



Netccentric Limited Commences Trading on the ASX

Highlights

- Successful completion of \$12.5 million IPO capital raising at \$0.20 per share, a substantial increase on the initial minimum \$7.5 million target
- Significant progress made to date including:
 - Heavily oversubscribed capital raising with strong institutional and retail participation
 - Over-subscription facility of \$2.5 million was fully utilised
 - Capital raised was corner-stoned by a number of high profile Asian business leaders, as well as domestic and foreign institutions, providing strong support and business validation
- Netccentric was founded in 2006 on an initial investment of \$55,000 and has grown organically to become an established business operating a number of scalable platforms
- Netccentric currently aggregates over 1 million Publishers and connects them with advertisers, enabling campaigns to effectively reach an audience of 41.6 million individuals per month
- Strong activity pipeline with three countries targeted for near-term expansion; Indonesia, Vietnam and Taiwan, and significant progress of mobile growth strategy –over 370,000 registered users of Dayre, the Company's proprietary mobile blogging application
- Well capitalised and optimally positioned to execute on its business strategy, with near-term news flow expected as the business accelerates growth across new and existing regions and rolls out further product offerings

Netccentric Limited (ASX:NCL) (The '**Company**'), Asia Pacific's leading digital media, marketing and technology business, has today begun trading on the Australian Stock Exchange.

Netccentric operates six subsidiary businesses, which operate in synergy to provide Netccentric's Clients with a full suite of product offerings to deliver high impact and effective results across multiple geographies, including Australia, Singapore, Malaysia, Thailand, Philippines, China and the UK.

Three of its associated businesses are marketplaces, which aggregate bloggers and social media influencers (Publishers). Netccentric connects advertisers (Clients) with their target audience across the Asia-Pacific. It has the ability to generate highly scalable revenues via revenue sharing arrangements with over 1 million Publishers.

The Company has issued 62.5 million shares at \$0.20 per share, successfully raising \$12.5 million, a substantial increase above the initial minimum \$7.5 million target.

The Company achieved a significant level of support from the investment community and the offer was significantly oversubscribed, demonstrating the high level of demand of stocks in the digital media market.

As a result of the high level of interest and demand received the Company fully utilised a \$2.5 million oversubscription facility, which brought the total capital raise upon listing to \$12.5 million.

Patersons Securities Limited acted as the Sole Lead Manager to the Initial Public Offering, which has been corner-stoned by prominent Australian funds, Asian institutions and three highly successful business leaders, including:

- 1) Mr. Tiah Thee Kian, one of Malaysia's wealthiest businessmen, Non-Executive and Chairman of TA Enterprise, leading property and financial giant with an estimated wealth of US\$170 million;
- 2) Mr. Pang Tee Chew, Managing Director and CEO of Mamee-Double Decker, Asian snack giant founded in 1971 and operating in over 80 countries; and
- 3) Mr. Kevin Shao-Chung Tsai, President of Want Want China Times Group a leading Taiwanese media company with TV stations and newspapers across Taiwan and China. Mr Tsai, has also been appointed to the Board of Directors of Netccentric.

Netccentric was founded in 2006 on an initial \$55,000 investment. The Company was profitable from the outset and has achieved its scale to date through re-investment of profits. In FY2014 the Company generated revenues of \$11.1million, a 35% increase on the previous FY2013.

The public listing and capital raise is the Company's first external funding and following the successful raise the Company is well funded and optimally positioned to continue to scale the business in new and existing markets. Netccentric will use the funds raised to accelerate this growth through marketing initiatives, continued investment in technical innovation and working capital.

The Company expects to provide further updates on progress in the near-term, with anticipated client acquisition growth and an increase of social media influencer and blogger talent. Netccentric also expects to be able to provide an update in Q3 2015 on the user up-take and success to date of the Dayre platform.

Mr. Cheo Ming Shen, CEO, Netccentric Limited commented on the listing:

"Today marks an important day for the Company and listing on the ASX positions us well for our next phase of growth. We have a focused strategy and are well funded to deliver growth internationally across our client base in both existing markets and new markets."

We look forward to providing the market with further updates in the near term as we move forward as a listed entity."

About Netccentric Limited

Netccentric has developed, built and owns and operates a number of marketplaces and businesses which connects advertisers across the Asia-Pacific region with nearly 1 million blogs and over 230,000 social media influencers, who in turn engage their audiences of over 41 million individual viewers per month.

The Company employs over 180 people and operates in APAC with Singapore, Australia and Malaysia being its largest markets, followed by Thailand, Philippines and China. In 2013 Netccentric opened its first office outside APAC in the United Kingdom.

The Company has proved its model of engaging social media influencers with advertisers and its platform creates partnerships and executes successful consumer engagement campaigns.

Netccentric has a strong growth profile and track record. It was founded in 2006 and has since grown its revenues to \$11.1million (FY2014), a 35% increase on FY2013. Since 2010 the Company has increased its revenues on average by 20% per year.

Business Units and Offerings

The Company operates six business units:

- **Nuffnang:** one of APAC's largest blog advertising communities, which allows advertisers to promote their products and services across a network of over 950,000 bloggers.
 - **Churp Churp:** one of South East Asia's leading networks of social media influencers allowing advertisers to promote their products or services across a network of over 230,000 social media influencers.
 - **Reelity.TV:** produces online video content for advertisers for distribution through social networks
 - **Sashimi:** a social media agency specialising in purchasing media and monitoring and managing social media accounts for advertisers
 - **Ripplewerkz:** a boutique all-in-one digital media production house. It supports advertisers' create needs through its digital expertise across mobile applications, web design and development
- Dayre:** is a mobile blogging application allowing users to create narratives, interact with other users and publicise their content. It has already achieved over 370,000 registered users.

Each of the subsidiaries complement each other and work in synergy to provide a full end-to-end service for client's campaigns. Nuffnang and Churp Churp operate automated platforms, which are both highly scalable and proven models, giving Netccentric the ability to expand and achieve further scale rapidly.

The business generates revenues through the products and services it provides across its business units including: sponsored and branded content on social media platforms; display banner advertising; video content creation; strategy, planning and management of social media advertising; creation of websites, mobile app and banners; and mobile blogging solutions.

The Market

Netccentric is operating in a rapidly growing online and mobile digital marketing sector.

The digital advertising market is globally estimated to be worth over US\$123 billion in 2013. In APAC alone digital advertising spend totaled US\$47 billion in 2015 and is forecast to exceed US\$62 billion by 2018.

Netccentric operates in the display-advertising segment, primarily through social media, content marketing and online display activities. The expenditure on online display advertising was approximately US\$55.6 billion in 2014, globally. Expenditure on social network advertising has also experienced significant growth worldwide and was estimated at US\$17.2 billion in 2014 and is forecasted to grow by 30% in 2015 to US\$22.4 billion.

Social media platforms have changed the landscape of consumer interaction. The rise of platforms such as Facebook, Twitter and LinkedIn, coupled with the increase of new smartphone and tablet devices have created new channels for companies to engage with consumers.

In 2014 it was estimated that there are approximately 1.97 billion social network users globally, with over 1 billion being in APAC. In conjunction, the amount of mobile devices increased by 27% in the past year, to reach 900 million in APAC.

Corporate Vision & Strategy

The Company has a focused growth strategy, which has three main components:

- Organically grow the size and number of advertisers (Clients);
- Geographically expand into new markets; and
- Implement a mobile device growth strategy

The Company intends to continue to expand its business operations in both existing and new markets. It is focusing on growing the size and number of advertisers in existing markets, whilst simultaneously expanding geographically into new markets. The Company has already defined three new markets it is targeting for expansion: Indonesia, Vietnam and Taiwan.

Netccentric will also be implementing a mobile growth plan. The Company has developed a new proprietary mobile application, Dayre, which has the ability to create long-form blog content from short-form posts including photos, short posts and videos into one long-form post. The App provides users with the ability to publicise and interact with other users.

As advertisers look for increasingly innovative digital marketing solutions and publishers seek new opportunities to diversify their existing revenue streams, Netccentric is well positioned to provide technology that provides advertisers with direct links to publishers.

Management

The Company is led by an experienced, highly skilled and entrepreneurial management team.

Mr. Martyn Thomas was appointed Non-executive Chairman in May 2015. Mr. Thomas has over 30 years of experience in the media and advertising industry and is currently a Director of Nuffnang Australia.

Mr. Cheo Ming Shen and Mr. Tiah Ewe Tiam are co-Founders of the business and have led the business to its position in the market today. Both Mr. Cheo and Mr. Tiah were named as one of Asia's Best Young Entrepreneurs by Bloomberg Businessweek in 2007. Mr. Tiah was also nominated in 2014 as Malaysian finalist in Ernst & Young's Entrepreneur of the Year.

Mr. Cheo's position as Chief Executive Officer will see him lead the creation and implementation of regional and international expansion strategies.

In Mr. Tiah Ewe Tiam's role as Chief Operating Officer he will be responsible for the implementation of monetisation strategies and product lines across existing and new regions.

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About Netccentric

Netccentric is a digital media business established in 2006 and operates six businesses in the digital advertising sector across multiple geographies including Singapore, Malaysia, Australia, Philippines, China and the U.K. Netccentric provides advertisers with an innovative platform to connect advertisers with publishers and social influencers to promote their products and services. It's Display Ad Network and Influencer Platform spans over 950,000 blogs making it one of the largest blog advertising networks reaching over 41 million people per month.

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