

8common expands Real Estate offering by acquiring Clicksold and RealPageMaker via proceeds from issuing Convertible Notes

Dual Sydney and Singapore headquartered technology company 8common Limited (ASX: 8CO) is pleased to announce that it has signed a Sale and Purchase agreement to acquire an established Real Estate Content Management Solutions provider. The acquisition is expected to be completed on or around 8 May. Key highlights of the proposed acquisition include:

- Broadening of 8common's North American client footprint to approximately 3,000 clients;
- Addition of nearly 1,000 customers that is expected to drive strong up-sell opportunities;
- Adds an important product platform 'WordPress' offering for Asian client expansion
- Additional products in the form of maps and IDX tool;

The acquisition is expected to contribute approximately \$500,000 revenue and \$200,000 EBITDA to the group annually and be earnings per share accretive from the first year.

The solution, offered via SaaS, offers Content Management, CRM and lead generation capabilities to Real Estate agents. The product is well established having been in operation for more than 10 years.

Consideration for the acquisition is a maximum of CAD\$850,000 made up of CAD\$617,000 upfront with deferred and earn-out amounts subject to future performance targets of a maximum of C\$232,500.

Commenting on the acquisition, 8common CEO Nic Lim said: "This acquisition significantly improves our product offering and expands our customer base by over 1,000 monthly subscribers to the Realtors8 platform. There are additional marketing and operational synergies which we will derive in tandem with our existing offering in North America. It will further strengthen our base and importantly provide new platforms and features which will assist with our drive into Asia."

The acquisition is funded via the issuance of Unsecured Redeemable Convertible Notes (**Notes**) from various sophisticated investors which included Directors of the Company and management. The Company has commitments of \$800,000 and may issue up to another \$400,000.

The Notes are debt securities with a face value of \$1.00 each, which contain conversion rights. For Directors of the Company, conversion rights are conditional on, and of no force and effect until, Shareholder approval is obtained under ASX Listing Rule 7.1 and, where relevant, Listing Rule 10.11. It is intended that such Shareholder approval will be sought at the Annual General Meeting to be held in November 2015.

Key terms of the Notes include:

- Maturity Date: 5 November 2016;
- Total limit: Up to A\$1,200,000 issued;
- Interest rate: 8% per annum, accruing daily and payable six (6) monthly in cash, in arrears;
- Security: Unsecured
- Conversion:
 - At the higher share price of \$0.26 or 15% discount of 15 day VWAP;
 - Conversion right lies with the Note holder;
 - Company has the option to redeem the all Notes up to 90 days maturity and will have to pay interest till maturity.



Nyap Liou “Larry” Gan and Kah Wui “Nic” Lim (each Directors of the Company) are among the investors taking up Notes under the issue – having invested \$150,000 each in the issue. Additional Notes, up to the total limit, may be issued by the Company. The market will be updated if this occurs.

Further details of the terms of the Notes (including the participation of the Directors of the Company) will be disclosed after the final outcome of the issuing of Notes.

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About 8common Limited

The 8common Group is listed on the Australian Securities Exchange (ASX:8CO). Its enterprise Performance and Productivity software products support government agencies, large corporates, multinationals and professional verticals (i.e. Real Estate) globally. The 3 primary products are Expense8, Realtors8 and Perform8. Expense8 is an integrated end-to-end travel and expense management solution used by government agencies, Australian corporates and multinationals in 8 countries. Expense8 operates on both a licence fee and transaction based business model. Realtors8 provides real estate agents and brokers in North America and Asia with a web based content management system that allows for the creation of unique websites to list property portfolios including integration with multi listing services (MLS) systems. It provides real estate agents and brokers with tools to generate lead for their property listings and to manage their customers. Perform8 incorporates the Centre for Organisational Innovation’s (COI) employee survey product to assist organisations with employee surveying and performance improvement.