



Half Year Results

20 February 2019

Urbanise.com Limited
ABN 70 095 768 086



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URBANISING THE WORLD

**Our cloud software helps you manage strata,
facilities and utilities smarter.**

All on one beautiful, simple platform.

Today, over 500,000 properties and locations are managed smarter and more efficiently using the Urbanise platform. Our cloud software is used to expand and enhance the range and quality of services provided to buildings and communities by connecting managers with customers and suppliers, helping to create more liveable communities.

THE URBANISE PLATFORM

AN INTEGRATED PLATFORM FOR THE STRATA, COMMERCIAL AND FACILITIES MANAGEMENT INDUSTRIES



COMMUNITY

Community portals and apps that help residents collaborate and connect



FACILITIES

Track Work, Assign
Jobs and Report Performance



UTILITIES

Automated utilities management,
reporting and billing for residential
and commercial properties



STRATA

The Most Comprehensive
Strata Management Software
in the Cloud



ANALYTICS

Urbanise can offer clients a Data Warehouse-as-a-Service ("DWaaS")

FY19 – Half Year Financial Performance



Half Year Highlights

Highlights for the 6 months ended 31 December 2018

- Urbanise delivered revenue of \$3.9 million (2018:\$3.0m) for the half year ended 31 December 2018, increasing total revenue by 29.4%.
- Urbanise significantly reduced its cost base through the rationalisation program executed in Q4 of FY2018. Normalised cost (excluding recovery of debts written off in Q1 FY2018) decreased by 31% from the corresponding half in the prior financial year.
- Average monthly cash used decreased from \$817k per month in H1:2018 to \$327k in H1:2019, a decrease of 63%
- No further impairment recognised

Consolidated Profit or Loss

Half year ended 31 December 2018

\$000's	2017	2018	%	
Revenue from contracts with customers	2,813	3,885	Up 38%	AASB15 increased revenue by \$356k
Other Income	195	7		2017 include R&D refund of \$123k
Revenue and other income	3,008	3,892	Up 29%	
Expenses	(16,788)	(6,102)	Down 64%	2017 include impairment of \$7,942k
Income tax	-	-		
Loss after tax	(13,780)	(2,210)		

Consolidated Cash Flows

Half year ended 31 December 2018

\$000's	2017	2018	%
Cash flow from operating activities	(4,610)	(1,599)	Improved 65%
Cash flows from investing activities	(831)	(368)	Improved 56%
Cash flow from financial activity	6,649	3,813	
Cash & cash equivalents at 31 December	6,442	4,925	

Consolidated Financial Position

Half year ended 31 December 2018

\$000's	30 June 2018	31 Dec 2018	
Current assets	6,047	8,093	Cash & cash equivalents \$4,925 (6/2018 – \$3,072)
Non-current assets	10,847	10,600	
Total assets	16,894	18,693	
Current liabilities	3,352	3,610	Deferred revenue \$1,973k (June18: \$1,260k)
Non-current liabilities	16	22	
Total liabilities	3,368	3,632	
Net assets	13,526	15,061	

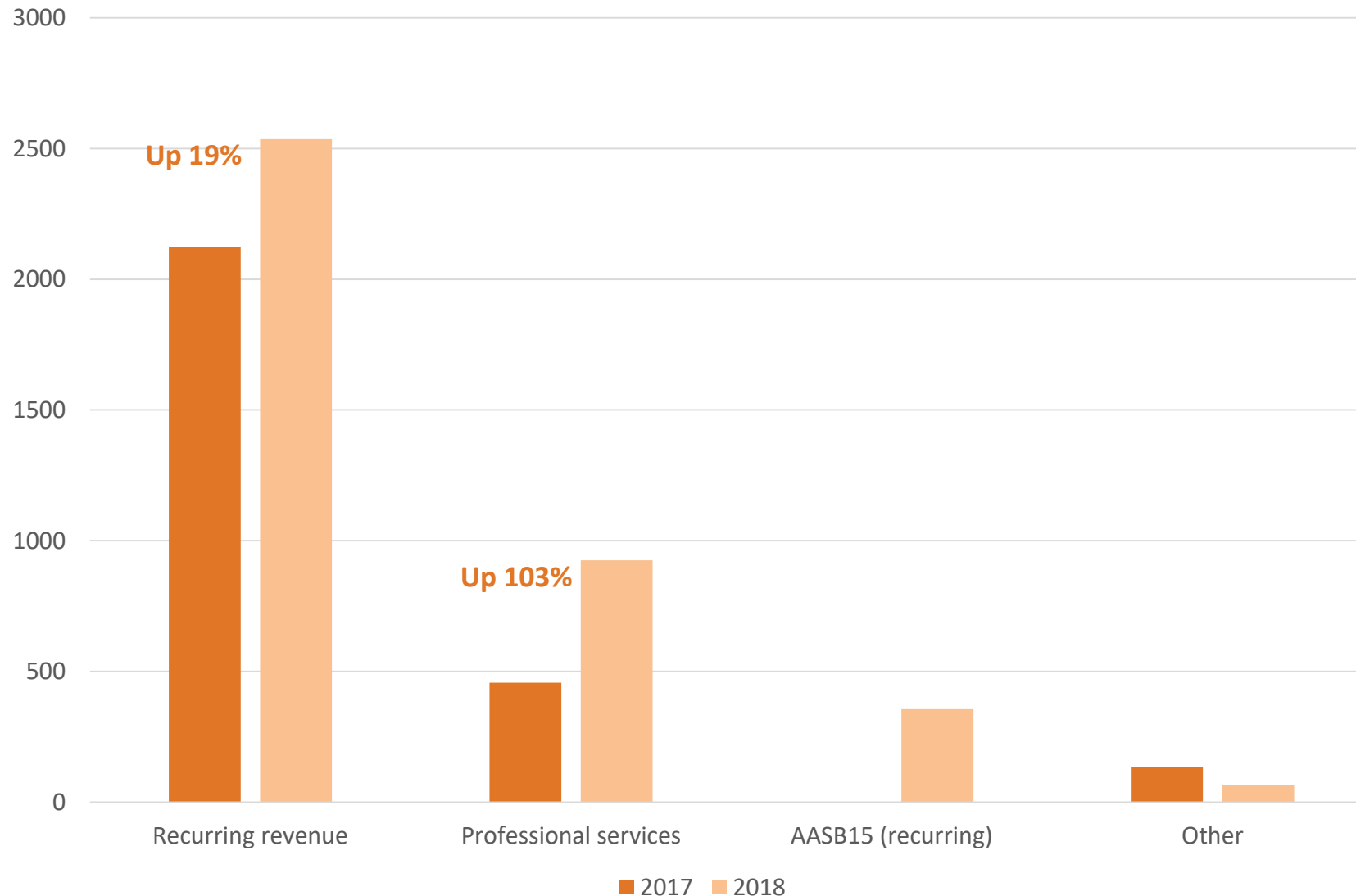
Half year - Revenue from contracts with clients

(by product)

\$000's	31 Dec 2017	31 Dec 2018	%	
Strata	1,918	2,501	Up 30%	
Facilities	474	1,179	Up 149%	
Utilities	171	134	Down 22%	One-off hardware sales \$42k (2017: \$77k)
Devices	250	71	Down 72%	Product disposed in prior year
Revenue from contracts with clients	2,813	3,885	Up 38%	

FY18 v FY19 - H1 Revenue

from contracts with clients

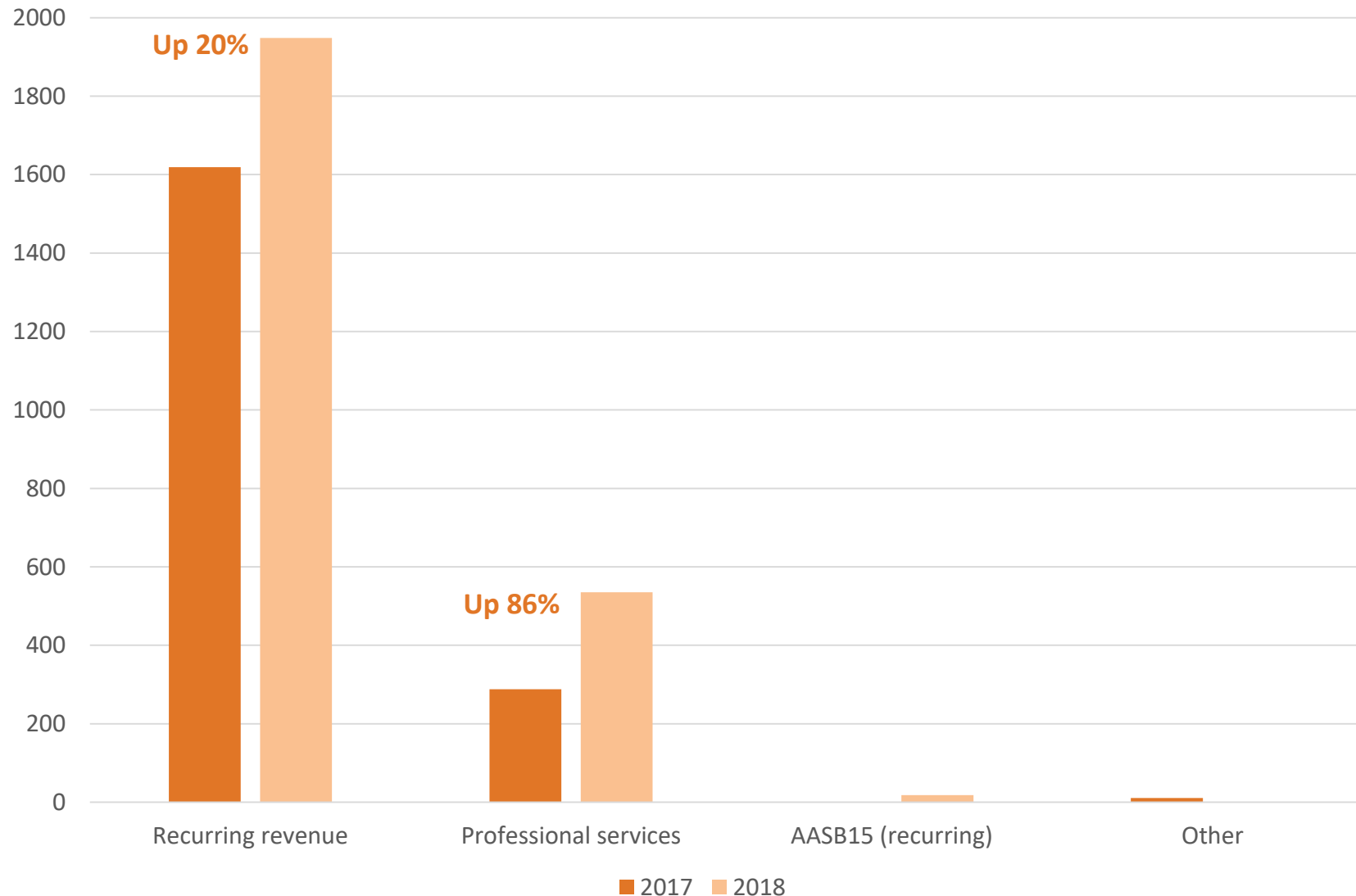


- Significant improvement in recurring revenue due to new contracts won over the last 12 months
- Professional services high as new contracts are implemented driving further improvements in recurring revenue
- \$179k - 6.3% (negative) impact on revenue from contracts with customers due to sale of Devices business

The AASB issued a revenue standard AASB15 in Australia) Revenue from Contracts with Customers, effective 1 July 2018 (for Urbanise). The impact on day one where an adjustment was made as to what the position would have been if the standard was always in effect. Urbanise applied the modified retrospective basis where the opening retained earnings at 1 July 2018 was adjusted, and the revenue is then recognised on a straight-line basis for the remainder of the contract period. The impact in FY19 will be an uplift in revenue of \$356k in H1 and \$65k in H2.

FY18 v FY19 - H1 Revenue - Strata

from contracts with clients

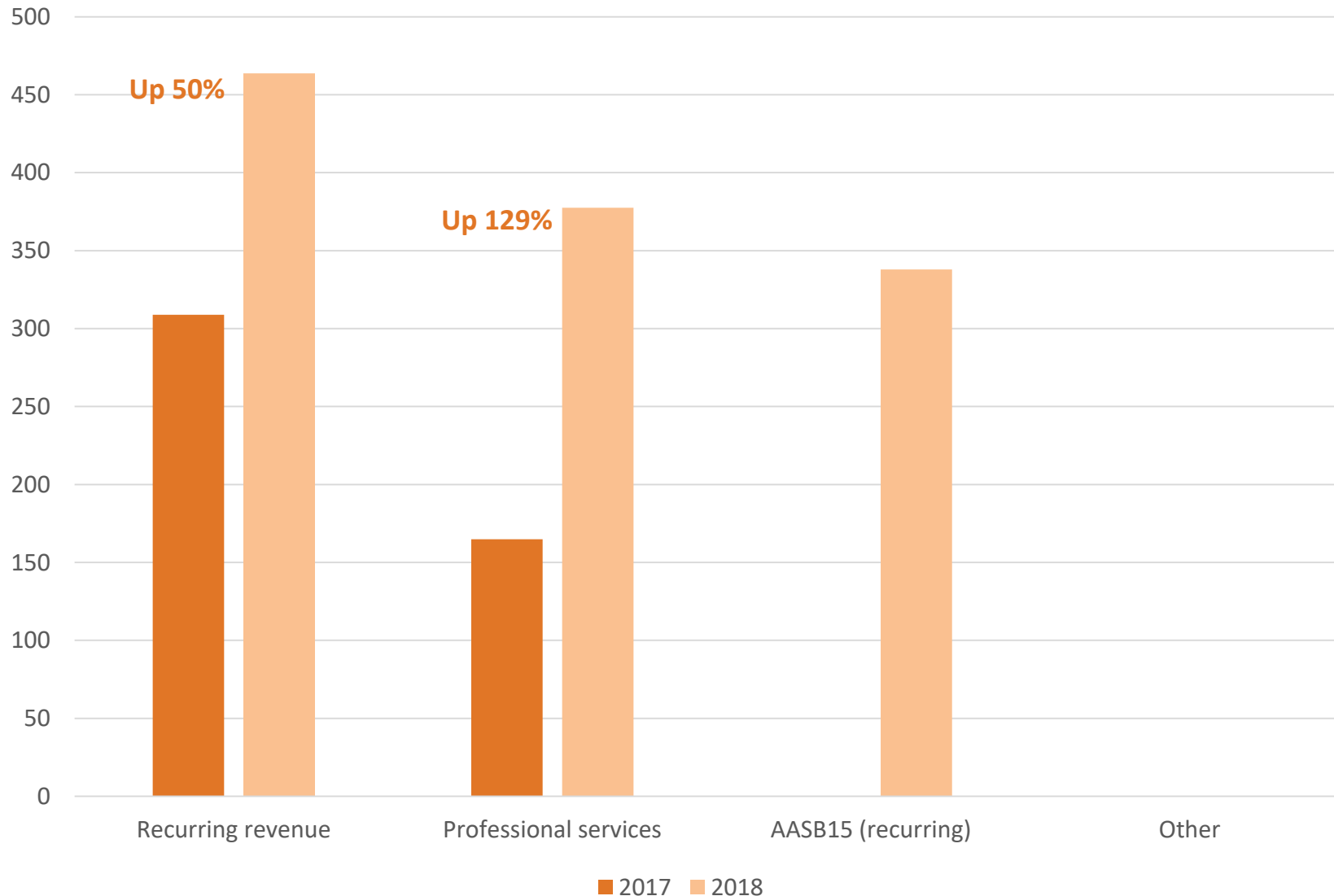


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FY18 v FY19 - H1 Revenue - Facilities

from contracts with clients

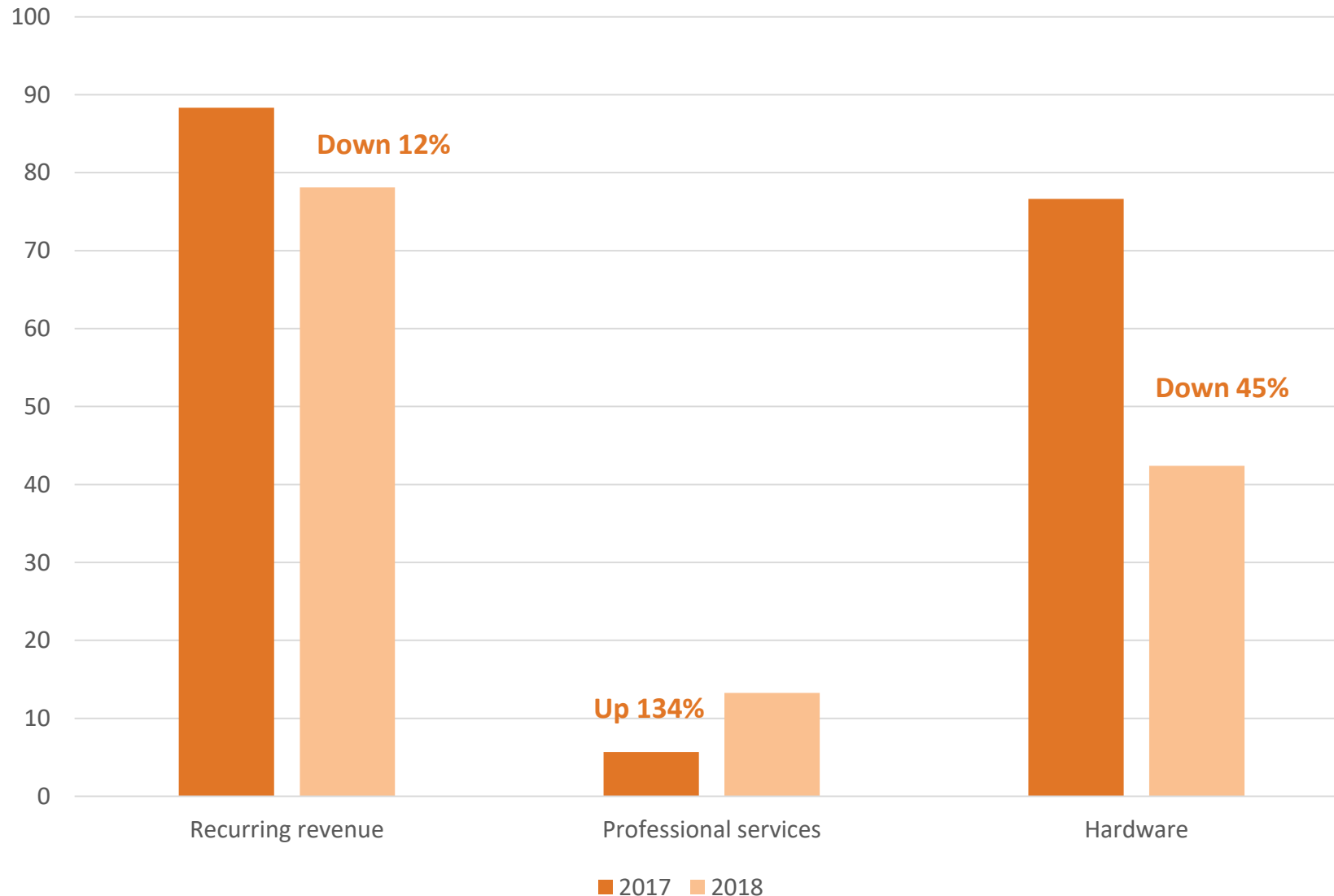


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FY18 v FY19 - H1 Revenue - Utilities

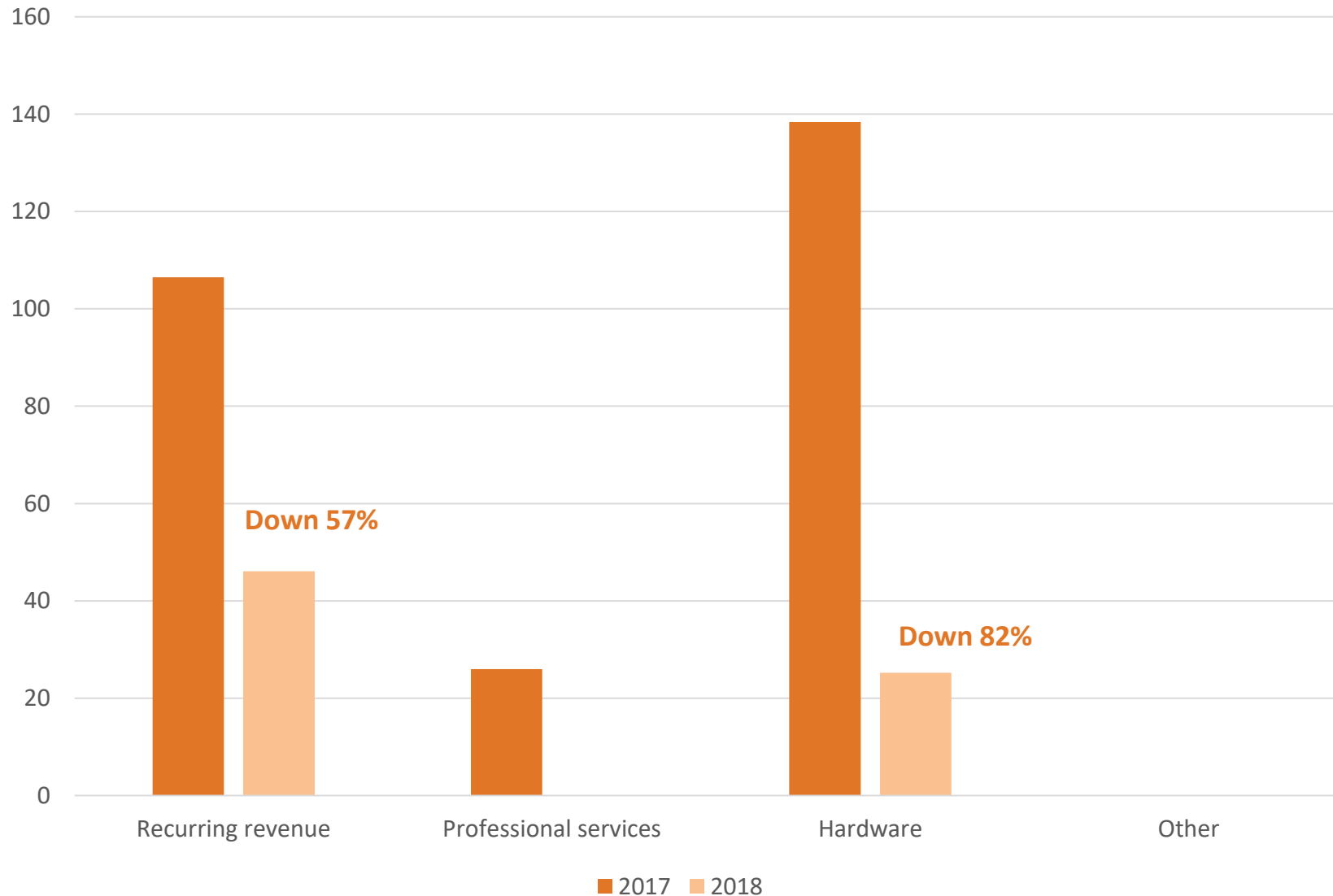
from contracts with clients



- Hardware sales are a one-off event for a specific contract (negative impact of \$34k)
- Recurring revenue down 12% due to lower pricing on a contract on renewal, offset by new contracts implemented

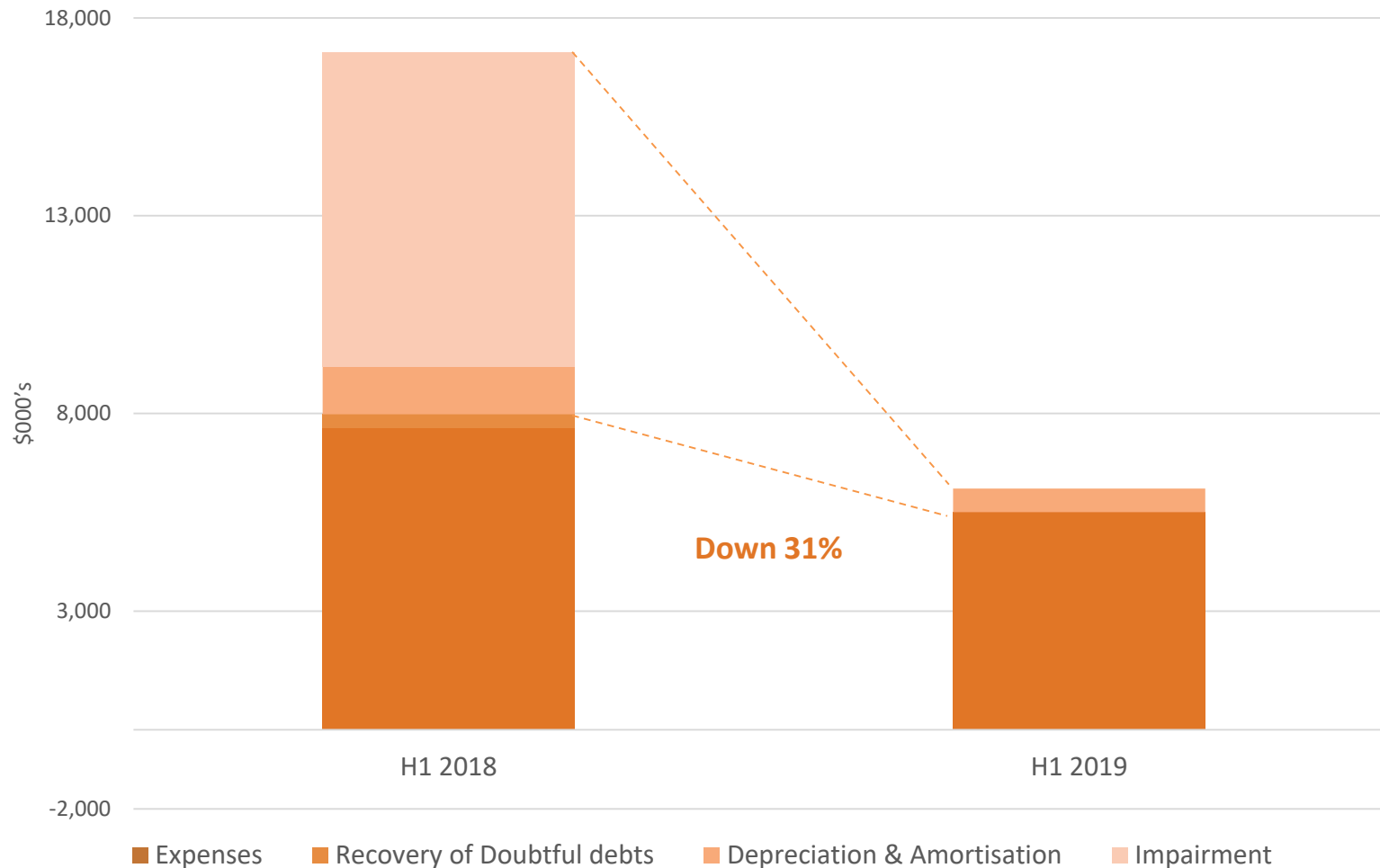
FY18 v FY19 - H1 Revenue - Devices

from contracts with clients



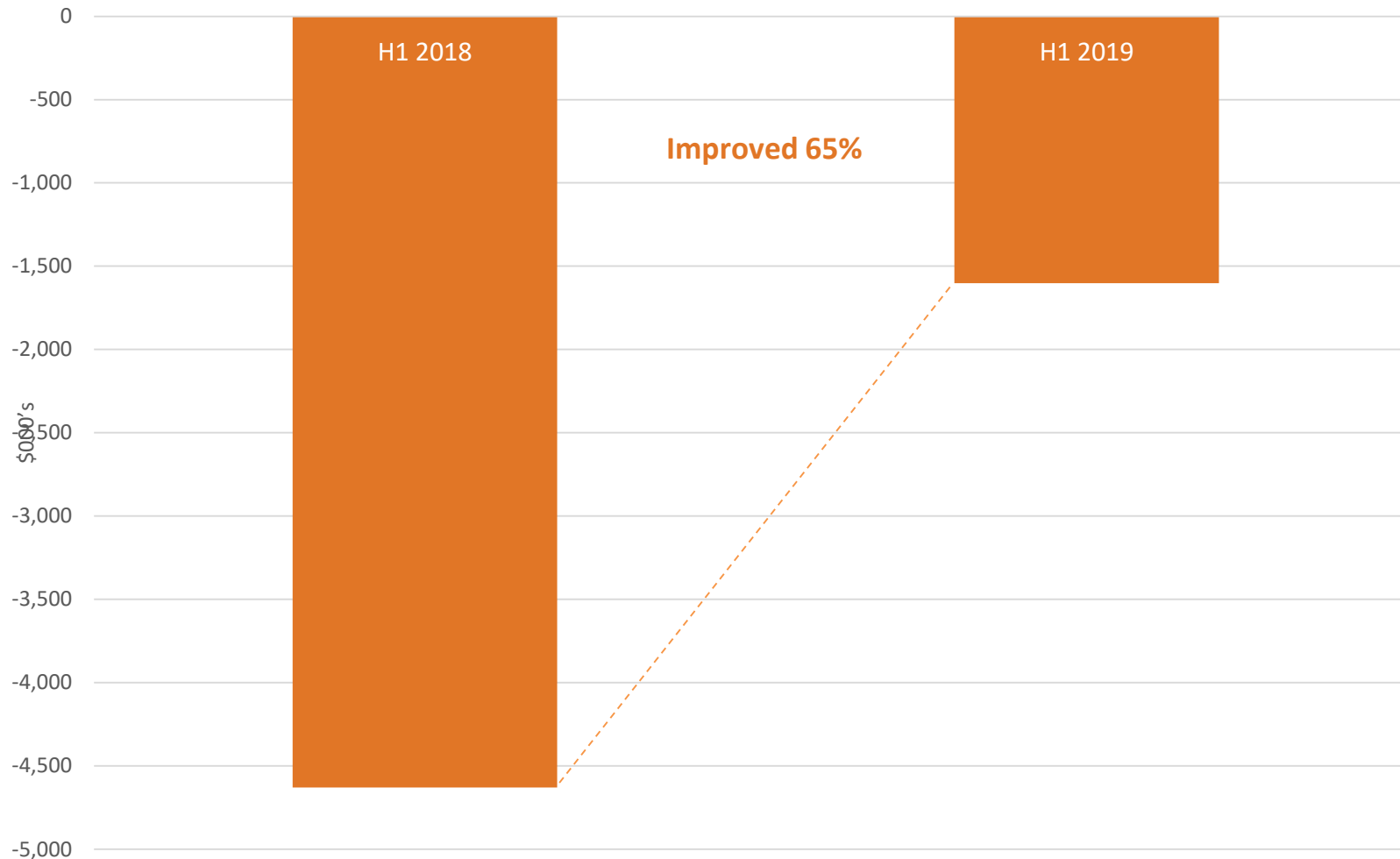
- Devices business sold in Q4 of FY2018. Some residual revenue in H1 will reduce to near zero in H2.

FY18 v FY19 - Q1 Expenses



- Significant reduction in cost base after the cost reduction program implemented in April 2018
- Depreciation & amortisation down 50%
- No further impairment in H1

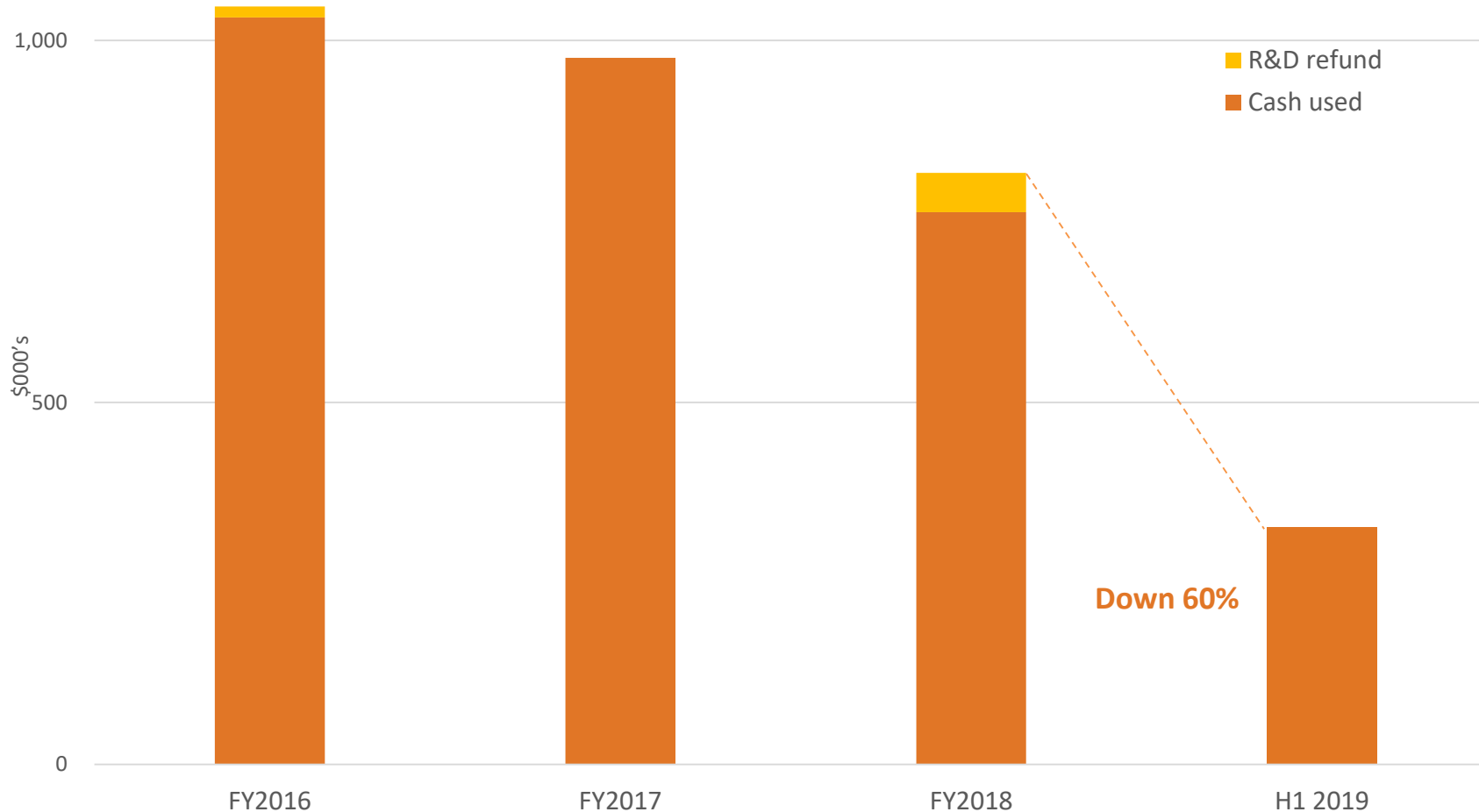
FY18 v FY19 - H1 EBITDA*



- Significant improvement in EBITDA as a result of increased revenue and decreased cost

• Exclude impairment write-offs in FY2018

Average monthly cash used in operations*



- Significant improvement in cash used in operations due to
 - increased revenue collections
 - decreased cost
 - Decreased capitalised cost

*Cash used in operating activities PLUS Development cost capitalised

FY19 – New contracts since 1/7/18



Contracts since 1/7/2018 – 31/1/2019

	No contracts	Estimated annual recurring revenue post implementation
Facilities	12	655,164
Strata	16	435,896
Utilities	1	2,198
Total	29	1,093,298

