

ApplyDirect Limited **(ASX:AD1)**

Investor Presentation

September 2018

ApplyDirect



Introduction to ApplyDirect

Who we are

ApplyDirect is a provider of **customer branded recruitment** marketing platforms and related digital services. Its cloud-based solutions solve the inefficiency created by **disjointed HR technology, which currently costs Australian employers ~\$12bn each year.**

Why this is important

This ~\$12bn per year is currently spent on intermediaries, such as recruiting agencies and external job boards, because:

- › Jobs advertised on **e-recruitment powered career pages are difficult to find** in an online search;
- › Career pages provide a **poor candidate experience**, resulting in very low application conversion rates; and
- › **Unreliable performance data** results in a suboptimal direct candidate marketing strategy and ROI.

ApplyDirect reduces this reliance on intermediaries, handing control of the process directly to the employers and the candidates.

Our solution



Customer branded recruitment marketing platform



Google Job Search



Content Management System



Digital Services



HRIS Integrations (APIs)



Data Analytics

Introduction to ApplyDirect (cont.)

Sample of Major Clients



Key metrics across ApplyDirect ecosystem

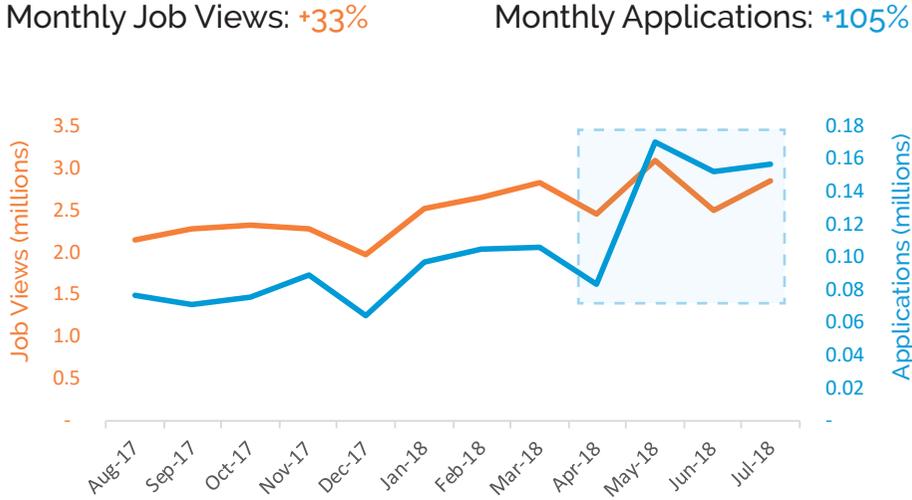


The impact of the strategic pivot from product based to solution based took effect from April 2018 onwards.

Specifically, customers adopting this solution have enjoyed:

+200% increase in [direct visitors](#)

+300% increase in [application conversions](#)



Corporate overview

Board of Directors

Chairman Michael Kay

Non-Executive Director Michael Norster

Executive Director Bryan Petereit

AD1.ASX

Shares 222,299,657

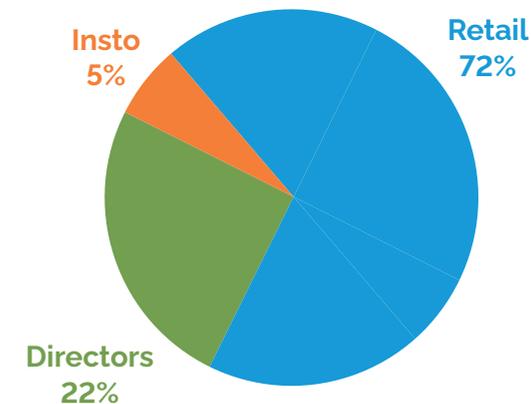
Options 59,010,538

Market Cap \$7,780,488 (@\$0.035)*

Cash & Receivables \$3,562,913

*AD1 closing share price as at 14 September 2018

Shareholders



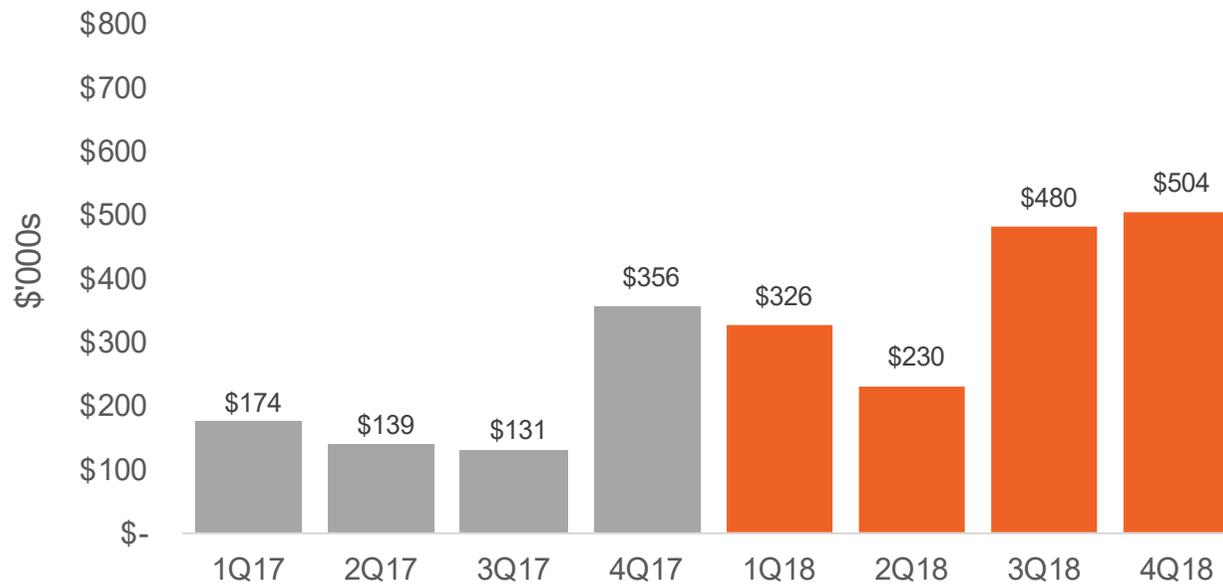
Share price



Record quarterly revenue and cash receipts in Q4 of FY2018

- Cash receipts in the June 2018 quarter were \$504,000, up 42% on the previous comparable period. Further, FY2018 cash receipts were \$1,540,000, up 93% on FY2017.
- Net cash outflows from operating activities in the June 2018 quarter was \$1,240,000 down from \$1,324,000 in the March 2018 quarter.
- Strong growth in cash receipts was driven by a significant contribution from the recently won Victorian Government, the NSW Government and media sales.

Cash Receipts by Quarter



Cash Receipts FY2018 vs. FY2017



Target customer segments & use cases

- › The primary distinction between our target segments relates to the scope of services, which are determined by: customer size; incumbent HRIS systems, and internal recruitment processes.
- › The value proposition for each segment centres on the direct cost savings available to employers and/or incremental value delivered to members.
- › Our target industry verticals include: Government; Healthcare; Retail; and Professional Services.

Target Segments



Government

- › ~100,000+ employees
- › Disparate HR systems
- › Considerable process inefficiencies
- › Limited whole of organisation integration & reporting
- › Heavy reliance on intermediaries



Australian Government
Department of Defence



Institutional Corporate

- › ~10,000+ employees / members
- › Large organisations with many departments
- › Often represent the interests of a large member base (e.g. super funds)
- › Heavy reliance on intermediaries
- › Sufficient scale/authority to be a candidate destination



Large Enterprise

- › ~1,000+ employees
- › Sizable investment in HR systems
- › Often multi-branded
- › Aggressively competing for talent



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Sample Use Cases

Revenue outlook for FY2019



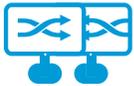
Our beachhead in both the [NSW Government](#), and now the [Victorian Government](#), is providing a significant pipeline of new opportunities.

Further, the new partnership with Acendre, combined with securing the Department of Defence, extends these opportunities to the [Federal Government](#).



[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 our 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.



[Media](#) is expected to build further momentum over the next 12 months and should also drive growth in FY2019.

Incremental value delivered by ApplyDirect

Functions	Traditional job advertisers	ApplyDirect
 Customer branded recruitment marketing platform	—	✓
 Content Management System (CMS)	—	✓
 Google Job Search	—	✓
 Digital Services	✓	✓
 e-recruitment Integrations	✓	✓
 Standard Reporting (Job ad performance)	✓	✓
 Business Insights	—	✓

US Comparators



Appendix



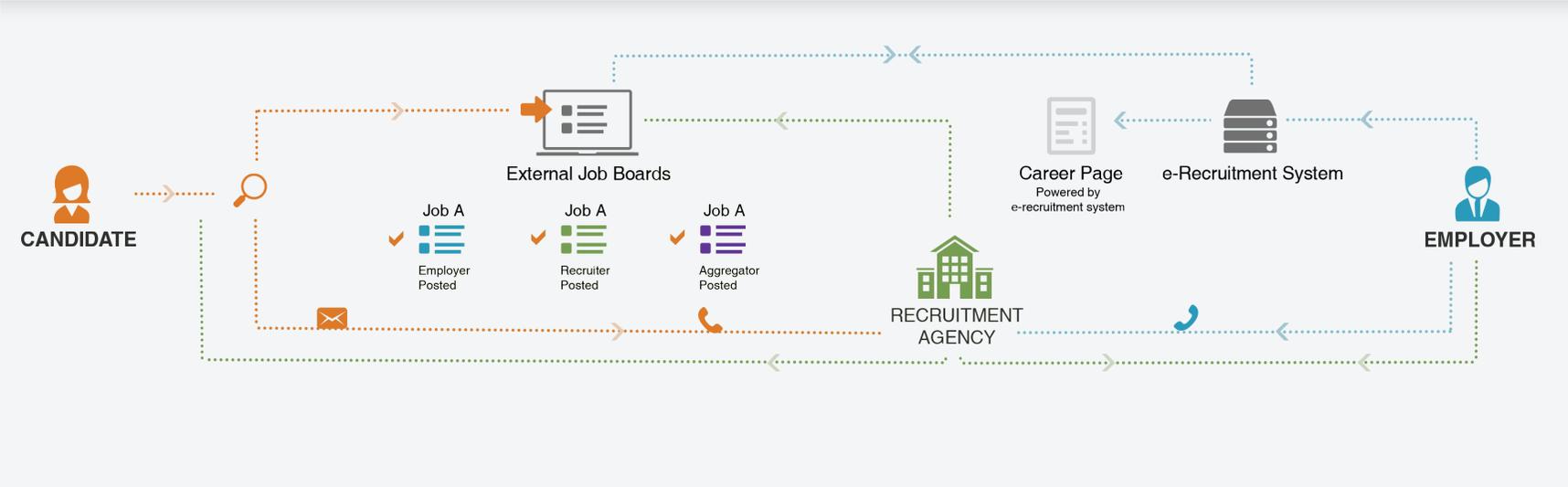
Simplified candidate attraction with **ApplyDirect**

Traditional candidate attraction process is frustrating for both candidates and employers. ApplyDirect has found a better way.

ApplyDirect CANDIDATE ATTRACTION



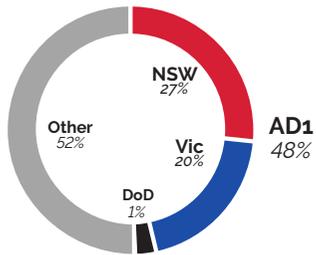
TRADITIONAL CANDIDATE ATTRACTION



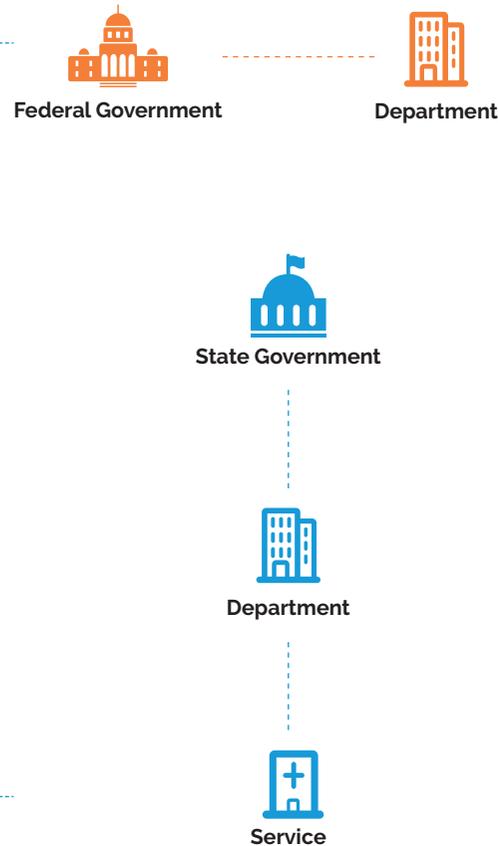
Trickle down effect of Government

- › Owning the whole of government solution for Victoria and NSW unlocks the trickle down effect. The combined departments and services of both governments represent in excess of 300 additional opportunities for ApplyDirect to implement its unique recruitment solutions.
- › We expect this will deliver substantial ongoing revenue growth opportunities for ApplyDirect

Public Sector Employees



Levels



Opportunities



NSW Government
consists of 10
departments
e.g. Dept.of Health

Vic Government
consists of 7
departments
e.g. Dept.of Health

NSW ~200+ services
e.g. Western
Sydney Hospital

Vic ~100+ services
e.g. Eastern Health

Revenue Model

Managed Services
(based on jobs advertised)

Managed Services
(based on number of modules)

Project fees

Managed Services
(based on number of modules)

Project fees

Managed Services
(based on jobs advertised)

Multi-source revenue model

ApplyDirect's revenue is generated from the sources outlined below.



Managed services

- › Platform hosting & maintenance
- › Ongoing innovation
- › Digital services
- › Primary revenue driver
- › Based on customer size and scope of services
- › Paid monthly in arrears

Characterised by:

1. Large customer size;
2. Multi-year contracts; and
3. IT integration that ensures stickiness.



Project fees

- › Relates primarily to government & institutional corporate verticals
- › Incorporates functionality enhancements and new integrations
- › Calculated on a time and materials basis



Media advertising

- › Runs on a campaign basis, for a predetermined duration
- › Most relevant for large institutional employers (e.g. super funds)
- › Calculated based on the amount of inventory or onsite real estate utilised



ApplyDirect