

ASX RELEASE

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SECOND QUARTER REVENUE UPDATE

HIGHLIGHTS

- **December quarter revenue is forecast to be 3-7% down on the previous quarter**
- **A number of initiatives have been taken to improve sales performance for the following quarters**
- **Tech Mpire continues to pursue its technology strategy in order to deliver sustainable growth in the medium to long term**
- **The Company retains a strong cash balance of approximately \$5 million at 30 November 2016, while pursuing R&D initiatives**

Tech Mpire Limited (ASX: TMP) (Tech Mpire or Company) commenced the financial year with a period of consolidation to address the challenges of achieving sustainable, long-term growth. Revenue for the December quarter is expected to be 3-7% down on the previous quarter while the Company continues working towards this goal.

Tech Mpire has commenced process and technology initiatives to support campaign diversification, supply quality and traffic mediation. In an effort to reduce exposure to vertical-specific risk, including seasonality and market trends, Tech Mpire continues to cultivate a more diverse client base and variety of campaigns. New data analysis implementations will help account managers garner greater insight into their accounts and campaigns, empowering them to provide an improved service.

Short-term supply volume has been impacted by the launch of TrafficGuard, as Tech Mpire endeavours to improve quality by detecting fraud and mitigating suspicious conversions. Tech Mpire's superior quality will begin to attract a larger share of advertising budgets. TrafficGuard will also serve as a point of differentiation for new advertisers. In the medium term, TrafficGuard is expected to deliver greater revenue per client, as well as attracting new clients.

These initiatives, coupled with the Company's core technology strategy, will support Tech Mpire's growth objectives and sales performance for the second half of FY17.

Tech Mpire remains focused on its mission – **to maximise the reach and impact of every dollar its clients invest in digital advertising**. Development of the Company's operational platform, nxus®, is integral to this mission, and to the Company's objective to deliver sustainable, long-term business growth. The Company's technology strategy is to continue to build capabilities in machine learning, big data analysis and automation. Resulting new functionality will enable Tech Mpire to serve new segments of advertisers, improve quality, lower costs and address the evolving needs of its clients and industry.

Tech Mpire retains cash of approximately \$5 million (as at 30 November 2016) while continuing to pursue its technology strategy.

Tech Mpire's CEO, Luke Taylor said:

"In the last two years, we have made great headway in the development of our business and of our technology platform, nxus. This has helped us grow our industry presence and client base, and position the Company as a performance marketing innovator.

"The steep growth achieved in FY16 has not been without challenges. While our December 2016 quarter revenue is disappointing by comparison to our past performance, we have implemented initiatives that will address these challenges and support the Company as it evolves. We are preparing for our next phase of growth which will be realised as we begin to capitalise on components of our technology strategy."

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