

Capital Raising & Q1 FY2021 Update

October 2020

An aerial photograph of a city skyline at sunset. The sky is a mix of orange, yellow, and blue, with scattered clouds. In the foreground, a complex multi-level highway interchange is visible. Several skyscrapers are prominent, including the Burj Khalifa in the center. A large, semi-transparent blue circle is overlaid on the left side of the image, containing white text.

**Urbanise is a leading
provider of industry-specific
cloud-based SaaS platforms
to strata & facilities
managers across the globe**

Executive Summary

Business Update

- Strong Q1 FY2021 result with revenue up 21.7% reflecting licence revenue growth and step up in professional fees due to significant implementation activity across Facilities Management (FM) and Strata
- Strong track record of growth in FM with Q1 FY2021 licence revenue 7.6x higher than Q1 FY2018
- High level of recurring revenue and negative working capital as most customers pay in advance

Growth Strategy

- Significant organic growth opportunity within FM through regional 'land and expand' strategy
- Total addressable market of A\$3.6bn for FM software in existing markets of APAC, the Middle East and Africa¹

Capital Raising

- Urbanise is raising \$6.8m through a placement to institutional and sophisticated investors to fund investment in its FM platform to accelerate growth and reinforce its product leadership

Agenda

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Urbanising the World

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Driving FM Growth

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Appendix – FY20 Result

Saurabh Jain, CEO

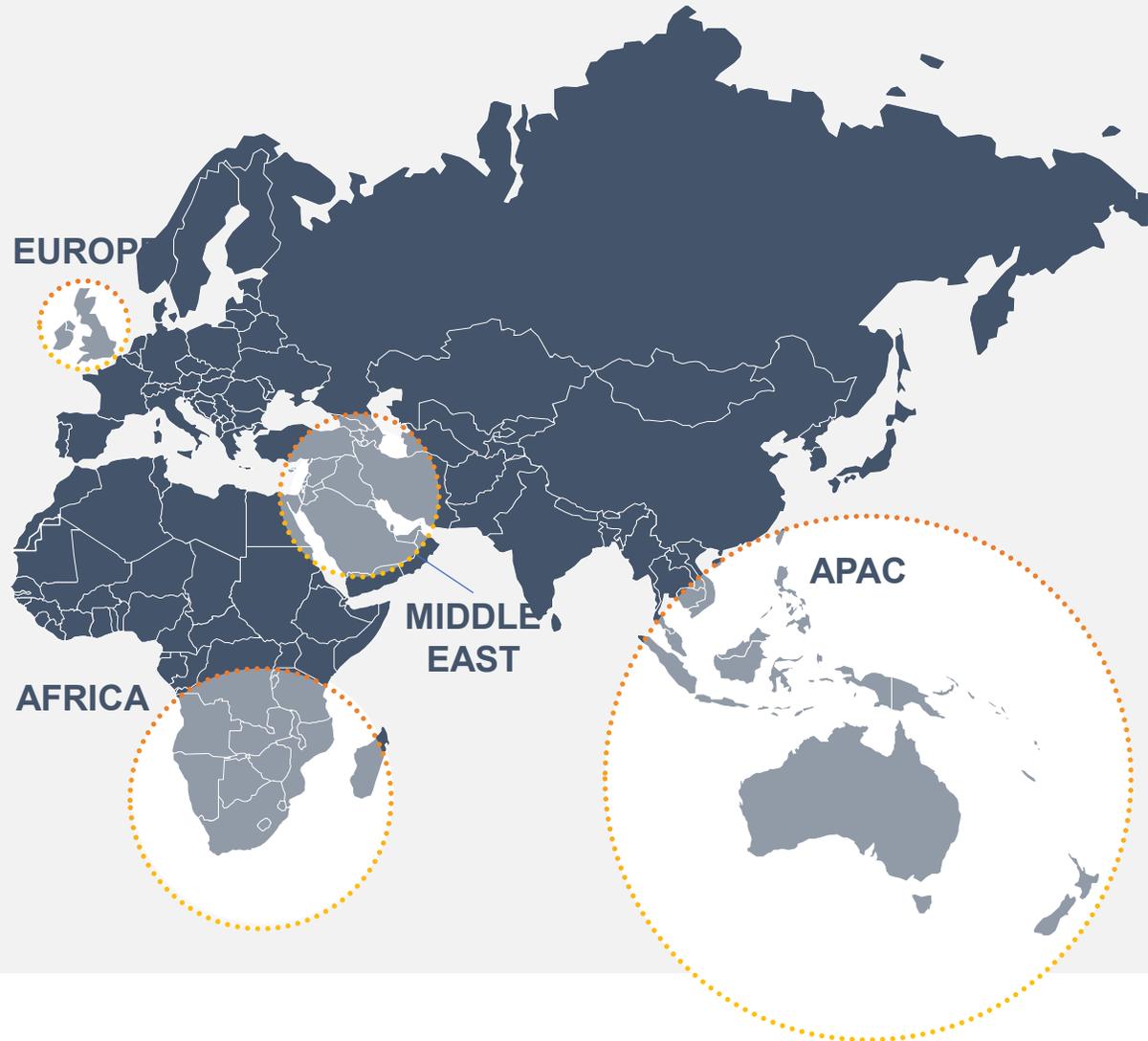
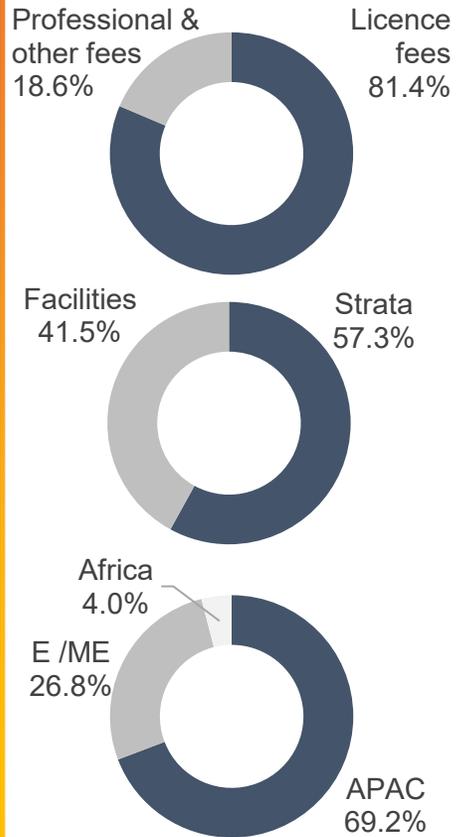
Simon Lee, CFO

Urbanising the World



Transferable delivery model across global footprint

FY2020 revenue



15
Current markets

~331k
Strata lots billed

~2.23k
Facilities users billed

81.4%
Recurring revenue

Leading provider of multi-tenant cloud-based software



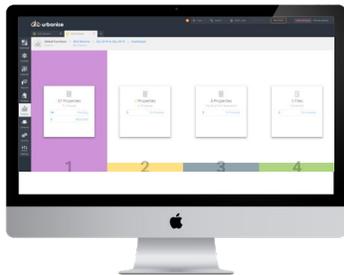
SaaS subscription model



Broad product suite



Advanced AI & analytics



Intuitive user experience



Mobile app drives demand



Integrated strata & FM solution

Our cloud-based platforms

Strata Managers

Primary use

- Manage apartment buildings, strata commercial towers and large housing communities
- Accounting and administration of strata bodies and funds
- Communicate with owners and residents

Benefits

- Integrated finance, banking and operations platform
- Compliance with local strata legislation
- Mobile app and e-services



FACILITIES

Work Order Management System



FM Outsourcers, Asset Managers

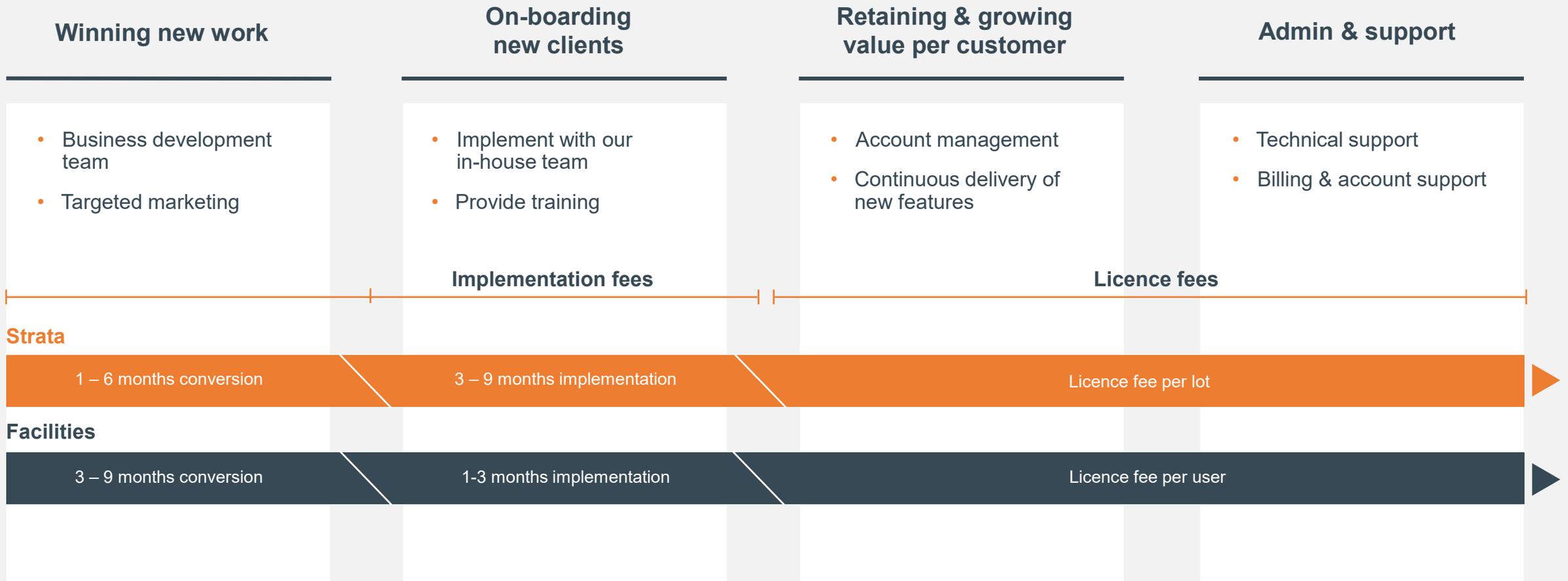
Primary use

- Manage infrastructure, buildings, residential and commercial properties
- Asset Management
- Workforce Management

Benefits

- Reduce paperwork and administration costs
- Manage multiple assets & contracts from one place
- AI and machine learning
- Real time reporting and analytics

Our customer lifecycle



Driving FM Growth



Facilities Most Innovative Facilities Management Software in the Cloud



OPERATIONS CENTRE

Full visibility over all current and outstanding jobs, and supply chain, jeopardy management capability to flag jobs nearing SLA's, triage and dispatch functions, mobile application 'Urbanise Force'.



ASSET MANAGEMENT

10-year asset life cycle modelling, industry benchmarking, QR Codes and barcode scanning to identify assets, asset register, scheduled maintenance for specific, group or locations of assets, monitor depreciation and ROI of assets.



JOB SCHEDULING

52-week planner and calendar view for planned work against assets or locations, visual heat map representation to assist in forecasting.



WORKFORCE MANAGEMENT

Transparency over operations, geotagging and map view of contractor location, auto-assign based on skill set, availability and location/distance from job, streamlined communication via 'Urbanise Force'.



SUPPLIER COMPLIANCE

Customisable safety induction and survey to set compliance criteria, record and track individual supplier status, integrate with Urbanise Integration Partners to enhance supplier compliance management.



E-SERVICES CUSTOMER PORTAL

Digital storefront of services and products, customisable interface, reporting and analytic dashboards and mobile application 'Urbanise Store'.



ANALYTICS

Interactive and customisable dashboards, real-time reports to understand costs, supplier performance, asset failures and more with deep AI enabled analytics.



CUSTOMER RELATIONSHIP MANAGEMENT

Functionality to manage contact information and view history of communications, jobs and purchases



OPEN INTEGRATIONS

Ability to expand tech ecosystems and automate workflows by connecting with over 2000+ apps through the Urbanise and Zapier integration



FORCE APP

Mobile application with complete works and asset management functionality, timesheet capability, and mobile scheduling.



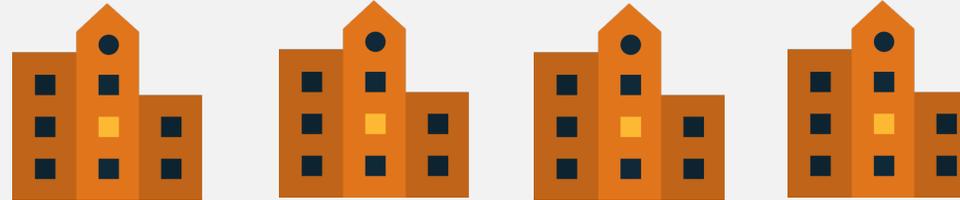
Network effect drives revenue growth

Urbanise focuses on securing new **customers** and retaining them through a 'sticky' platform



As facilities management customers add clients & subcontractors, our revenue grows

Number of **assets managed** increases as customers grow their client portfolio



More **subcontractors** are required to use the platform



Large addressable market for Facilities Management

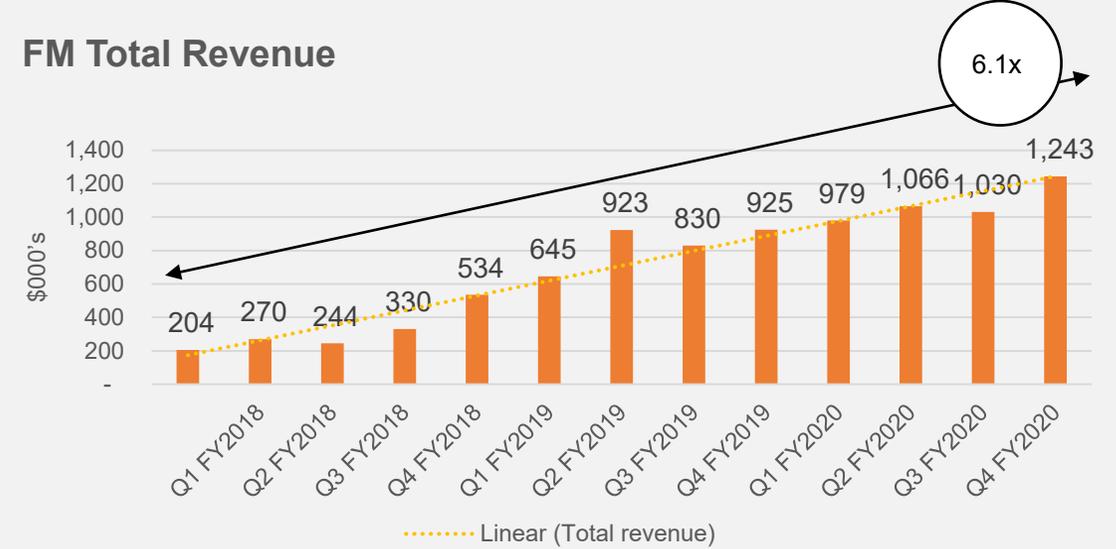
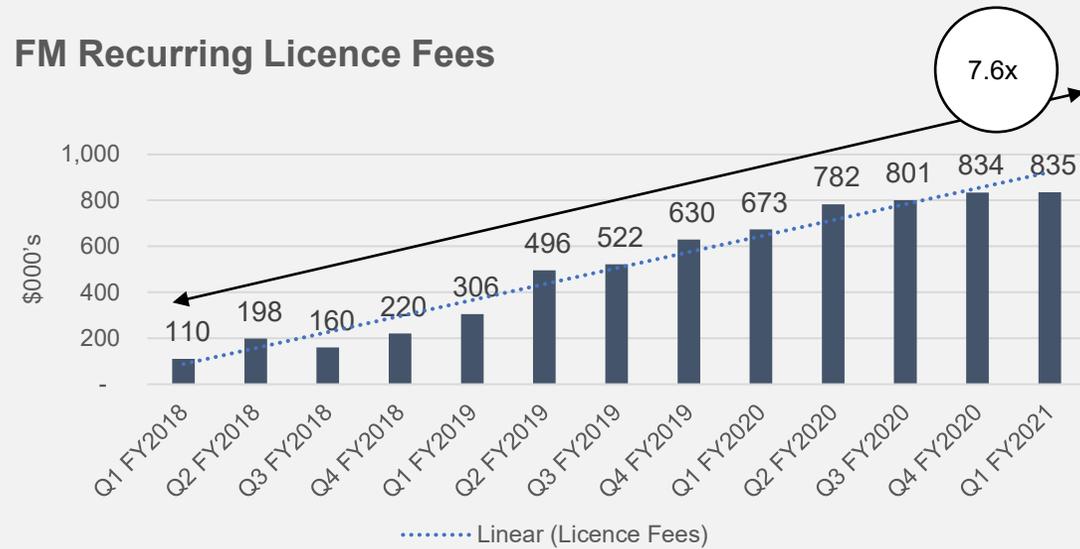
A\$3.3bn
APAC²

A\$216m
MIDDLE EAST

A\$105m
AFRICA

- **Total addressable market (TAM) of A\$3.6bn** estimated for existing markets of APAC, Middle East and Africa¹
- Significant upside as Urbanise grows market share within core markets
- ‘Land and expand’ strategy to build its regional presence across APAC and the Middle East

Strong track record of FM growth



- Strong growth in FM licence fee and total revenue since Q1 FY2018 highlighting new customer growth and network effect as customers add clients and subcontractors to their platform
- Professional fees are a leading indicator of licence fee revenue and recorded a significant step up in Q1 FY2021 due to strong sales momentum over the past six months
- FM revenue is highly recurring with most customers paying quarterly or annually in advance and customer retention of >90%

Global industry trends supporting FM growth

Macro trends support LT growth

- Increased FM outsourcing driving demand for multi-tenant functionality, mobility, automation & analytics
- Growing demand for integrated FM & strata offering in Middle East likely to be replicated across other markets
- COVID-19 accelerating shift to cloud and demand for software-as-a-service (SaaS) solutions

Multiple business growth drivers

- Unique cloud-based, multi-tenant platform with scalable operating model & high customer retention
- Global expansion driven by multi-market presence & multi-national customer base
- Network effect as customers add clients & subcontractors
- Only provider of integrated facilities management & strata solution

Strategic priorities

- Establish Urbanise as the system of choice for FM Outsourcers and Asset Owners in ANZ¹
- Enable the FM supply chain to engage digitally with our customers
- Establish Urbanise as the largest integrated FM and strata offering in MENA

Q1 FY2021 Financial Performance



Q1 FY2021*: Summary of performance

\$000s	Q1 FY2021	Q1 FY2020	Var	Var %
Licence Fees ²	2,066	1,835	231	12.6%
Professional Fees	673	420	253	60.2%
Other revenue	6	-	6	n/a
Total revenue	2,745	2,255	490	21.7%
Licence Fees as % of total	75.3%	81.4%		
Average Monthly Cash Used	(395)	(199)	(196)	98.5%
Underlying Monthly Cash Used	(272)	(199)	(73)	36.7%
Closing cash	3,361	3,106	256	8.2%

- Total revenue was \$2.75m for the quarter, increased by 21.7%, largely driven 60.2% increase in professional fees which included FM implementation work.
- Recurring licence revenue was \$2.07m for quarter, up 12.6% vs pcp, driven by a 24.1% increase in FM Licence Fees and 9.1% increase in Strata Licence Fees.
- Q1 FY2021 average monthly cash used of \$395k included payment of deferred costs from the previous quarter of \$367k, relating to government initiatives associated with COVID-19.
- Underlying average monthly cash used of \$272k excluding deferred costs of \$367k from Q4 FY2020.
- Closing cash balance of \$3.36m and no material debt¹.

Q1 FY2021: Facilities Management

\$000s	Q1 FY2021	Q1 FY2020	Var	Var %
Licence Fees	835	673	162	24.1%
Professional fees	408	252	156	61.9%
Total revenue	1,243	925	318	34.4%
Licence fees % total	67.2%	72.8%		

- Facilities Management licence revenue increased by 24.1% vs pcp to \$835k due to the onboarding of new customers and network effects as more users are added to the Urbanise Platform.
- Professional fees of \$408k was 61.9% higher than pcp largely due to implementation work performed for new contracts secured over the past 6 months.

Q1 FY2021: Strata

\$000s	Q1 FY2021	Q1 FY2020	Var	Var %
Licence Fees	1,228	1,126	102	9.1%
Professional fees	265	168	97	57.7%
Total revenue	1,493	1,294	199	15.4%
Licence fees % total	82.3%	87.0%		

- Most of the PICA pre-requisite development was completed in FY2020 allowing Urbanise and PICA to commence and complete the roll-out of the strata platform across the customer's QLD portfolio. This resulted in strata licence revenue increasing by 9.1% vs pcp.
- The roll-out of the PICA project continues and is expected to complete in FY2021. Professional fees increased by 57.7% largely due to one-off development fees for PICA.

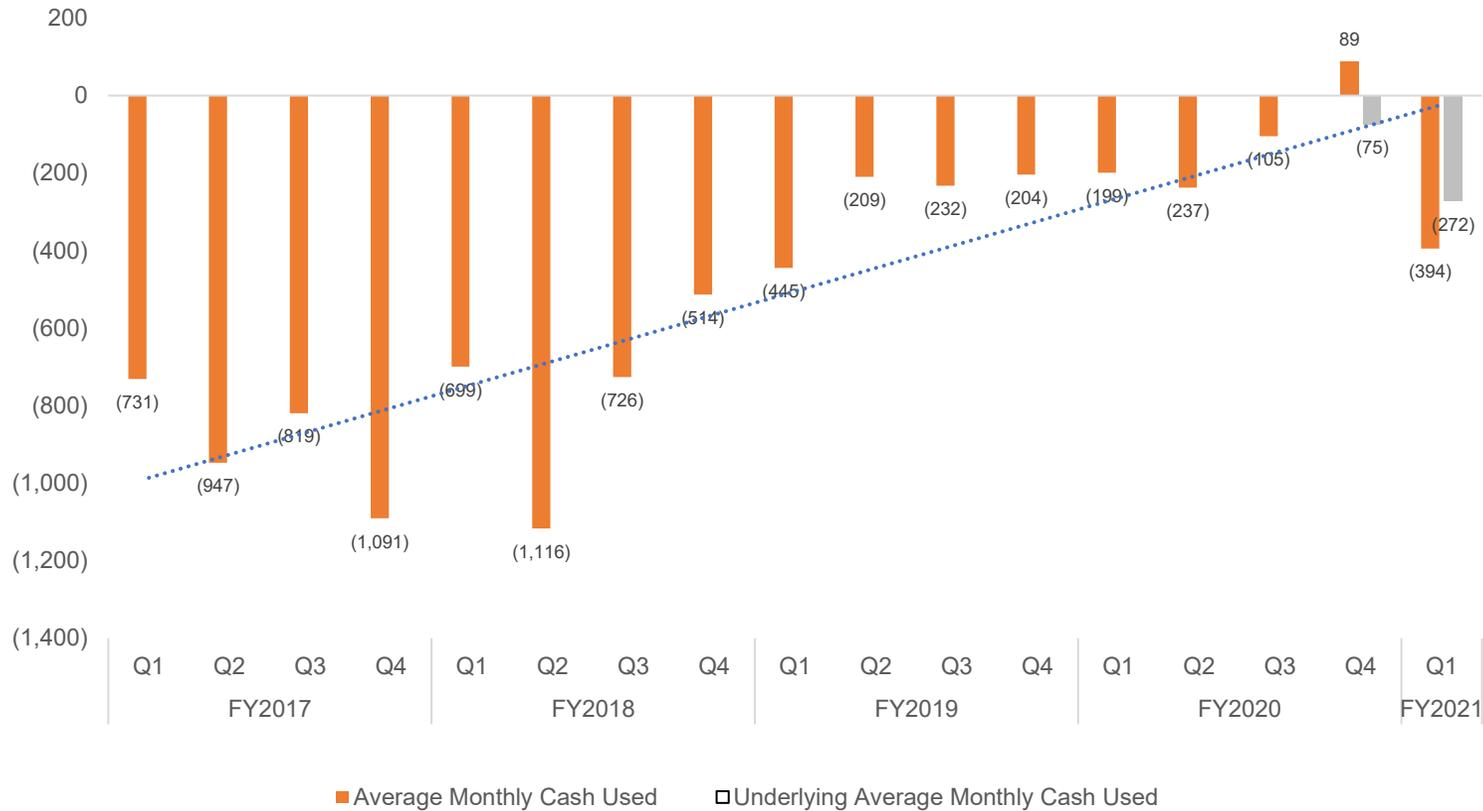
Q1 FY2021: Cash performance

\$000s	Q1 FY2021	Q1 FY2020
Opening cash as at 1 July	4,545	3,702
Receipts from customers	2,559	2,667
Payments to suppliers and employees	(3,486)	(3,039)
Interest	(10)	-
Tax relief	38	-
Net cash used in operating activities	(899)	(372)
Payments for equipment	(27)	(52)
Payments for intangibles / capitalised development	(249)	(199)
Net cash used in investing activities	(276)	(251)
Net increase in cash and cash equivalents	(1,175)	(623)
Effect of movement exchange rates on cash balances	(9)	27
Net cash flow	(1,184)	(596)
Closing cash as at 30 September	3,361	3,106
Underlying cash reconciliation:		
Net cash flow	(1,184)	(596)
Deferred costs	367	-
Underlying cash flow	(817)	(596)
Average Monthly Cash Flow Used	(395)	(199)
Underlying Monthly Average Cash Flow Used	(272)	(199)

- Net cash outflow for the quarter was \$1,184k for the quarter and the average monthly cash used was \$395k:
 - Receipts from customers totalled \$2,559k vs pcp of \$2,667k (Q4 FY2020: \$2,907k). Customer receipts vary from quarter to quarter dependent on customer billing cycles. Customer receipts were lower than expected due to \$283k in late receipts not collected until after 30 September.
 - Payments to suppliers and employees included:
 - \$367k of deferred costs from the previous quarter;
 - increased spend on sales staff; offset by
 - a reduction in travel and accommodation spend.
- Adjusting for the \$367k of deferred costs, the underlying net cash for the quarter was \$817k for the quarter and the underlying average monthly cash used was \$272k.

Cash burn trending down

Average Monthly Cash (Used) / Generated \$000s



- Underlying average monthly cash used of \$272k in Q1 FY2020 reflected the timing of cash receipts from customers, increased advanced billings and further improvements in collections.
- Q1 FY2021 customer receipts were lower than expected due to \$283k in late receipts not collected until after 30 September.

Capital Raising



Capital Raising

70%

Sales & Marketing

20%

Implementation

10%

FM development

Urbanise announces that it has received commitments from institutional and sophisticated investors to raise gross proceeds of \$6.8m.

Net proceeds¹ from the placement will be used² as follows:

To accelerate organic ARR growth through increased investment in Facilities Management including:

- *Sales and marketing*: To drive new contract wins and increase capacity to generate and convert new pipeline opportunities.
- *Implementation*: Expand team to increase speed of conversion of new contracts to ARR and to generate additional professional fees. Implementations support is a key customer selling point.
- *Product development*: Reinforce product leadership and respond to new contract win requirements which can be delivered across entire customer base

1. Excluding the costs of the placement

2. Percentages are indicative of the intended use of funds

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