



**Half Year Results**  
**Period: 31 December 2016**  
**Date of Release : 22 February 2017**

**ASX: JCS**

[www.jcurvesolutions.com](http://www.jcurvesolutions.com)

The information contained in this Presentation (“Presentation”) has been prepared by JCurve Solutions Limited (“the Company”) and is being delivered for informational purposes only.

The Company has prepared the Presentation Materials based on information available to it at the time of preparation. No attempt has been made to independently verify the information contained in this Presentation. The Presentation does not purport to contain all information that a prospective investor may require. While the information contained herein has been prepared in good faith, neither the Company nor its shareholders, directors, officers, agents, employees, or advisors give, has given or has the authority to give, any representations or warranties (express or implied) as to, or in relation to, the accuracy, reliability or completeness of the information in this Presentation, or any revision thereof, or of any other written or oral information made or to be made available to any interested party or its advisors (all such information being referred to as “information”) and liability therefore is expressly disclaimed. Accordingly, neither the Company nor any of its shareholders, directors, officers, agents, employees or advisors take any responsibility for, or will accept any liability whether direct or indirect, express or implied, contractual, tortious, statutory or otherwise, in respect of the accuracy or completeness of the information or for any of the opinions contained herein or for any errors, omissions or misstatements or for any loss howsoever arising from the use of this Presentation. In furnishing this Presentation, the Company does not undertake or agree to any obligation to provide the recipient with access to any additional information or to update this Presentation or to correct any inaccuracies in, or omissions from, this Presentation which may become apparent.

This Presentation should not be considered as the giving of investment advice or recommendations by the Company or any of its shareholders, directors, officers, agents, employees or advisors. Each party to whom this Presentation is made available must make its own independent assessment of the Company after making such investigations and taking such advice as may be deemed necessary. In particular, any estimates or projections or opinions contained herein necessarily involve significant elements of subjective judgement, analysis and assumption and each recipient should satisfy itself in relation to such matters.

This Presentation may contain “forward looking statements”. Where the Company expresses or implies an extension or belief as to future events or results such expectation or belief is expressed in good faith and believed to have reasonable basis. However, “forward looking statements” are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such “forward looking statements”. The Company does not undertake any obligation to release publicly any revisions to any “forward looking statement” to reflect events or circumstances after the date of this Presentation or to reflect the occurrence of unanticipated events, except as may be required under applicable laws.

All forward looking statements contained in this Presentation is qualified by the foregoing cautionary statements. Recipients are cautioned that forward looking statements are not guarantees of future performance and accordingly recipients are cautioned not to put undue reliance on forward looking statements due to the inherent uncertainty therein.

Summary	04
Solutions Portfolio	05
Half Year Highlights	06
Strategic Priorities	07
1HY2017 Financial Summary	11
Continued Growth in ERP Recurring Revenue	12
FY2017 Market Guidance	13
Value Proposition	14

**On track to  
meet FY2017  
Market  
Guidance**

**Decreased  
operating  
expenditure**

**Operating cash  
flow positive  
and increased  
cash flow from  
sales – 1HY2017  
v 1HY2016**

**Substantial  
investment in  
ERP business**



### BUSINESS MANAGEMENT / ERP



- Software to help businesses grow
- NetSuite is the #1 in cloud ERP, including the small business JCurve ERP edition
- Over 30,000 customers globally run on NetSuite
- Includes financials, CRM, inventory management and eCommerce capabilities
- Partnerships with a growing list of third party integrations

### TELECOM EXPENSE MANAGEMENT (TEMS)



- Simplifying telecom management
- Automates the administration of telecoms expenditure and improves visibility of usage
- Optus TEM is a white labelled edition of JTel
- Responding to bill shock caused by excess data and/or voice charges

Signed new NetSuite  
Solution Provider  
Agreement  
(August 2016)



Entered into 6 new  
partnerships  
(September 2016)



Maintained strong  
financial position

- Operating cash flow positive in 1HY17
- \$2.4m cash balance and debt free

Focus on multi year  
renewals and new  
business  
transactions

- Growing deferred revenue balance

Growing Market  
Profile



Achieved NetSuite  
5 Star Status for  
2017



Recruitment and  
training to expand  
the capabilities of  
the ERP Sales (100%  
increase in  
headcount) and  
Professional  
Services Teams  
(71% increase in  
headcount)

Geographical  
Diversification

Establishment of a  
Singapore  
Subsidiary



Product Expansion



Award Winning



2016 Business Leader  
CEO Stephen Canning



Finalist in multiple awards

### Strategic Priority

Maximising value  
from the TEMS  
business



### Strategic Priority

Diversification by  
leveraging our core  
strengths and  
capabilities



### Strategic Priority

Investing to grow the  
ERP business  
including NetSuite,  
JCurve ERP and MYOB  
Advanced



Strategic opportunities	Objectives	Progress
Maximising value from the TEMS business	<ul style="list-style-type: none"><li>○ Drive productivity</li><li>○ Harvest cash to fund product IP development opportunities and business expansion</li></ul>	<ul style="list-style-type: none"><li>○ \$1.6m of TEMS revenue generated in 1HY2017.</li><li>○ \$0.9m profit generated in 1HY2017.</li><li>○ Maintaining key customer relationships through multi year contract arrangements and continuing channel partner arrangements.</li></ul>



Strategic opportunities	Objectives	Progress
<p>Investing to grow the ERP business including NetSuite, JCurve ERP and MYOB Advanced</p>	<ul style="list-style-type: none"> <li>○ Customer growth</li> <li>○ Build a large, sustainable and growing base of monthly recurring revenue</li> </ul>	<ul style="list-style-type: none"> <li>○ Continued to increase net customer numbers.</li> <li>○ Upgraded 10 JCurve ERP customers to the NetSuite mid market edition.</li> <li>○ \$2.6m of ERP revenue generated in 1HY2017.</li> <li>○ Increased the JCurve ERP deferred revenue balance from \$2.6m to \$3.3m.</li> <li>○ Signed a Solution Provider Partner agreement with NetSuite allowing JCurve to target businesses of all sizes across Australia and New Zealand creating a larger addressable market.</li> <li>○ Focus on the recruitment and training of sales and professional services team members to enable the implementation of the NetSuite edition and rapid expansion of the ERP division. 100% increase in the number of business development managers and 71% increase in the number of professional services consultants since June 2016.</li> </ul>

Strategic opportunities	Objectives	Progress
<p>Diversification by leveraging our core strengths and capabilities</p>	<ul style="list-style-type: none"> <li>○ Diversify our product range</li> <li>○ Expand our geographical footprint into Asia</li> <li>○ Reinvest for further growth</li> </ul>	<ul style="list-style-type: none"> <li>○ Six new partnership agreements signed in September 2016 to expand our cloud ERP offering with new integrated functionality and capability.</li> <li>○ Incorporation of 100% owned Singapore subsidiary.</li> <li>○ Preliminary investigation of multiple acquisition targets in Asia remains ongoing.</li> <li>○ Partnership with MYOB announced in February 2017 (following discussions during 1HY2017) to expand ERP portfolio to enable JCurve Solutions to sell, implement and support MYOB Advanced cloud ERP software for larger businesses as an accredited MYOB partner.</li> <li>○ Continued investment in research and development supporting the ongoing maximisation of value from the TEMS business.</li> </ul>

### P&L Extract

	1HY2017 (\$m)	1HY2016 (\$m)
Revenue	4.2	4.9
<b>EBITDA loss (*)</b>	<b>(0.2)</b>	<b>(0.2)</b>
Impairment expense	-	(3.0)
Add back: Income tax credit	-	0.4
<b>Net loss after tax</b>	<b>(0.2)</b>	<b>(2.8)</b>

\* Excluding impairment and income tax credit

#### Summary

- 2% decrease in recognised JCurve ERP product division revenue (\*\*).
- 27% decline in revenue recognised from the TEMS product division.
- 10% reduction in operating expenses.
- 92% decrease in after tax loss for 1HY2017 v 1HY2016.

### Balance Sheet Extract

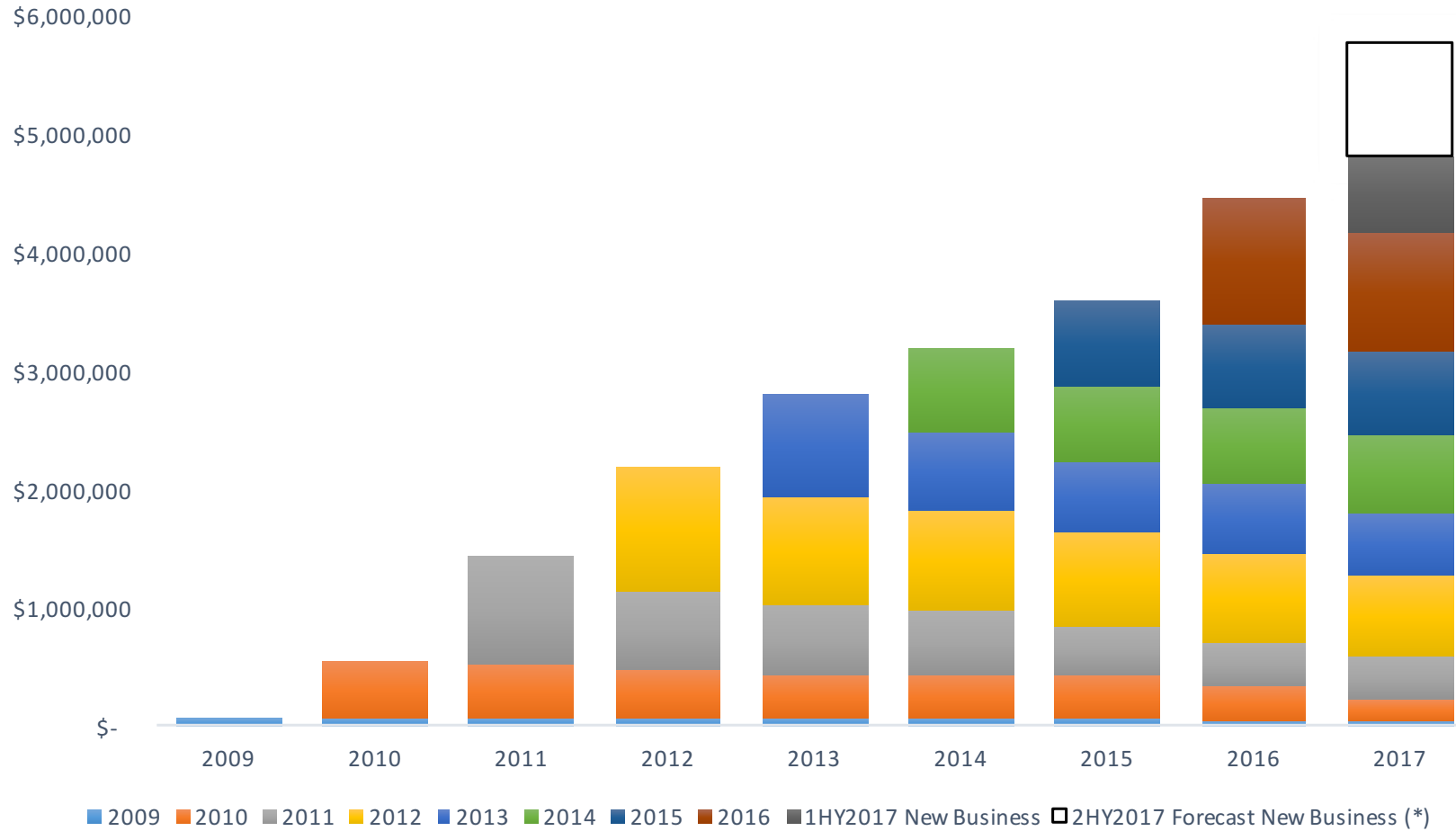
	Dec 2016 (\$m)	June 2016 (\$m)
Cash at Bank	2.4	2.4
Total Assets	7.4	7.4
Deferred Expenditure	0.9	0.9
Unearned Income	3.3	3.0
Total Liabilities	4.9	4.6
Net Assets	2.5	2.8
Net Tangible Assets	0.2	0.5

#### Summary

- \$2.4m of cash held as at 31 December 2016 and debt free.
- Operating cash flow positive for 1HY2017.
- Strong growth in the JCurve ERP product division deferred revenue balance (\$2.6m to \$3.3m).

(\*\*) Revenue recognised under the NetSuite SP Agreement at 50% of transaction value in accordance with AASB 118. Impact on 1HY2017 revenue result was (\$0.1m). No EBITDA or NPAT impact.

# Continued Growth in ERP Recurring Revenue



\* Assumes the JCurve Solutions forecast for the remainder of the year is met. Does not include customer churn for 2HY2017.

**Year ended 30 June 2017****FY2017 Market Guidance - Issued June 2016**

Revenue	Range: \$10m to \$11m
EBITDA	Range: \$0.0m to \$0.2m profit
NPAT	Range: \$0.3m to \$0.5m profit

We remain on track towards the achievement of our market guidance for FY2017. JCurve Solutions historically achieves stronger growth and profitability in the second half of each financial year and has invested strongly in 1HY2017 to increase the number and capabilities of the ERP sales and professional services team members.

01

## SOLID FINANCIAL FOUNDATIONS

- \$2.4m cash at bank as at 31 December 2016
- Debt free
- Recurring revenue base of \$5.8m as at 31 December 2016 and growing
- Operating cash flow positive business

02

## EXPOSURE TO GROWING MARKETS

- Cloud adoption
- SME sector
- Organic growth
- Diversification of revenue streams
- Targeted acquisitions
- Geographical expansion

03

## STRONG OPERATING FUNDAMENTALS

- 'All in one' unique product capability
- Growing customer base
- Strategic relationship with #1 vendor of cloud ERP software
- Expanding list of additional solutions