Investor Presentation

Mobile Advertising

Mobile Commerce

Content Monetisation

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

September 2019
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Executive Summary

Business Overview

Syntonic connects premium content owners directly with mobile consumers in underserved markets to capture new revenue streams

- Syntonic’s Revenue Generation Platform™ is a leading cloud-based solution that spans content services, mobile advertising, and mCommerce
- Founded in 2013 and headquartered in Seattle, USA.
- Focus on growing, emerging markets, deployed and validated by major carriers and content providers around the world.
- Acquisition of Zenvia mobile commerce assets and broad corporate focus on content monetisation in FY 2019 led to more than 4X revenue growth with cash flow breakeven targeted for end of FY 2020
- The Company has the opportunity to leverage and accelerate this business success globally in FY 2020 and beyond
- Publicly traded on the Australian Security Exchange since July 2016

Syntonic is uniquely positioned to establish a defensible leadership position that can provide profitable growth for years to come.

Financial Highlights

$7.1 MILLION AUD
FY 2019 Unaudited Revenue
4X REVENUE GROWTH
2018–2019
Syntonic Snapshot

Highly Experienced Board | Management Team

Gary Greenbaum
Managing Director
Co-founder and CEO

Rahul Agarwal
Executive Director
Co-founder, President & CTO

Steve Elfman
Non-Executive Chairman

Nigel Hennessy
Non-Executive Director

Mission
Syntonic’s Revenue Generation Platform enables mobile carriers and content providers to capture new revenue streams based on mobile advertising, content services, and mobile commerce.

Details
3,396,592,000
AUD $6.8 Million

Shareholder Ownership
Top 25 56.9
Remaining Shareholders 43.1
Corporate Overview

Operates in 6 countries with customers spanning 17 time zones

Platform validated by carriers (Vodacom, Telefonica, Verizon, etc.) and content providers (Abril Group and others)

Founded in 2013; publicly traded on the Australian Securities Exchange since 2016 (ASX.SYT)

Brazil’s market leader in mobile content services

Leadership team with 20+ years executive experience in digital media and mobile telecom

Syntonic local presence
Premium content owners know how to create valued content and collect royalty payments, but in underserved markets:

- are challenged to integrate, coordinate and execute all the necessary activities to launch content;
- lack expertise in technology, mobile payment, marketing, distribution; and
- lack local knowledge, expertise and resources to capture new revenue opportunities.

As a result, branded premium content is often not made available to mobile audiences in underserved markets.

These markets represent over one billion smartphone consumers in Latin America, Southeast Asia, India, Africa and the Middle East. [source: eMarketer 2019]
Syntonic Solution: Revenue Generation Platform™ (RGP)

Syntonic’s RGP provides a full-service E2E content monetization 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.
Target Content Partnerships

What
Premium branded content

Why
Lower customer acquisition cost
Global appeal
Higher margins through sell-through

How
Carrier content bundles
Direct-to-consumer
Large Market Opportunity

RGP™ Market Opportunity

DCB mobile commerce & advertising in targeted markets

Source: Fortumo, eMarketer 2019

TODAY 2022

USD Billions

15.7 35.2

SYT Growth Strategy

Focus on underserved content markets in Latin America, Africa, Middle East and Southeast Asia

Scale across markets through

• Content partnerships
• Highly leveraged global SaaS platform
Consumer Journey

1. Tap ‘Subscribe’ on Web site
2. Choose location and mobile carrier
3. Text and confirm subscription
4. Click email link, sign in, and enjoy!
Syntonic and partner work together on productising content

Syntonic promotes content products and acquires customers

Revenue split amongst content partner, carrier, and Syntonic

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Revenue Model

Revenue model will vary based on carrier, content provider, and local tax laws.

- SYNTONIC Subscription Gross Revenue: 100
- SYNTONIC Net Revenue: 50
- SYNTONIC Contribution Margin: 20

Breakdown:
- 16 Taxes
- 34 Carrier
- 3 Taxes
- 7 Digital Advertising
- 20 Content Owner

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SEPTEMBER 2019
Key Success Factors

Simple Customer Experience
- Complete end-to-end platform from acquisition through retention for content owners
- Easy, seamless transaction experience for customers

Time to market
- Premium content launch in days with RGP™
- Early mover advantage in underserved markets

Content Partnerships
- Cost efficiency and broad scale for content owners
- Aligned incentives

Scale
- Breadth of content and territories
- Efficient customer acquisition
- Higher margins from content partnerships
## Competitive Landscape

<table>
<thead>
<tr>
<th>Company</th>
<th>Mobile Commerce</th>
<th>Mobile Ads</th>
<th>Content Services</th>
<th>Competitive Advantage</th>
</tr>
</thead>
</table>
| **Syntonic**  | ✔               | ✔          | ✔                | • Brazil, Africa, SE Asia Middle East  
• Leader in Brazil (9th largest economy)  
• Most complete platform               |
| **Bango**     |                 | ✔          |                  |                                                                            |
| **Boku**      |                 | ✔          |                  |                                                                            |
| **Fortumo**   |                 | ✔          |                  |                                                                            |
| **DIMOCO**    |                 | ✔          |                  |                                                                            |
| **Digital Virgo** | ✔         | ✔          | ✔                | • 48 countries / 26 offices  
• Focused on non-premium content        |
| **PM Connect**|                 | ✔          | ✔                | • Africa, Europe and Middle East with [lighthouse content from NBA and WWE]   |
| **Wavey - VAS**| ✔               | ✔          | ✔                | • Focus in Latin America with strong anchor [partnerships such as Disney and Marvel] |
Section 3

Company Financials
Financials AUD$

### Notes

1. **FY 2019 accelerated revenue growth** (up 306%) mainly due to addition of content transactions in SYT business.

2. Growth in FY 2019 Cost of Sales was due to revenue sharing payments to content owners, mobile carriers, and ad agencies.

3. New Syntonic Brazil subsidiary and acquisition costs were additional expenses introduced in FY 2019.

### Audited and Unaudited Financials FY 2018 and FY 2019

<table>
<thead>
<tr>
<th></th>
<th>Audited FY 2018</th>
<th>Unaudited FY 2019</th>
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</thead>
<tbody>
<tr>
<td><strong>Continuing Operations</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue from ordinary operations</td>
<td>$1,730,366</td>
<td>$7,136,092</td>
</tr>
<tr>
<td>Other income</td>
<td>38,158</td>
<td>46,242</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td><strong>1,768,524</strong></td>
<td><strong>7,182,334</strong></td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(679,751)</td>
<td>(4,876,257)</td>
</tr>
<tr>
<td>Marketing expenses</td>
<td>(691,721)</td>
<td>(1,981,687)</td>
</tr>
<tr>
<td>Research and development expenses</td>
<td>(1,452,648)</td>
<td>(1,510,068)</td>
</tr>
<tr>
<td>Staff expenses</td>
<td>(2,223,206)</td>
<td>(2,552,147)</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>(1,665,644)</td>
<td>(2,888,103)</td>
</tr>
<tr>
<td>Share based payment expense</td>
<td>(523,813)</td>
<td>(746,913)</td>
</tr>
<tr>
<td>Amortization</td>
<td>-</td>
<td>(234,441)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>(1,927)</td>
</tr>
<tr>
<td>Finance Cost</td>
<td>-</td>
<td>(365,915)</td>
</tr>
<tr>
<td>Discount unwind of contingent consideration</td>
<td>-</td>
<td>(134,932)</td>
</tr>
<tr>
<td>Change in fair value of embedded derivative liabilities</td>
<td>-</td>
<td>544,548</td>
</tr>
<tr>
<td>Gain/Loss on disposal of available for sale investment</td>
<td>81,418</td>
<td>-</td>
</tr>
<tr>
<td>Gain/loss on currency exchange</td>
<td>-</td>
<td>(39,047)</td>
</tr>
<tr>
<td><strong>Loss before income tax</strong></td>
<td>(5,386,841)</td>
<td>(7,604,555)</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net Income (Loss)</strong></td>
<td><strong>$ (5,386,841)</strong></td>
<td><strong>$ (7,604,555)</strong></td>
</tr>
</tbody>
</table>
Outlook FY20 and beyond

- Strong year of growth in FY19 with record revenue and solid cash receipts, driven by mobile commerce business in Brazil and new deployments

- Strategy to build customer base of content providers and sell premium content direct to consumers using its carrier integrated RGP

- Plan to replicate mobile commerce business success in other similar geographic markets where Syntonic has an established presence

- Continued growth expected in revenues, margins, cash receipts in FY20 and beyond
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