

December 2016 Quarterly Performance and Business Update

Performance and Productivity software group 8common Limited (**8common** or the **Company**) (ASX: **8CO**) is pleased to release its consolidated Quarterly Cash Flow for the quarter ended 31 December 2016. Key highlights for the quarter and up until the date of this release include:

- Quarterly cash receipts were \$1,079,000, up by 12% year-on-year;
- Successfully delivered the expense8 solution to the Federal Department of the Prime Minister and Cabinet;
- Federal Department of the Treasury first to be on-boarded with the full Travel and Expense solution;
- Quarterly cash flow performance ahead of budget and on a clear path towards positive operating cash flow;
- Additional issuance of 2nd round of convertible notes to bring the total funds raise to A\$ 1,430,000.

Commenting on the December 2016 Quarter cash flow, 8common Executive Chairman, Nic Lim said ‘8common grew cash receipts by 12% year-on-year to \$1,079,000. The team has continued to deliver strong customer wins and we anticipate the interest shown in the recently announced second round of convertible notes will further strengthen the cash position in 2017.’

Cash flow performance

As we continue in our growth investment phase, net operating cash flow for the quarter was an outflow of \$99,000, which is a solid improvement on the September 2016 Quarter outflow of \$133,000 and the December 2015 Quarter outflow of \$247,000. The improved performance puts us on a path to return to positive operating cash flow. Cash receipts grew 12% to \$1,079,000 (1H FY2017 \$2,061,000) driven by the expense8 monthly software as a service (SaaS) payment model.

The group cash position at the end of December 2016 was \$249,000, up from \$188,000 in the previous quarter.

Expense8

Federal Treasury is now live with Expense8 travel and expense management enterprise software as a service (SaaS) solution. This integrated SaaS solution will enable Federal Treasury to greatly improve its corporate travel planning process and drive process efficiencies with expense reconciliation going forward.

The Department of the Prime Minister & Cabinet has also gone live with Expense8 in record time and we are now working with the Department for the implementation of the expense8 travel module. This milestone represents a key step towards their new travel and expense management operating model. Both these developments are significant and are a clear indication of the shared services partnership with Federal Treasury.

The momentum of the migration of existing customer iCMS to expense8 continued during the quarter. This further secures future revenues with multi year contracts.

Commenting on the performance of Expense8, Nic Lim said “The successful delivery of expense8 as a complete Travel and Expense management solution marks a significant product milestone for the business. We are very proud of the team and truly appreciate the collaborative relationship we have with clients like



the Federal Treasury and Department of the Prime Minister and Cabinet. The size and quality of contracted revenues of the expense8 business has seen a significant improvement over the last 12 months.”

Perform8

Perform8 continues to work towards the on-boarding of reseller partnerships and the quarter saw successful delivery of client engagements in partnership with a new reseller.

Commenting on Perform8, Nic Lim said “The reseller model provides the most scalable and cost effective path to growing the Perform8 business. Joint efforts with our resellers will ensure that we are delivering a product which meets market needs.”

Realtors8

Realtor8’s continues to delivery consistent performance. The process to divest the division is continuing and we will update the market on progress in due course.

Outlook

8common will continue the drive growth across its businesses. The combination of growing revenue and strong cost management is expected to support a return path towards positive operating cash flow.

For further information please contact:

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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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