

Inaugural 12 months lay foundations for a strong FY2016

Performance and Productivity software group 8common Limited (**8common** or the **Company**) (ASX: **8CO**) is pleased to release its results for the 12 months ended 30 June 2015 (FY15). Key highlights include:

- Revenue increased to \$3,439,548 (FY14: \$1,147,501 for the period from 25 February to 30 June 2015)
- Cash receipts at \$3,210,000
- Net operating cash inflow of \$312,703
- EBITDA of \$514,707
- Loss for the year of \$10,851, which included acquisition costs of \$96,883
- Cash at bank of \$565,067
- \$900,000 raised via a Convertible Note to finance the acquisition of RPM and Clicksold

Productive second half combining acquisitions and product development

Commenting on the company's results and activities, 8common Chief Executive Officer Nic Lim said: "We are very encouraged by what 8common has achieved in the past 12 months. The IPO process, product rebuilds and expansion together with 2 acquisitions have demanded plenty of energy and focused execution on a company-wide basis. We exceeded our revenue guidance and delivered a respectable EBITDA result although we recorded a slight loss of \$10,851, which included \$96,883 in acquisition costs. Investments were made during the second half in both Marketing and Human Resources including senior management hires of both COO and CTO."

Optimised balance sheet with businesses delivering strong cash flow

The company received healthy cash receipts and positive operating cash flow demonstrating the working model of acquiring established businesses with a solid client base and core product. Cash management has been prudent to ensure sufficient investments are made towards product development and marketing whilst maintaining a very respectable EBITDA. The recent \$900,000 convertible note provided a shareholder friendly means of financing to facilitate the acquisition of RPM and Clicksold.

Expense8

Key highlights:

- Revenue down 11% to \$1,671,874 (adjusted FY14: \$1,881,607 – on a like for like basis)
- SaaS revenue up 8.6% to \$575,936 (adjusted FY14: \$529,365 – on a like for like basis)
- Client wins and implementations included Transport for New South Wales, NSW Department of Attorney General and Justice and the NSW Department of Education and Communities (DEC)
- Woolworths first to move to the new Expense8 platform and Amcor expands usage to Singapore
- Completed client seminars together with strategic partners including Amadeus in Melbourne, Sydney, Singapore and Malaysia
- Asian based team on-board as Expense8 receives very encouraging responses

Commenting on Expense8, Nic Lim said:

"We had a drop in overall revenue due to lower new implementation billings which was expected as we worked on further improving and developing the product. Since May we have been delivering the new platform to clients should result in much stronger billings in the coming year. Winning the likes of DEC on the basis of the new product clearly demonstrates that we have hit the mark. Most importantly, our core SaaS billings grew 8.6% over the period."



Perform8

Key highlights:

- Acquisition of COI completed on 31 January 2015
- Revenue of \$215,894 (from period of acquisition to 30 June 2015)
- Core product revamp completed
- Client wins and implementations included 7-Eleven, Sydney Airports, Chobani and Brother

Commenting on Perform8, Nic Lim said:

“We recently delivered the revamped platform to Sydney Airports and it was well received. The cross-sell opportunities with Expense8 are strong and the participation of the Perform8 team at the Expense8 client events was very useful. Reseller partnerships are now being developed and we should see solid client wins coming through in the year ahead.”

Realtors8

Key highlights:

- Acquisition of RPM and Clicksold completed on 6 May 2015
- Revenue up 25% to \$1,279,878 (adjusted FY14: \$1,023,658 – on a like for like basis)
- Existing business customer receipts grew 21% between Q1 (\$253,881) to Q4 (\$307,310)

Commenting on Realtors8, Nic Lim said:

“FY15 was a strong performing year for Realtors8 with healthy organic growth. We are preparing for the next phase of growth from both the core North American markets thanks to the acquisition of RPM and Clicksold which enhances our product offering and the expansion market of South East Asia where revenues have begun and partnerships are being explored.”

Outlook

The group has delivered a respectable inaugural full year result, balancing the integration of acquired assets, new acquisitions and investing in products to ensure future growth of the business. Momentum is expected to accelerate as the team and management continue to enhance their ability to identify, acquire, integrate and grow the businesses.

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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.

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