

## MARCH 2016 QUARTERLY UPDATE BIDENERGY ACCELERATES GROWTH

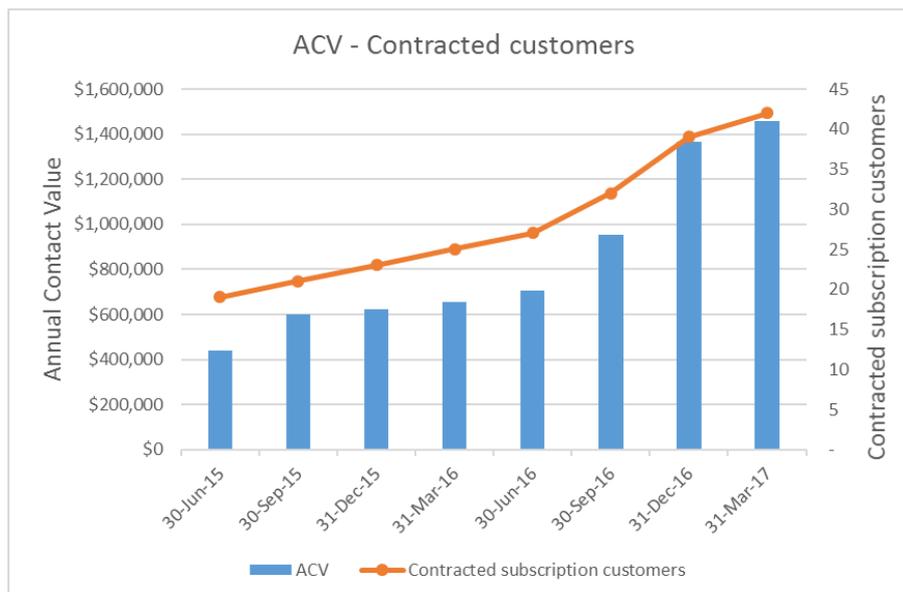
ASX RELEASE

30 APRIL 2017

BidEnergy Limited (ASX: BID) ("Bid" or "the Company") is pleased to provide an update on its activities for the quarter ending 31 March 2017.

### Highlights

- **\$940,000 of underlying revenue for March 2017 quarter including:**
  - **\$380,000 BidEnergy platform revenue**
  - **\$560,000 Real Win Win rebate capture revenue**
- **\$1.5 million of Subscription Annual Contract Value (ACV) at 31 March 2017, up 122% since 31 March 2016**



- **Continued customer retention and strong growth in upgrade renewals and new subscriptions during quarter:**
  - **\$28K ACV revenue expansion (negative churn) on renewal of existing subscriptions**
  - **Further new subscriptions including 3 in target retail sectors and a further 3 subscriptions proposed in the quarter and signed subsequent to quarter end**
- **Significant progress in strategic initiatives**
  - **Channel Agreement signed in UK with outsourcing firm 4C & Associates**
  - **Substantial work in the quarter building business case for BP UK roll-out with contract signed in April**
  - **First US subscription deal to provide sourcing and bill management to regional broker**

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BidEnergy is a Melbourne-based software-as-a-service (SaaS) company that uses state-of-the-art robotic process automation (RPA) to optimise the energy spend of national and international multi-site customers. RPA is the application of software, or a "robot", with artificial intelligence (AI) and machine learning capabilities to handle high-volume, repeatable tasks for processing transactions. BidEnergy provides RPA software for high volume data capture, invoice processing, contract sourcing and sophisticated analytics in the energy and utility space.

### **Operating Overview**

#### **Continued strong support in Australian market**

The domestic energy crisis – combining shortfalls in gas supply, withdrawal of coal fired baseload power and uncertainty in renewables investments - has given rise to volatile energy prices that are amongst the highest in the world. This in turn has highlighted the inadequacies of traditional manual approaches to procurement, with many organisations facing unbudgeted price rises. This is increasing awareness of the need for agility in procuring electricity through automation which is feeding an increase in inbound enquiries.

#### **First US customer signed**

During the quarter, BidEnergy US Inc signed its first subscription agreement with a regional channel, Illinois-based Global Energy Enterprises. The initial deal is modest, but importantly demonstrates the applicability of the BidEnergy platform to the US market, and the point of difference of a cloud-based automation platform.

#### **New subscription customers**

BidEnergy's continues to secure new subscriptions in the retail sector, where cost pressures and resource constraints drive the need for technology solutions rather than traditional consulting/outsourcing approaches.

#### **UK gaining momentum**

Substantial activity undertaken during the quarter with BP Oil UK Ltd, onboarding invoice and meter data for all corporate petrol retail site in the UK. This identified business case benefits in reporting, accounting and portfolio analysis and culminated in a subscription contract commencing 1 May 2017 for an initial period of 12 months with a 12 month extension.

During the quarter, BidEnergy also inked a subscription agreement with international procurement outsourcing specialist 4C & Associates. Headquartered in London, the business specialises in delivering procurement solutions to a range of clients, including in the BidEnergy target sectors.

## **Corporate and Financials**

### Financials

As at 31 March 2017, the Company's total cash was \$4.7M. Net cash outflow from operations for the quarter was \$1.4M. This was \$0.4M lower than the December quarter period, in part relating to more BidEnergy customers paying annual subscription fees in advance.

Cash receipts for the quarter of \$1.1M were made up of \$0.6M of BidEnergy platform subscriptions and \$0.5M RealWinWin rebate capture revenue. Operating cash payments of \$2.5M were slightly lower than the \$2.6M forecast in the December quarter 4C statement.

### **Outlook**

The Company is well positioned for further growth in 2017 with a robust customer pipeline driven by new opportunities spanning Australasian, US and European markets.

"Since securing strategic channel partnerships in Australia and internationally, our pipeline has never been higher. As we continue to add enterprise functionality the automation benefits of our platform are being experienced by an expanding base of loyal customers" said BidEnergy Managing Director, Stuart Allinson.

-ENDS-

Further Information:

Stuart Allinson

Managing Director

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### **About BidEnergy Ltd**

BidEnergy is an Australian-based technology company with offices overseas in the USA and UK. BidEnergy's cloud-based platform simplifies the complex energy spend management process by using robotic process automation, enabling organisations to have complete control over their energy spend. Unlike manual consulting and business services, the platform automates the management of every component of the process for multi-site organisations. By automatically capturing and validating invoices and meter data, customers can streamline their accounting and payments processes, go to market at short notice to optimise their supply contracts and reduce on-bill charges using sophisticated analytics and reporting.

## 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**

BID ENERGY LIMITED

**ABN**

94 131 445 335

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

31 March 2017

<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	1,134	1,844
1.2 Payments for		
(a) research and development	(343)	(921)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(150)	(414)
(d) leased assets	-	-
(e) staff costs	(1,342)	(2,917)
(f) administration and corporate costs	(690)	(2,604)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	13	40
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (deposit held on trust)	(227)	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,605)</b>	<b>(4,972)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(4)
(b) businesses (see item 10)	-	(356)
(c) investments	-	-

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<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
(d) intellectual property	-	-
(e) other non-current assets	-	-
<b>2.2 Proceeds from disposal of:</b>		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
<b>2.3 Cash flows from loans to other entities</b>	-	-
<b>2.4 Dividends received (see note 3)</b>	-	-
<b>2.5 Other - Cash acquired on reverse acquisition</b>	-	2,619
<b>2.6 Net cash from / (used in) investing activities</b>	-	<b>2,259</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	-	-
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	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</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	6,283	7,387
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,605)	(4,972)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	2,259
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-

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<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	(3)	1
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>4,675</b>	<b>4,675</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	2,675	4,283
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Term deposit)	2,000	2,000
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,675</b>	<b>6,283</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	220
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	

Consultancy fees and wages paid to director related entities and directors during the March 2017 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	

Nil

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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.		

Nil

9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	(330)
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	(130)
9.4 Leased assets	-
9.5 Staff costs	(1,490)
9.6 Administration and corporate costs	(750)
9.7 Other (provide details if material)	-
<b>9.8 Total estimated cash outflows</b>	<b>(2,700)</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	RealWinWin Inc.	-
10.2 Place of incorporation or registration	Delaware, USA.	-
10.3 Consideration for acquisition or disposal	\$356,000 (Please refer to December 2016 Appendix 4D, Note 17)	-
10.4 Total net assets	\$768,000	-
10.5 Nature of business	Energy rebate capture specialist.	-

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### 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:

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(Director)

Date: 30 April 2017

Print name: Stuart Allinson

### 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.