

ASX RELEASE

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SUMMARY OF ANNUAL REPORT

FY17 has been a year of achieving significant milestones for Tech Mpire (TMP).

Key achievements include continued organic revenue growth, underlying business profitability, positive operating cash flow generation and the growth momentum being driven by new CEO, Lee Hunter.

Highlights of TMP's Annual Report for FY17 include:

- **Shift to profitability:** TMP recorded its **first annual profit** since relisting two years ago, with Net Profit Before Tax of \$779,811 for FY17. This **exceeds the previously stated estimate** of \$700K.
- **Record revenue growth:** TMP ended FY17 with another year of **record revenues**. FY17 revenue of \$37 million is a 15% increase on \$32.1m FY16 revenues. TMP has now organically more than tripled its revenues from \$11.8m in FY15.
- **Strong balance sheet:** Cash balance as at 30 June 2017 of \$8.2 million is an increase of 46% on the 30 June 2016 level of \$5.6m.
- **Peer group outperformance:** TMP featured in The Australian Financial Review's Fast Starters list (2nd), along with Deloitte's Technology Fast 50 AU (4th) and Fast 500 APAC (17th).
- **New CEO's growth momentum:** New CEO, Lee Hunter, initially joined TMP as a Non-executive Director on 16 February 2017 and then as CEO on 15 May 2017. Lee brings significant experience and global customer networks to TMP. Having worked in senior roles at Google and YouTube where he managed significant online marketing budgets, he intrinsically understands the TMP customer perspective and the unique customer value proposition provided by TMP.
- **New technology advantages:** TMP is continuing to expand the competitive advantages of its technology-driven cost-per-install ("success fee") pricing model and ability to provide high volume, high quality online marketing results for its customers. To complement TMP's automated online lead generation platform, nxus, on 19 October 2016 TMP launched its proprietary anti-fraud solution, TrafficGuard™. TrafficGuard delivers proactive assessment of traffic sources to remove invalid traffic or non-compliant campaign activity. The ability to remove fraud and deliver high quality online marketing outcomes for its customers is a key competitive advantage for TMP.

- **Outlook:** TMP expects to continue its growth momentum in FY18. TMP is ready to scale aggressively as it expands into Asia-Pacific, targets higher value customers and continues with the rollout of its “Four Technology Pillars” strategy (investing in big data analytics, accessing higher volume of quality traffic supply, strengthening the mobile business, and improvements in quality assurance and fraud detection tools).

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