



1H15 RESULTS

27 February 2015

verb: urbanise

*1. make more industrial or city-like,
impart urban habits, ways of life*

Presenters



Ben Churchill
CEO / Director

- Previously MD of Emrill Services LLC, a large integrated facilities manager in the UAE
- Grew Emrill's revenues by 60% and profits by 400% over four years
- More than a decade with construction and services company Carillion PLC
- Passionate about transforming the facilities management industry through innovation and technology



Steven Stamboultgis
CFO

- More than 25 years finance experience
- Previous roles with Foster's Brewing Group, Paul's Milk, Parmalat Australia



Andrew Herman
Regional Sales Director

- More than 25 years sales and management experience
- Previously sales manager for IBM in Australia, New Zealand and Asia Pacific with focus on major corporate deals (\$20M+)

Urbanise - Software as a Service (SaaS)

Cloud based provider of software for building operators to manage buildings & provide services to occupants

Our clients are building operators (managers & owners) of:

- Apartment blocks*
- Office buildings*
- Secured and gated communities*
- Companies with multi-site outlets*
- Corporate real estate portfolios*

Subscription payment model | Installation: weeks not months

Agenda

1. 1H15 highlights
2. The Urbanise model
3. Financial performance
4. Growth and outlook



1. 1H15 HIGHLIGHTS

1H15 highlights

Operational momentum highlights growth potential

- Successfully listed on ASX in September 2014
- Building of senior client service and business development teams leading to step change in Q215 revenue compared to Q115
 - Q2 contributed 89% of reported revenue for the half
- Strong and continued customer demand from core markets (UAE, UK and SE Asia) with six new customers signed on during the half
- Growing interest from new markets including Spain, the Netherlands, Singapore, Indonesia and Australia
 - Confidential in-market trial commencing in Australia in 2H15

Financials in line with prospectus and FY15 guidance reaffirmed

- 1H15 revenue of \$3.3 million, up 94% on 2H14
- 1H15 EBITDA of \$531k, up from \$47k on 2H14
- Half year earnings impacted by:
 - One-off transaction costs associated with IPO; and
 - Ramp up in sales and service resources, in line with strategy
- 1H15 Proforma EBITDA of \$1.01 million, up from \$266k on 2H14
- Strong cash position post IPO, enabling continued roll out of global growth strategy
- Company remains on track to deliver FY15 earnings in line with prospectus forecasts:
 - Targeting FY15 revenue of \$9.75 million and FY15 EBITDA of \$4.41 million



2. THE URBANISE MODEL

Who uses Urbanise

Building operators use our cloud platform to enhance and extend the range of services they provide to the owners and tenants in buildings they manage

Providing a help desk for building occupants



Maintaining building common areas



Coordinating work done by staff and contractors



Fixing critical system breakdowns



Managing building energy consumption



Creating smart cities

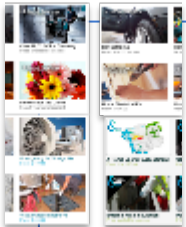
Making the infrastructure of our cities responsive and interactive



We **simplify** the building services experience



We focus on how building tasks are **monetised**



We **commerce-enable** anything and everything needed in a building



We **remotely connect** buildings at ultra-low cost



... AND we **manage** all the building maintenance tasks

The power of SaaS...

As a **cloud solution** we remove the business risk of trying new ways to provide services

Initialise your platform
account



About an hour...

Configure your
service models



About a day or two...

Configure more services,
customers, portals,
devices, etc...



About an hour each
(on demand)...

No up front charges, just **pay as you grow**...

Revenue model (USD)

'Pay As You Grow' cloud software subscription fees

Charged based on volume of feature usage



Occupant account

\$2.50

per account / month



Building account

\$100

per account / month



Workforce account

\$50

per account / month



Meter point

\$25

per meter / month



Monitor point

\$10

per sensor / month

Additional fees

As customers grow larger they require additional capabilities



Multi-channel branded portals

\$1,000

per portal / month



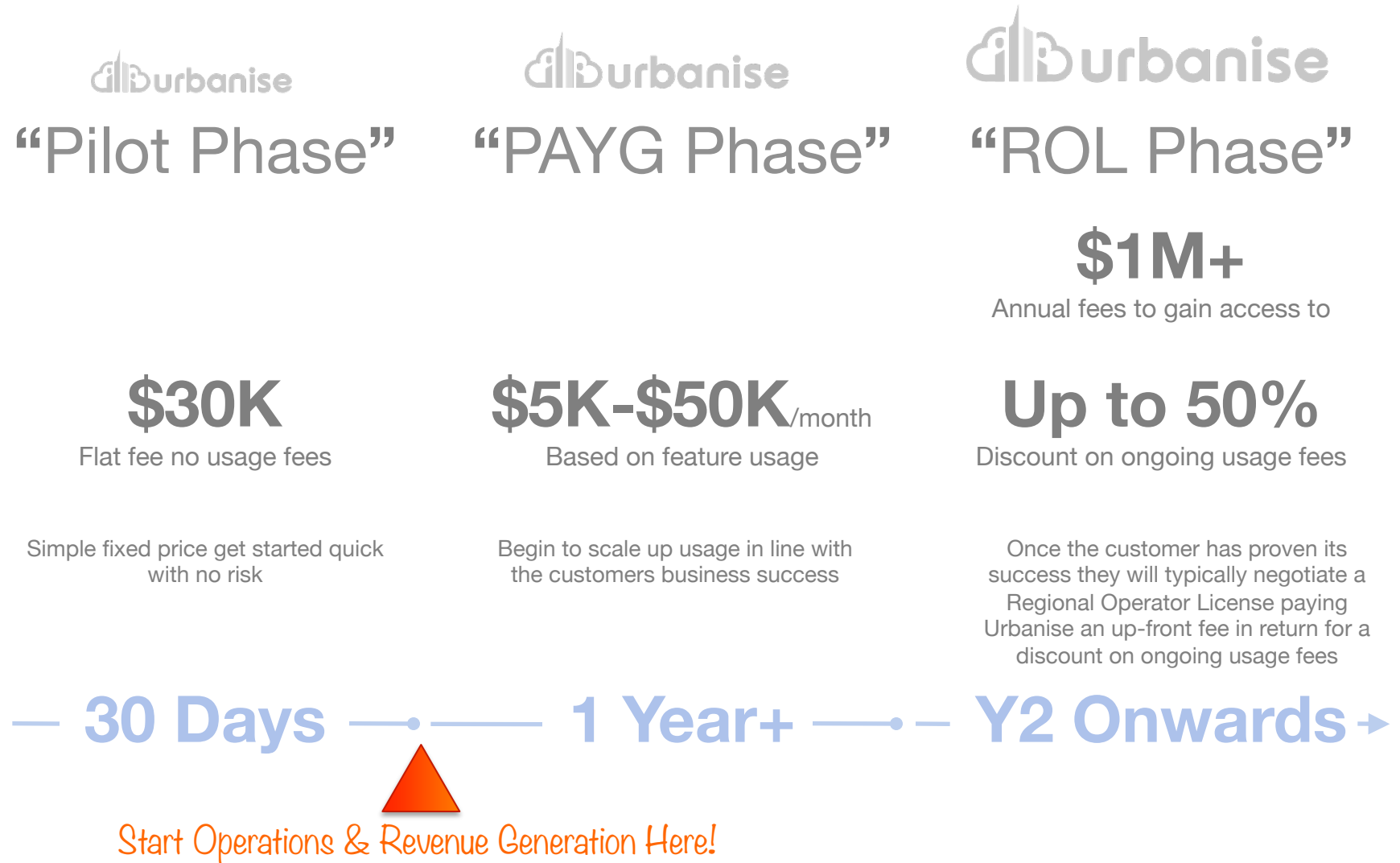
Premium support

\$10,000

per month

Note: These are 'Starting From' prices, customers may be provided discounts on a case by case basis based on volume or up front payment.

Our customer engagement lifecycle (USD)



Long term partnerships



“Sticky”

Low cost, low risk, to start
Generates revenue or
savings quickly



“Embedded”

Becomes the underpinning
platform for business
operations



“Annuity”

Continuous subscription
revenue that grows month on
month



3. FINANCIAL PERFORMANCE

Group results summary

Strong revenue growth

Increased expenses in line with expectations and prospectus forecasts

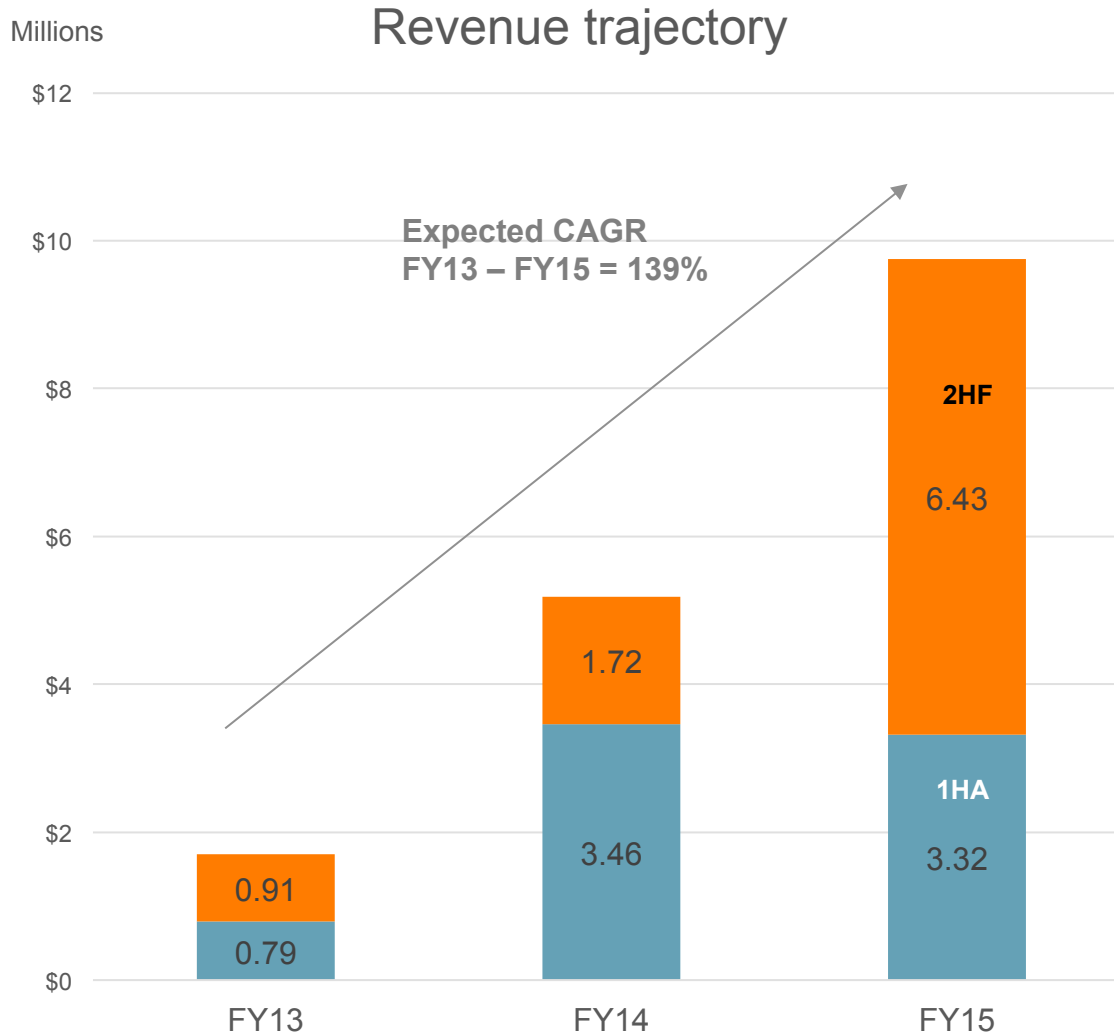
	1H15 '000's	2H14 '000's	1H14 '000's
Revenue ¹	\$3,324	\$1,716	\$3,465
Expenses ²	(\$3,129)	(\$1,889)	(\$917)
EBITDA ²	\$531	\$47	\$2,769
Proforma EBITDA ³	\$1,006	\$266	\$2,769
NPAT ²	(\$52)	(\$137)	\$1,668

1. 1H14 revenue includes recognition of large ROL contracts
2. Increased expenses in 1H15 due to planned growth in headcount, additional premises in Dubai and non-recurring IPO expenses. Expenses remain in line with FY15 prospectus forecasts
3. Proforma EBITDA excludes IPO and ESOP costs

Expenses reflect investment for growth

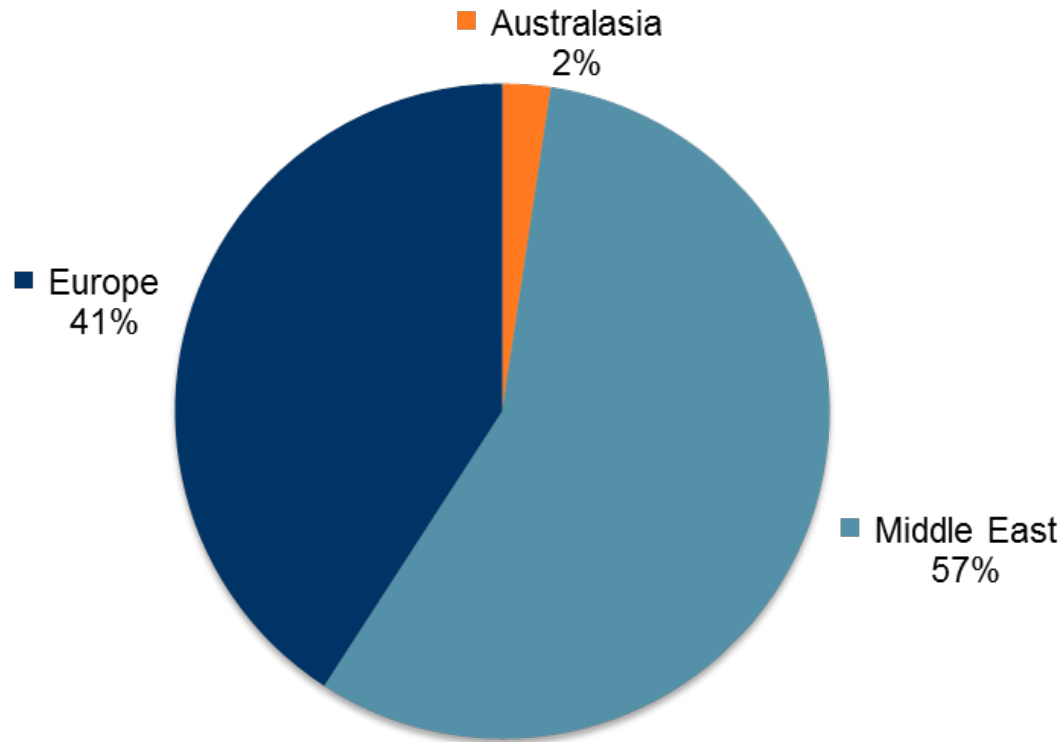
- Growth in staff expenses
 - Driven by rapid expansion of sales and client service team members
 - Putting IPO proceeds to use as planned
 - 12 additional team members appointed during 1H15 and actively supporting business development in the UK and Europe, United Arab Emirates, Malaysia and Australia
 - Ability to service an estimated \$2 million in revenue per head after training and in-market ramp up (performance incentives based on this hurdle)
- One-off costs, including IPO structuring costs and professional service fees
 - Non-recurring costs of \$293,000 (includes \$104,791 of IPO costs)

SaaS model in action



- Urbanise reaffirms revenue guidance of \$9.75 million revenue for FY15
- Well positioned to capture future growth opportunities with significant competitive advantages
- Strategy is to capitalise on growing team of client service and business development professionals

Operational results 1H15 (by geography)



- Growing interest from new markets including Spain, the Netherlands, Singapore, Indonesia and Australia
- Agreed to commence trial for a major potential Australian customer in 2H15
- Future strategy involves further geographic expansion and platform roll-out

Recent operational wins

- New client contract with Smart Process and Control Ltd announced today
 - Smart Process is a leading UK based distributor of energy metering products
 - Urbanise will provide remote asset monitoring and energy management services – delivering real time energy consumption and asset management information
- Hosted services agreement with Concordia recently announced
 - Concordia is one of the leading integrated facilities managers in the UAE
 - Urbanise will enable customer self service and integrated workforce management
 - Jumeira Park (a residential community of 2,000 villas) will be the first Concordia-managed facility to migrate to Urbanise
 - Concordia has over ten million square feet of residential and commercial property under management as well as 30,000 parking bays, 20kms of road networks, 4kms of lakes and 40kms of irrigation infrastructure, demonstrating future upside
 - Agreement commenced January 2015, with immediate revenue benefits under SaaS model
- This, in addition to five other new hosted services client wins during 1H15:
 - Farnek Services LLC (facilities manager)
 - Chicago Maintenance and Construction LLC (education facilities manager)
 - 36 Strategies General Trading LLC (procurement solutions provider)
 - Al Tayer Group LLC (global consumer goods conglomerate)
 - My Club Store Pty Ltd (online marketplace)

Operational wins (continued)

- Australian customer trial to commence in 2H (confidential)
 - Major potential customer in Australia has requested Urbanise run an in-market trial
 - Advanced discussions with several other potential Australian customers

- Strong cross-sell with existing customers expanding their usage of Urbanise
 - Additional features including CAFM and Workforce
 - Subscriptions from existing customers, estimated to be worth an extra \$1 million in annualised revenue from 2H15
 - Pipeline of 900 buildings waiting to be added in 2H15, demonstrating continued strong demand from existing customers

- Continued geographic expansion during the half
 - Additional team members appointed in key geographies:
 - 4 new team members in Australia
 - 2 new team members in Malaysia
 - 4 new team members in the UK and Europe
 - 2 new team members in the UAE



4. GROWTH & OUTLOOK

Our strategy

1. To move rapidly to roll-up & own this new market
2. Target key operators who operate lots of buildings & occupants
3. Enable them to unlock untapped opportunities

Increase revenues by selling **services** direct to **occupants** online

Reduce costs by providing **site managers** with **maintenance budget tools**

Regain control by directly managing **workforce** execution

Improve visibility by measuring and comparing **energy usage** between sites

Prevent breakdowns by **remote monitoring** critical asset **failure indicators**

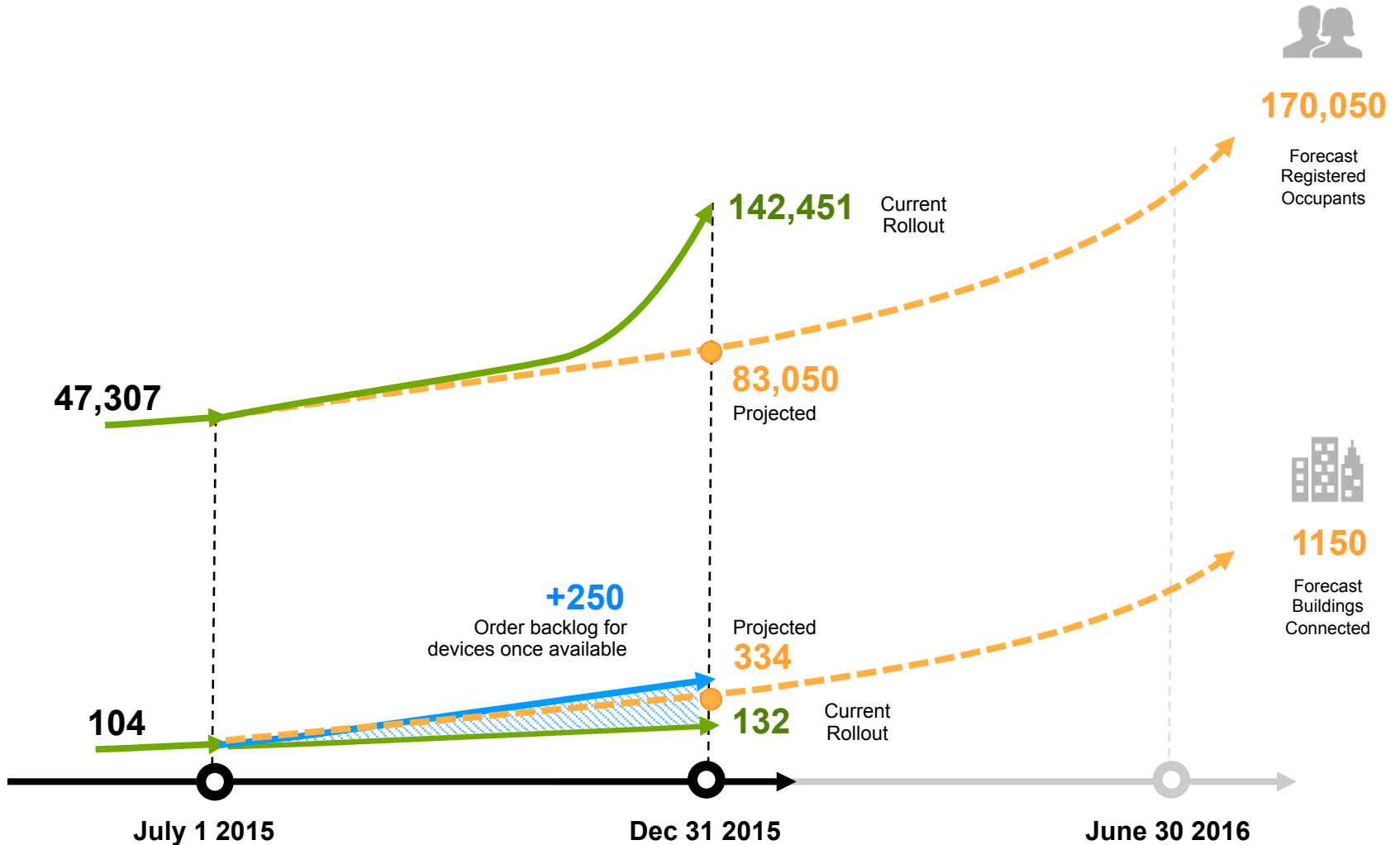
4. Use SaaS to undertake 'disruptive' business models

Growth and future opportunities

- Acquisition of MyStrata, subject to due diligence
 - Leading strata management administration platform with more than 138,000 units under management, including 80,000 in Australia
 - Share and cash consideration of up to A\$14.7 million; EPS accretive for Urbanise
 - Opportunity in new markets with clients in 13 countries
 - Potentially disruptive business model as strata management software is undeveloped in many countries
 - Urbanise to leverage immediate cross sell opportunities to existing customers of both platforms

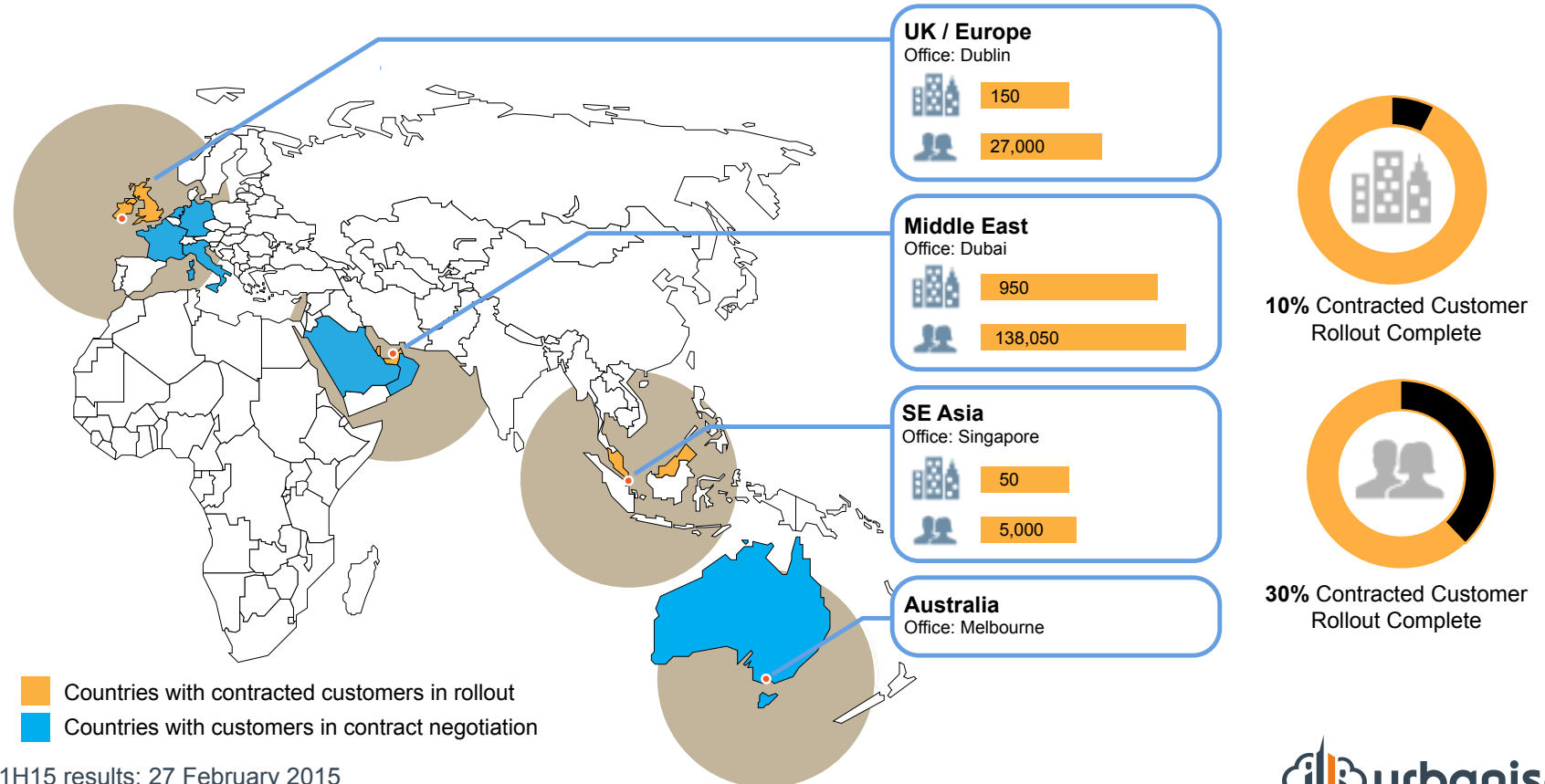
- Coins reseller agreement
 - Reseller agreement with Coins implemented December 2014
 - Coins will exclusively sell access to Urbanise platform across its own network this year (valued at a minimum \$1 million in revenue) when it offers facilities management and customer care

Forecast growth trajectory



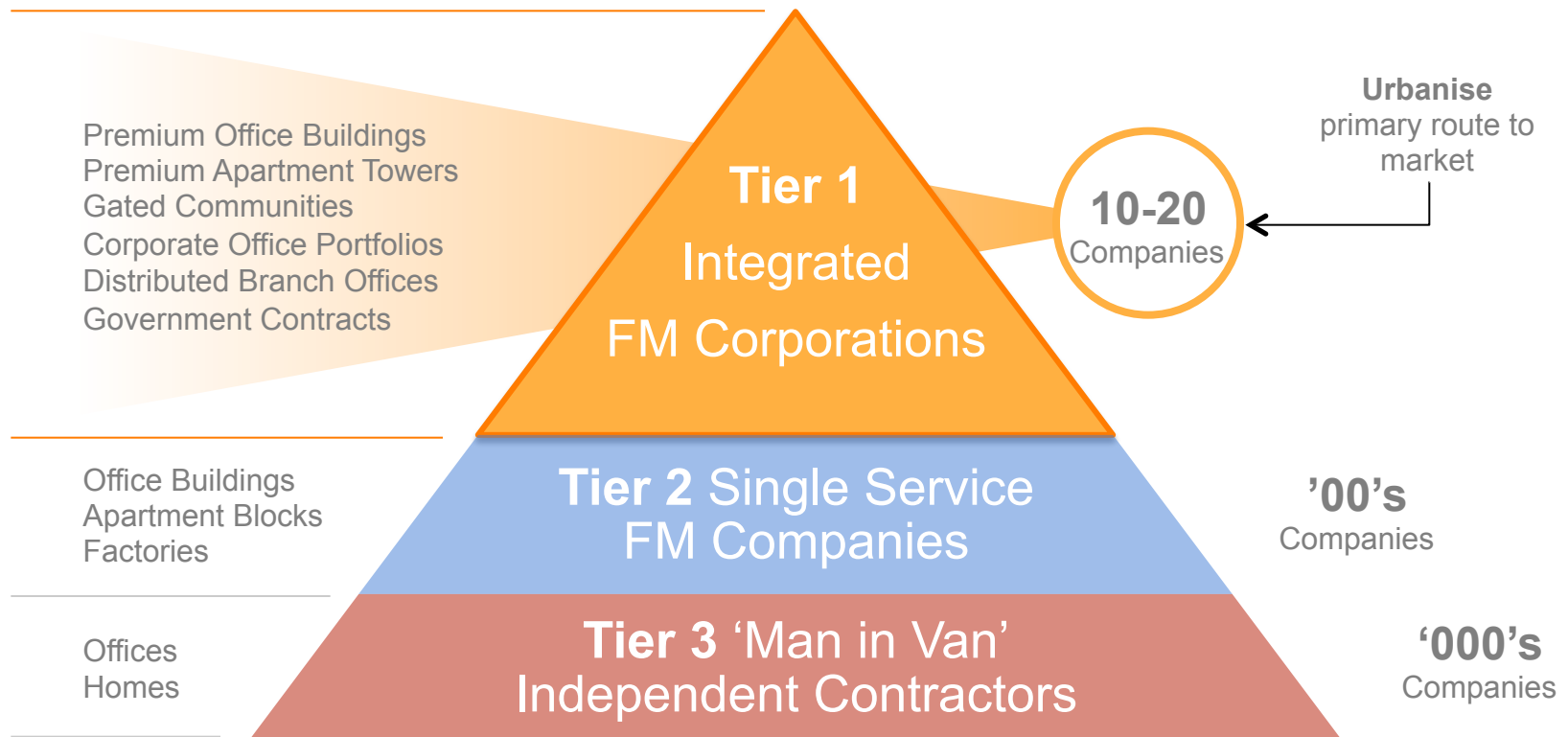
Current customers

Our rollout within *existing signed customer* contracts will continue to *grow significantly* through 2015



Addressable market

Around **20 operators** in each region manage a large percentage of the **high value / high density** buildings



Outlook

Growth outlook

- Unique building services delivery SaaS platform with global first mover advantage
- Attractive industry fundamentals underpin future growth
- Strong customer pipeline continues to grow and convert
- \$16.4m cash and no debt supports growth initiatives
- Strong lift in revenue and earnings as company executes growth strategy and drives scale benefits

Financial guidance

- Step jump in revenue from Q1 to Q2 reflects the deployment of additional resources and gives the Board and Management team confidence in reaffirming prospectus forecasts:
 - Revenue expected to be \$9.75 million
 - Gross profit expected to be \$9.39 million
 - EBITDA expected to be \$4.41 million
 - EBIT expected to be \$3.45 million
 - Profit after tax expected to be \$2.41 million



APPENDIX

Income Statement (summary)

	1H15 \$	2H14 \$	1H14 \$
Revenue and other income			
Sales revenue	3,018,475	1,379,485	3,166,682
Other revenue including interest	305,427	336,271	298,226
Total revenue	3,323,902	1,715,756	3,464,908
Total expenses	(3,129,378)	(1,889,291)	(916,981)
EBITDA	530,747	46,719	2,769,069
Profit / (loss) before tax	194,524	(173,535)	2,547,927
Income tax expense	(246,268)	35,087	(880,415)
Profit / (loss) for the year	(51,744)	(138,448)	1,667,512

Balance Sheet (Key items)

\$	1H15	2H14	1H14
Cash and cash equivalents	16,428,549	582,782	102,137
Other assets	260,189	124,779	32,990
Total assets	32,636,616	13,949,585	7,901,587
Borrowings	-	-	3,636,987
Total current liabilities	835,454	2,012,599	4,597,413
Total liabilities	835,626	2,012,599	4,597,413
Total equity	31,800,990	11,936,986	3,304,174

Cash Flow (summary)

	1H15 \$	2H14 \$	1H14 \$
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	(2,584,533)	185,857	506,714
Cash flows from investing activities			
Net cash provided by/(used in) investing activities	(611,833)	(1,671,532)	(405,959)
Cash flows from financing activities			
Net cash provided by financing activities	19,039,499	1,966,334	-
Net increase/(decrease) in cash and cash equivalents	15,843,133	480,659	100,755
Cash and cash equivalents at the beginning of the period	582,782	102,123	1,382
Effect of movement in exchange rates on cash balances	2,634		-
Cash and cash equivalents at the end of the period	16,428,549	582,782	102,137

Forward looking statements

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