

Adslot.

STRATEGIC REVIEW

Market Update

3rd September 2024



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ADSLLOT AT A GLANCE

ADSLT - WHO WE ARE AND OUR MISSION.

Integrated digital advertising technology company founded in Australia in 2010, listed on the ASX.

Has substantially underperformed in recent years but has built an advanced and proven technology platform and now has a global presence across 18 media markets.

Client base includes five of the six largest global media holding companies, around half of the ComScore Top 50 in the US, and over 70% of major UK publishers.

Key markets are Australia and the UK. Other key regions include the US, China, APAC markets, Austria and Germany.

Turnaround plan for the company has been implemented in August and making significant progress to enhance revenue, reduce cash burn and grow.

Adslot is a company with World leading platforms and A\$8.7m revenue in the US\$630 billion advertising market at a start-up level valuation.

“ *Adslot’s mission is to automate the trading of digital advertising by leveraging our purpose-built leading technology platforms in a new world driven by data privacy.* ”

ADSL0T LIMITED (ASX: ADS).

Share Price – 5 Years



Share Capital

Share Price 27/8	A\$0.001
Shares on issue	4,702m
Options (0.6c)	1,062m
ESOP, other	96.1m
Market Capitalisation (0.1c)	A\$4.7m

Share Register Concentration

Share Holding	% of Register	Cumulative %
Top 5	52.28%	52.28%
Top 10	18.40%	70.68%
Top 20	8.55%	79.23%
Top 50	7.08%	86.31%
Others	13.69%	100.00%

ADSLOT IS 3 STABLE BUSINESSES AND 2 GROWTH INITIATIVES.

Stable Businesses

Near Term Growth Business

Longer Term Growth Option

 <p>Media Auctions</p>	<p>Symphony.</p>	<p>webfirm</p>	<p>Adslot Media.</p>	
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- An enterprise auction-based platform supporting Realestate.com.au (ASX:REA) to maximise the value of its ad inventory to its national real estate agent network.
- Additional clients being targeted outside AU.
- A global enterprise SaaS platform, providing digital media buying workflow solutions to the world's largest advertising agencies, in particular GroupM in 8 countries including China.
- A long-standing digital marketing agency providing Website Development, SEO, Paid Search, Paid Social and Hosting services - largely to SMEs nationally.
- A global digital media marketplace to trade premium display advertising on a targeted, forward guaranteed basis.
- "StoreFront" solution for media companies to sell inventory online.
- Developing the world's only responsible bulk audience trading platform, providing the benefits of programmatic, addressability and scale of premium publisher 1st party data.

- A monthly license fee that increases annually by CPI.
- A monthly license fee by active market according to market size (defined in terms of media billings).
- Services are charged on a cost-plus margin basis.
- In the Open marketplace, a % fee is on every transaction.
- For Publisher Store Fronts, there are set-up fees, monthly SaaS fees and % clip of ad revenue.
- The advertiser is charged a CPM (Cost per thousand impressions) fee for inventory delivered.

- REA custom algo to power auctions for realtor agents for exclusive ad placement.
- Long-standing clients include Dematic (both globally and across the APAC region), Safetyquip, EBM Rentcover and Insurance.
- US trial customers (major advertisers) in the US are being pursued. Early-stage venture with significant potential for medium term revenue.



Description

Economics

Selected Clients

ADSLOTS CLIENTS ARE GLOBAL LEADERS.

MSA's With Global Agency Holding Companies

MOBKOI

WPP

Omnicom

IPG

dentsu HAVAS

Adslot.

(Some of Our) Publishers

FOX NEWS
media

FT.com
FINANCIAL TIMES

CONDÉ NAST

BBC

NEW YORK

7plus

Bloomberg

HEARST

VOGUE

USA TODAY

VARIETY

The Washington Post

VULTURE

REUTERS

The Economist

Vox

THE WALL STREET JOURNAL.

THE TIMES

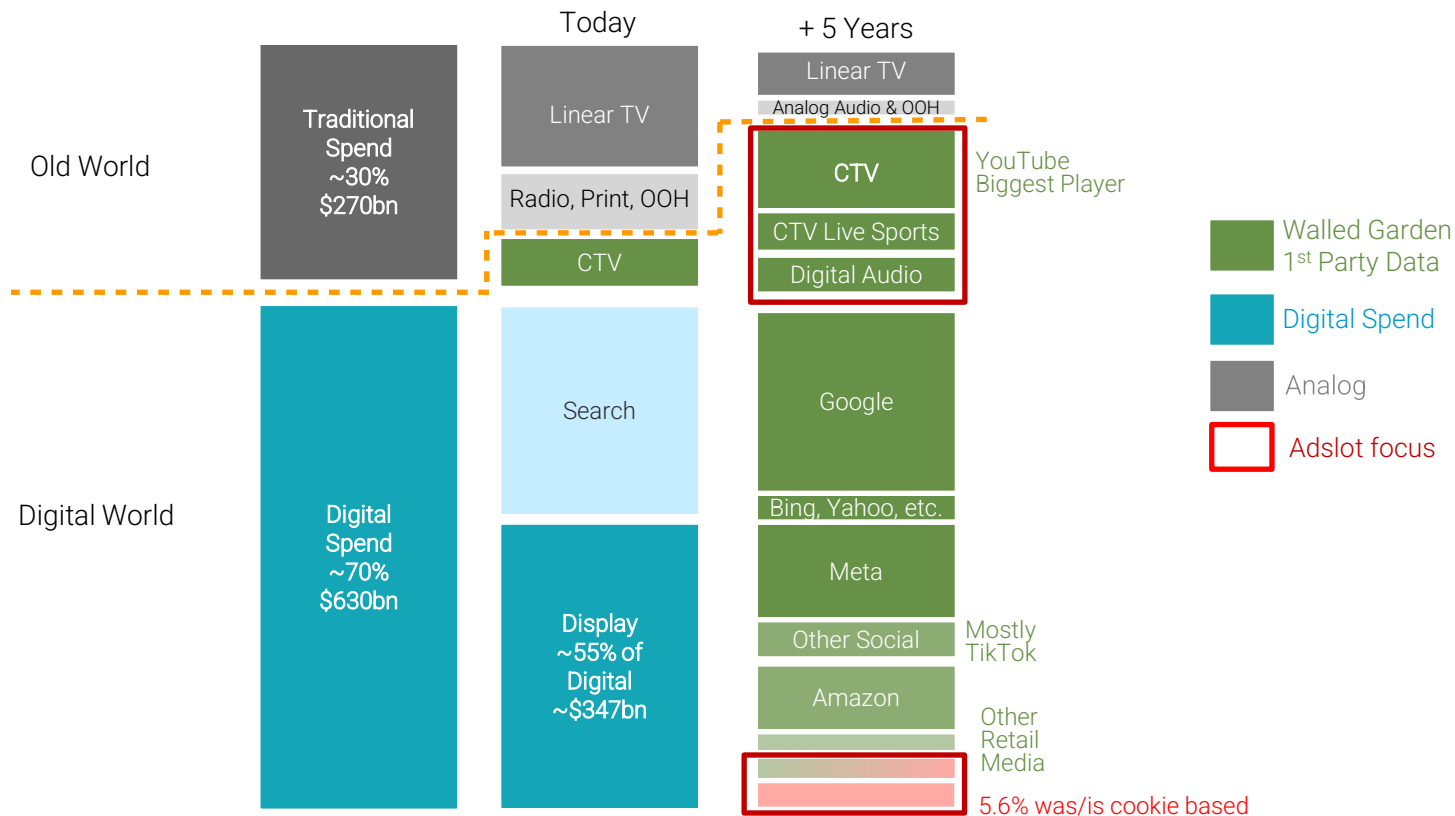
Adslot.

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**ADSLOT IS FOCUSED ON
2 SEGMENTS OF USD630bn
GLOBAL, DISRUPTING DIGITAL
MEDIA MARKET**

ADSLOT - FOCUSED ON 2 SEGMENTS (US\$100bn) OF THE US\$630bn GLOBAL MARKET.

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Source: eMarketer

THE DIGITAL MEDIA INDUSTRY IS INEFFICIENT, LACKS TRANSPARENCY AND IS BEING DISRUPTED.

Digital media industry economics are high cost and opaque.

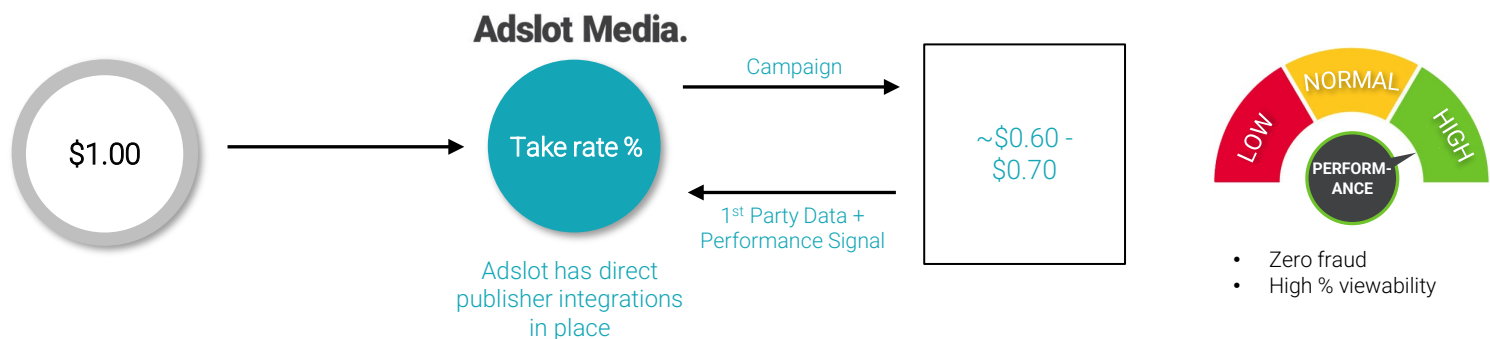
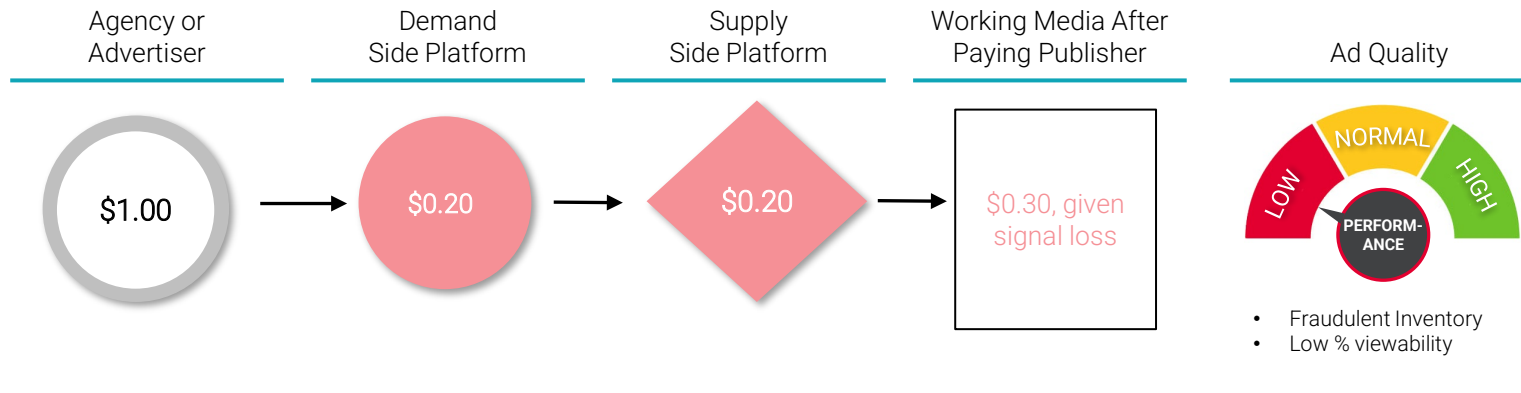
50 -70% of ads do not reach their target audiences – what is known as the “missing audience”.

Google’s “consumer choice solution” (rather than outright deprecation), will further reduce advertisers' ability to target, frequency manage, and measure ad campaigns.

Publisher first-party data and signals become the only means to target 100% of audiences.

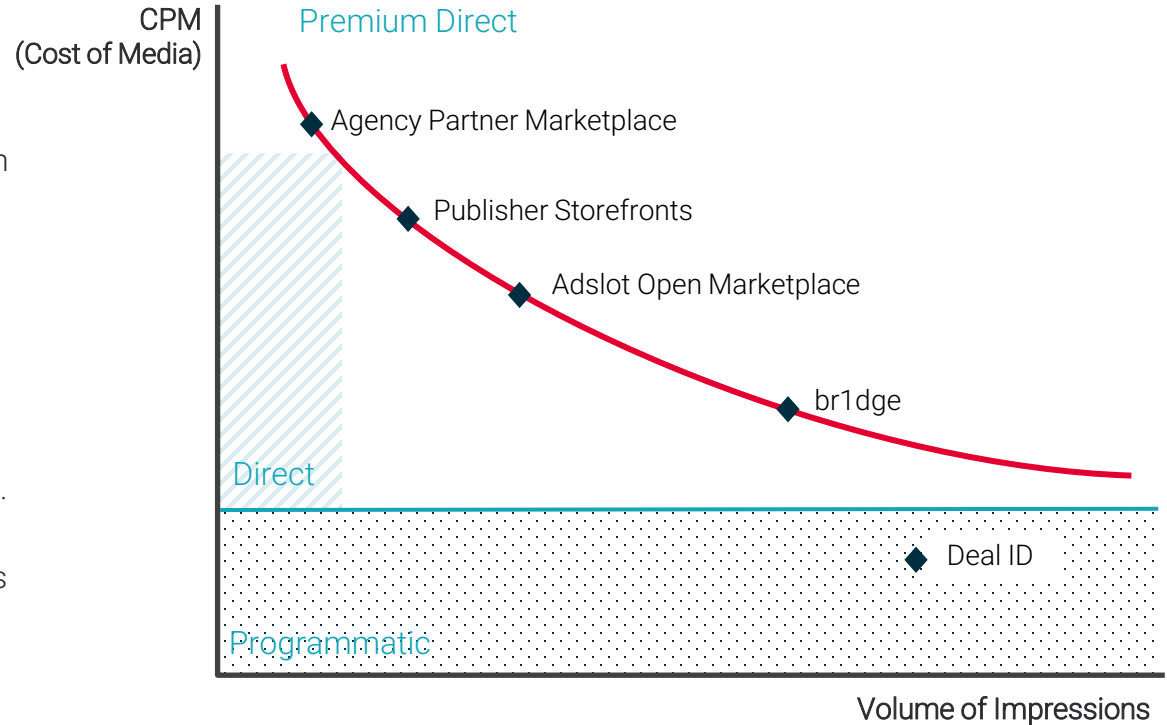
Adslot is **the only** audience focused digital media trading solution that is not consumer ID based.

ADSLOT SOLVES FOR OPACITY, THE MISSING AUDIENCE AND COST.



IN SUMMARY: ADSLOT MEDIA CAN TARGET ALL AUDIENCES.

- **Agency Partner Marketplace** - automation of direct buying from premium publishers. % Fee model.
- **Publisher Storefronts** – automation of direct buying and direct connection to advertisers/agencies. % Fee model.
- **Adslot Open Marketplace** - automation of direct buying from premium publishers in a fragmented marketplace. % Fee model.
- The **br1dge** - audience buying from premium publishers. CPM Fee model.
- **Deal ID** - library for efficient management of Private Marketplaces (PMP). Part of Agency Partner Marketplace. SaaS model.



**ADSLOT STRATEGIC REVIEW:
FOCUS ON THE THINGS THAT WORK
AND GROW BY ADDRESSING
THE MARKET NEED**

FUTURE GROWTH ENGINES.

Stable Businesses – Growth Options

Near Term Growth Business

Longer Term Growth Option



Media Auctions

Symphony.

webfirm

Adslot Media.



Plan to approach other clients including property platforms in US, UK, EU and Asia in FY25.

Re-approach other global media buyer agencies.

Plan to extend sales and business development including cross-over leads from other business units.

StoreFront Solution Roll-out to media clients with which Adslot has historic relationships and API's.

Early-stage roll-out under review with initial trial customers (major brands in US) already engaged.

Open Marketplace
Grow TTV across platform, and increase ratio of monetised TTV.

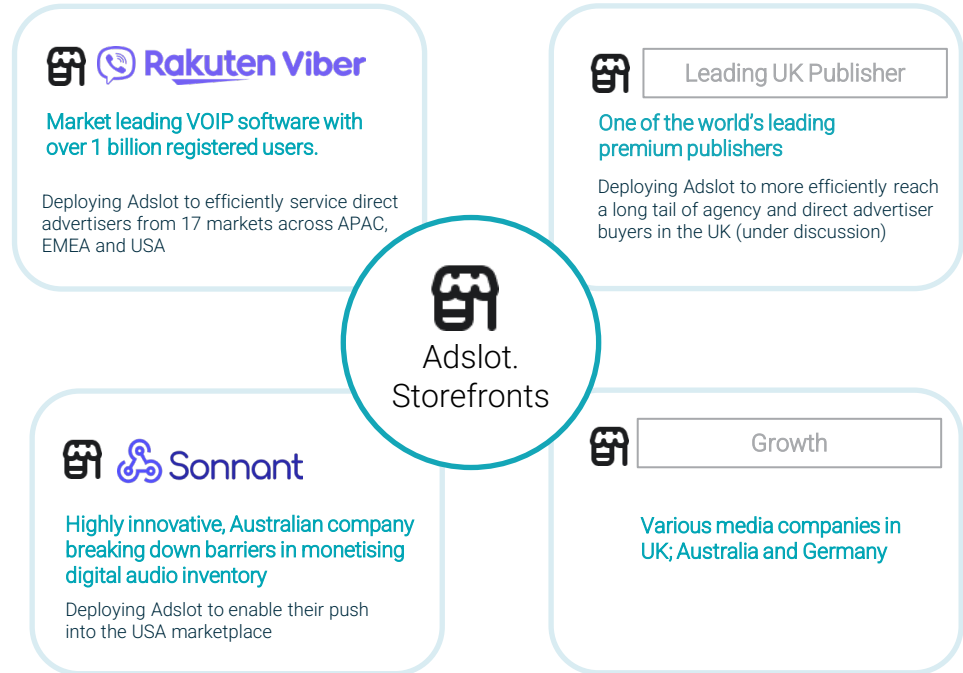
Growth Strategies

WATCH - https://www.youtube.com/watch?v=-1Ys6IFQ_AQ

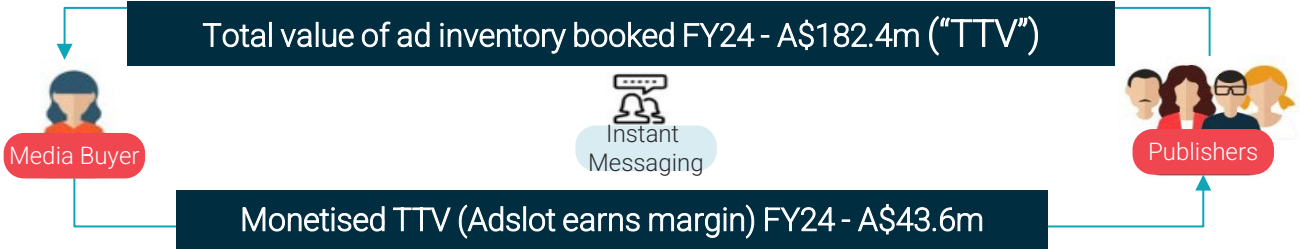
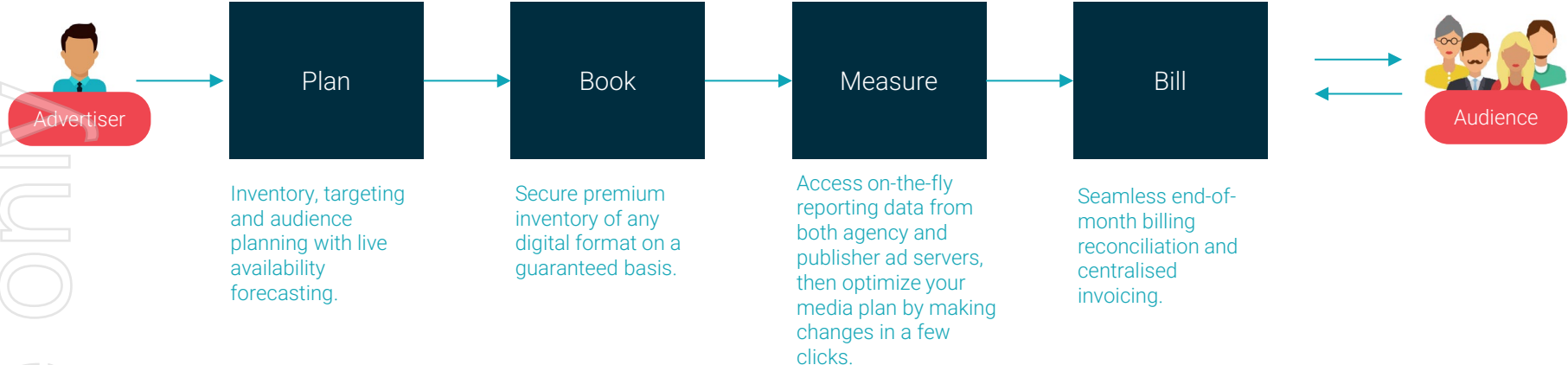
ADSLOT MEDIA - PUBLISHER *STOREFRONT*

THE LARGEST NEAR TERM GROWTH OPPORTUNITY.

- Deprecation of 3rd party cookies is putting power back in the hands of publishers and their 1st party data & signals.
- Loss of open web programmatic budgets putting downward pressure on publisher revenue.
- Innovation is required to maximise revenue from direct sales.
- Adslot's Publisher Storefronts are exclusive environments that maximise buyer demand through increased accessibility.
- Further opportunities being pursued as part of previously announced German market CTV push.
- An advisory group of publishers that span the globe and all key media channels (CTV, Display, Audio) is being assembled to drive the platform's innovation.



ADSLOT MEDIA OPEN MARKETPLACES. WE MATCH ADVERTISERS WITH PUBLISHERS.



THE 3 STABLE BUSINESSES.

Symphony.

- Digital media buying workflow and billing solutions for the world's largest advertising agencies and media buyers.
- Used in 8 countries, main customer GroupM, a division of WPP.
- \$5 billion ads booked annual through the platform, predominantly in China.



- Auction platform used by REA Group to maximise ad revenue from RE agents for digital ad placements.
- Generated significant additional revenue for REA via regular auctions staged on the platform.
- Approach other platforms for auction products in US, UK, Eu and Asia in FY25.

webfirm

- Digital marketing agency - Website Development, SEO, Paid Search, Paid Social and Hosting services for SMEs nationally.
- Plan to extend sales and business development including cross-over leads from other business units.

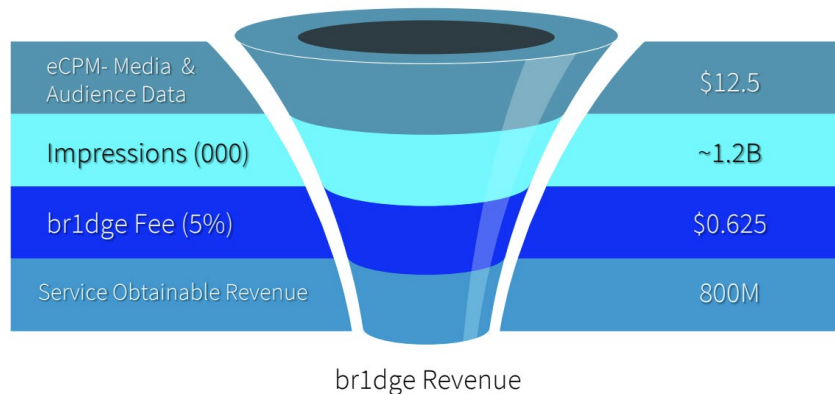
Combined Projected Revenue Range for FY25(f) - \$4.5m to \$5.1m, now break-even plus

BRIDGE - US BASED EARLY-STAGE PLAY ON THE AGENCY SIDE OF COOKIE DEPRECATION.

Background	<ul style="list-style-type: none"> With the deprecation of the 3rd party cookie, and industry average authentication rates of 20-30%, a significant % of publishers' inventory will be invisible to programmatic buyers ('The Invisible Audience') leading to loss of Audience Reach.
Key Use Case	<ul style="list-style-type: none"> To enable buyers to reach the entire population of their target audience. USA market focus only: Serviceable Addressable Market of ~15.8bn USD
The Value That Adslot Provides	<ul style="list-style-type: none"> Access to all of Publishers' 1st party audiences (Robust, high quality data sets). Frequency capping on all impressions, all devices, and all browsers.
Key Features	<ul style="list-style-type: none"> IAB Publisher Audience Standardisation Audience Trading Workflow (Buy-side).
Commercial Validation (Contracts etc)	<ul style="list-style-type: none"> Verbal commitment to commence testing from major agency groups and blue-chip clients. Trials expected to commence later in CY24.



15.8B SAM



FY25 Strategy

After injecting 12 months start-up funding since July 2023, ADS is reviewing investment strategy pending further market traction and implementation of Google cookie deprecation.

A hand in a dark suit sleeve points upwards with the index finger. Behind the hand, several light-colored wooden blocks are arranged in a row, some standing upright and others leaning. The background is a dark, solid color.

**STRATEGIC REVIEW:
OPTIMISE THE CORE, GROWTH FOCUS,
COST-OUTS & NEXT STEPS**

STRATEGIC REVIEW - TRANSFORMING ADSLOT.

From

Product
Market Fit

- Grow publisher revenue through agency acquisition and new buy-side demand.

Focus

- Focused on platform development - 'build it and they will come'.
- Chase every opportunity, particularly marketplace ecosystems rather than direct product sales.

Transparency

- Group level accounting based on type of revenue.

Burn

- Not efficiently chasing sales and revenue.
- Too much start up capital spend.

Complex,
Evolving Industry

- Self interest driving slow responses from agencies and publishers.

To

- Grow publisher revenue through publishers via StoreFront and engaging their existing advertisers.
- Separate model for agencies - br1dge.

- Focused, disciplined prioritization across all business units.
- Selling products & solutions to customers.
- Smaller board and tighter executive team.

- New management approach, new focus.
- Transparent, business line financial reporting.

- Repricing key products.
- Cost outs underway.
- Clear focus on business development, sales strategy & revenue growth (already underway).

- Industry recognition of need to act.
- Focus on the publishers who have 1st party data.
- Sell solutions to media that cut costs and grow income.

6 WORKSTREAMS - TAKE THE BUSINESS THROUGH BREAKEVEN.

Internal use only

Prices

- Repricing key product offerings.
- Skew towards solutions and SaaS models for sell-side (publishers / media clients).

Cost Out

- FTE reduction in businesses and corporate activities.
- Freeze on all discretionary items.
- Skew to lower fixed and higher performance-linked compensation.

Focused Growth

- Focus on Adslot Media Publisher Storefronts (sell-side), more rigor and discipline in prioritizing commercial opportunities.
- Stable business units also have upside potential.

Economic Transparency

- Recut financials along business line performance.
- Segmentation of all cost centers, with focus on lower costs, profitability and growth.

Culture & Accountability

- New operating model (line of business accountability); refocused executive team, roles and new commercial capabilities.
- Revenue growth focus.

Corporate

- New mindset – Board and Executive team
- Improved investor relations.
- Share consolidation to be proposed.

NEXT STEPS – STRATEGIC REVIEW.

Burn rate to be significantly reduced during H1FY25, cost-outs identified.

Monthly EBITDA positive is stated management objective, early-2025.

Cashflow positive by mid-2025 is stated management objective.

Balance sheet clean-outs, publisher payables being managed.

Refocused and energized board and executive team.

Business momentum across all business units.

Further updates in due course.

More Information

Adslot Limited

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