

H1 FY 2018 Financial Results

Half Year ended 31 December 2017 (H1 FY18)



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H1 FY18 Highlights

- ❖ New CEO and management team in place from August 2017. Senior leadership team relocated to Australia.
- ❖ Strategic review of business completed.
 - Organized business around products and markets
 - Rationalized regional businesses to suit scale & expertise
 - Relaunched partner program
 - New focus on large clients
- ❖ Solid progress on product development - moving from development to monetization.
- ❖ Sales commencing to ramp on back of H1 business wins and solid pipelines.
- ❖ Implemented new global finance system (NetSuite).
- ❖ New product “Data warehouse as a Service” (DWAAS) launched with solid uptake
- ❖ Completed rights issue

- Sales revenue up 26%
- Recurring revenue up 20%
- Increase in professional services up 50%
- Normalised EBITDA improved 10.6%

An aerial photograph of a city skyline at dusk. The sky is a deep blue with some light clouds. The city is filled with numerous skyscrapers and buildings, many of which are illuminated with lights. A prominent, very tall, dark skyscraper stands out on the left side of the frame. In the foreground, there is a body of water and a bridge. The overall scene is a dense urban landscape.

Financial Performance



H1 FY18 Performance

A\$000	H1 FY18	H1 FY17
Revenue & other income	3,008	2,661
Expenses	(8,846)	(8,491)
Loss before impairment	(5,838)	(5,830)
Impairment	(7,942)	-
Loss after impairment	(13,780)	(5,830)
Loss after tax	(13,780)	(4,619)
Cash receipts from customers	2,891	4,728




- Expenses in H1 FY18 include \$301k cost related to Wattkeeper / Intellegin (not in H1 FY17)
- H1 FY17 included income tax benefit of \$1.2m – no income tax benefits recognised in H1 FY18

H1 FY18 Pro-forma EBITDA

	H1 FY18	H1 FY17
Reported loss before tax	13,781	5,830
Add back		
- Impairment	7,942	
- Wattkeeper / Intellegin expense	301	
Depreciation & amortisation	1,208	989
Pro-forma EBITDA loss	4,330	4,841

- Pro-forma EBITDA improved by 10.6%
- Impairment \$7.9M (\$7.8m Goodwill & \$0.142m other)
- Wattkeeper / Intellegin acquired Feb 2017 (no cost in H1 FY17)
- Amortisation increased due to useful life decrease and commencement of Wattkeeper / Intellegin IP amortisation.

H1 FY18 Cash Flows

A\$000	1H FY18	H1 FY17	Change
Net cash used in operating activities	(4,610)	(3,294)	
Net cash used in investing activities	(831)	(1,129)	
Net cash provided by financing activities	6,649	-	
Net increase/(decrease) in cash & cash equivalents	1,207	(5,067)	

- \$4.6M used in operating activities comprises:
 - \$2.89M (2017: \$4.73M) cash receipts from customers (H1 FY17 include one-off payment from King Price \$1.5m)
 - \$8.05M (2017: \$8.08M) in cash used for operating activities – payments to suppliers & employees

- \$0.8M (2017: \$1.1M) cash used in investment activities
 - \$0.8M in capitalised development cost
- Net cash of \$6.65M received from capital raising

H1 FY18 Balance Sheet

A\$000	31 Dec 2017	30 Jun 2017
Cash & cash equivalents	6,442	5,241
Other Assets	25,004	33,502
Total assets	31,446	38,743
Borrowings	-	-
Other liabilities	3,602	3,946
Total Liabilities	3,602	3,946
Total Equity	27,844	34,797

- No external debt or borrowing
- Cash balance \$6.4m at 31 Dec (\$5.2m at 30 Jun 2017)

Strategy and Growth



H1 FY18 Vision

Focus on **3** products
In **3** geographies
Over **3** years

Whilst moving to complete the
full functionality of our industry cloud

By 2020 we aim to have

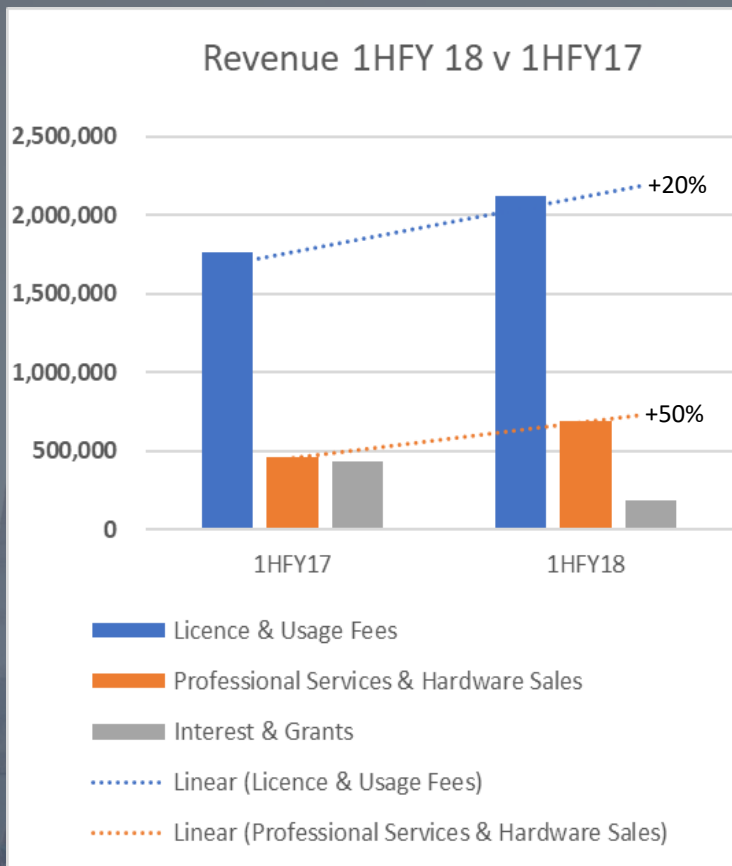
\$20+ million

In revenue
of which

60+%

Will be
recurring

H1 FY18 Revenue



- Business focus on 3 products in 3 geographies starting to have an impact
- Sales revenue up 26%
- Recurring Revenue up 20%
- Increase in Professional Services up 50%
- Other income - Reduction in interest

	2017	2016
Sales revenue	2,813	2,229
Other Income	195	432
Total	3,008	2,661

H1 FY18 Strong Pipeline

New CRM tool implemented to track leads, opportunities and pipeline

- ❖ > 250,000 strata lots signed yet to be migrated
- ❖ High conversion rate for Asset Management and Service platform sales
- ❖ Increasing interest in IOT platform for workplace monitoring
- ❖ High demand for Analytics platform and survey tool

Product Update



H1 FY18 Strata Management (Product 1)

Development functions completed

- ❖ Community App in iOS and Android
- ❖ Mobile applications
- ❖ High volume invoice processing
- ❖ BPay and EFT payment processing
- ❖ Drag n drop file handling
- ❖ Public Restful API
- ❖ Calendar & task management
- ❖ Reporting
- ❖ Google Maps integration
- ❖ Large amount of core functionality ported

Achievements & clients

- ✓ 18,700 lots added
- ✓ > 270,000 lots live
- ✓ > 250,000 lots under contract to be migrated (next 12 months)
- ✓ New contracts with >32,000 lots
- ✓ 5 + 5 year agreement with Crockers, NZ's largest strata company
- ✓ Four customers beta testing the new platform and using it on a daily basis for real operations
- ✓ Successfully migrated PICA's first branch with 5,000 units in Tuggerah NSW

H1 FY18 Asset Management (Product 2)

Development functions completed

- ❖ Improved work order management & planning
- ❖ Dynamic survey/mobile data collection asset inspections, updates, data captured by a mobile workforce
- ❖ Automatically generated condition PDF reports based on data collection
- ❖ 10 year Operational and Capital maintenance planning
- ❖ Smart Wallet for utilities and other payments
- ❖ Configurable Asset Surveys with Work Order functionality
- ❖ Simple SLA's
- ❖ Contract DOA's and automated approval processes
- ❖ In App estimating and Quoting tool
- ❖ Asset Lifecycle and Maintenance tool
- ❖ Smart Planning

Client Implementations

- ✓ Ventia, one of Australia's largest Facility Managers, has adopted the platform for three key contracts
- ✓ Fresh Start FM
- ✓ Similan (South Africa)
- ✓ Abu Dhabi National Oil Company

H1 FY18 IOT Monitoring (Product 3)

Development functions completed

- ❖ Generation 4 IOT devices (Gen 4) and gateway development completed
- ❖ Gen 4 pre-production field testing commenced
- ❖ Features include
 - LoRa radio communications (range up to 2 km)
 - Up to 1,000 devices per gateway

Achievements

- ✓ IBM “Ready for Watson IOT” certification in progress
- ✓ Connection ability to facilities management tools like IBM Maximo, Tririga and Watson IA.

H1 FY18 **New Service**

Data Warehouse as a Service

- ❖ Launched and implemented Data Warehouse and analytics As a Service (DWAAS)
- ❖ Enhance operational capabilities of all 3 products
- ❖ Business analytics
- ❖ Custom reporting
- ❖ 5 clients gone live
 - Auckland Council (Ventia)
 - Powercor (Ventia)
 - Frankston City Council (Ventia)
 - UEM
 - Fresh Start FM

Smart Utility (Wattkeeper)

- ❖ Smart Wallet functionality enable pre- and post pay services such as utilities
- ❖ Technology relevant in NDIS solution

Partner Programme

- ❖ New partner programme launched
- ❖ Reviewed partners and signed
 - Tollerro (ANZ)
 - Holdco (MENA)
 - BCS Technologies (APAC)
 - 4C (MENA)

Outlook



H1 FY18 Outlook

The background of the slide features a faded, artistic rendering of a London street scene. In the foreground, a red double-decker bus is visible, moving away from the viewer. In the background, the iconic Big Ben clock tower and the Houses of Parliament are silhouetted against a light sky. The overall tone is muted and atmospheric.

- ❖ Turn-around gaining traction but too early for quantitative forecast
- ❖ Solid pipeline and conversion expected to result in a stronger second-half.
- ❖ Transition from development to monetisation, particularly for asset management and IoT will result in reduced costs from Q4
- ❖ PICA development expected to be completed late Q4
- ❖ Cost base review ongoing

