



## ASX release

30 April 2018

### March 2018 Quarterly Performance and Business Update

Performance and Productivity software group 8common Limited (**8common** of the **Company**) (ASX: **8CO**) is pleased to release its consolidated Quarterly Cash Flow for the quarter ended 31 March 2018. Key highlights for the quarter up till the date of this release include:

- 8common successfully completed a \$300,000 share placement and a \$1,740,125 rights issue. The funds raised were used to repay debts that include repayment of the \$1,430,000 convertible note and interest;
- Binding agreement to sell the remaining 90% of Realtors8 for approximately \$4.09m signed;
- \$73,000 net cash inflow for the quarter, cash receipts from customers of \$904,000;
- Federal Department of the Senate goes live with Expense8 and Federal Courts of Australia and Service NSW are welcomed as a new clients;
- Successful inclusion on the recently established Federal Government ERP SaaS panel;
- Membership into the Hyperledger Blockchain organisation. Hyperledger is an open source collaborative effort created to advance cross-industry blockchain technologies;
- Expense8 SaaS monthly recurring and transaction based revenues grew 45% on a year on year basis;
- Group cash position of \$329,000 at 31 March 2018.

Commenting on the March 2018 Quarter cash flows, 8common Executive Chairman, Nic Lim said *“It has been a very productive quarter as we executed on operational, corporate and strategic initiatives. Operationally, Expense8 is growing thanks to a more than doubling of revenue from Federal Government agencies on a year on year basis. From a corporate standpoint, we have successfully completed a capital raising exercise, which has strengthened our balance sheet and also saves us interest payments. Strategically, the sale of Realtors8 continues to moved forward with the signing of the binding agreement to sell our remaining 90% holding.”*

#### Cash flow performance

The Company recorded a net cash inflow of \$73,000 for the period compared with a net cash inflow from the prior year of \$220,000. Cash receipts were slightly higher by 2% at \$904,000 compared to the same period last year.

The group cash position at the end of March 2018 was \$329,000. The net cash available after the proceeds from the issue of shares were used to pay the convertible note, short-term loans and share issue transaction costs was \$245,000 for the quarter.

#### Expense8

Core SaaS monthly recurring and transaction based revenue has grown in excess of 45% for the March 2018 Quarter versus the March 2017 Quarter (unaudited SaaS monthly recurring and transaction based revenue of \$404,000 for the March 2018 quarter compared to \$279,000 for the March 2017 quarter) as new and existing clients on-boarded to the Expense8 platform, contributing to the strong revenue growth. Notable new clients include the Federal Courts of Australia and Service NSW, as penetration into the public sector continues to gain momentum. The successful tendering and inclusion on the Federal Government ERP SaaS Panel will make it easier for Federal Government departments to procure Expense8.

#### Perform8

Management is still reviewing opportunities around Perform8 as group resources continue to focus on Expense8 and the sale of Realtors8.



## **Realtors8**

A binding Sale and Purchase agreement has been signed with Clouaron Pte Ltd for the remaining 90% sale of Realtors8 shares for approximately \$4.09m. The transaction is due for completion within this financial year.

## **Outlook**

The group continues to move towards becoming a financial technology focused organisation, which operates platforms to deliver productivity and performance to employers and employees of large public and private enterprises. *“The growth of Expense8 within the government space and our inclusion into the Federal Government ERP SaaS panel provides a strong foundation by which we will deliver on our strategy to build and operate fintech platforms for large enterprises. From a Group perspective, strong operating growth supported by client demand and the execution of strategic initiatives to unlock value and capital will facilitate faster development of new platforms and initiatives. An exciting area for us will be in the blockchain space as we leverage its components to both future proof our existing platforms and develop new ones, said Nic Lim, 8common Executive Chairman”*

For further information please contact:

### **Nic Lim**

Executive Chairman

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### **About 8common Limited**

The 8common is listed on the Australian Securities Exchange (ASX:8CO). As a global software product company, 8common delivers productivity and performance software to enterprises and professionals globally. In its core markets of Australia and North America, its clients include government agencies, large corporates, multi-nationals and thousands of individual professionals. [www.8common.com](http://www.8common.com)

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

8common Limited

**ABN**

51 168 232 577

**Quarter ended ("current quarter")**

31 March 2018

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	904	2,979
1.2 Payments for		
(a) research and development	-	(113)
(b) product manufacturing and operating costs	(191)	(529)
(c) advertising and marketing	-	(1)
(d) leased assets		
(e) staff costs	(482)	(1,443)
(f) administration and corporate costs	(292)	(1,193)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	(88)	(163)
1.6 Income taxes paid	(22)	(54)
1.7 Government grants and tax incentives		56
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(171)</b>	<b>(461)</b>

**2. Cash flows from investing activities**

2.1 Payments to acquire:

- (a) property, plant and equipment
- (b) businesses (see item 10)
- (c) investments

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(d) intellectual property		
(e) other non-current assets		
2.2 Proceeds from disposal of:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material) Second payment related to sale of Realtors8 Group	-	211
<b>2.6 Net cash from / (used in) investing activities</b>	<b>Nil</b>	<b>211</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	1,467	1,467
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options	(89)	(89)
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings	(1,108)	(1,151)
3.7 Transaction costs related to loans and borrowings	(30)	(30)
3.8 Dividends paid		
3.9 Other (provide details if material)	5	5
<b>3.10 Net cash from / (used in) financing activities</b>	<b>245</b>	<b>197</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	256	383
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(171)	(461)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	211

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	245	202
4.5	Effect of movement in exchange rates on cash held	(1)	(6)
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>329</b>	<b>329</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	278	205
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details) Term Deposit	51	51
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>329</b>	<b>256</b>

<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	50
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payments represent Directors wages and fees for the quarter.

<b>7.</b>	<b>Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
7.1	Aggregate amount of payments to these parties included in item 1.2	
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

None

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

None

9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	(20)
9.2 Product manufacturing and operating costs	(200)
9.3 Advertising and marketing	
9.4 Leased assets	
9.5 Staff costs	(500)
9.6 Administration and corporate costs	(350)
9.7 Other (provide details if material) ATO Monthly Repayment Plan	(84)
<b>9.8 Total estimated cash outflows</b>	<b>(1,258)</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: .....  
(Director/Company secretary)

Date: .....30 April 2018.....

Print name: .....Zoran Grujic.....

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.