of FY18



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