

8common  
5 July 2016

10<sup>th</sup> microEQUITIES  
RISING STARS

# Corporate & Financial overview

## Revenue-generating ASX-listed software company – scaling fast

### Company overview

- A **diversified software** company with **global** operations
- Develops **software** products that help companies **control costs and boost productivity**
- **Long standing customers** base of prominent corporations and government bodies in Australia, North America and Asia for over 20 years
- **Board and management interests are aligned** with shareholders through their 45%+ shareholding

### Top shareholders

Kah Wui “Nic” Lim – <i>Executive Chairman</i>	19.8%
Zenyen Limited	15.4%
Nyap Liou “Larry” Gan – <i>Non-Executive Director</i>	7.2%
Other Directors and management	3.3%
<b>Top 20 shareholders</b>	<b>79.5%</b>

### Financial information

IPO price (27-Aug-2014)	A\$0.25
Share price (1-Jul-16)	A\$0.18
Shares on issue	58m
<b>Market capitalisation</b>	<b>A\$10.4m</b>
Cash (31-Mar-16)	A\$0.4m
Debt (31-Mar-16)	Nil
<b>Enterprise value</b>	<b>A\$10m</b>
Convertible notes <sup>1</sup>	1.2m

Source: IRESS

1. Unsecured convertible notes have a maturity date of 5 November 2016, 8% interest rate p.a. at the higher of A\$0.26 or 15% discount to 15 day VWAP

	FY 2015 (\$)	1H FY 2015 (\$)	1H FY 2016 (\$)
Revenue	3,439,548	1,233,110	1,639,965
Cash Receipts	3,209,387	1,342,000	1,843,000
Cash at end of period	565,067	1,474,650	261,403
Cash flow from	312,703	64,620	(338,991)
EBITDA	514,707	(94,606)	(637,913)

# 8common simplifies employees' tasks & activities with cloud based software

employee travel & expense management



organisational design and employment engagement



realtors' online presence



# Diverse and long standing customer base

8common has a broad blue-chip corporate and government customer base



George Weston Foods Limited



# Another year of strong growth

8common has delivered growth:

**67%** expense8 MRR growth to \$0.266m  
(increase from Q4 FY15 v Q4 FY16(est))

**60%** realtors8 YonY revenue growth to \$0.466m  
(increase from Q3 FY15 v Q3 FY16)

**44%** expense8 TCV wins growth of \$2.45m  
(increase from \$1.7m Q3 FY16)

**47%** cash receipts YonY growth to \$0.88m  
(increase from Q3 FY15 v Q3 FY16)

# Winning contracts, securing partnerships

Expense8 continues to build momentum

## 2016

July

Realtors8 partners Top Producer (subsidiary of NewsCorp)

June

Federal Treasury Migrates to Expense8

April

Mitre10 & BAI Communications migrate to Expense8

Federal Australian Electoral Commission migrates to Expense8

March

NSW Department of Education goes LIVE with Expense8

February

Expense8 announces partnerships in Singapore & Malaysia

## 2015

Dec

Expense8 announces partnership with QBT (subsidiary of Helloworld Ltd)

June

Expense8 announces tender win from NSW Department of Education

# Strategic business model

growth focused software company that is building dominant positions on existing strong revenues

## Product growth life-cycle

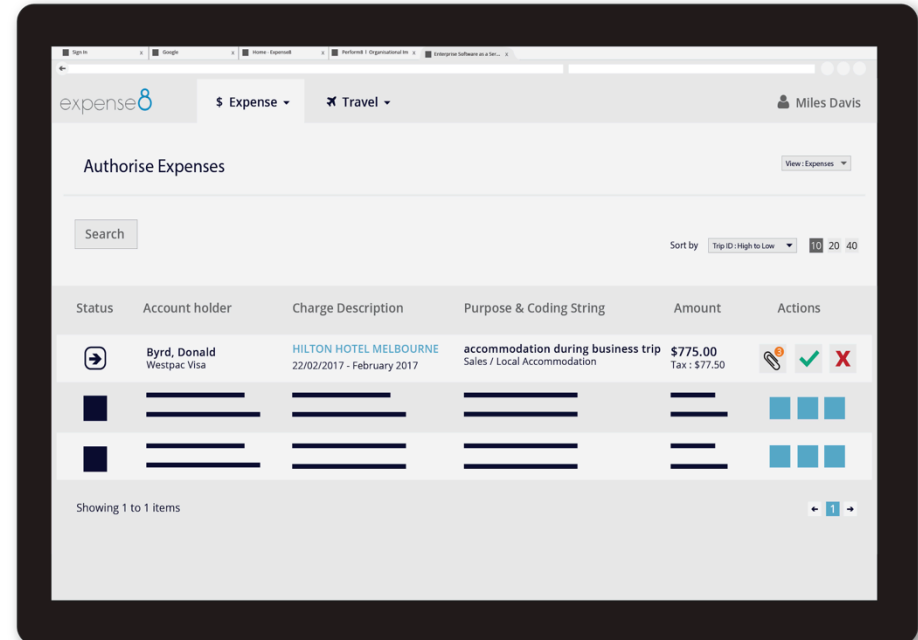
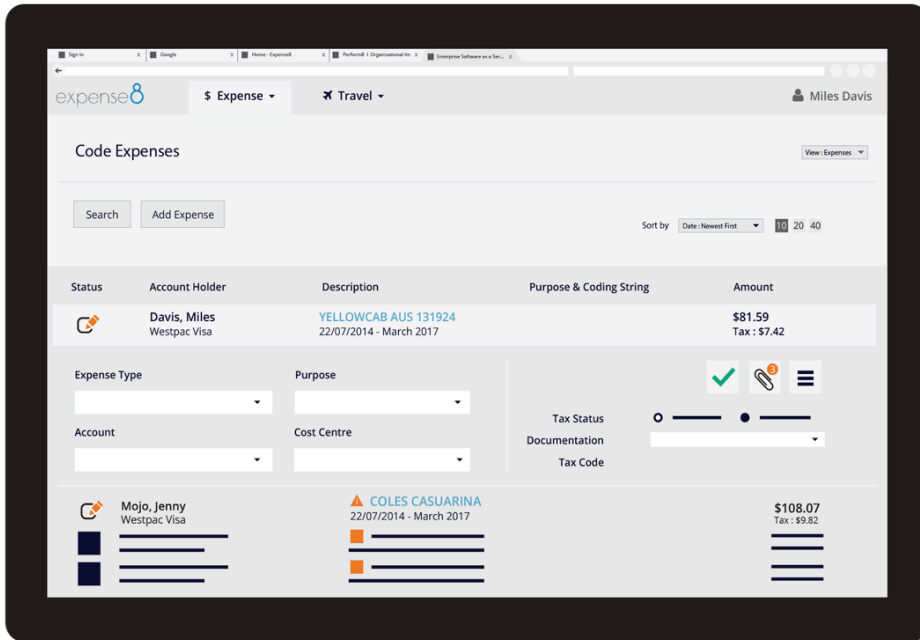


## 8common's product life cycle leads to a de-risked SaaS proposition

- ✓ EBITDA positive in FY15, investing for growth in FY16 to scale faster
- ✓ Currently generating revenue with promising growth from organic and inorganic sources
- ✓ Each core product generates diverse revenue streams comprising implementation, platform and usage fees
- ✓ Software sales team already in place with extensive experience in the industry
- ✓ Long term and 'sticky' relationships with loyal blue-chip corporate and government agency customer base
- ✓ Long term multi year contracts in place with existing customers
- ✓ High customer retention rate and diversified geographic revenue with access to growing Asian market

# expense8

expense8 simplifies complex employee expense management processes & compliance

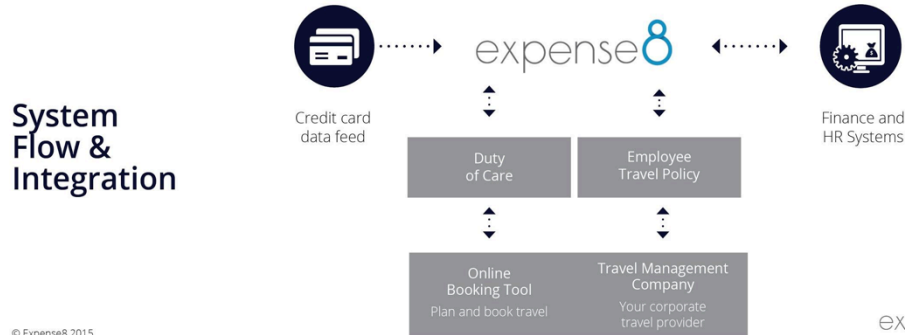
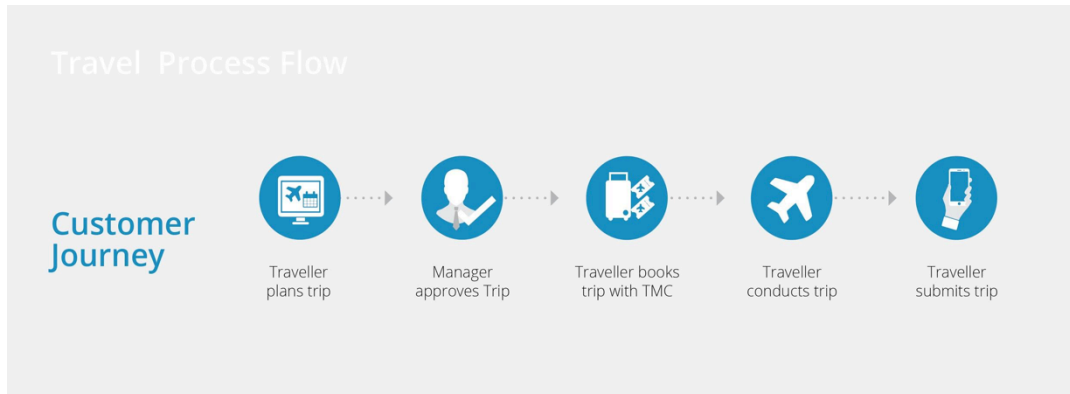


- Operational and generating **revenue** since 1998
- Original product iCMS is being successfully replaced by **expense8** in the cloud
- Processed **over \$1 billion expenses** for customers
- Used in **15 countries**

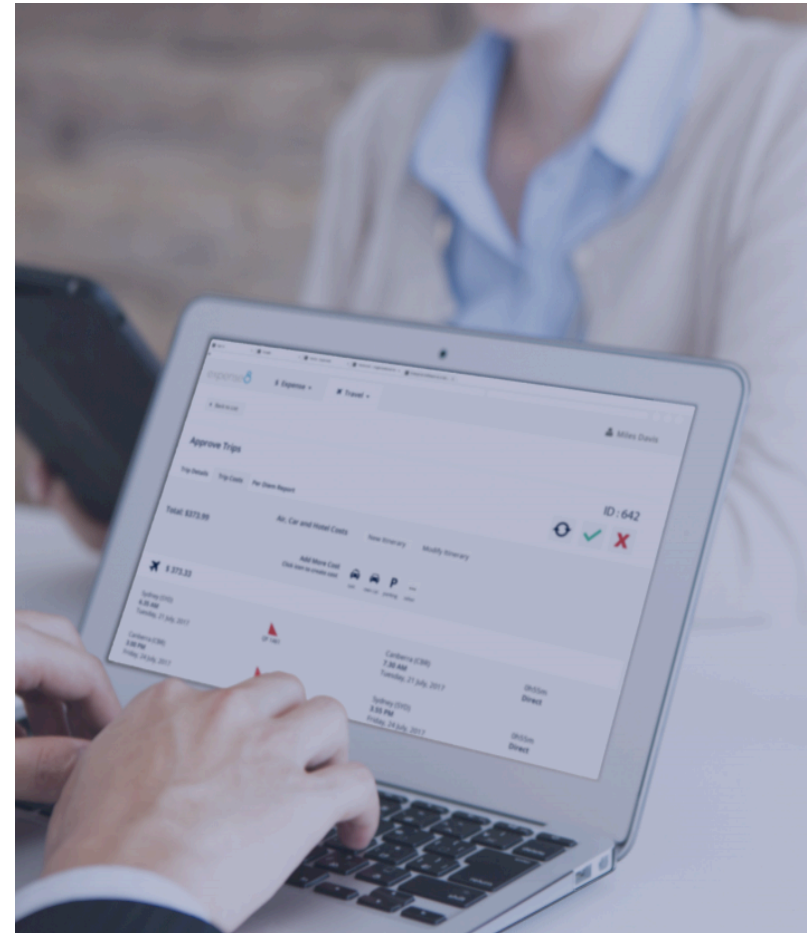


# expense8

expense8's pre trip approval module is best in class and delivers greater process efficiencies for employees trip approval and reconciliation



© Expense8 2015



# expense8

## How and why we win business?



### NSW Dept. of Education Expense Management Solution

- Greenfield opportunity
- Applying for placement on the NSW Government Procurement Panel. (Dec 2014)
- Response RFQ. (Feb 2015)
- Knock out presentation, 20 respondents. (Apr 2015)
- Commercial Negotiation. (May & June 2015)
- Go LIVE! (Mar 2016)
  
- **Benefits delivered** to Dept. of Education include:
  - ✓ New “Bank Request” module
  - ✓ Utilisation of existing internal systems (e.g. TRIM)
  - ✓ Improved ‘Efficiency Dividend’ with more streamlined employee expense approval & reconciliation



Australian Government

The Treasury

### Federal treasury and Shared Services Solution

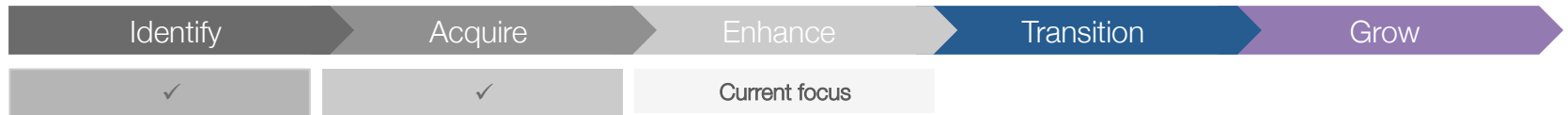
- ERP moved from SAP to TechONE
- Existing customer of Expense8 using the old iCMS product
- Chose to move to Expense8 (best of breed solution):
  - ✓ Extensive install base
  - ✓ Strong reporting & functionality capabilities
  - ✓ Record of Process & Policy implementation success
  - ✓ Delivering ease of Adoption and Usage

### Growth

- Secure more Australian Government mandates
- Grow deeper into existing customer base
- Expand into Asian markets (phase I - Singapore and Malaysia)

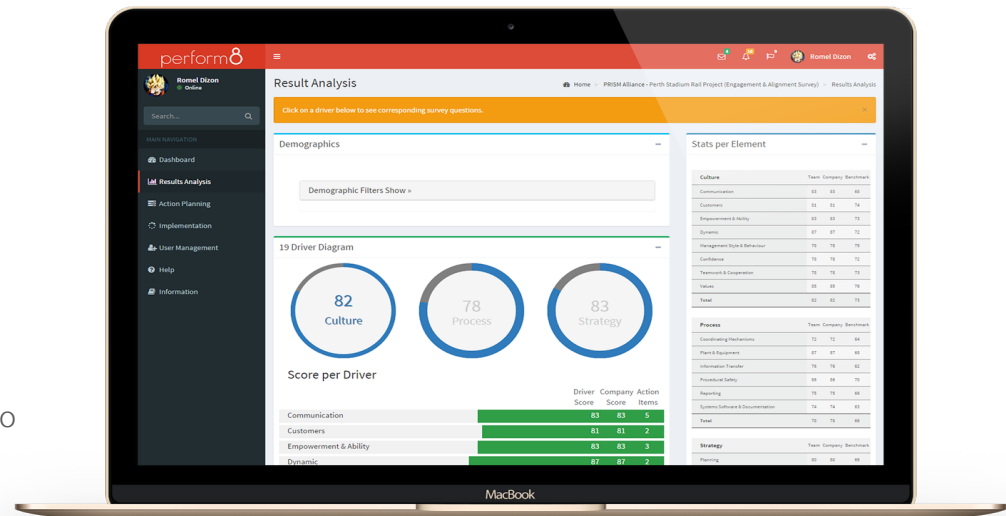
# perform8

8common's global employee engagement and productivity solution is set to grow through new clients and growing reseller network



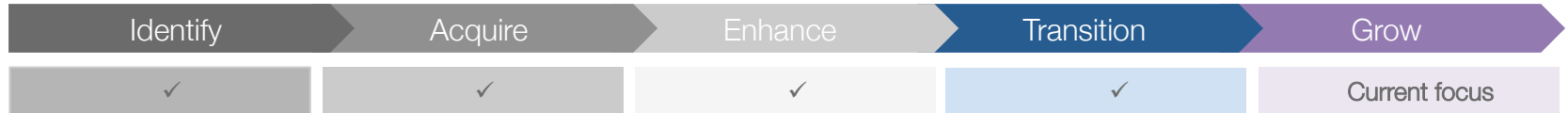
## About perform8

- Business survey solution platform assisting managers in driving post-survey changes to align with business objectives
- Acquired in January 2015
- SaaS and on-site hosted
- **'Bottom up'** approach allows employees to be responsible for implementing the change instead of managers
- Uniquely **organisation-friendly features** include:
  - ✓ **Intuitive** display of **survey results** presented in an accessible format and filtered by demographic
  - ✓ **Action planning tool** allows for the creation of tasks to address specific survey responses and assigned to team members feeding into an overall organisation action plan
  - ✓ Implementation tool gives **managers effective oversight** of the status of the organisation action plan to implement the desired change



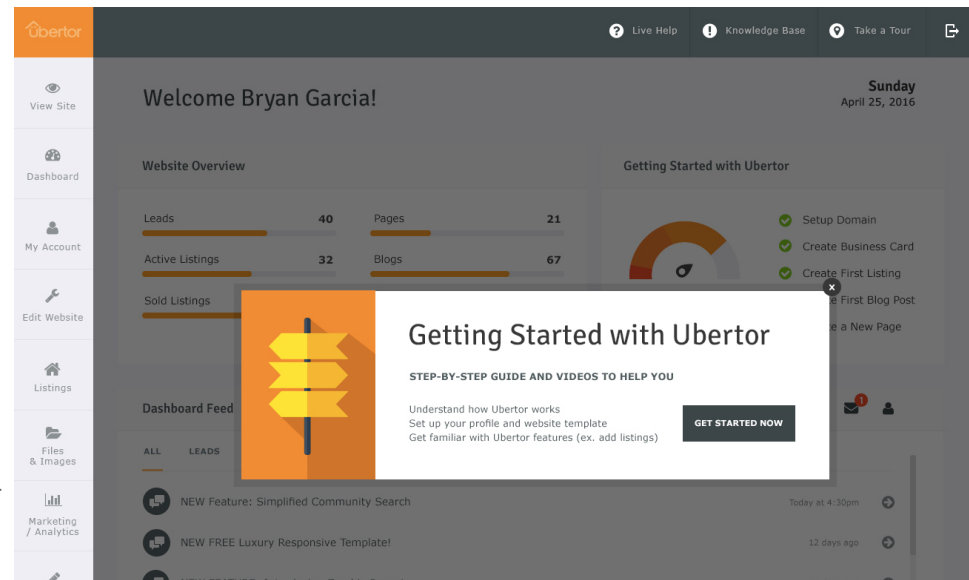
# realtors8

A solution for realtors in North America and Asia that delivers geographically diversified revenue streams



## About realtors8

- Provides a simple and user-friendly suite of tools that help realtors build, improve and maintain their websites as well as market and promote their businesses
- Operational and generating revenue since 2000, SaaS hosted only
- Operational in **North America and Asia**
- Used by **over 3,000 realtors** in North America
- Uniquely **organisation-friendly features** include:
  - ✓ Fully **customisable web platform** which allows realtors to build a website catering to their personal brand and business which is also integrated to multiple listing services
  - ✓ **Syndication and online marketing tools** to help realtors generate traffic, leads and maintain important customer relationships
  - ✓ **Websites** created using the product are **optimised** for all major search engines, including Google



# Summary

## Products

- Established install/user base
- Proven market leadership

## Market

- Australia as the primary market
- Already used in 15 countries globally, significant opportunity in Asia

## Growth

- Geographic and market share expansion
- Mix of organic and inorganic

## Revenue

- Long term, blue chip clients
- High quality mix of recurring subscription and transaction based

## Value

- EV/LTM value at 2.9x
- Cash receipts growing at 47% YoY

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