



**Aspermont**  
*Information for Industry*

# AGM Presentation

February 2019

[www.aspermont.com](http://www.aspermont.com)

# The leading media services provider to the global resources industry

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Aspermont is ASX listed with offices in Australia, UK, Brazil, North America and the Philippines

The Company's focus is on global media leadership in the Mining, Agriculture, Energy and Technology sectors

The company has invested 20 years in building a commercial model for B2B digital media distribution that is founded on providing high value content to a global subscriber base. The B2B model is scalable as to new countries, new commodity sectors and in new languages

Aspermont is now the dominant player in B2B media for the resources sector



**Minjng Journal**

**Minjng Magazine**

  
Notícias de Mineração Brasil

**RESOURCESTOCKS**

**AMERICAS**  
MINING AGENDA 

**MN**  
MiningNews.net

AUSTRALIA'S  
**MINING**  
MONTHLY

  
**ENB**  
energynewsbulletin.net

**PNG**  
PNGIndustryNews.net 

KONININ GROUP'S  
**Farming**  
Ahead  
INDEPENDENT INFORMATION FOR AGRICULTURE

 **Research & Intelligence**

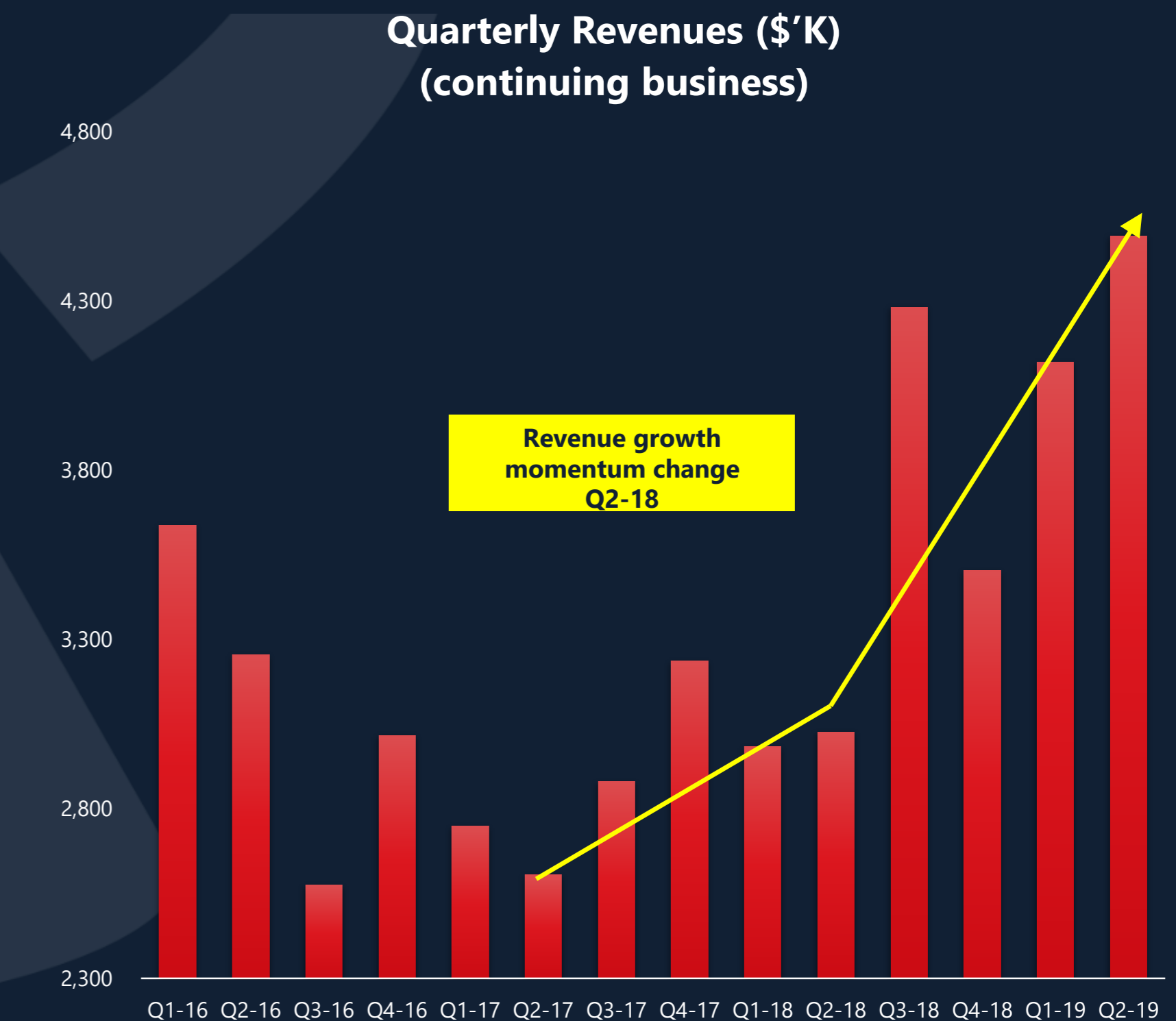
# Q2-19 (forecast)

## Strong growth in revenue, profit and cash flow

PCP Comparisons:	Subscriptions Revenue	Events Revenue	Digital Ad Revenue	Print Ad Revenue	Res'ch/Data Revenue	Total Revenue	Gross Profit	EBITDA	Operating Cash flow
Q2'19 Vs Q2'18	+9%	NEW	+9%	+8%	+166%	<b>+47%</b>	<b>+58%</b>	<b>+140%</b>	<b>+43%</b>
Q2'19 Actual (\$'K)	1,589	1,105	760	911	93	4,458	2,630	70	395

Positive Q1 trading performance continues into Q2 and looks set to maintain in future quarters as total revenue grows robustly. Core business continues to make strong improvements alongside emerging new businesses

- Q2 revenue: 47% growth on prior year
- Strong cash flow improves gross margins and drives bottom line profitability
- Future of Mining Sydney (FOMS) sold out 1 month prior to event and twice the size of launch event last year's launch event



# Turnaround phase complete

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Financial	FY15	FY18
EBITDA	(\$3.5m)	+\$0.2m
Cash Flow from ops	(\$3m)	+\$0.6m
Balance Sheet Debt	\$8.2m	Zero
Revenue Chge PCP	(28%)	+21%

Competitiveness	FY15	FY18
Media range	Publishing /Events	Publishing/Events/Research/Data
Tech Platform	Legacy / Disparate	Best in Class / Integrated
Marketing Systems	Manual	Automation
Group Services	In House	Outsourced / Offshored

Centralisation	FY15	FY18
Operational Structure	Decentralised	Centralised
Exec Team Located	Globally spread	London
Board Located	Globally spread	London / Perth

Knowledge Capital	FY15	FY18
Publishing Skills	Print	Multi-media
Sales Skills	Product focused	Solution selling

Restructuring	FY15	FY18
Staff numbers (FTE)	160	116
Cost Base	Fixed	Scalable

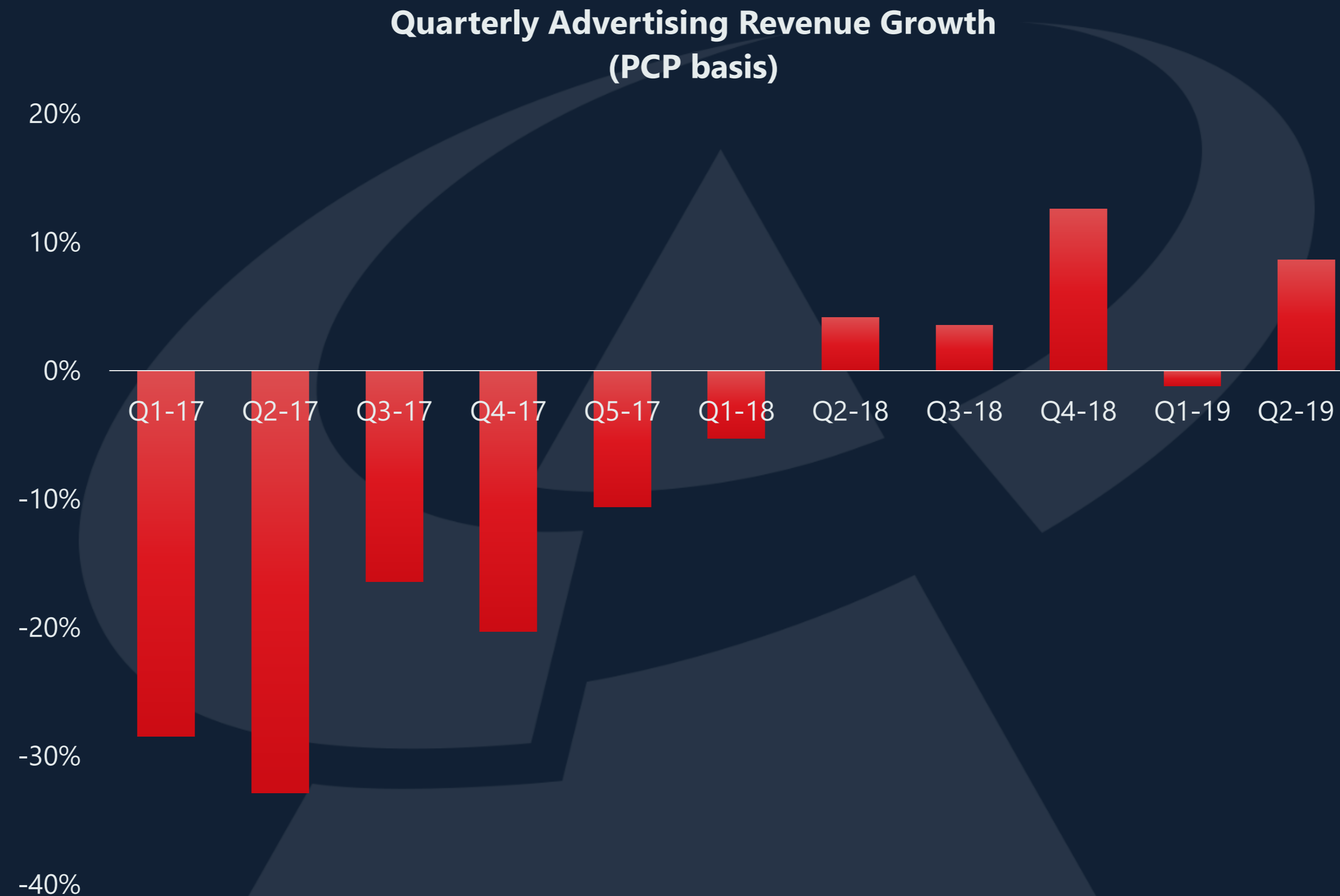
# Aspermont is a business with three growth horizons

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Focus	Defend and extend current core business	High Growth Business	Future Business
Output	Immediate gain in revenues/profits Today's cashflow	Nurturing emerging business Foundation for 2-5yr growth Tomorrow's cashflow	New business creation Foundation for 5+ yrs growth Loss leader / investment \$'s
Divisions	Display advertising (print / digital transition) Core subscriptions development	Events Content Marketing Research North American market development	Data services Lead generation, Training & Education Asia, Africa, LATAM markets Multi-lingual services
People & Skills	Business maintainers	Business builders	Champions and visionaries

# We countered the structural decline of print and returned advertising to growth



- Aspermont successfully crossed the print to digital advertising divide
- Very few other listed Plc's have achieved this or even tried to achieve this
- Both Print and Digital advertising revenues are now in growth

# Our focus is to build on core subscriptions revenue and its drivers

	As at June'16	As at Dec'18	Compound Annual Growth Rate (CAGR)
Number of Subscriptions	7,158	8,208	6%
Average Revenue Per Unit (ARPU)	\$623	\$833	12%
Annual Contract Value (ACV)	\$4.5m	\$6.8m	18%
Web Traffic (Sessions)	3.8m	4.9m	11%
Web Traffic (Users)	1.1m	2.0m	27%
Loyalty Index	41%	60%	16%
Renewal Rate	73%	85%	6%
Lifetime Years	3.7	6.5	25%
Lifetime Value	\$16.5m	\$44.4m	49%

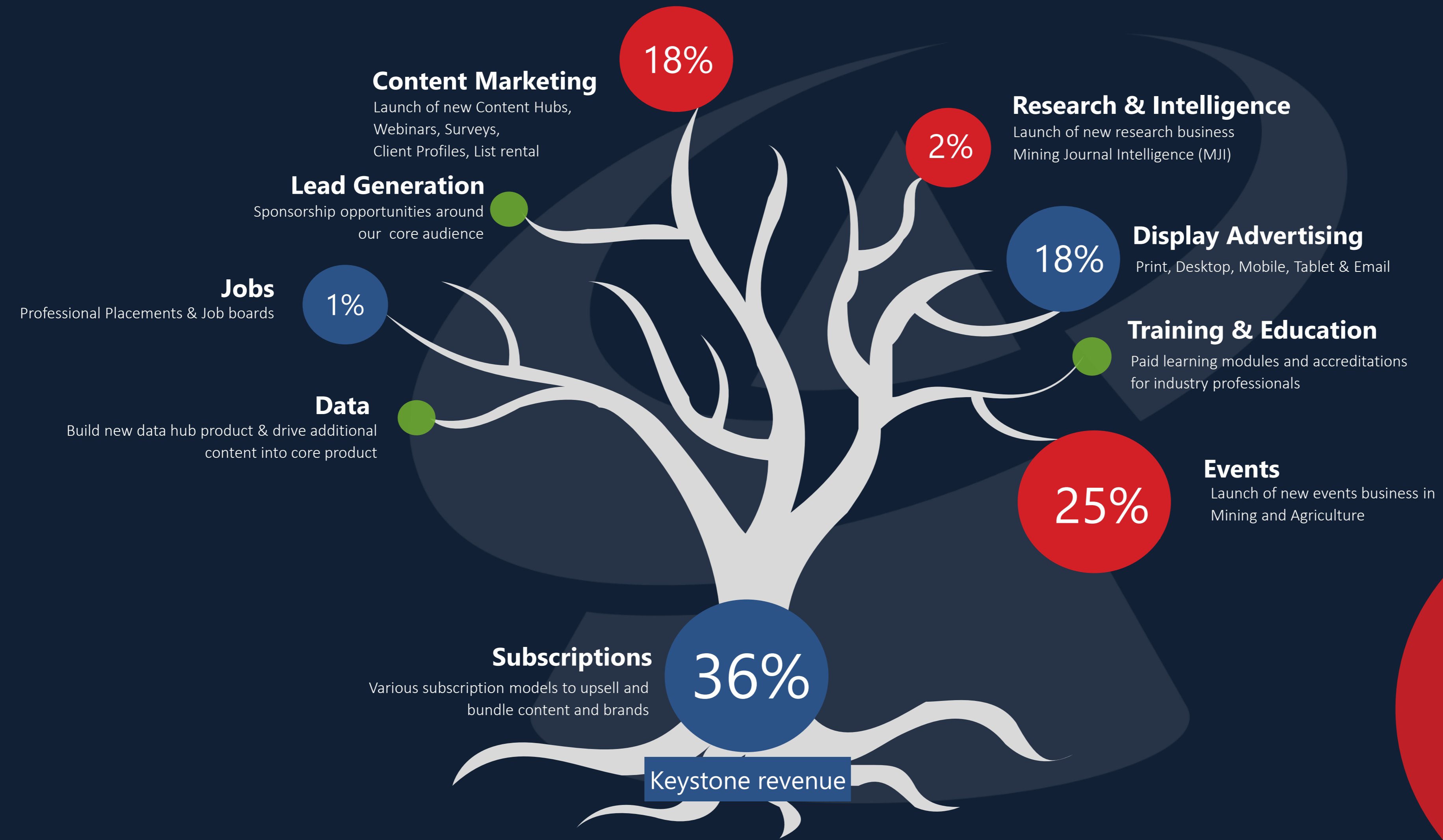
**Rapid growth of  
all metrics drives  
ACV & LTV**



- Aspermont built 1 million new digital users in the last 30 months
- Aspermont market capitalisation is less than half the current LTV of subscriptions alone

# Horizon 2

## Nurturing new high growth businesses



**45% of revenues this Q will come from new business lines:**

- Events
- Content marketing
- Research

## Developing new markets

North America as a market offers major growth opportunities in all our key sectors

Over the last 2 years Aspermont had achieved:

- Over 130% growth in our digital users from North America
  - the launch of Mining Journal Americas in FEB 17 was the major catalyst for growth
  - A lift in our revenue share of 10% (2017) to 17% (2018) coming from the region – which equates to \$1.3m organic revenue growth
- A doubling of the local workforce to service a growing market
- 82% onsite rebooking at the inaugural Future Of Mining Americas Event anticipates a strong performance in the current year

**North American  
Monthly Digital Users  
Mining-Journal.com**



Horizon 3

# Developing future businesses now

1. Multi-lingual services



Now: English / Portuguese  
Next: Spanish / Chinese

2. Lead Generation solutions



Now: Mining lead gen services (Beta product)  
Next: All sectors lead gen services (full product)

3. Data products and services



Now: Mining data services (Basic)  
Next: All sectors data services (Advanced)

4. Training & education



Now: Accrued intel for business strategy  
Next: Development of online training platform

Expectations for FY19

## Outlook is for high growth

- High growth to continue across all SAAS metrics
- Double digit growth in all areas (except print advertising with SD growth)
- New portfolio sales strategy to optimize sales potential
- Cash flow and capital is reinvested in People ,technology and new product launches
- North American market penetration in Aspermont key sectors
- Further improvement in margins at GP, OP and EBITDA levels

For more information on our recent performance, FY19 strategies and goals please visit [Investor FAQs](#)

# Investment rationale

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1. Digital media platform can upscale growth by country and by commodity
2. Successful management team is delivering growth against plan
3. Strong and sustainable growth in subscriptions drives growth momentum
4. Elimination of debt and strong balance sheet give clear visibility to forward projections
5. Higher growth and new products are being financed from cash flow

Subscriptions	June'16	Dec'18
No. of Subscriptions	7,158	8,208
ARPU	\$623	\$833
Renewal Rate (%)	73%	84%
Annual Contract Value	\$4.5m	\$6.8m
Lifetime Value (LTV)	\$16.5m	\$44.4m
Year End Financials	June'16	Sept'18*
Group Revenue	\$12.6m	\$14.0m
GP Margin	48%	54%
EBITDA	(\$1.1m)	\$0.2m
Cash Flow from Ops	(\$0.3m)	\$0.6m
Net Debt	\$8.2m	\$0.0m
Market Capitalization	\$9.6m	\$18.7m

# For further information



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# Glossary (SaaS Metrics)

**Number of Subscriptions**

Number of live subscriptions at end of period 8,208

**Average Revenue Per Unit (ARPU)**

Annual Contract Value / Number of Subscriptions \$833

**Annual Contract Value (ACV)**

Aggregate contract cash value of all live subscriptions at the end of a period \$6.8m

**Sessions**

Total number of web sessions over a trailing twelve month basis 4.9m

**Users**

Total number of users who initiated at least one web session over a trailing twelve month basis 2.0m

**Loyalty Index**

Internal metric analysis of subscriber loyalty through their engagement 60%

**Renewal Rate**

Volume of subscriptions renewed over trailing twelve month basis (i.e. the inverse of Churn Rate) 85%

**Lifetime Years (LY)**

Average lifetime of a subscription = 1/Churn Rate 6.5 years

**Lifetime Value (LTV)**

Aggregate of present and future value of all subscriptions = (Lifetime Year x Annual Contract Value) \$44.4m

# Experienced leadership team able to execute

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**Ajit Patel**

Chief Operating Officer

Ajit has more than 30 years of experience in technology; working across digital media, events and research. Previously Ajit was the CTO for Incisive Media, where he was responsible for infrastructure, software development, online strategy and large scale systems implementation.

Ajit came to Aspermont to help deliver the technological base to enable the company to deliver on its long-term solution. He is now responsible for all services departments including marketing.



**Alex Kent**

Group Managing Director

Alex joined Aspermont in 2007 having spent the early part of his career at Microsoft.

Starting with the creation of a semantic search division for the company he has since worked in all areas of the Aspermont Group. His prime skills sets of technology and marketing saw him hold the role of Group CMO prior to becoming Managing Director.

Alex has BSc degrees in Economics, Accounting and Business Law. He has been a key driver of the overall vision for the company and its deep-seated technological focus.



**Leah Thorne**

Group People Director

Leah joined Aspermont in 2018 with over 18 years experience in HR. Prior to joining, Leah had led a number of HR functions within technology start up environments and supported their transition to become more established, efficient businesses. She also headed up European Talent Development at Activision Blizzard where she had a strong focus on leadership development and the digital transition. Leah's role at Aspermont will see her developing and executing our People Strategy, to support both the overall business strategy and high growth phase the company is in.



**Matt Smith**

Chief Commercial Officer

Matt has over 20 years of experience in global media sales. His previous role was President at International Data Group (IDG), the world largest technology media organisation, where he directly managed and led the global demand generation business and data strategy. His role at Aspermont is newly created and gives him full remit over all the company's commercial activities. Specifically Matt will be focused on building a truly solution-sales based culture and framework within Aspermont to enable the company to maximise on its wealth of client sponsorship opportunities



**Nishil Khimasia**

Chief Financial Officer

Nishil has significant and relevant experience in financial management, business development and transformation in entrepreneurial growing companies in the global B2B sector. Over the past 8 years Nishil held CFO and General Management positions at Equifax UK & Ireland, part of Equifax Inc., one of the world's largest information solutions providers, with responsibility for developing UK & Ireland business.

# Capital Structure

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Shares on issue	2.1b	
Options on issue	323m	@3 cent
	10m	@1 cent
Unlisted Performance Rights	47.5m	
Market Capitalisation	\$21m	
Substantial Shareholdings	15.7%	Drysdale Investments Limited
	13.4%	Allandale Holdings Pty Ltd
	12.5%	Mega Hills Limited
	7.7%	Annis Trading Limited

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