

## **ApplyDirect Limited Full-Year Results Announcement**

### **For the year to 30 June 2018**

**Melbourne, Australia, 30 August 2018:** ApplyDirect Limited (ASX: AD1) (**ApplyDirect** or the **Company**), the provider of customer branded recruitment marketing platforms and related digital services, today released its financial results for the year to 30 June 2018 (FY2018) highlighting strong revenue growth and business momentum underpinned by significant contract wins during the year.

#### **FY2018 Highlights**

- Record operating revenue of \$1.72 million for FY2018, up 148% on the prior year
- Record cash receipts of \$1.54 million, up 93% on FY2017
- Signed the NSW and Victorian Governments to managed services agreements – the two largest employers in Australia
- Successful launch of the CAREERS.VIC platform in May 2018
- Successful completion of a number of other significant projects for the NSW and Victorian Governments including development of the *iworkfor.nsw.gov.au* mobile app and migration of the careers platform to the cloud, and the integration of VicRoads with the new CAREERS.VIC jobs portal
- Recently signed the Department of Defence in partnership with Acendre Pty Ltd, the largest e-recruitment provider to the Australian Federal Government
- Broadening of ApplyDirect's customer base into the professional services sector with the recent signing of the Dialog Group
- 12-month renewal of First State Super's media campaign based on the strong results delivered in FY2018

Commenting on the Company's performance during FY2018, ApplyDirect CEO, Lorcan Barden said: "FY2018 has seen the Company make significant progress in penetrating the target market segments with our enhanced recruitment marketing solution. Pleasingly, we now have highly credentialed case studies in each of our three segments being: Government; Institutional Corporate; and Large Enterprise.

"As such, an important highlight has been the strong beachhead we have developed within the NSW and Victorian Governments during the year, and more recently in the Federal Government through the Department of Defence.

"Not only have these contract wins provided a solid base of managed services revenue, they also provide a significant source of ongoing project revenue and, most importantly, the opportunity to further penetrate individual departments and services with our unique recruitment marketing solutions.

"Our recent expansion into the professional services sector with Dialog Group also represents an important milestone.

"Revenue growth of 148% in FY2018 reflects the strong business momentum which will be further supported in FY2019 by recent contract wins and the additional opportunities currently in the latter stages of the sales cycle across each of our target segments."

## FY2018 Financial Results

<b>Year ended 30 June 2018</b>	<b>FY18</b>	<b>FY17</b>	<b>Change</b>
Summary	\$	\$	%
Operating Revenue	<b>1,723,529</b>	694,330	148.2
Other income	<b>437,944</b>	358,038	22.3
Revenue from continuing operations	<b>2,161,473</b>	1,052,368	105.4
Employee benefits expense	<b>(3,079,157)</b>	(2,818,656)	9.2
Total expenses	<b>(6,909,656)</b>	(5,532,529)	24.9
Loss for the period	<b>(4,748,183)</b>	(4,480,161)	6.0
Cash balance	<b>2,729,064</b>	3,209,838	(15.0)

Total operating revenue in FY2018 increased 148% over the prior period, driven primarily by contributions from the NSW and Victorian Governments, large enterprise customers and the continuation of strong growth in media revenue.

Total expenses increased by 25% reflecting the investment in business capability to support customer growth. The closing cash position as at 30 June 2018 was \$2.73 million.

An important highlight in FY2018 was the strong beachhead built in the government channel. Following the long term managed services agreement signed with the NSW Government in July 2017, ApplyDirect won a tender to design, build, host and maintain a new Victorian Government careers portal and provide related digital marketing services in January 2018. The new CAREERS.VIC platform was successfully launched in May 2018.

The relationships with the NSW and Victorian Governments has also led to an ongoing series of additional projects including development of the [iworkfor.nsw.gov.au](http://iworkfor.nsw.gov.au) mobile app and migration of the careers platform to the cloud, and the integration of VicRoads with the new CAREERS.VIC jobs portal. Each of these projects contribute to the underlying stickiness of the government customers, and as such makes such revenue strategically important for the company.

Owning the whole of government solution for NSW and Victoria also unlocks the “trickle-down” effect with the combined departments and services of both governments representing over 300 additional opportunities for ApplyDirect to implement its recruitment marketing platforms.

Further, the recent partnership with Acendre, combined with securing the contract to build a new careers platform and provide managed services to the Department of Defence, extends these opportunities into the Federal Government.

The health vertical remains a priority and in FY2018 ApplyDirect continued to penetrate the sector. Customers include both private and public-sector service providers in the hospital and aged care sectors. Importantly, several health services customers were previous subscribers to HealthBuzz, highlighting the potential to upsell existing customers and deliver enhanced return on investment for the employer.

As ApplyDirect continues to penetrate its core market channels, the recent agreement with the Dialog Group represents an important expansion into professional services.

Strong momentum in site traffic and successful campaigns drove strong growth in media sales in FY2018.

Pleasingly in July 2018, First State Super renewed its campaign for a further 12 months following the success of its previous campaign, extending the media relationship with ApplyDirect to two years.

## **Outlook**

The key focus for FY2019 is to maintain the acceleration of growth seen through the second half of FY2018.

The success in building strong relationships with government customers is building a solid base of revenue for the business, but importantly it also provides a significant pipeline of new business opportunities that will drive the next stage of growth. The recent penetration of the Federal Government sector in partnership with Acendre will further extend these opportunities.

Institutional corporate continues to be an important market segment for the business. ApplyDirect's solution enables this segment to unlock the benefits associated with their size and scale. Based on the current opportunities at the latter part of the sales cycle, a significant contribution is expected from this market in FY2019.

The deep integration between ApplyDirect's platforms and underlying employer e-recruitment systems enables large enterprise employers to access a better return on their recruitment marketing investment. This compelling value proposition is enabling ApplyDirect to penetrate this market segment, which is expected to be another important revenue contributor in FY2019.

Finally, media is expected to build further momentum over the next 12 months and should also drive growth in FY2019.

**END**

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**About ApplyDirect**



ApplyDirect is a provider of customer branded recruitment marketing platforms and related digital services. Its cloud-based solutions solve the problems created by disjointed HR technology that frustrates the candidate experience and misinforms the marketing strategy selected by employers.

We aim to provide employers with fast, direct access to high quality talent at a lower cost, with less hassle and in a way which cuts out the middle man.

Jobseekers discover the job they've always wanted but could never find, or access. We connect them with companies actually looking for candidates – organisations for which they want to work. We give candidates the platform and tools to develop their careers and secure the job that is right for them.

We aim to end the inefficiencies that exist in the market today, providing candidates and employers with a better experience. Our search engine assesses, consolidates and catalogues job listings and makes them easily available to the right candidates. Our platform takes the stress out of looking for the right job, and brings strong talent straight to an employer's door.

In October 2016, ApplyDirect entered into a strategic alliance with Mercury Group of Companies Pty Ltd (Mercury), the largest supplier of workforce management software to the healthcare sector.

The alliance connects ApplyDirect's industry first platform, HealthBuzz, with Mercury's workforce management software, bringing together employers and candidates directly – without the need for recruitment agents and job boards.