



ASX CODE: BIG

20th June 2017

BIG to Acquire Hospitality Vertical from The Intermedia Group

Big Un Limited (ASX: BIG or the Company) is pleased to announce that it has agreed to acquire the Hospitality vertical from The Intermedia Group (TIG). The acquisition will provide BIG with advertising revenue of \$6m per annum and a direct relationship with over 65,000 Australian businesses.

The acquisition provides BIG with the largest share of voice in the Australian B2B Hospitality sector. Publications cover a range of print and online titles for Hospitality (restaurants, cafés, pubs, bars), Accommodation and Liquor/Drinks titles. With first mover advantage in the video subscription and content commerce space, BIG intends to fully monetize this opportunity through:

- The sale of video subscription to the Hospitality B2B customer base
- Offering sponsorship and advertising of specialist Food/Drink Review Shows to larger advertisers
- The provision of video-embedded booking widgets for hotels and restaurants
- BIG's unique video review app
- Plus other Hospitality related, value added products and services.

Key Vertical Market

BIG Access to Restaurants, Bars & Hotels

Intermedia's Hospitality vertical includes 10 B2B print/digital publications, and 7 specialist industry events. Combined, these give BIG access to the following:

- 65,000 unique businesses
- 100,000 individual digital subscribers
- 63,000 individual print subscribers
- 51,000 social followers
- 136,000 unique website visitors (per month)
- 4000 event attendees/delegates

The acquisition also provides BIG with established relationships with large brand advertisers. Established advertising clients include:

Restaurant/Bar Advertisers

Diageo
Coca-Cola
Campari
Bacardi
Nestle
Stoddart (restaurant equipment)
Asahi
Fox Sports
Open Table

Hotel Advertisers

Accor Group
Intercontinental
Hilton
Hyatt
Marriott
Mantra
Host Plus (Superannuation)
San Pellegrino
Sealy
Samsung

Enhancing Traditional Media with Video Technology

As part of the strategy to dominate the Australian Hospitality market, all Hospitality businesses will be on-boarded and given BIG's auto-generated video technology and offered video subscription packages. Larger advertisers and event attendees will be offered access to BIG's video marketing content, and its advertising and sponsorship packages. The Company anticipates the roll out of auto-generated video to at least 65,000 businesses that will provide the opportunity for a significantly enhanced product uptake. Current ARPU for video subscription packages is \$5,100

Influencing Industry Leaders

Hospitality Events

The acquisition includes leading industry events in the Australian Hospitality sector, giving BIG access to industry leaders, influencers and decision makers, including coverage of Australasia. Events include:

- Hotel Management Awards
- Australasian Hotel Industry & Conference Exhibition (AHICE)
- Australian Liquor Industry Awards (ALIA)
- The Restaurant Leaders Summit
- The Pub Leaders Summit

Transaction Details

Proposed Issue of 2.67m shares at \$0.90c

The acquisition is based upon a valuation of \$4m which is 4 x EBITDA. The proposed transaction includes the issue of 2.67m BIG shares at a value of \$0.90c. It is anticipated that the shares will be issued as follows:

- 50% upon completion
- A further 50% issued after 12 months subject to achieving revenue target of \$6m.

All shares will be placed in escrow for 12 months.

Proposed Cash Component

The Company will also make payment of \$1.6m over a 12-month period.

The acquisition is subject to due diligence and the agreement with The Intermedia Group is anticipated to complete in September 2017.

Richard Evertz CEO of BIG Un Limited commented, "The global hotel and hospitality sector represents a huge opportunity for BIG to bring video to the industry. BIG's latest acquisition of Intermedia's Hospitality business consolidates our first mover advantage in Australia and provides the Company with unparalleled access to the Australian food and Hospitality sector. The acquisition is in line with our global growth strategy and enhances BIG's Australian revenue opportunities whilst giving the Company a deeper relationship with both SMEs and large international advertisers in this vertical. The agreed premium on the Company's share price at 90c validates the confidence both parties have in the continued growth of BIG"

Acquisition Strategy

Structured Growth with Revenue

In line with the Company's global growth strategy, the benefits of this agreement to the Company are as follows:

- Immediate additional advertising revenue of AU\$6m per annum
- Established relationships with large advertising clients
- Ownership of a large customer base of Australian Hospitality subscribers
- Significant market penetration

The acquisition of the Hospitality vertical, combined with the recent acquisition of BHA Media and the Company's current SME video subscribers gives Big Unlimited over 110,000 Australian SME customers.

Simon Grover Managing Director of The Intermedia Group commented: *"This is another exciting acquisition for both parties. Online video is a key business marketing, sales, and advertising tool. BIG is at the forefront of this trend. We have experienced a very positive reaction from our advertisers and audiences following BIG's acquisition of the hair and beauty vertical from us earlier this year. We are excited at the further potential offered by merging our hospitality business with BIG and being able to offer our SMEs and advertisers access to video content and technology."*

ENDS

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ABOUT BIG REVIEW TV

BIG (ASX: BIG) is the parent company of Big Review TV Ltd. Big Review TV are innovative disruptors in the online video space delivering subscription based video technology products and services and third party video content. The Company has operations across Australia and in New Zealand, the United Kingdom and the United States, Hong Kong, Singapore and Vancouver and was listed on the ASX in December 2014.