

# **Objective**

**OBJECTIVE CORPORATION LIMITED**

**ASX: OCL**

# Objective

**FY15**  
**INVESTOR UPDATE**  
**SEPTEMBER 2015**

**TONY WALLS**  
FOUNDER AND CEO



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# AGENDA

INTRODUCTION

FINANCIALS - FY15 UPDATE

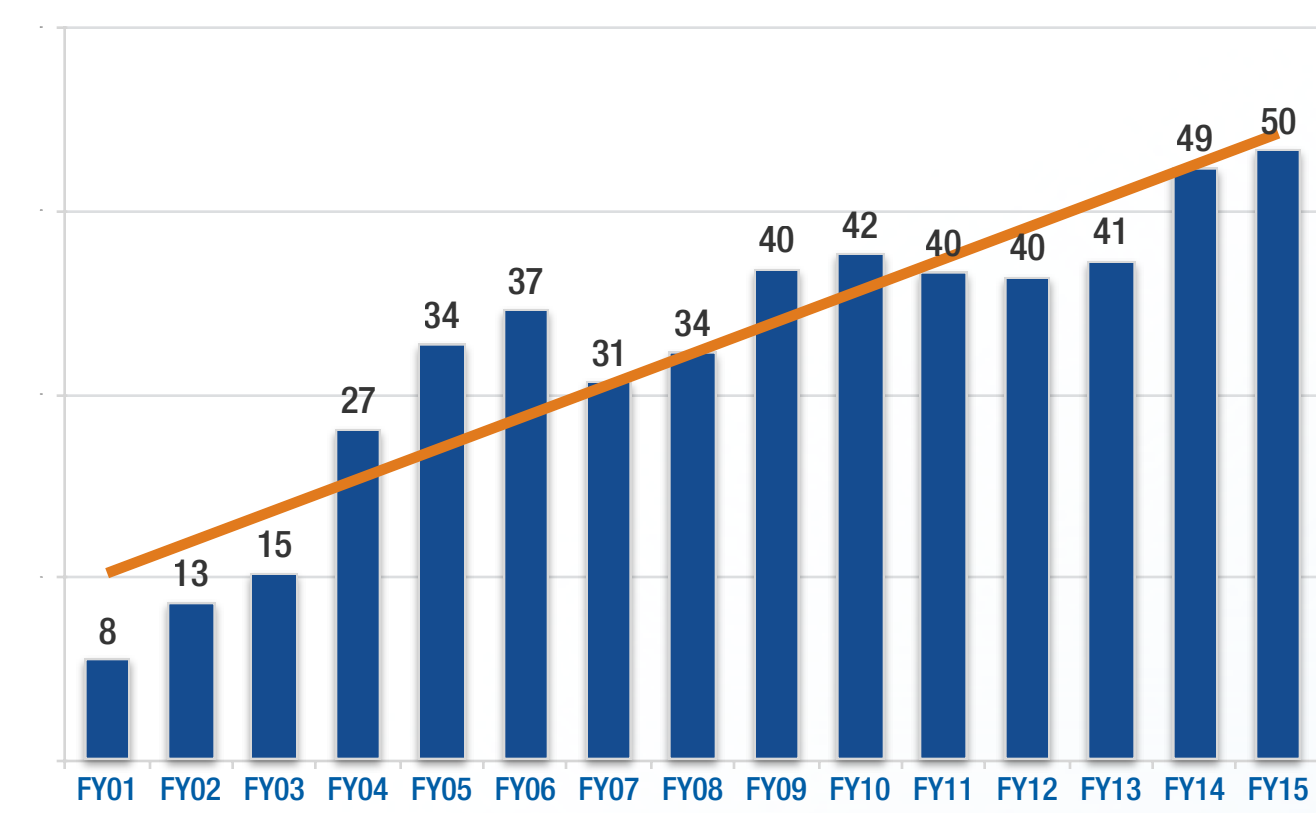
OUTLOOK

WHY OBJECTIVE

# WHO WE SERVE

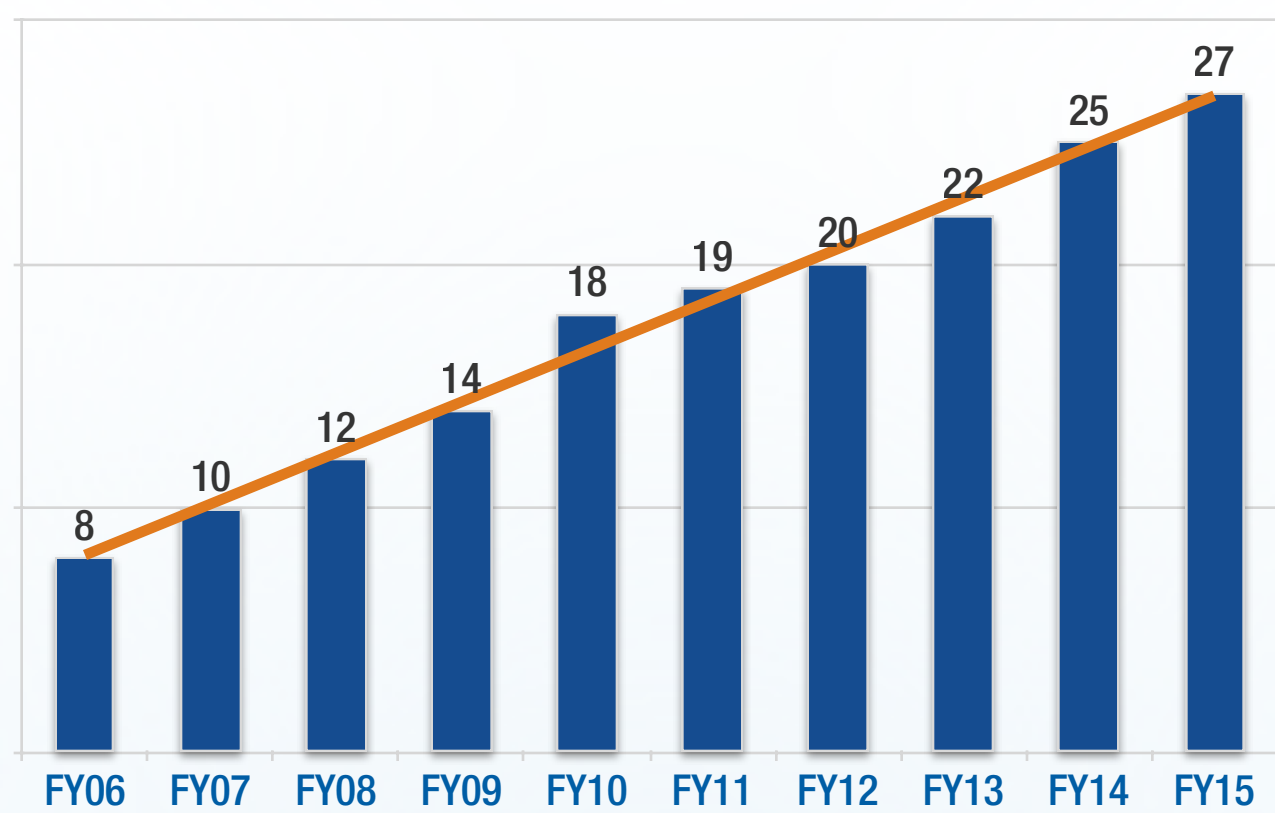
AMP Capital AMP Services Australian Department of Defence Advantage West Midlands Taupo District Council Delta Electricity Queensland Police Scottish Government Scottish National Heritage Places for People Australian Government Solicitor Hobsons Bay Regional Council Powerlink Adur District Council Ashford Borough Council Barnsley Metropolitan Borough Council Barnsley PCT Borough of Broxbourne Brighton and Hove City Council Calderdale Council Castle Point Chelmsford Borough Council Cherwell District Council Cheshire West and Chester Council Chichester District Council Cornwall Council Dudley Metropolitan Borough Council East Staffordshire Borough Council East Sussex County Council Eastbourne Borough Council Environment Agency Essex County Council Fife Council Greater Manchester Geological Unit Hampshire County Council Haringey Council Harrow Council Hertfordshire County Council Huntingdonshire District Council Hyndburn Borough Council Information London Borough of Enfield London Borough of Hammersmith and Fulham London Development Agency Maidstone Borough Council Manchester City Council Middlesbrough Council Milton Keynes Council Neath Port Talbot County Borough Council North Devon District Council North East Lincolnshire Council North Lincolnshire North Norfolk District Council Northumberland County Council Northwest Regional Development Agency Plymouth City Council Redcar and Cleveland Borough Council Rochdale Borough Council Royal Borough of Kensington and Chelsea Royal Borough of Kingston Upon Thames Salford City Council Scarborough Borough Council Sedgemoor District Council Sheffield City Council Slough Borough Council South Worcestershire Joint Core Strategy States of Jersey Stockport Metropolitan Borough Council Tamworth BC Tandridge District Council Teignbridge District Council Torridge District Council Tunbridge Wells Borough Council Wandsworth Borough Council West Kent PCT West Kent PCT Wiltshire Council Worcester City Council Wyre Borough Council ACT Government Advantage West Midlands Anvil Mining Archives Attorney General's Department of NSW Australia Post Australian Government Solicitors Australian Securities & Investments Commission Barwon Region Water Authority Charity Commission City of Greater Dandenong Clarence City Council Clearview Commonwealth Ombudsman Communities NSW Corruption and Crime Commission Corruption and Crime Commission of WA Counties Manukau District Health Board Country Energy Crown Company Monitoring Advisory Unit Crown Limited Darebin City Council Delta Electricity Department for Child Protection Department for Families and Communities Department of Planning Department of Agriculture and Food WA Department of Building and Housing Department of Commerce Department of Environment and Conservation Department of Environment and Conservation Department of Local Government Department of the Premier and Cabinet - DPC Department of the Prime Minister and Cabinet Department of Treasury and Finance - DTF Downer EDI Rail East Perth Redevelopment Authority Economic & Social Research Council Environment Bay of Plenty eTeCK Fairfield City Council Family Court Australia FKP Frankston City Council Genesis Energy Government Communications Security Bureau Health Corporate Network Highlands & Islands Enterprise Hobson's Bay City Council Housing New Zealand Independent Transport Safety & Reliability Regulator Invercargill City Council IP Australia Joint Services Division - Parliament SA Land Nanosonics National Offshore Petroleum Safety Authority Natural Environment Research Council New Zealand Transport Authority Newcastle Port Corporation North Parkes Mines NZ Ministry of Social Development Office of Fair Trading Office of the Clerk of the House of Representatives Office of the Director of Public Prosecutions Office of the Privacy Commissioner Office of the Scottish Charity Regulator Origin Energy Otago Regional Council Parliament of Western Australia Parliamentary Service Pharmac Places for People Group Ltd Port of Brisbane Primary Industries and Resources SA - PIRSA Public Transport Authority QBE Queensland Police Service Research and Education Advanced Network of New Zealand ResMed Royal New Zealand College of General Practitioners SA Fire & Emergency Services Commission - SAFECOM SA Health Scottish Government Scottish Natural Heritage Service First Social Security Appeals Tribunal - SSAT Social Work Inspection Agency Southern and Eastern Integrated Transport Authority - SEITA SP AusNet Stockland Sydney Metro Authority Tertiary Education Commission The National Archives Townsville Port Authority Transport & Infrastructure Transport Scotland UniSuper Management Western Australia Police Western Bay of Plenty District Council Whakatane District Council .....

# OBJECTIVE TODAY



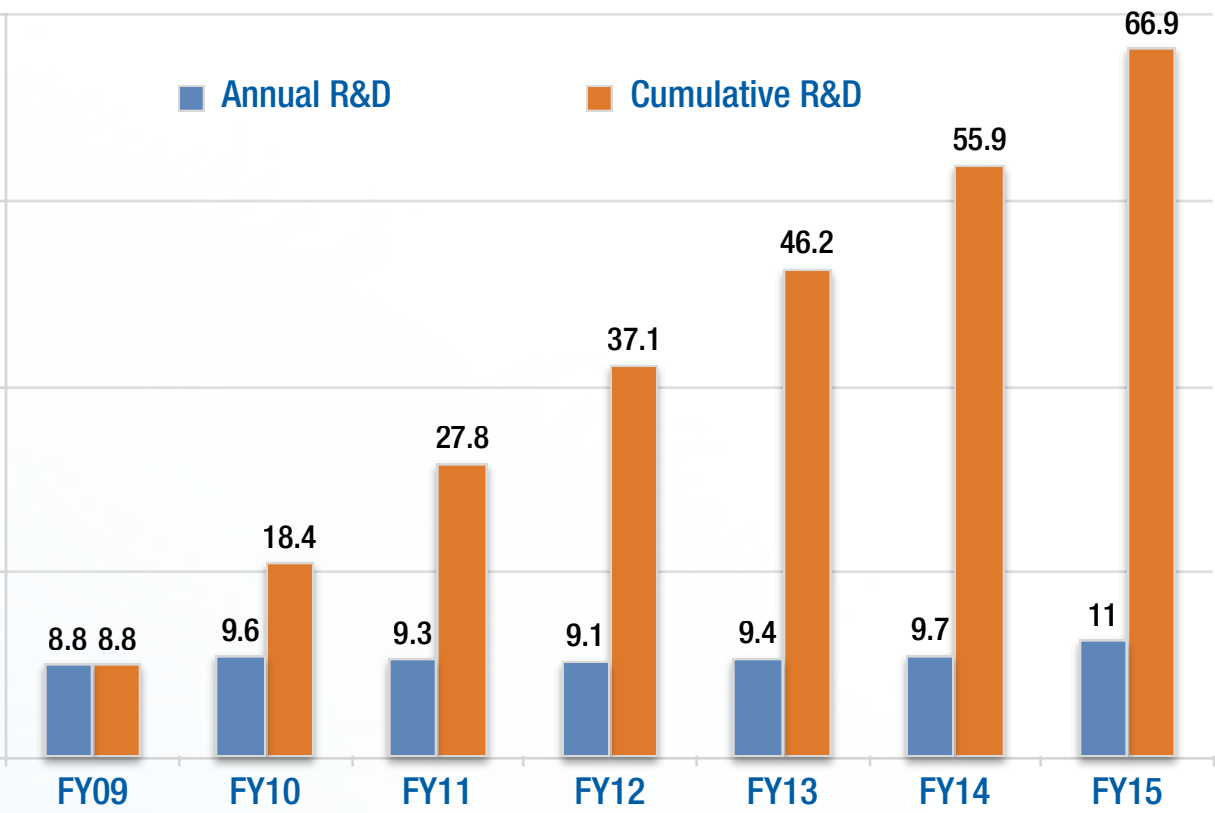
## LONG-TERM GROWTH

Year on year revenue improvement with significant growth outlook.



## RECURRENT REVENUE

Solid growth in recurrent revenue - 9% in FY15. FY15 recurrent revenue was 54% of total revenue.



## R&D COMMITMENT

Continual investment in Research and Development at nearly twice the industry average for the last seven years to support growth plans.

# OBJECTIVE CUSTOMER COMMUNITY



## CLOUD ADOPTION

Objective ECC and Connect born in the cloud. First ECM customers now being delivered by the Cloud.

Customer  
Support

**5500** incidents handled

response time to P1 & P2 incidents **↓ 20%**

**99%** target SLA met **95%** satisfaction score

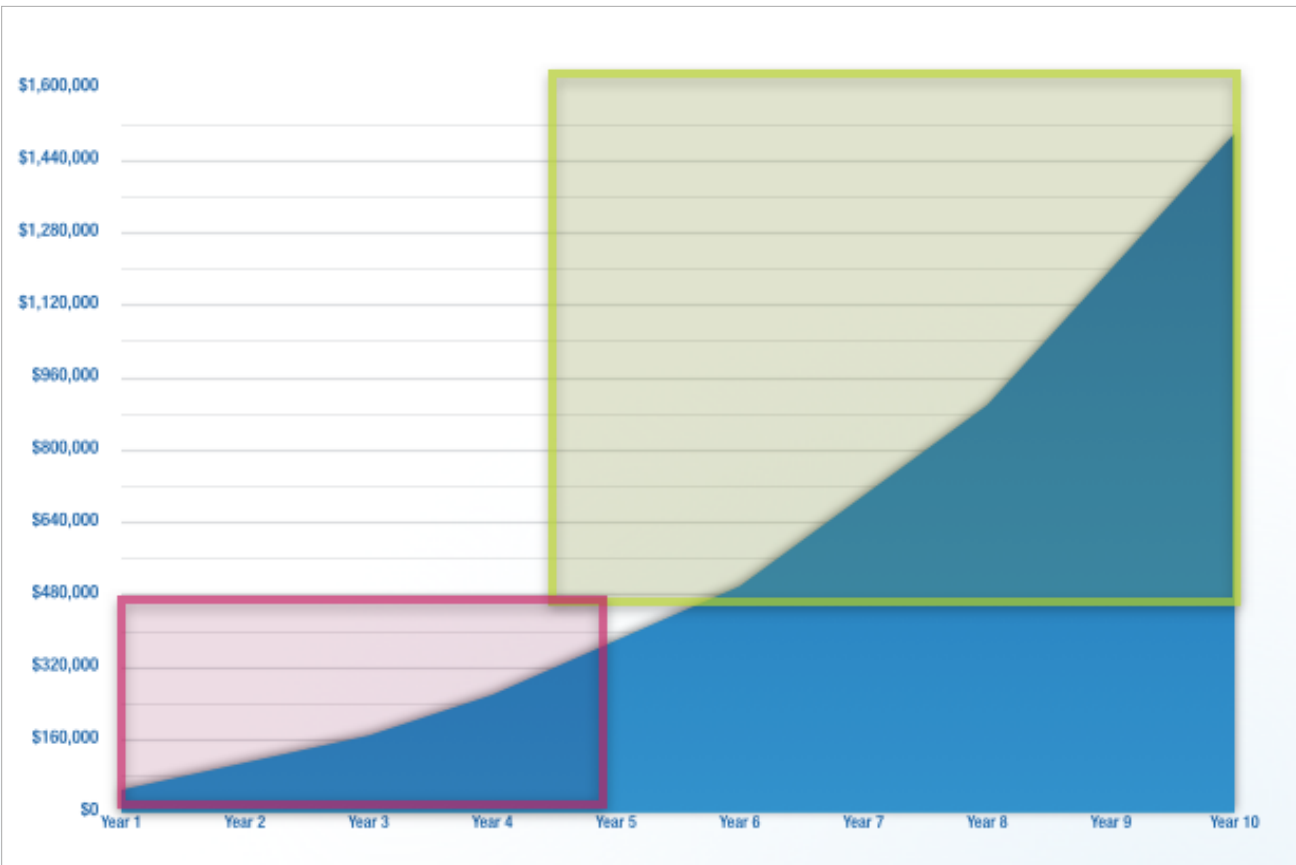
Projects  
Delivered

**25** business process automation

**85** go-lives **51** ECM upgrades

## EXCELLENT CUSTOMER OUTCOMES

Ongoing investment in existing solutions, systems & processes together with Account Management and Delivery capability continues to deliver excellent customer outcomes.



## LONG TERM CUSTOMER VALUE

Business model has returned outstanding long term value to our customers and to the company.

# AGENDA

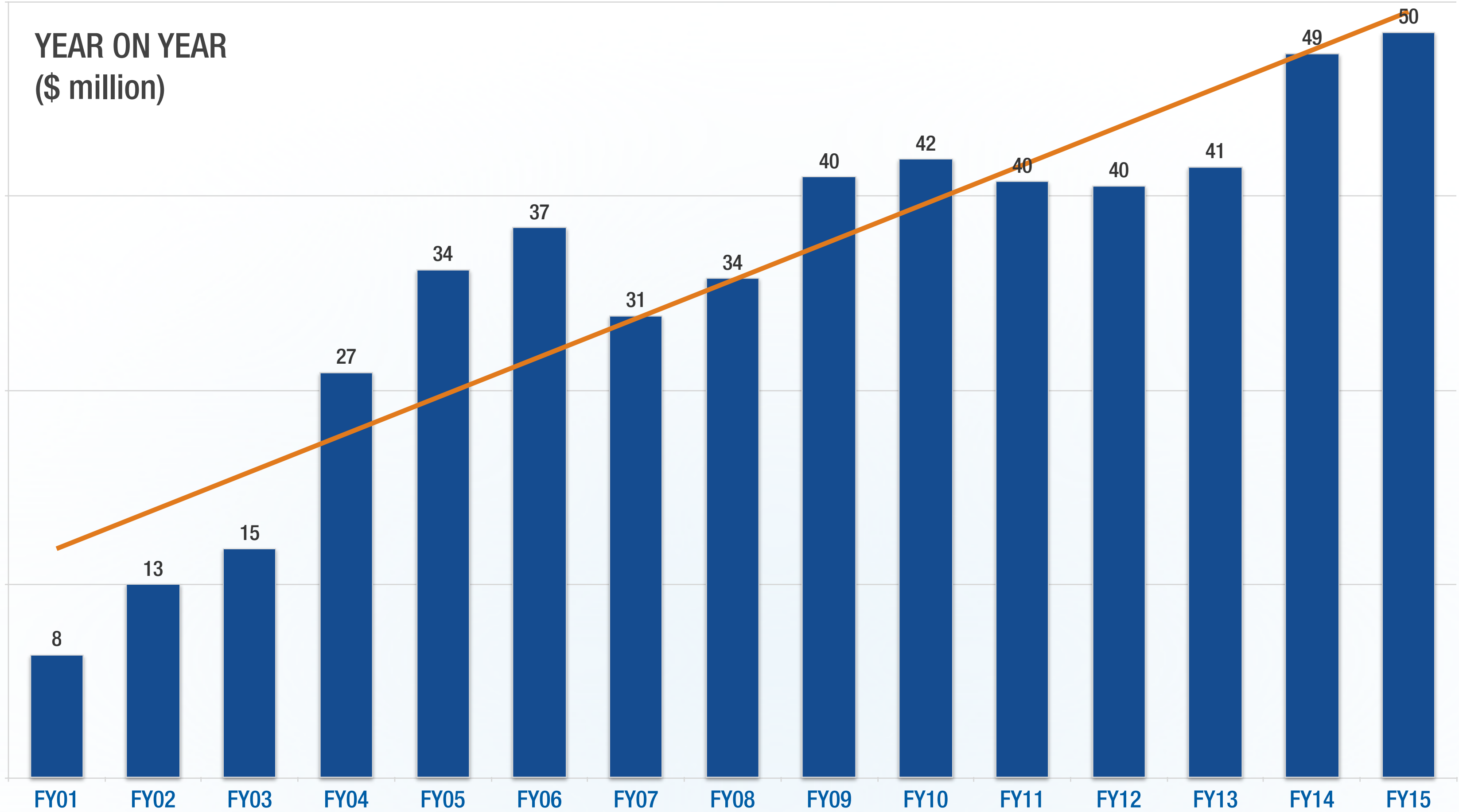
**INTRODUCTION**

**FINANCIALS - FY15 UPDATE**

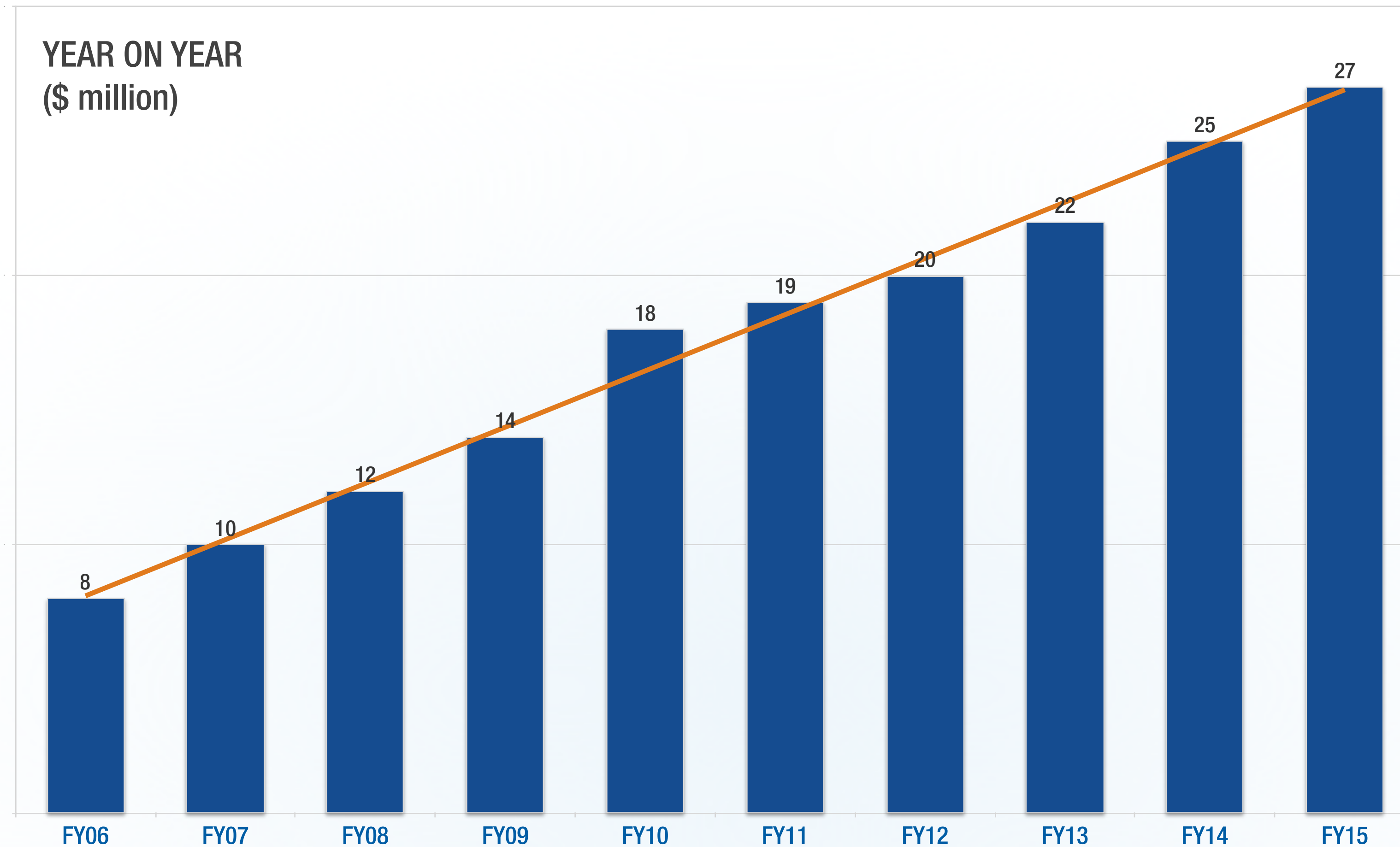
**OUTLOOK**

**WHY OBJECTIVE**

# REVENUE GROWTH



# REVENUE - RECURRENT



# KEY FINANCIALS

FY2015

Revenue Growth

Recurrent Revenue 54% of Total Revenue

Accelerated R&D Investment

Operating Cashflow up 38%

	FY15	FY14	CHANGE
REVENUE	\$50.0m	\$48.6m	3%
RECURRENT REVENUE	\$27.1m	\$24.8m	9%
NPAT	\$4.5m	\$5.7m	(21)%
APAC REVENUE	\$41.1m	\$40.3m	2%
EUROPEAN REVENUE	\$8.2m	\$7.6m	8%
RESEARCH & DEVT	\$11.0m	\$9.7m	13%
EBITDA	\$5.4m	\$7.1m	(24)%
EARNINGS PER SHARE	5.0 cps	6.0 cps	(17)%
OPERATING CASH FLOW	\$8.5m	\$6.1m	38%

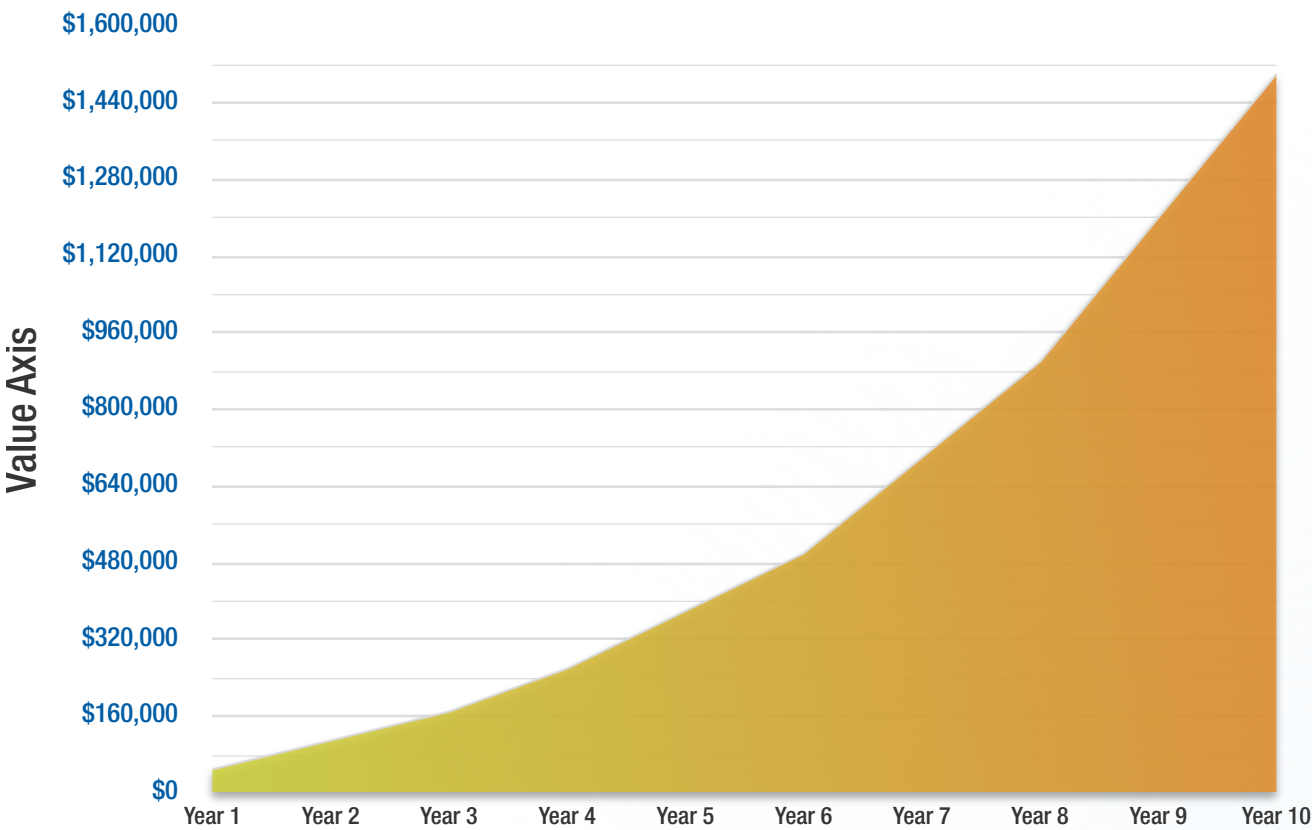
# FINANCIAL POSITION SUMMARY

AS AT 30 JUNE 2015

- Continued Strong Balance Sheet
- Strong Operating Cashflow & Cash Position
- Zero Debt
- Increasing Unearned Revenue Position

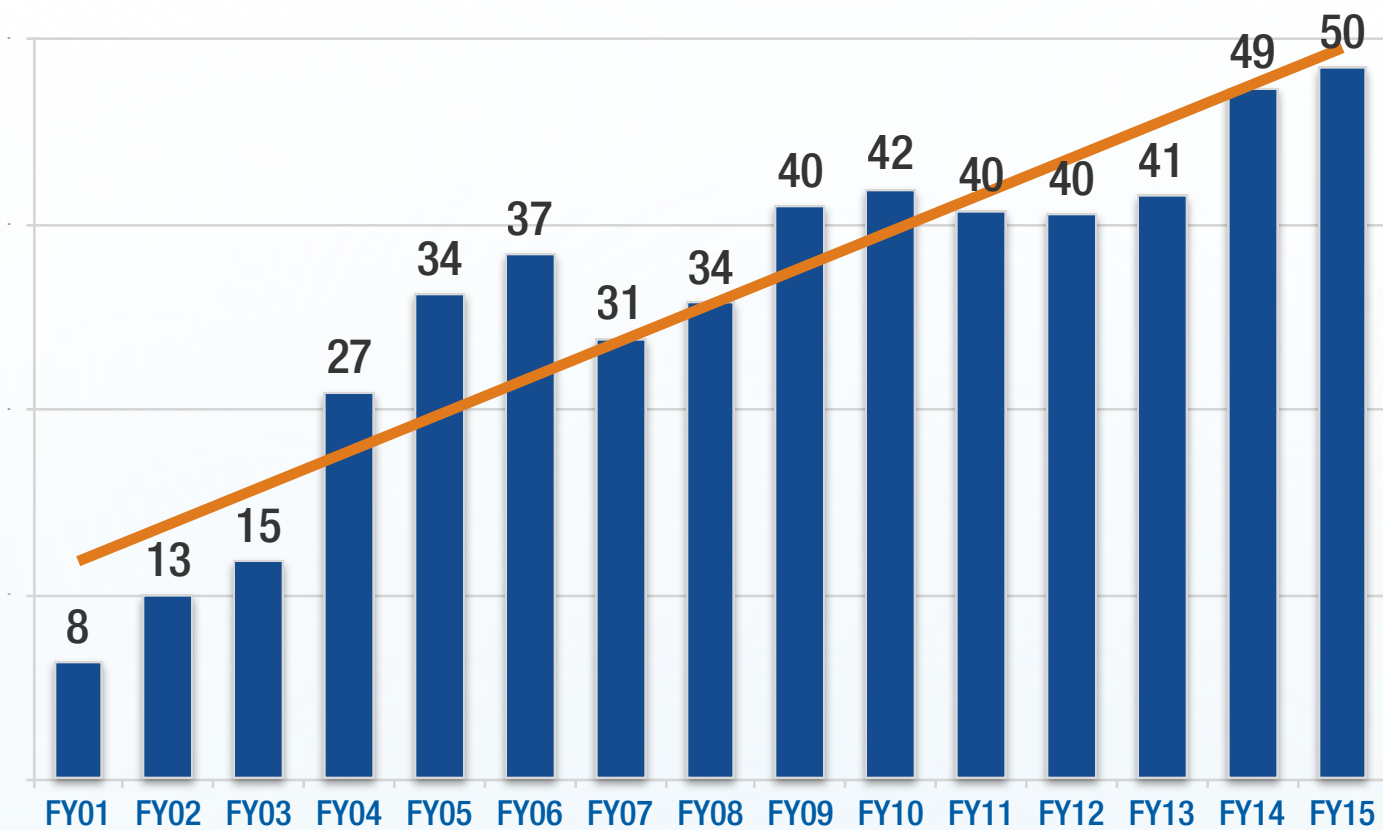
	FY15	FY14	CHANGE
CASH	\$20.2m	\$15.0m	35%
RECEIVABLES	\$8.9m	\$7.7m	16%
UNEARNED REVENUE	\$16.6m	\$10.9m	52%
NET ASSETS	\$15.6m	\$11.9m	31%

# FINANCIAL TRENDS



## LATENCY TO REVENUE

Invest first, reward second.



## REVENUE GROWTH

Proven revenue and recurrent revenue model.

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## UNDERLYING EBIT

Underlying EBITDA net of investment is strong.

# AGENDA

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WHY OBJECTIVE

# GROWTH OPPORTUNITY

## SOLUTION PORTFOLIO

### OBJECTIVE CONNECT

21,000+ users

580,000+ connections

99% business use

Network uptake effect

Microsoft Azure Cloud

### OBJECTIVE ECM

400,000+ users

Average Customer - 1200 users

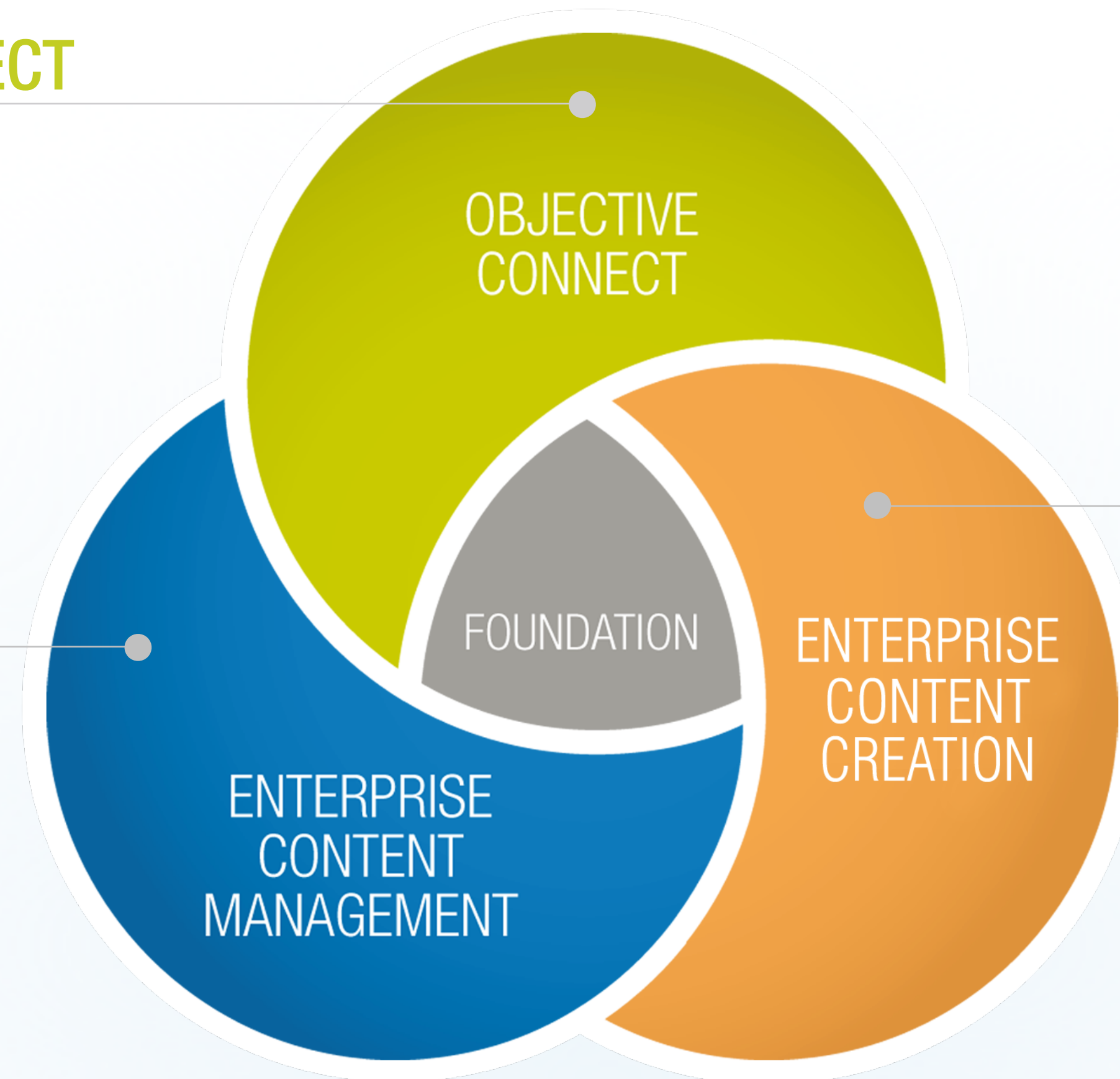
From 25 - 70,000 users

Largest system 250M+ objects

85% On latest generation

Growth in Business Process Automation

Cloud Transformation opportunity



### OBJECTIVE ECC

10,343 users globally

38,000+ documents

Expanded footprint in FSI, Public Sector growth continues.

Increasing regulation driving demand

Version 5 to be released in Sept 2015

Digital Transformation opportunity

# ENTERPRISE CONTENT MANAGEMENT

GOVERNANCE



## FINANCIAL ENGINE ROOM

Objective ECM is the financial engine room of the company. It delivers substantial value to our customers.

## MARKET OPPORTUNITY

The ECM Market in Public Sector and regulated industries continues to grow.

## EXPANDED PACKAGED SOLUTIONS

Develop new solutions for our key verticals with lower cost of entry and lower cost of sale.

## MANAGED SERVICES

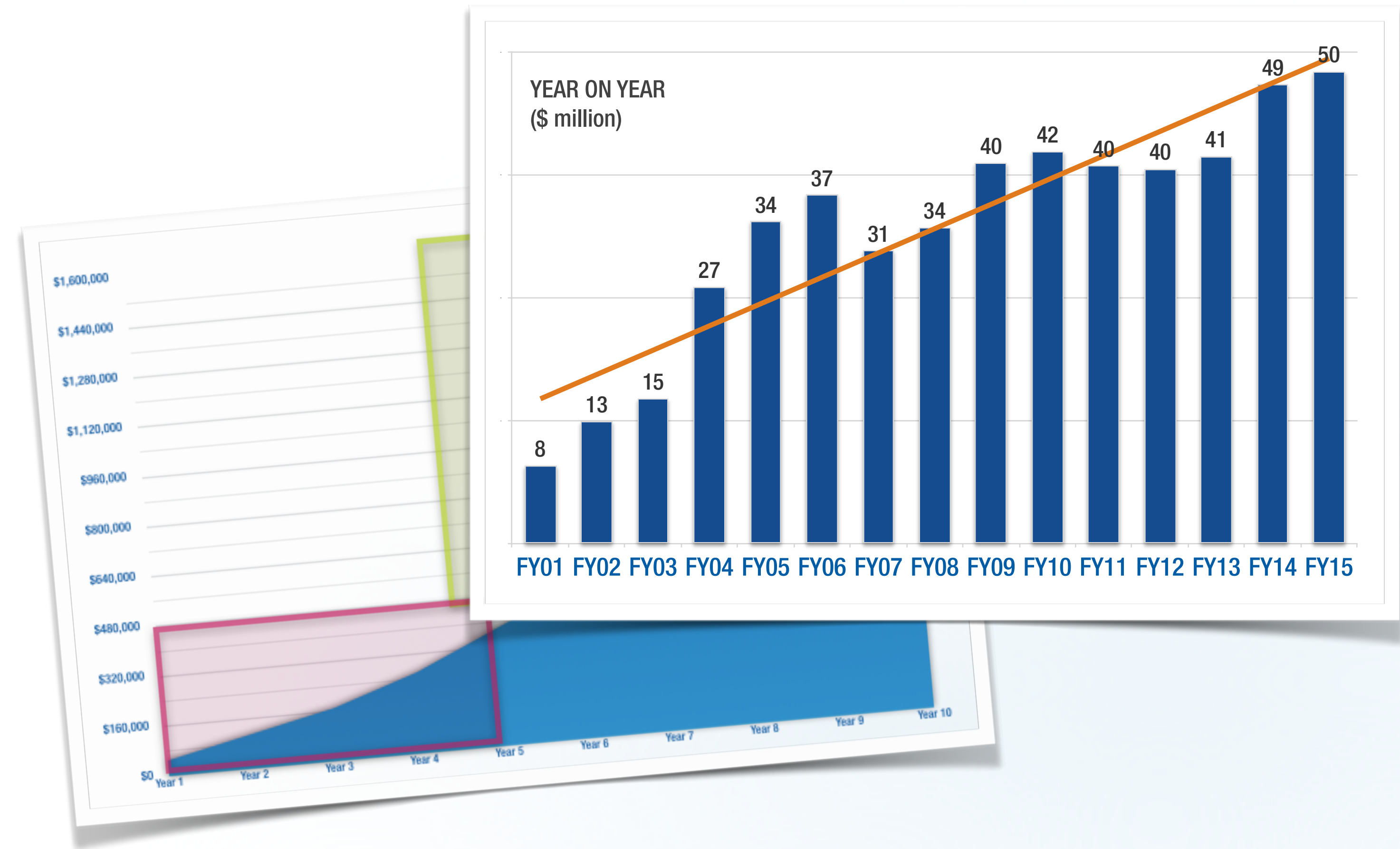
Managed Services run rate increased by 68% from FY14 to FY15. This subscription service manages customer environments on their behalf.

## CLOUD OPPORTUNITY

Evidence of the transition to cloud is real. First full ECM Cloud customer now live. Business equipped to meet demand.

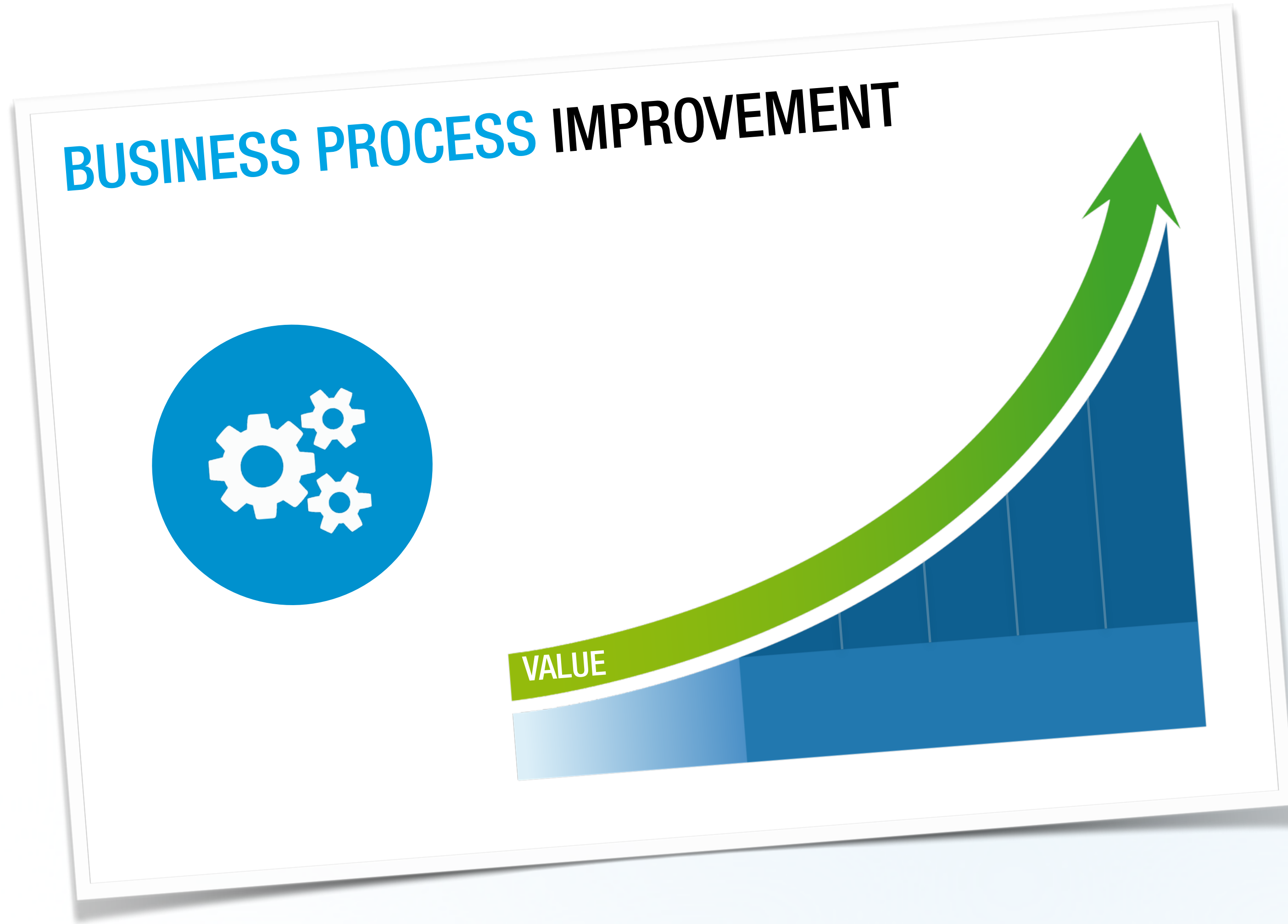
## REPLACEMENT OPPORTUNITY

Maturing use of first generation competitor ECM solutions is opening up significant system replacement pipeline.



# ENTERPRISE CONTENT MANAGEMENT

PROCESS MANAGEMENT



## **BUSINESS PROCESS AUTOMATION**

Customers continue to expand their ECM solutions across core business processes, evidence that the solutions deliver value. 25 new Business Process Automation (BPA) projects delivered in FY15.

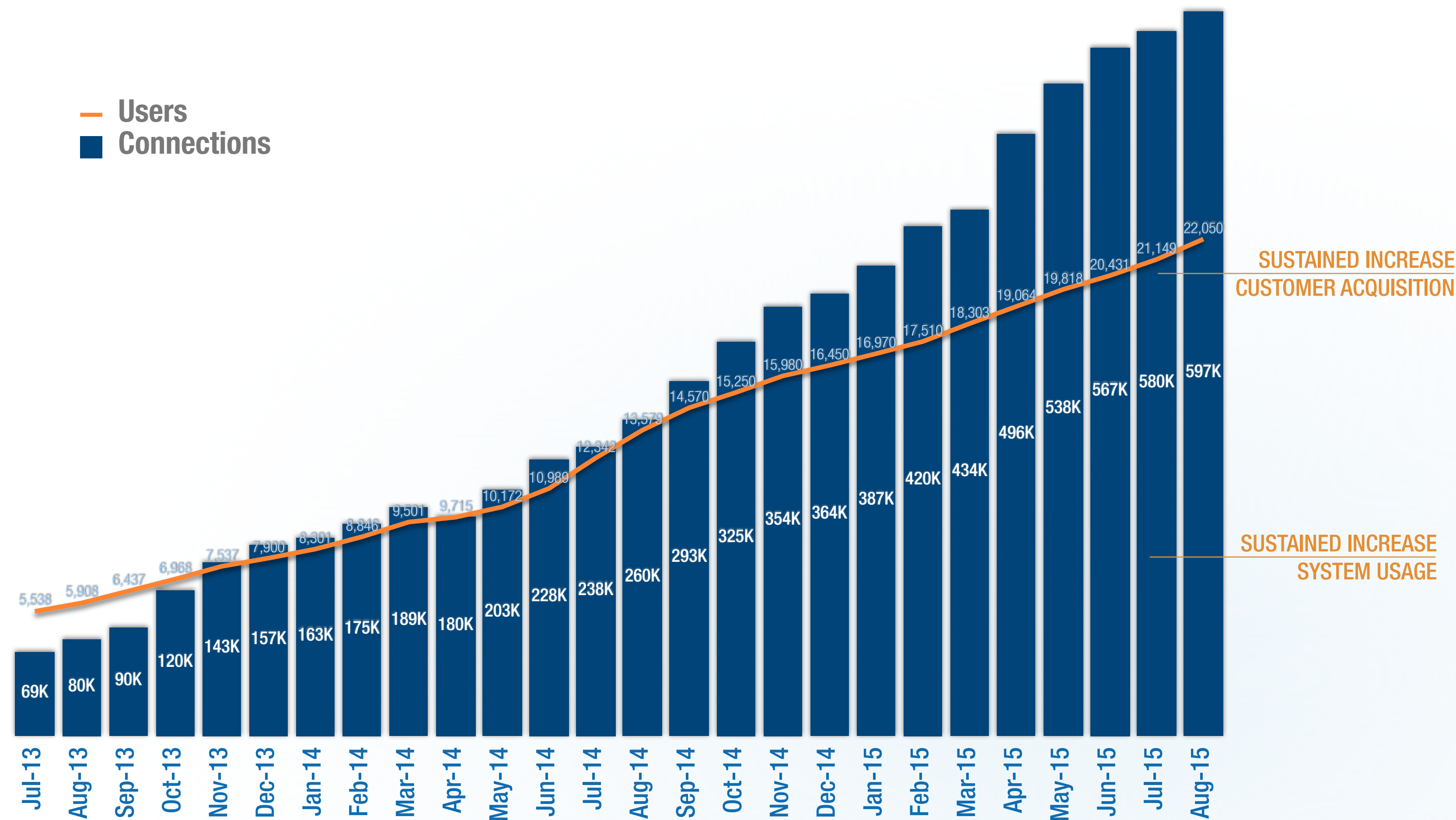
## **MARKET OPPORTUNITY**

Growth in BPA projects, together with governance solutions integrated into customers line-of-business systems enhances long-term value.

## **LONG TERM SOLUTION VALUE**

Organisational alignment ensured through integration of customer feedback and long term solution value in organisational KPIs.

# OBJECTIVE CONNECT



## GROWTH

>100% growth in FY15. Used in 68 countries.

## MARKET DIFFERENTIATION

Squarely positioned as an enterprise solution, rather than in the crowded consumer space.

96% of FY15 customers on Workgroup or Enterprise Editions.

## SUSTAINED VALUE

Evidence of successful network uptake in Enterprise and Workgroup customers.

Growth in ConnectLink sales enhances enterprise value and confirms relevance to broader information governance strategies.

## SUBSTANTIAL CLOUD PROOF-POINT

Responsive UI released.

Migration to Microsoft Azure Cloud complete. Opportunity for increased reach through Microsoft and Partner Network.

# ENTERPRISE CONTENT CREATION



## FINANCIAL SERVICES & INSURANCE

Strong growth in FY15 with significant growth opportunity ahead.

Regulatory pressure from ASIC and APRA are driving demand. Customers need to improve transparency and mitigate risk.

## PUBLIC SECTOR

Legislation driving ePlanning, eBudget Books and eCommittees is driving demand in this sector. 21 new customers globally.

## DIGITAL TRANSFORMATION OPPORTUNITY

In both targeted vertical markets digital disruption trends are triggering transformation change.

## PRODUCT INNOVATION - V5 SEPT RELEASE

Highly successful collaborative Beta program with customers resulted in entirely re-engineered product built to meet market demand.

## CHANNEL TO GLOBAL MARKET

Due to the transformative nature of the solution in FSI there is interest from global Professional Services Organisations to resell or partner.

# STRATEGIC PARTNERSHIP MICROSOFT



Microsoft Azure



# AGENDA

**INTRODUCTION**

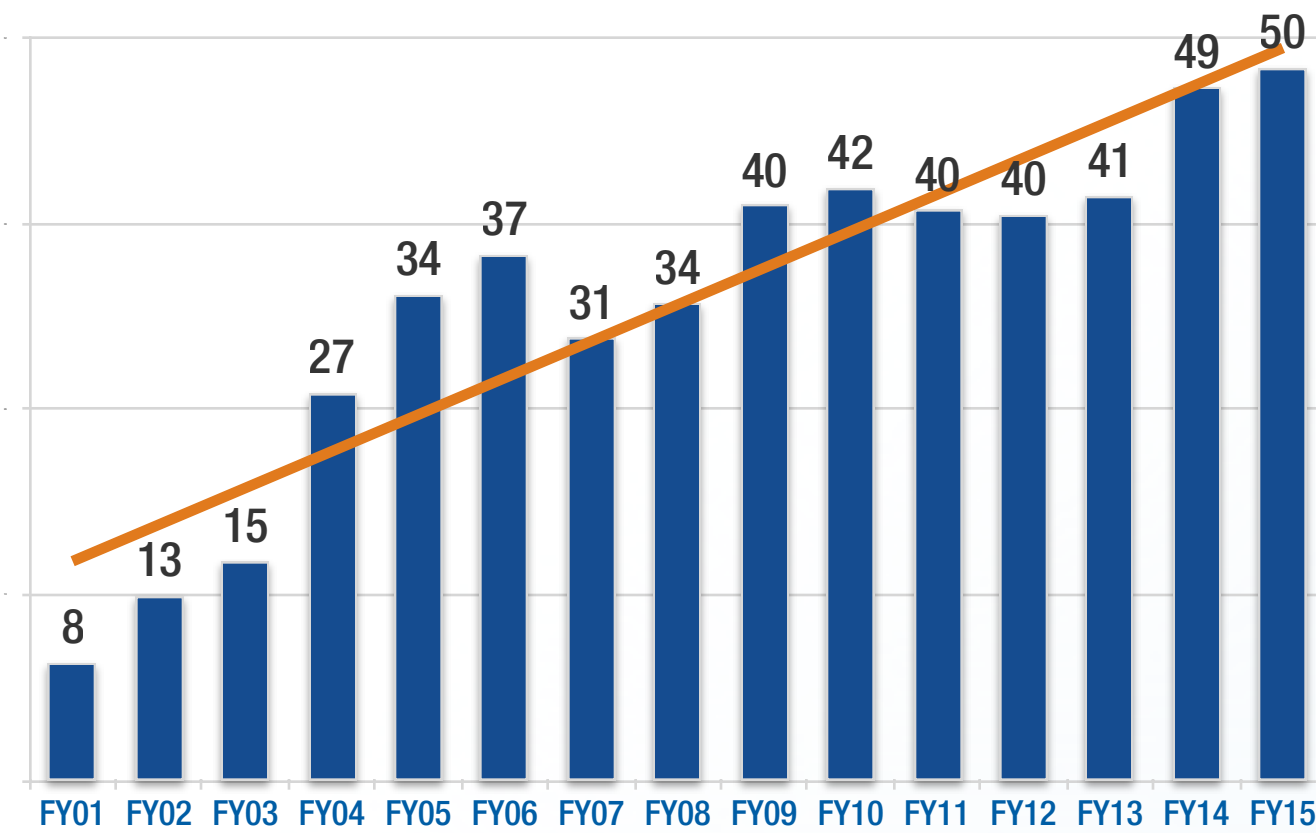
**FINANCIALS - FY15 UPDATE**

**OUTLOOK**

**WHY OBJECTIVE?**

# WHY OBJECTIVE ?

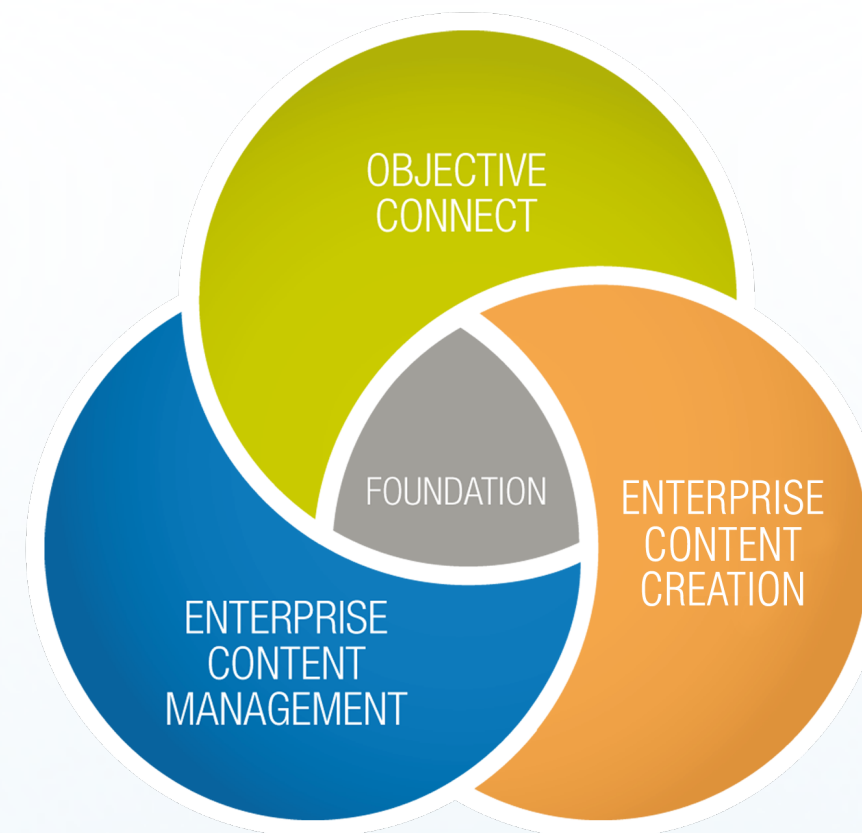
## THE INVESTMENT OPPORTUNITY



### STRONG FINANCIALS

Revenue growth delivered with excellent Recurrent Revenue at 54% and growing. \$20.2m Cash; Zero Debt.

Contained expense growth in FY16.



### INNOVATION IN SOLUTION PORTFOLIO

Evolved and expanded solution portfolio, well positioned to harvest opportunities.



### GLOBAL MARKET APPROACH

Global approach to sales of each solution set, channels & alliances viable for most solutions to realise potential.

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