## AdEffective

Online Shopping & Advertising

Simon Crean — CEO simon.crean@adeffective.com

ASX: ABN



### **AdEffective Overview**

- Profitable, growing company based in Brunswick, VIC
- Foundation in online advertising expanding to capitalise on online shopping opportunities
- ASX-listed and positioned to exploit two large growing markets

Key Company Metrics		
FY13 Revenue*	FY13 Profit	Cash at Bank**
\$2.8M	\$45,000	\$560,000
Shares on Issue	Share Price***	Market Cap***
207.9M	1.5 cents	~\$3M

<sup>\*</sup>FY13 revenue derived from Online Advertising only. Online shopping revenues commence FY14 \*\*As at June 30, 2013



<sup>\*\*\*</sup>As at September 17, 2013

### **Business Divisions**

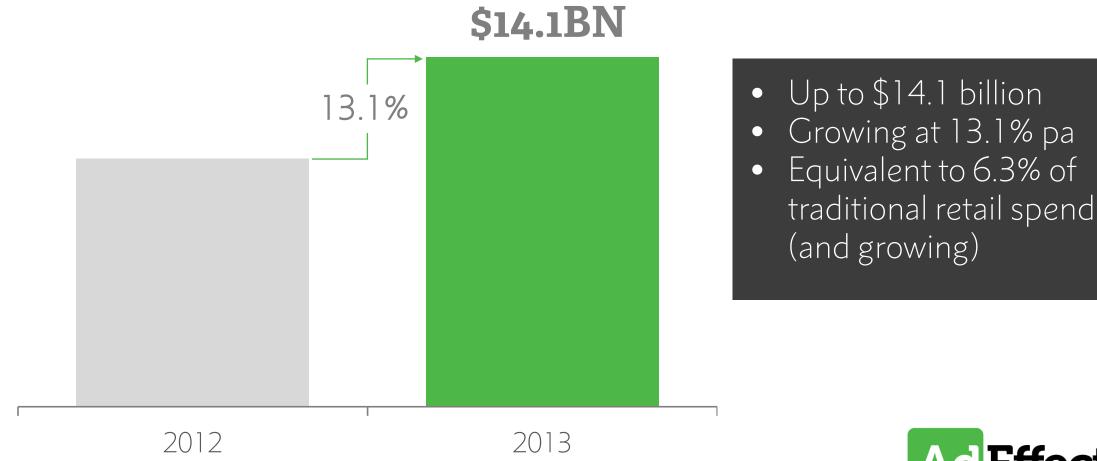




# Online Shopping Division



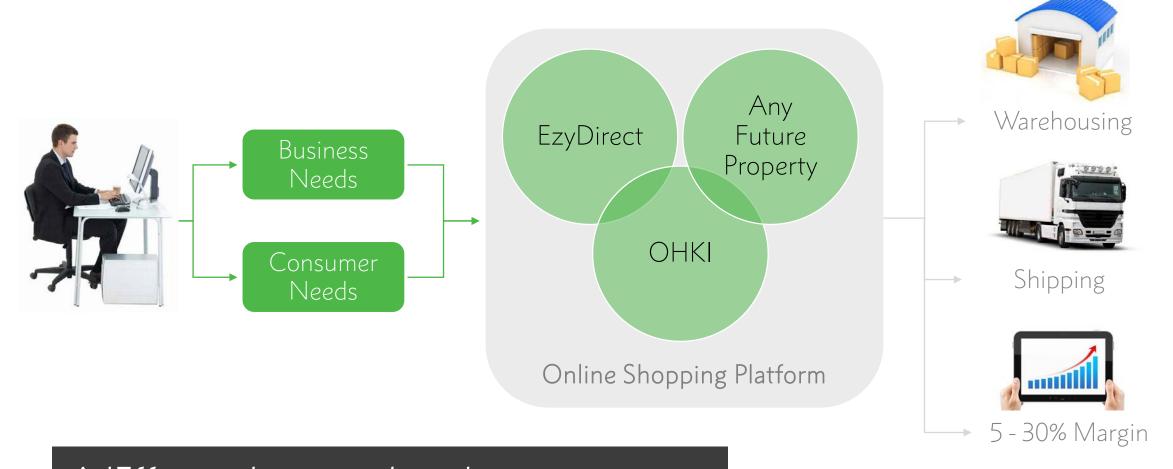
### **Australian Online Shopping Market**



Source: Nab, Frost & Sullivan, 2013



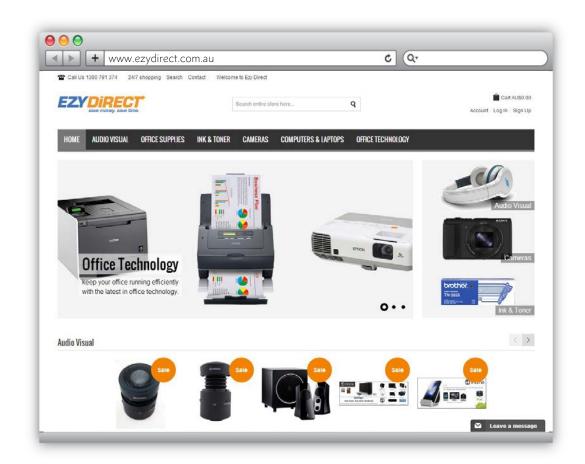
## Online Shopping Model

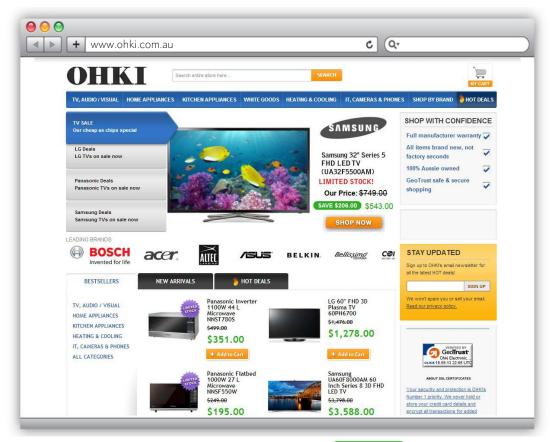


AdEffective has an online shopping platform that is versatile, robust & scaleable



## **EzyDirect & OHKI**







## **Strategic Priorities**

Increase revenue across online stores

Customer acquisition and retention activities

Sales optimisation and cross-selling across stores

Enhance the e-commerce platform

Support new online stores

Create cost efficiencies across the division

Enter attractive new retail categories

Organically

Via acquisition

Pursue acquisitions by

Analysing market for growing small-mid size shopping sites

Finding sites that dominate 'niches' in large retail categories

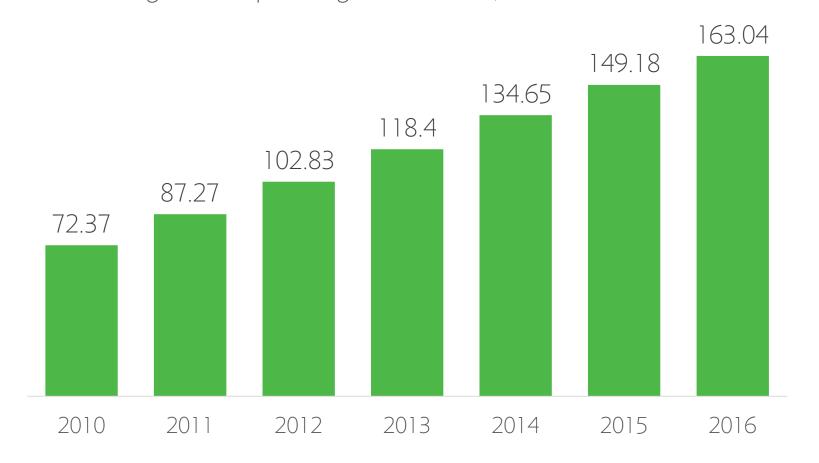


# Online Advertising Division



## Global Online Advertising Market

Digital Ad Spending Worldwide \$BN (2010-2016)

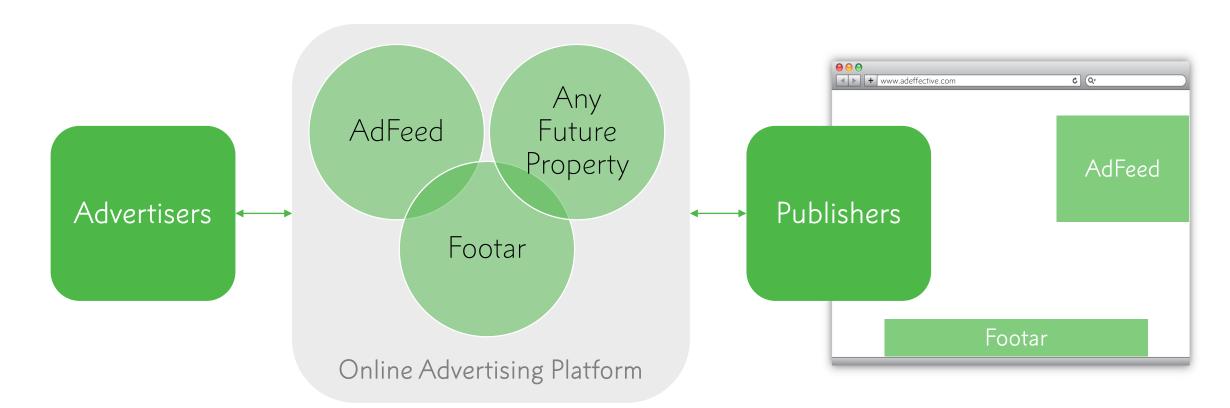


Global online advertising spend projected to reach \$163BN in 2016

Source: eMarketer, December 2012



### Online Advertising Model



AdEffective online advertising products are proven revenue generators at ~40% margin



## **Strategic Priorities**

Expand into new markets to augment existing organic growth

Increase publisher network in line with the increasing supply of advertising inventory

Leverage our technology, network, publisher & advertising partnerships to mobile devices

Pursue complementary acquisitions



#### **Board of Directors**



Andrew Plympton
Non-Executive Chairman

- Brings considerable financial management skills to the Board
- Director of a number of ASX listed companies



Damian London
Non-Executive Director

- 16 years' experience in software, search engine marketing and online advertising
- Strong technical background



Sophie Karzis Non-Executive Director

- Practising lawyer with 20 years' experience
- Corporate counsel for a number of public companies



Mark Goulopolous Non-Executive Director

- Associate Director at Patersons Securities
- 15 years' experience in equity capital markets and investments

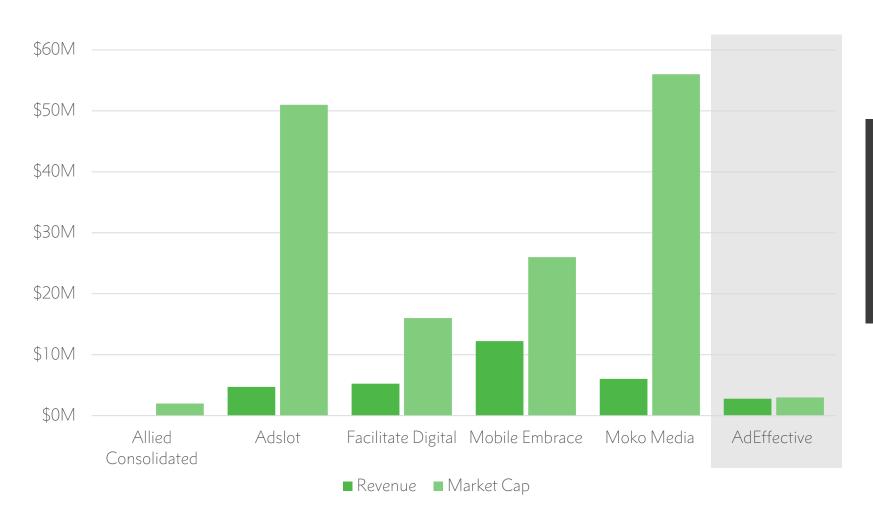


Domenic Carosa Non-Executive Director

- Chairman of the Future Capital Fund
- Co-founded and listed destra Corporation growing to revenues of \$100M



### **ASX Small Cap Media Comparables**



AdEffective trades at a low revenue to market cap multiple for the sector

FY13 revenue derived from Online Advertising only. Online shopping revenues commence FY14



### **Investment Highlights**

The only online shopping company to be publically traded

High growth opportunities in both Online Shopping & Advertising

Profitable and growing company with over \$2.8M in revenues

Undervalued based on market comparables



# AdEffective

Online Shopping & Advertising

Simon Crean — CEO simon.crean@adeffective.com

ASX: ABN

