

Investor Presentation

FY17 Results

Anthony Woodward – CEO
Paula Kensington - CFO

Agenda

FY17 Results Summary

FY17 Results Detail

Operations Update

Strategic Update

FY18 Outlook

Appendix

FY17 Financial Results Summary

Comparisons to FY16

Revenue \$49.2m



4%

Underlying¹ EBITDA \$2.2m



53%

Underlying¹ EBIT loss (\$2.1m)



-\$3.0m

Underlying^{1,2} NPAT loss (\$0.2m)



-\$1.0m

Reported NPAT loss (\$6.1m) – incl. \$6.0m adjustments

1. Excluding capitalised development cost write-downs, and restructuring costs. 2. Excluding Deferred Tax Benefit on write-downs

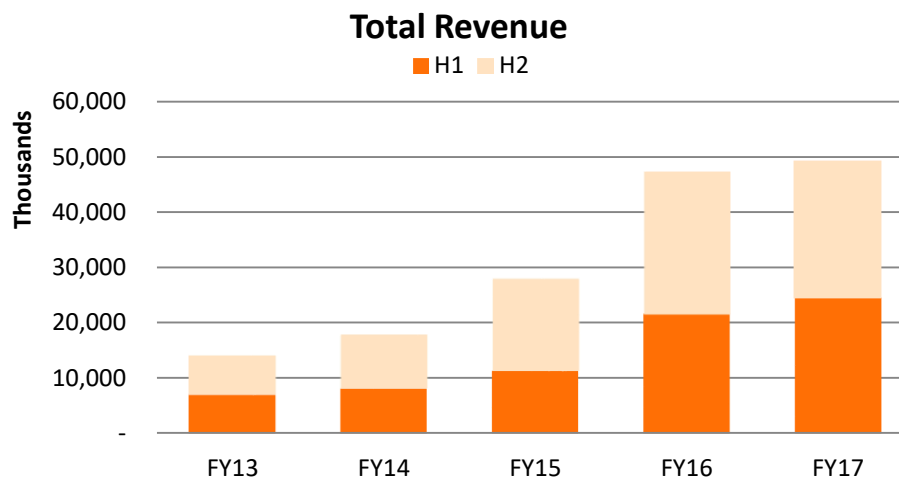
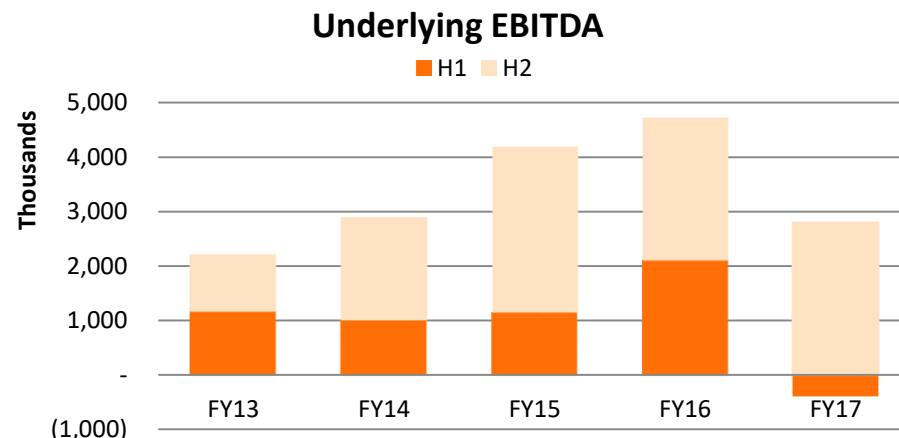
FY17 Result Detail

Underlying	FY17	FY16
Sales revenue	\$49.2m	\$47.2m
Other income	\$0.3m	\$0.3m
Consumables Used	(\$25.6m)	(\$20.6m)
Employee benefits expense	(\$17.0m)	(\$15.8m)
Consulting	(\$1.8m)	(\$2.4m)
Other expenses	(\$4.2m)	(\$4.6m)
Adj for restructuring costs	\$1.3m	-
Adj for acquisition costs	-	\$0.5m
Underlying EBITDA	\$2.2m	\$4.7m

Depcn and Amort	(\$4.3m)	(\$3.8m)
Underlying EBIT	(\$2.2m)	\$0.9m

Net Interest	(\$0.2m)	(\$0.1m)
Income Tax	\$2.2m	\$0.05m
Underlying NPAT	(\$0.2m)	\$0.8m

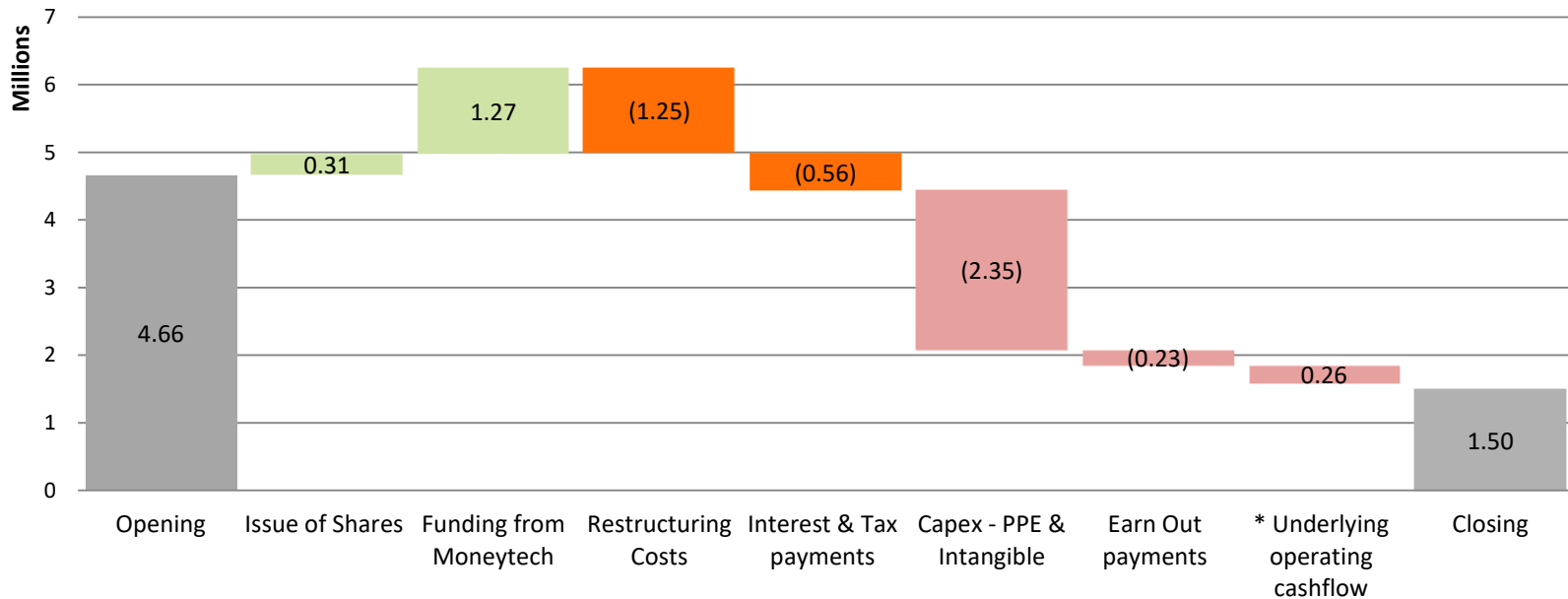
Adjustments to Reported	FY17	FY16
Financial Liabilities Adjustments	\$1.2m	\$0.7m
Bargain Purchase	-	\$0.6m
Acquisition costs	-	(\$0.4m)
Restructuring costs	(\$1.3m)	-
Capitalised Dev W/O (net of tax)	(\$4.3m)	-
Goodwill Impairment (NZ)	(\$1.5m)	-
Balance Sheet Adjustments to W/C	(\$0.2m)	-
Net Profit / (Loss) after Tax	(\$6.1m)	\$1.8m



Cash Flow Analysis

- Reconciliation of Opening to Closing Cash – underlying cash flow *

FY17 Net Cash Flows by Category



* Statutory cash flow of (\$1.8m) includes termination payments of \$1.2m and working capital adjustments \$0.2m relating to balance sheet cleanse (non cash item)


Balance Sheet Update

- Net assets down \$5.5m on FY16
 - \$4.3m capitalised development write downs
 - \$1.5m impairment in Goodwill for NZ business
 - \$0.2m for balance sheet adjustments
 - \$1.3m positive liabilities adjustments
 - Total borrowings increase \$1.6m (W/C)

Current Ratio*		
1.00		-11.4%

Debt to Equity Ratio		
0.79		11%

Net Tangible Assets		
\$7.5m		11.6%

Total Equity		
\$15.3m		-27%

* Excluding non-cash liabilities

	Jun-17	Jun 16
Cash and cash equivalents	\$1.5m	\$4.7m
Trade and other receivables	\$4.5m	\$7.4m
Other current assets	\$4.3m	\$2.2m
Total current assets	\$10.4m	\$14.3m
Property, plant and equipment	\$8.8m	\$8.6m
Intangible assets (incl Goodwill)	\$5.0m	\$13.9m
Other non-current assets	\$3.3m	\$2.4m
Total current assets	\$17.1m	\$24.9m
Total assets	\$27.4m	\$39.2m
Trade and other payables	\$6.7m	\$8.1m
Borrowings	\$3.0m	\$1.4m
Other current liabilities	\$0.6m	\$5.3m
Total current liabilities	\$10.3m	\$14.8m
Borrowings	\$1.6m	\$1.6m
Other non-current liabilities	\$0.3m	\$1.9m
Total non-current liabilities	\$1.8m	\$3.6m
Total liabilities	\$12.2m	\$18.3m
Net assets	\$15.3m	\$20.8m
Issued capital	\$25.8m	\$25.0m
Other components of equity	\$0.2m	(\$7.6m)
Retained earnings	(\$10.7m)	\$3.4m
Total equity	\$15.3m	\$20.8m

Operational Transformation Update

- Re-structuring and cost reductions implemented in FY17
 - \$1.2m restructuring costs
 - Redundancies and right-sizing of c.30 people in engineering team
 - Improved efficiency in recurring revenue base costs (e.g. licensing and co-location)
- Organisational Review - sustainable growth FY18 and beyond
 - External review commenced and expected recommendations Qtr 1
 - Ensuring structure, capability, governance and
 - Growth driving Enterprise Value towards end of H1 FY18 and beyond

Operational Transformation Update (contd)

- Professional Services Performance Improvements
 - New governance framework improving outcomes and cost control
 - New Project Management Office (PMO), following best practice
 - Stronger H2 Professional Services revenues resulted
 - New Consulting Offerings resulting in new revenues in 2H17
 - Strong Professional Services pipeline building into FY18
- Improved Recurring Revenue Product Offerings
 - Focused product offerings around DevOps, Application & Cloud support
 - 3rd-party product-based licensing, implementation and support offerings
 - Reduction in churn from FY17 through FY18 expected as a result

Strategic Update

- Recurring revenue product refresh to continue with in-house and partner-led offerings, and reduce churn
- Strong focus on Professional Service and Consulting performance and revenue to drive pull-through to recurring revenue base
- Retained leadership of Amazon Web Services partner community in A/NZ
- Continued growth of Microsoft Azure offering with recurring revenue building
- Partnership with Accenture to drive Consulting-led Enterprise opportunities, with live engagements now running

Bulletproof NZ - Update

Improving business performance following changes and focus in 2H17

- Changes to management structure to better integrate with AU team completed
- Bulletproof NZ brand expansion continues with second AWS summit
- Focus on strong core DevOps-oriented skills and projects
- Revenue contribution to FY17 NZ\$3.0m
- Growth expected into FY18

Legal Matter

- Defence lodged in NZ High Court 24 August 2017
- Vendor earn-out period ends 31 December 2017

Board and Executive Refresh

- New CFO & co-secretary commenced 1 May 2017, brings strong financial performance and Services COO experience
- New Sales and Marketing director commenced 1 December 2016, strong enterprise sales & marketing engagement experience; 2H17 targets met
- New HR manager commenced 1 May 2017, bringing strategic HR experience
- Director of Strategy resigned effective 1 September 2017
- Chair to resign from board following 2017 AGM
- Ken Carr joins board on 1 September 2017, extensive ASX-listed tech experience
- Further board position to be assessed moving forward
- **Refreshed board and management well placed to deliver on strategic goals**

FY18 Outlook

- Extensive restructuring work completed in FY17
- Organisational review expecting to complete end of Q1
- Product refresh cycle picking up pace
- Efforts expecting to result in a stronger FY18, especially H2 focus
- Market guidance for FY18 performance at AGM

Appendix

Corporate Overview

Bulletproof Timeline

Bulletproof Services

Customer Case Studies

Key Customers

Company Overview - Snapshot

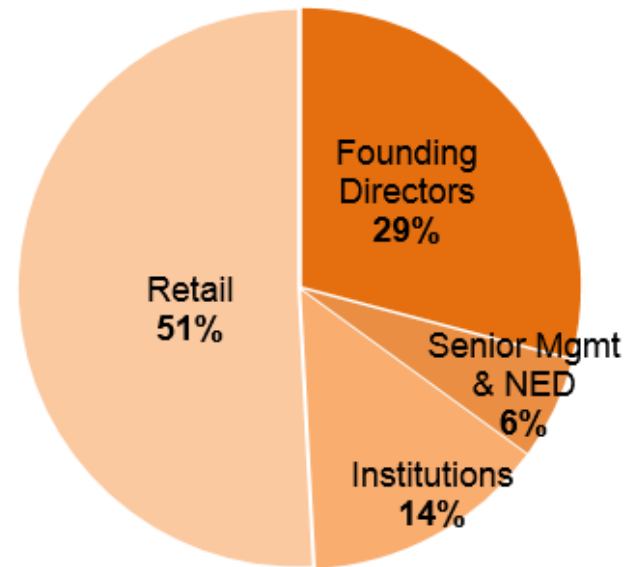
Corporate Information

- ASX:BPF – listed 23 January 2014
- Market cap – c.\$13m (as at 29 August 2017)

Background

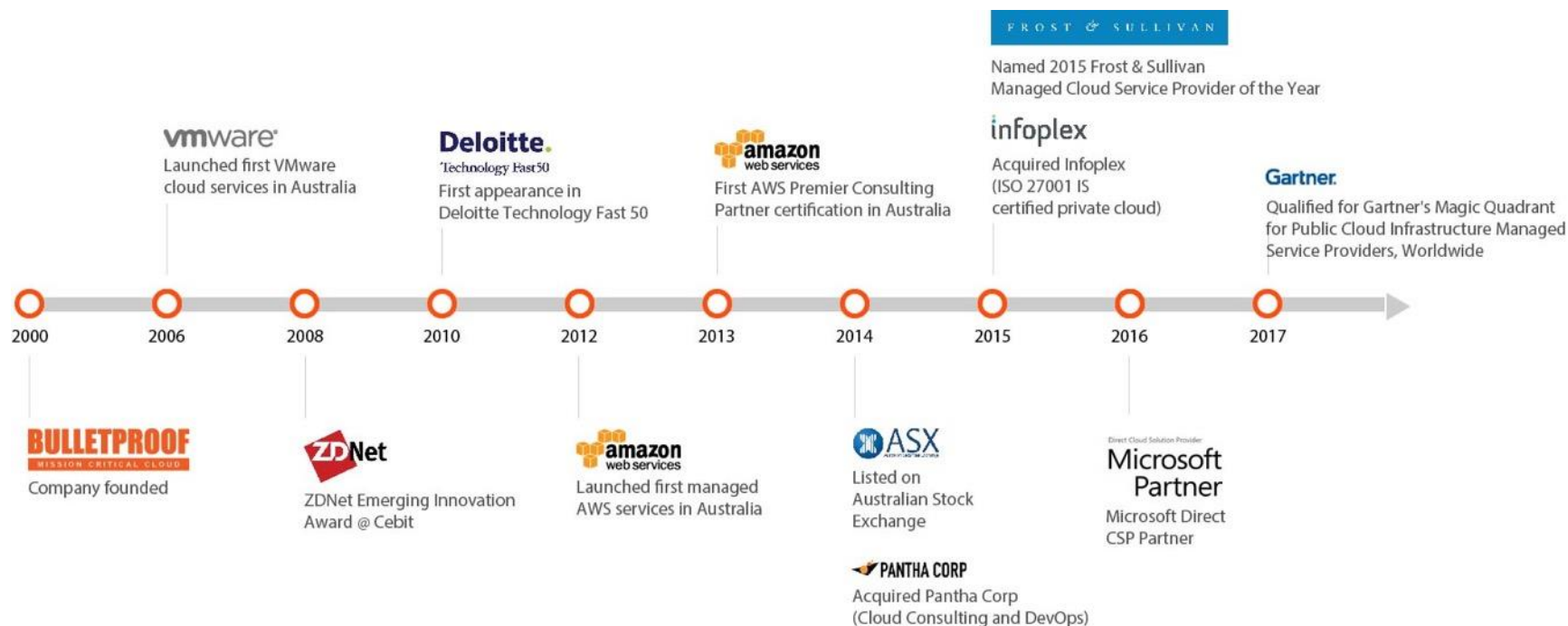
- Founded in 2000
- 110 Staff, Sydney, Melbourne, Auckland, Wellington & USA
- 700 corporate, government and enterprise customers
- Customers include Qantas, Genworth, CrownBet, Ubank
- Gartner top 20 Global Public Cloud Managed Service Provider, 2017
- Partnership signed with Accenture Operations, May 2017

Shareholder Breakdown



	Number
Shares on issue	162,600,769
Unlisted Options	500,000
Total fully diluted share capital	163,100,769

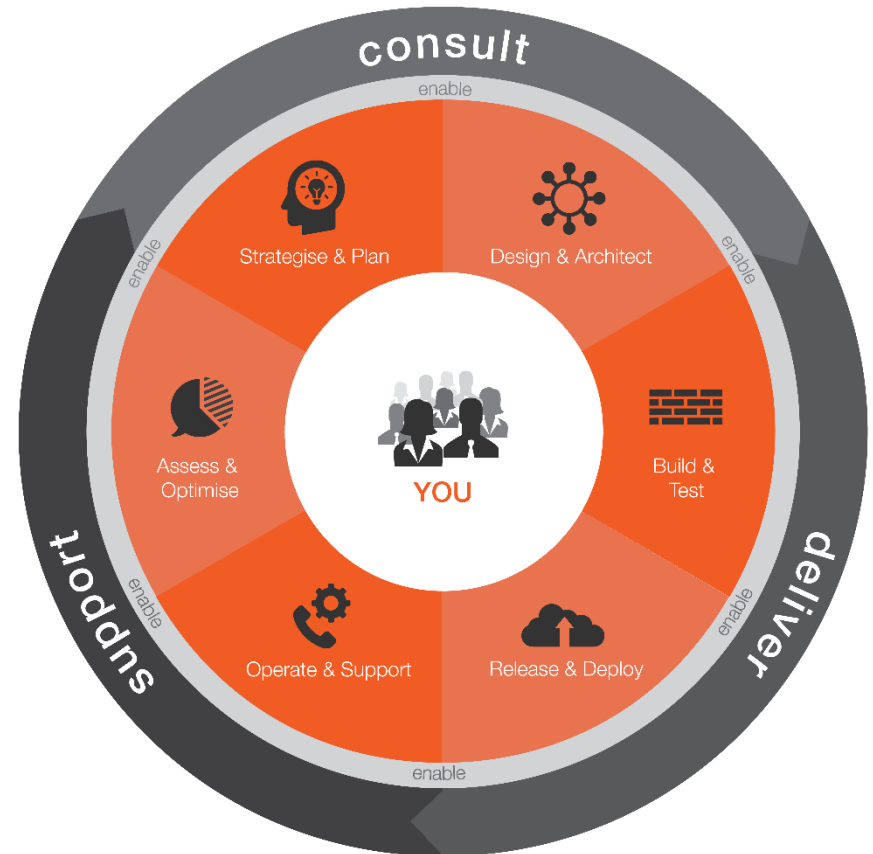
Company Milestones



Bulletproof Services

Bulletproof is the leading Cloud Services Provider in Australia/NZ

- Customers want to transform their businesses with Cloud
- They need expertise focused on business outcomes such as transformation and agility
- They require excellence to operate a secure, reliable, performing solution that meets business objectives
- Our cohesive service offering meets customers' needs at all stages of their journey to the cloud





CrownBet is one of the fastest growing online bookmakers in Australia, and is the only Australian-owned online bookmaker of significant scale operating in the sector.

Bulletproof helps with:



Hybrid Cloud



AWS Migration



Total Cost Optimisation



Agile, DevOps & Automation



Mission Critical Campaign



Bulletproof Support



Big Data enablement

Success factors:

2014

Working together Since...

x15

Site Scalability

100%

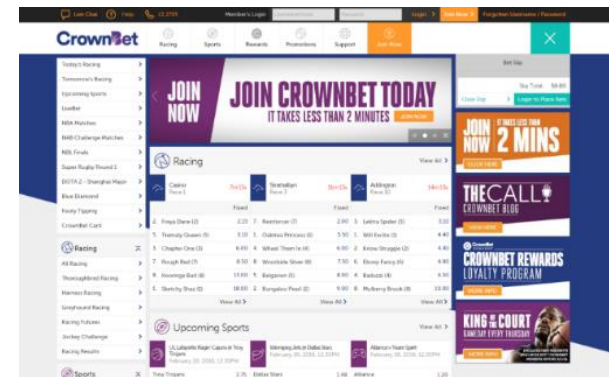
uptime

2x

Flawless Melbourne Cup campaigns

\$2.7m

ROI savings over 3yrs



[Click here for the full Case Study](#)

“It’s a delicate balance between managing your infrastructure in house or using a cloud services partner. You have to trust that the partner can do their job, because you’re essentially going from 100% internally managed, to an ideal fully managed environment – allowing you to concentrate on business specific activities and stay ahead of the game.”

- Gus D’Onofrio, Chief Technology Officer, CrownBet



UBank is an award-winning Australian online bank, operating as a division of NAB. Opening its doors in 2008, UBank boasts 350,000+ customers with \$15 billion in managed funds.

Here are some of the ways we've worked together so far:



DevOps & Agile
Enablement Consulting



Workshop and
DevOps/Agile Maturity
Assessment



Adopt, embed and
improve recommendations



Agile Coaching &
Mentoring

Success factors:

2016

Working together
Since...

200%

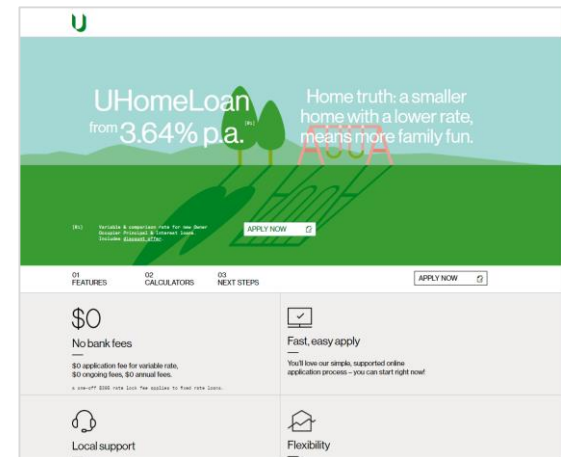
increase in dev
team productivity

3wks

Delivery cycles
reduced from 6 wks.

350k

Customers experiencing
outstanding service.



“It's important to me that there are no silos within the Product Teams – whether you are a developer, business analyst or tester, we want everyone to speak up, be heard and provide input into the products we deliver to our customers. The aim is to make sure the entire team is personally connected to and invested in the customer outcome. We also find that by listening to everyone, there is more room for innovation.”

- **Jeremy Hubbard - Head of Digital, UBank**



Environment,
Land, Water
and Planning

DELWP are focused on creating a liveable, inclusive and sustainable Victoria with thriving natural environments where the community is at the centre of everything they do.

Here are some of the ways we've worked together so far:



Mission Critical
Service



AWS
Migration



Application
Cloud Migration



Application
Optimisation



Big Data
enablement

What we've achieved together.

2016

working
together
since...

0.5 PB

Data ingested for
each map set

30x

Reduction in
data retrieval
times

2

Skilled resources
freed to work on
providing more
business centric
outcomes

“

Partnering with Bulletproof to apply pioneering data science strategies, we have built the foundations of an information infrastructure that will improve access and management of significant spatial data assets, and enable DELWP to gain critical insights into the work we do to create a liveable, inclusive and sustainable Victoria

- Alena Moison
Spatial Data Operations, DELWP

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Key Customers



Contact Us

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