



# VELPIC INVESTOR UPDATE

February 2016

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# Company Snapshot



- ASX listed technology company comprised of two complementary entities:
  - Velpic: an innovative eLearning platform
  - Dash Digital: a brand technology agency
- The Velpic platform is a visually inspired, cloud based, eLearning training and inductions platform targeting the large and growing Learning Management Systems market, expected to be worth \$10 billion by 2020
- Strong and growing customer base, including many ASX 200 companies
- Driven by an industry learning and high profile Board & management team, including Chairperson Leanne Graham (former Top Xero executive)
- Well capitalised to accelerate customer growth and market penetration of Velpic platform

## Security Details

ASX Symbol	VPC
Existing Shares on issue:	
• Listed	361,909,745
• Escrowed	126,040,500
Unlisted options	35,200,000
Total Ordinary shares	487,950,245
Cash balance (at 31 Dec 2015)	A\$3.25m
Share price (11 February 2015)	5 cents
Market capitalisation	A\$24m





# Market Opportunity

- The global LMS market is projected to grow at 20.8% CAGR in the next five year to reach approx. \$10 billion by 2020 (sourced from Markets and Markets)
- Learning Management Systems is a software application used to plan, implement and assess a specific learning process
- Strong growth market due to increasingly mobile population, distributed workforce and cloud infrastructure



## Employer

- Productivity & efficiency increases
- Cost effective solutions
- In-house training, not external instructions
- L&D spending has grown to more than \$130bn globally



## Employee

- Proactive
- Up-skilling & continuous improvement
- On demand
- BYOD



## Online

- 'Now' economy on demand
- Cloud base technology - global market to reach \$191bn by 2020
- 60% of businesses will have at least half their infrastructure in the cloud by 2018



## Video eLearning Platform in the Cloud

- Unique solution for businesses to train and induct staff with integrated video training
- Dramatically expands on the capabilities on traditional LMSs
- Lessons on demand, anywhere, any time on any device
- Easy in-house video content creation and editing
- Recurring SaaS and PPV fees
- Hosted in the cloud
- Enterprise grade platform technology



# Milestones achieved so far



2014

2015

2016

Development of  
Version 2.0  
completed

The 'Velpic'  
brand  
launched

Velpic  
platform  
goes live  
with 2 inaugural  
clients

120 lessons  
completed  
in one month

Successful  
capital raise  
of \$4m and  
ASX listing

Backing from  
leading  
Australian  
technology  
investor  
Tony Gandel

Leanne Graham,  
ex-Xero Executive,  
appointed  
Chairperson

Launch of  
On Demand  
feature  
opening up  
customer  
service market

Entry into  
retail and  
agricultural  
market  
verticals  
through new  
customers

Customer  
expansion  
on Australia's  
east coast

Completion of  
national sales  
team to accelerate  
customer growth  
and increase  
market share

Completed  
lessons in  
one day  
accelerates  
to 121

# Highly Scalable Business Model



- Strong recurring SaaS and PPV revenue
- SaaS & PPV Fees build an ever increasing recurring revenue stream

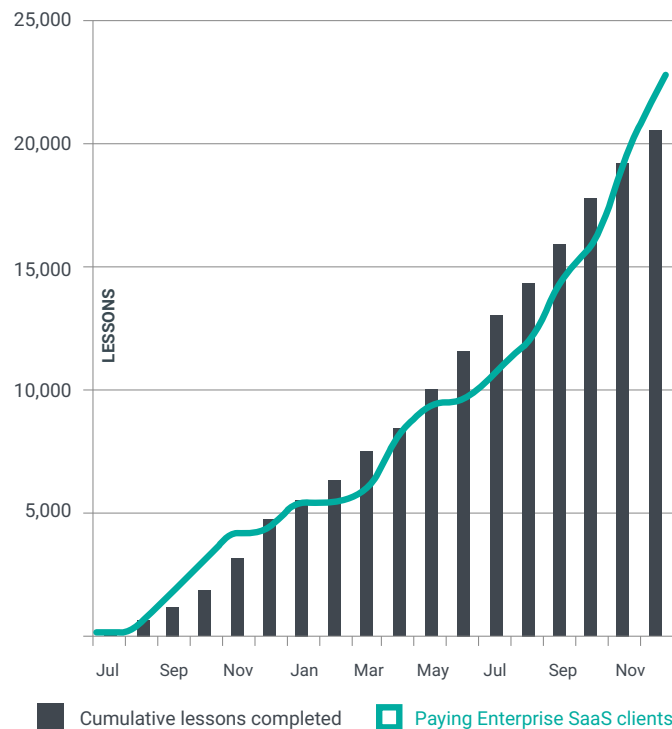


# Proven Business



- Proven concept with existing and growing blue-chip ASX 200 customers
- Strong Customer Growth in December Quarter - average 14% per month
- Annualised PPV and SaaS fees of \$200k as of December 2015
- Actual Group Professional Services fees of \$2.3m in FY15, including Dash Digital contribution

## Velpic Growth





# Strong Customer Validation



- Existing blue-chip client base including many ASX 200 companies

- Strong Customer Growth in December Quarter - average 14% per month

- Entry into agricultural and retail market verticals through

- First client signed to On Demand feature – created in response to customer demand



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[olamgroup.com](http://olamgroup.com)



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

# Robust Technology & Market Position



- Significant development and integration required to achieve full functionality with existing technologies
- Velpic dramatically expands upon the capabilities of traditional LMSs


Video Content  
Creation

Core LMS

Video Anywhere,  
Anytime On  
Any Device



 PowerPoint  
 Adobe Premiere  
 articulate

 PIXAR  
 Cp

 moodle  
 successfactors  
An SAP Company

 Blackboard  
 ELMO  
EVALUATION MANAGEMENT SOFTWARE

 YouTube  
 SurveyMonkey

 NETFLIX  
 vimeo

# Capturing the Market



## “Three Pillar Sales Strategy”

to accelerate customer growth and increase market share

Enterprise	Reseller	SME
<ul style="list-style-type: none"><li>National Sales Team appointments finalised</li><li>Continue to expand customer presence on Australian east coast</li></ul>	<ul style="list-style-type: none"><li>1st partnership secured - leading retail trainer John Blake</li><li>Highly scalable with one partnership providing access to a customer network</li></ul>	<ul style="list-style-type: none"><li>Lucrative and rapidly growing LMS market segment</li><li>Entry through launch of Version 3.0 of Velpic platform</li></ul>
Activated ✓	Activated ✓	Coming 2016

# Revenue Generation



- Multiple revenue streams to bolster SaaS and PPV fees
- High revenue scalability through reseller partnerships
- Attractive balance of strong recurring revenue and 'zero touch' components

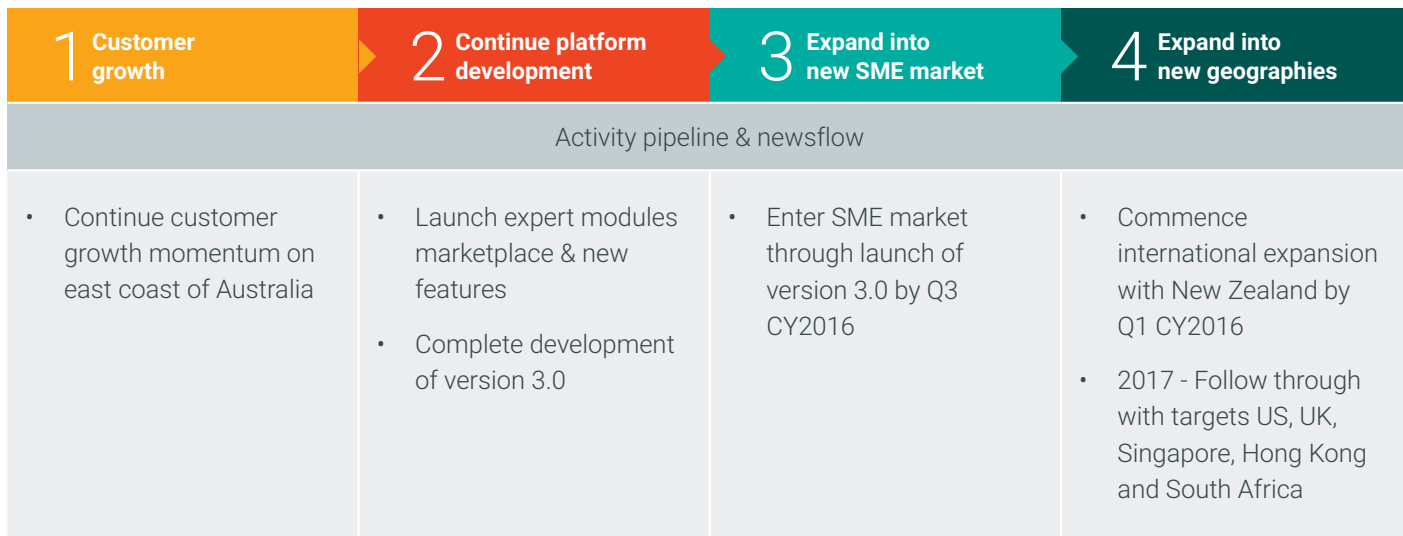


# Alcoa Case Study



- Alcoa sign up to the new Velpic eLearning Platform in the Cloud
- Alcoa initially used platform to provide inductions for staff working at aluminium refineries, and is now utilising new "Lesson Marketplace" feature.
- Velpic to receive subscription fee revenue for providing access to its eLearning platform along with pay per view (PPV) fees for each lesson completed
- Strong validation of the Velpic cloud-based eLearning platform offering from a world leading aluminium producer

# 2016 Growth Strategy



# Leadership Team



## **Russell Francis - CEO**

Entrepreneur and internet pioneer with 23 years international experience. Proven track record building enterprise scale applications.



## **Patrick Connell - Executive Creative Director**

Extensive expertise in corporate identify and marketing strategies. 28 years in the design industry working with government, public and private clients.



## **Harry Karelis - Non-Executive Director**

Over 20 years diversified experience in the financial services sector, including private equity. International public and private company directorships.



## **Leanne Graham - Non-executive Chairperson**

Former Xero executive and leading SaaS expert. Over 28 years of executive sales and technology experience in early stage and listed companies.



## **Glen Moora - Director & BDM**

Entrepreneur with successful track record expanding into new territories, developing new business and strategic partnerships.



## **Russell Francis, awarded Most Disruptive CIO/CTO at the Talent Unleashed Awards**

Judges included Sir Richard Branson, founder of Virgin Group, Steve Wozniak, Apple co-founder and SEEK CEO Andrew Bassat.

Further validation that Velpic is well positioned to disrupt the global \$130bn L&D marketplace.

# Investment Proposition



- Innovative video eLearning platform technology workforce for training, education and induction
- Proven business model offering easy to use integrated video training to the large and growing LMS market, worth over \$10bn by 2020
- Strong customer validation with growing blue chip client base
- Highly scalable, low cost eLearning platform with strong recurring income from Saas and PPV revenue
- Growth strategy executed for accelerated customer acquisition and market penetration
- Experienced and highly credible board and management in place to execute on strategy and drive commercial growth
- Key near term newsflow catalysts and activity pipeline





# Thank you

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