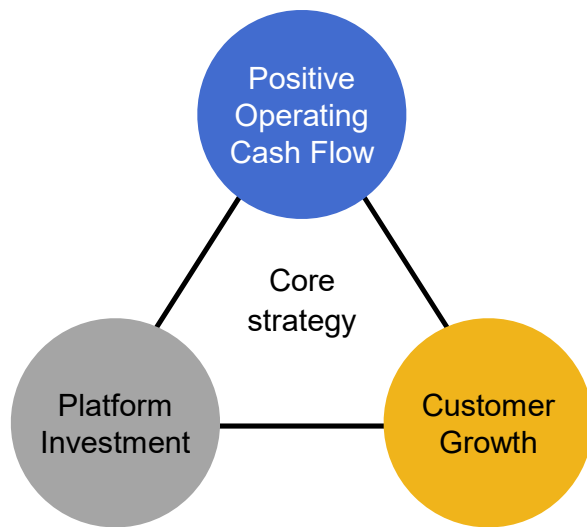


# OTHER LEVELS

OTHERLEVELS HOLDINGS LIMITED  
FY18 Half Year Results, February 2018

*OtherLevels provides a **leading enterprise marketing automation platform** and is focused on the **continued shift in enterprise marketing spend to digital channels** and the growth of mobile devices.*

# Execution In H1 FY18



## Positive Operating Cash Flow

- Record cash receipts and revenue growth
- Positive operating cash flow in Q2 FY18
- Maintained focus on operating expenses

## Customer Growth and Retention

- First month of regular operations exceeding A\$500k revenue
- New customer additions and existing customer expansion
- Increased Services, including Managed Services

## Platform Investment

- Enhanced Intelligent Messaging, central to the OtherLevels platform
- Expanded real-time messaging capabilities, including In-Play for wagering sector
- Released upgraded Salesforce integration

*OtherLevels provides a **leading enterprise marketing automation platform** and is focused on the **continued shift in enterprise marketing spend to digital channels** and the growth of mobile devices*

# Financials & Metrics

	HY1 FY18	HY1 FY17
Revenue	A\$2.4m	A\$1.6m
Net loss	(A\$1.5m)	(A\$3.5m)
Cash Receipts <sup>1</sup>	A\$2.7m	A\$1.6m
Average revenue of top 10 Customers	\$184K	\$130K
Non A\$ receipts	82%	82%
Licence / Services	68% / 32%	65% / 35%

<sup>1</sup> Excluding R&D incentive

# Record Financial Performance

- ✓ Strong revenue growth & successful cost management
  - **51% increase** in revenue to A\$2.39m from A\$1.58m in H1 FY17
  - **30% decrease** in operating expenses (excluding depreciation and interest) to A\$3.0m from A\$4.6m in H1 FY17
  - **78% improvement** in EBITDA to a loss of (A\$647k) from (A\$2.98m) in H1 FY17
  - **58% improvement** in NPAT to a loss of (A\$1.49m) from (A\$3.5m) in H1 FY17
  - **59% increase** in licence revenue and **37% increase** in service revenue

# Strong Progress to Positive Operating Cash Flow

- ✓ Progress towards continuing positive operational cashflow
  - Q2 FY18 is the first quarter of positive operational cashflow
  - Result of sales growth and focus on operational cost control
- ✓ Record cash receipts and strong cost focus in H1 FY18
  - **Exceeded A\$2m** in cash receipts for a quarter for the first time
  - **66% increase** in cash receipts (excluding R+D) of A\$2.7m from A\$1.6m in H1 FY17
  - **22% reduction** in cash expenses to A\$4.1m from A\$5.2m in H1 FY17
  - **77% improvement** in net operational cash flow to (A\$0.6m) from (A\$2.75m) in H1 FY17
  - **A\$761K** cash at end H1 FY18

# Quarterly Operating Cash Flow

(From ASX filing January 2018)

Quarterly cash receipts and payments from operating and investing activities over the past 8 quarters

	Cash inflows (Customer receipts) A\$'000	Cash outflows (Operating & Investing) <sup>(#)</sup> A\$'000	Net cash flows (Operating & Investing) A\$'000
Q2 FY18	2,066	(2,025)	41
Q1 FY18	1,353 <sup>1</sup>	(2,029)	(676)
Q4 FY17	1,550	(1,934)	(384)
Q3 FY17	1,050	(1,834)	(784)
Q2 FY17	1,132	(1,997)	(865)
Q1 FY17	1,288 <sup>2</sup>	(3,177) <sup>3</sup>	(1,889)
Q4 FY16	984	(2,708)	(1,724)
Q3 FY16	978	(2,509)	(1,531)

- In addition to \$620,000 in customer receipts in Q1 2018, the Company also received a R&D tax concession rebate for the financial year ended 30 June 2017 of \$733,000.
  - In addition to \$489,000 in customer receipts in Q1 FY17, the Company also received a R&D tax concession rebate for the financial year ended 30 June 2016 of \$799,000.
  - Includes one-off restructuring costs, primarily in the US.
- # Note that OtherLevels collects and pays sales taxes such as VAT and GST on sales and expenses, and these taxes are included in the cash inflows and outflows.

# Accelerating Sales Success

- ✓ 8 new customer wins in H1 FY18
  - Highlights included a major European lottery, a UK/Australian wagering company, the leading UK consumer choice brand and a top 3 Spanish wagering operator
- ✓ Average new deal size increased to A\$108k in H1 FY18
- ✓ Managed Services increased by 47%
- ✓ Licence/Services split: 68% / 32%
- ✓ Geographical split: Europe 72%, US 10%, Australia 18%



# Winning & Retaining Leading Brands



# Continued Investment in Product IP

- ✓ Sector focus beyond wagering increasingly driven by Intelligent Messaging opportunities in areas of volume and value (eg. Salesforce and selected partner ecosystems).
- ✓ Platform focus:
  - Enhanced Intelligent Messaging core to the OtherLevels platform with:
    - Intelligent Messaging for increasing Customer Conversion
    - Intelligent Messaging for Marketing Clouds and CRM
  - In-play betting - expanded Event Engine module for wagering sector addressing demand for real-time betting

## In-play Opportunity

“In-Play betting can account for up to 72% of sports betting revenues, and 80% of tennis bets are placed after the match has started.”

Bet365 Revenue Report 2016

# In-play Opportunity

- ✓ High value module, building on messaging and wagering sector expertise – already creating new customer opportunities.



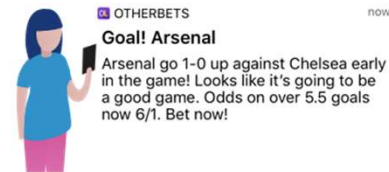
## Intelligent Audience Segmentation

Target your users based on their previous in-play betting history, with dynamic user tags and events.



## Match Events & Real-Time Triggers

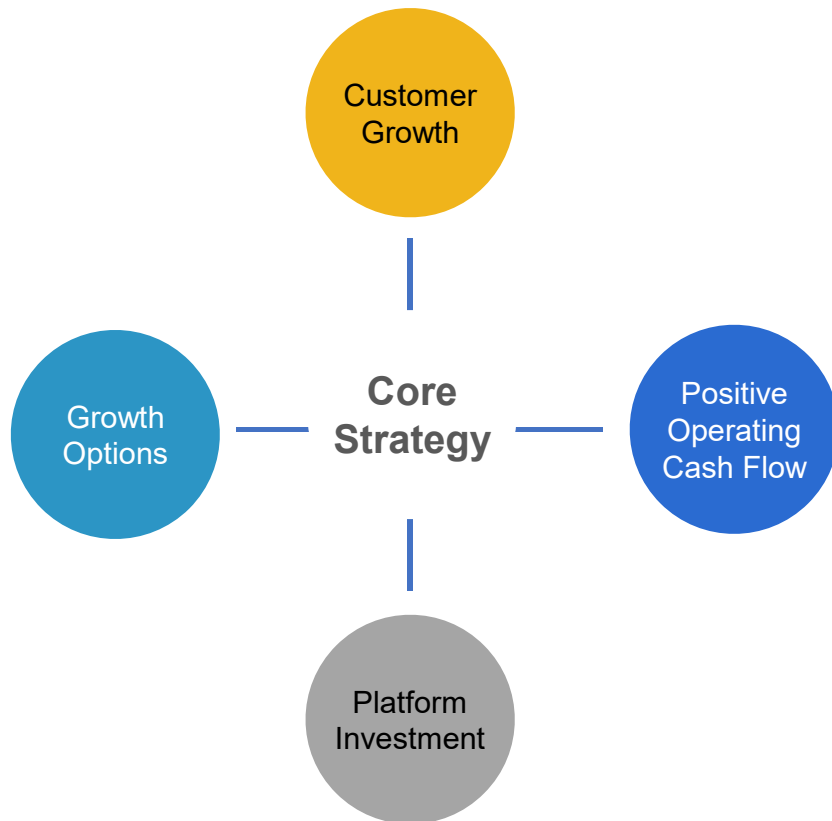
OtherLevels monitors third-party sporting APIs and reacts in real-time to key match events, such as goals scored, red cards or substitutions.



## Dynamic Messages, Live Match Data & Odds

Integrate live match data and odds into your messages in real-time, to be more relevant and drive betting behaviour.

# Summary



## Customer Acquisition and Retention

- Continue "broader and deeper" strategy with existing customers
- Win new customers in selected sectors

## Sustain Positive Operating Cash Flow

- Sustain positive operating cash flow for H2 FY18
- Maintain focus on operating expenses

## Platform Investment

- Expand real-time messaging capabilities, e.g. In-Play within the wagering sector
- Continue investing in adding value to Salesforce and partner customers
- Continued focus on web based messaging

## Growth Options

- Consider synergies with companies with complimentary technologies, services and customers that can accelerate OtherLevels growth

# Disclaimer

*The information in this presentation does not constitute personal investment advice. The presentation is not intended to be comprehensive or provide all information required by investors to make an informed decision on any investment in OtherLevels Holdings Limited ACN 603 987 266 (**Company**). In preparing this presentation, the Company did not take into account the investment objectives, financial situation and particular needs of any particular investor.*

*Further advice should be obtained from a professional investment adviser before taking any action on any information dealt with in the presentation. Those acting upon any information without advice do so entirely at their own risk.*

*Whilst this presentation is based on information from sources which are considered reliable, no representation or warranty, express or implied, is made or given by or on behalf of the Company, any of its directors, or any other person about the accuracy, completeness or fairness of the information or opinions contained in this presentation. No responsibility or liability is accepted by any of them for that information or those opinions or for any errors, omissions, misstatements (negligent or otherwise) or for any communication written or otherwise, contained or referred to in this presentation.*

*Accordingly, neither the Company nor any of its directors, officers, employees, advisers, associated persons or subsidiaries are liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying upon any statement in this presentation or any document supplied with this presentation, or by any future communications in connection with those documents and all of those losses and damages are expressly disclaimed.*

*Any opinions expressed reflect the Company's position at the date of this presentation and are subject to change.*