



Investor Presentation

MIGME LIMITED (ASX Code: MIG)

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**WHERE THE WORLD COMES TO PLAY**

**mig me**

## MIGME LIMITED: CORPORATE OVERVIEW

migme Limited is a digital media group with millions of active users focused on emerging markets. The company is headquartered in Singapore and was listed on the Australian Securities Exchange (ASX) on 11 August, 2014.

### Operating Businesses:



**migme\* (100%):** Social networking & entertainment platform for emerging markets. Headquartered in Singapore with offices in Malaysia, Indonesia, Taiwan, and representation in South Asia (140 Staff) – [www.mig.me](http://www.mig.me)



**alivenotdead (100%):** Artist & media community. Headquartered in Hong Kong (3 Staff) – [www.alivenotdead.com](http://www.alivenotdead.com)



**LoveByte (100%):** Couple's app (social), avatar app, and virtual gifts creator / provider. Headquartered in Singapore (4 Staff) – [www.lovebyte.us](http://www.lovebyte.us)



**Sold.sg (100%):** Pay to bid e-commerce business operating in Singapore, progressively rolled out throughout the group – [www.sold.sg](http://www.sold.sg)

\* main operating business

**CODE :** ASX:MIG, Deutsche Börse: WELA (WKN: A117AB)

**LAST PRICE:** A\$0.82 (ASX)

### ISSUED CAPITAL:

262 million ordinary shares

18 million unlisted options

**MARKET CAP (FD):** Approx. A\$230 million

### BOARD

- Howard Dawson (Chairman)
- Steven Goh (CEO & Cofounder)
- John Lee
- Dmitry Levitt
- Andi Zain
- Stephen Llanwarne
- Charles Pan
- Yichin Lee

### TOP SHAREHOLDERS:

Big Build Enterprises Ltd (FIH Mobile Ltd) 18.6%

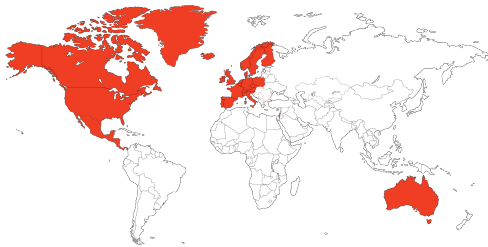
Founders & Board members 18.8%

Employees 6.8%





## THE OPPORTUNITY: THE RISE OF THE REST OF THE WORLD



**1999-**

1<sup>st</sup> world

~700m people

Access: mobile + broadband

\$: advertising markets

Identity: the person you are

Companies: Facebook, Twitter, others



**2003-**

East Asia

~1.5bn people

Access: mobile + broadband

\$: premium / gaming

Identity: the person you want to be

Companies: Tencent, Daum, GREE, others



**2010-**

Rest of the World

~3.5bn people

Access: Mobile

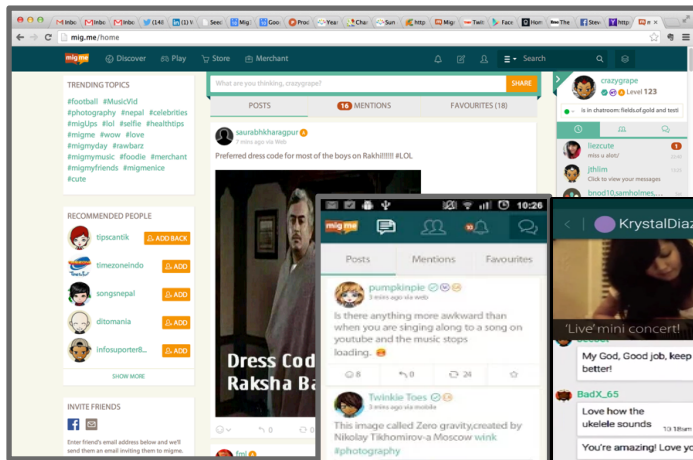
\$: premium / gaming

Identity: the person you want to be

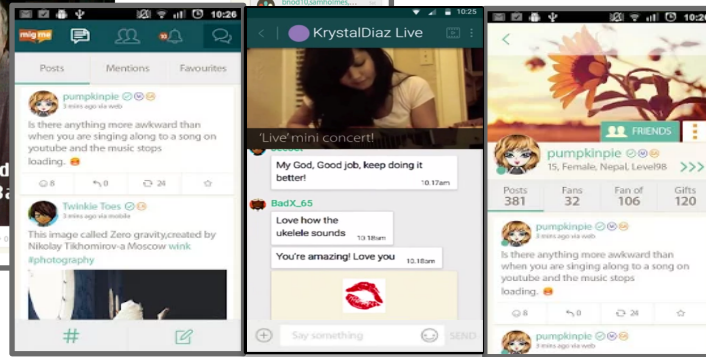
Companies: ?

The next 1bn Internet users experience will be driven by low cost Android phones, and what the Internet will mean for them is as different for the last 2bn, as it was for East Asia to the first world model. migme is positioned to be a winner in this ground shift and is focussed on blue ocean markets (special focus on Indonesia, South Asia, and the Philippines).

# MIGME AS A SERVICE

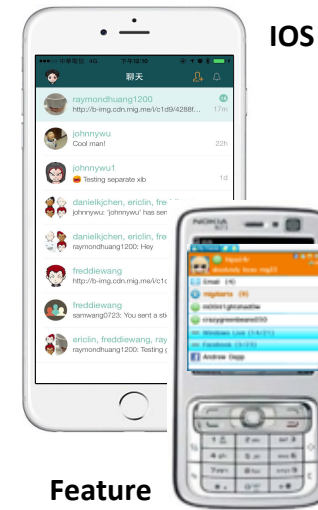


Web / mweb



Miniblog Video chatrooms Gamified identity

Android



IOS

Feature phone



March 2015

Q2 2015

Future

migme was born out of mig33 (feature phone based chat service), but in March 2015 is a contemporary social entertainment network focussed on low cost, mobile-first markets. In Q2, we'll have an updated feature phone client and an IOS client for key high end users. In the future, we plan to rollout a number of unique entertainment experiences for the markets we're focussed on, and will announce progress when appropriate.

# ECOSYSTEM BUSINESS MODEL

## migme is a place.

Where you can be who you want to be (not who you are).

## thin social network.

With chat and miniblog and a lightweight identity model.

Premium items such as virtual gifts, stickers, avatars and premium playful interactions.

Family of applications and other communities connected to migme:

- alivenotdead
- lovebyte
- sold.sg
- many others



## WHY DOES IT MATTER?



**Users reveal personal data through interacting on the platform.**

**Data is used to target advertisements.**

**Content providers have to pay to have their content seen.**



**Users interact on the platform and engage in premium activities (virtual gifts & games).**

**mig me shares revenues with content providers, media companies, and handset / telecoms companies.**

**mig me has a differentiated and aligned business model for emerging markets**

# EXAMPLE : CITA CITATA & MIKEY (INDONESIA)

In mid February, a well known singer Cita Citata (@officialcitacitata) made a racially insensitive comment, and Mikey (@migpapua) a popular Indonesian idol finalist responded in migme. Both artists have built an equivalent to larger following in migme than on other social media. Resulted in higher interactions in migme than on other social media (by replies / shares), both artists received virtual gifts and interacted with their users (over 4,000 gifts over 2 days to which they get a revenue share), and the story was widely reported in mainstream media across the country.



@officialcitacitata



19.0k



51.6k



163.3k



@migpapua



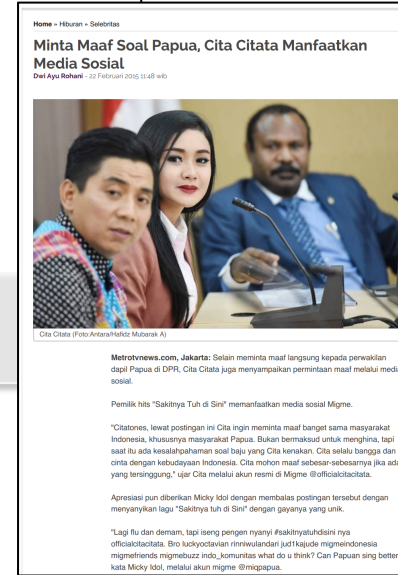
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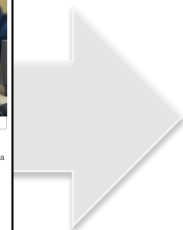
4.3k



34.7k



kan sebagian besar orang untuk k hanya itu, media sosial juga maaf secara meluas. ita Citata kepada warga Papua ti yang diketahui, hujan kecaman kepada Cita Citata.



## PEER COMPARISON

Name /Code	Revenue / Market Capitalisation (A\$)	Monthly Active Users / Footprint	Business Model
Facebook (US:FB)	\$15bn / \$285bn	1.44bn	Global business. 1 <sup>st</sup> world monetisation.
Twitter (US: TWTR)	\$1.7bn / \$30bn	302m	Global business. 1 <sup>st</sup> world monetisation.
Tencent (HK: 0700)	\$16bn / \$241bn	830m	China focused. International investor in TMT. Monetisation primarily through premium activities such as virtual gifts + games + ecommerce.
Weibo (US: WB)	\$416m / \$4.2bn	156m	Miniblog. China Focus. Monetisation through advertising.
Daum (KR: 35720)	\$1bn / \$6.9bn	48m	Korea focused. Monetisation through premium activities (virtual gifts + games).
Momo (US: MOMO)	\$55m / \$2.9bn	69m	China focused dating-centric social network. Monetisation through subscription and premium activities (gifts).
yy.com (US: YY)	\$745m / \$4.6bn	105m	China focused video chatrooms. Monetisation through premium activities (gifts).
Tian.ge (HK: 1980)	\$138m / \$1.3bn	14.4m	China focused video chatrooms. Monetisation through premium activities (gifts).
migme (ASX: MIG)	\$3m / \$230m	>14m	Android first, emerging markets (non-East Asia). Monetisation through premium activities (gifts, games, ecommerce).

**migme is a unique and differentiated, listed social media ecosystem business, giving investors unique exposure to the rise of the Internet to the next 1bn users.**



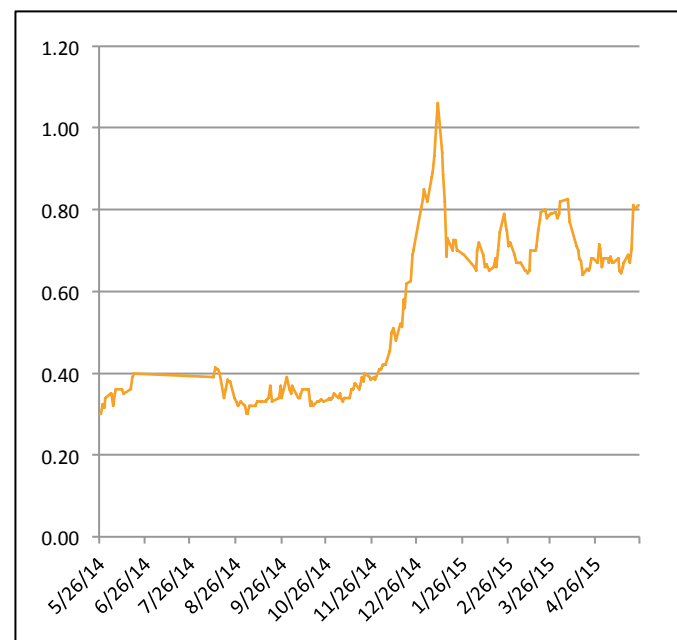
# CORPORATE MILESTONES

- |   |               |
|---|---------------|
| 1. Announced merger with Latin Gold Ltd and Project Goth Inc. ("mig33") | January, 2014 |
| 2. Acquisition of alivenotdead Pty Ltd ("alivenotdead")                 | February 2014 |
| 3. FIH Mobile Ltd placement   | May 2014      |

POST LISTING:

- |  |                |
|--|----------------|
| 4. Completion of merger and listing of group as migme Ltd ("migme") and announced over 5m MAUs | August 2014    |
| 5. Signed distribution agreements with Smartfren, Spice Mobile and Trikomsel (Indonesia)       | August 2014    |
| 6. Artist agreement with Universal Music (Indonesia)   | September 2014 |
| 7. Acquisition of couples app. LoveByte Pte Ltd  | October 2014   |
| 8. Signed agreement with payment provider, DOKU (Indonesia)                                    | October 2014   |
| 9. Announced Quarterly Results with over 7m MAUs   | October 2014   |
| 10. Artist agreements (Indonesia) with Sony Music, Warner and others                           | November 2014  |
| 11. Apps & games API + \$400k investment in MatchMe  | December 2014  |
| 12. Acquisition of pay-to-bid business Sold.sg   | January 2015   |
| 13. Announced Quarterly Results with over 10m MAUs   | January 2015   |
| 14. Extend artist engagement model to Nepal  | March 2015     |
| 15. Added global music service Deezer  | April 2015     |
| 16. Completion of share placement  | April 2015     |
| 17. Announced Quarterly Results with over 14m MAUs   | April 2015     |

## migme Trading History



The 52 week - High / Low: A\$1.06 / \$0.30



## EXAMPLE: INDONESIA

### CORPORATE ACTIVITY

- AUGUST 2014: Smartfren, Trikomsel, Spice Mobile. Provide an estimated coverage of > 50% of all smartphones sold each month under USD\$200
- SEPTEMBER 2014: Universal Music (Indonesia)
- OCTOBER 2014: DOKU Payments
- NOVEMBER 2014: Sony Music Indonesia, Warner Music Indonesia, E-Motion Entertainment, GP Records and others. Estimated 70% coverage of the music industry
- DECEMBER 2014: Games API, Night Spade Mobile Game Studio and TweenSoft
- APRIL 2015: Global music service Deezer

Handset pre-installs	Lower cost of customer acquisition leading to increase in MAU, raises branding awareness, and extends reach.
Music Partnerships	Lowers churn rate (monthly decay of MAU), brings new users on board (increases MAU), creates premium interactions between users and artists (increases number of monetising users and ARPPU per user). Each artist may bring an average number of users to the platform and drive an average sales amount per month.
Payments	Ease of access to payments increases the probability that we increase the number of monetising users and the monetisation rate and ARPPU.

### CHALLENGES

- Community formation. Forming repeatable communities within the migme platform to lower the churn rate and lead to repeatability.
- Tuning the platform. Continuous improvement to increase the probability that existing and new users engage in meaningful activities that leads to a rise in all the key metrics to the company.



- Population: 240m People
- Over 200m mobile phone subscribers, 98% prepaid
- Estimated 40m phones being shipped in 2015
- Estimated mobile Internet devices: 2m IOS devices, 30m Androids, 30m Symbian
- 11 network operators
- Estimated 6m unique credit card holders
- Total digital advertising spend of USD \$50m (2013)
- Estimated 5,000 artists

## KEY FINANCIAL METRICS

	At Listing Date 11 Aug 14	Q3 2014*	Q4 2014	Q1 2015
Monthly Active Users (MAU)	>5m	>7m	>10m	>14m
Average Monthly Paying Users (MPU)	N/A	33k	33k	27k
Artists/Verified Users	N/A	>30	>150	>380
Cash Receipts from Operations (\$A'000)	N/A	\$306	\$565	\$1,125
Net Operating Cash Inflows/(Outflows) (\$A'000)	N/A	\$(1,613)	\$(3,723)	\$(3,240)
Net Other Cash Inflows/(Outflows) (\$A'000)	N/A	\$801	\$(266)	\$339
Cash (\$A)	\$11.0m	\$9.7m	\$5.9m	\$3.2m

\*Quarter represents 50 days operating results, representing the period post the merger date and cash inflows mentioned are a product of the merger process between LAT (the listed entity) and all the assets of Project Goth Inc. group which held assets of migme and associated entities.

- **Pathway to shareholder value means establishing userbase momentum, align growth in Monthly Paying Users (MPU), and managing the Average Revenues Per Paying User (ARPPU) with an array of relevant services**
- **Continued focus on creating revenue opportunities (Artists, Games, Sold.sg, Ecommerce)**
- **Deployment of payment infrastructure to support revenue growth**
- **Business is positioned for growth in MAU, MPU and ARPU (Average Revenue Per User) for the 2<sup>nd</sup> half of 2015**

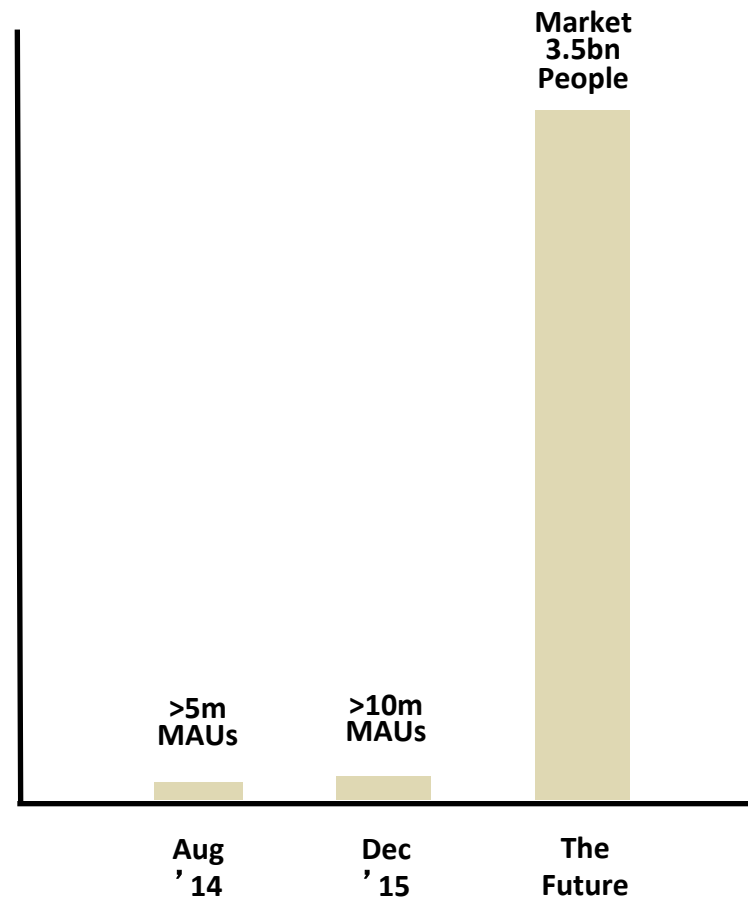
## WHAT'S NEXT

Winning markets through partnerships, acquisitions and platform development:

- Fire hydrants (sources of large numbers of new users): Distribution, Pre-installs, Apps, Media & Telco Partnerships
- Engagement: Apps (Games, Ecommerce, Media Partnerships)
- Viral: Apps & Games, Media Partnerships
- Monetisation: Premium Activities (Virtual Goods, Games, Other premium activities), Payment Providers

Focus:

- Key emerging markets: South East Asia (Indonesia, Philippines), South Asia (India, Nepal, Pakistan, Bangladesh etc.), and Africa (led by South Africa). Option markets: Middle East, Eastern Europe, South America



## SUMMARY

- Large scale, strategically differentiated opportunity in digital media
- Path to revenues and shareholder value is through building the audience (MAU), creating valuable services and interactions that results in monetising users (MPU) and sales per user (ARPU). Range of services include virtual gifts, games, ecommerce and other premium activities.
- Experienced team: Executive and management, Board, Shareholders
- Building a focused relevant corporate track record





Thank you

Find out more

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