



# APPLYDIRECT LIMITED (ASX: AD1)

1H17 RESULTS PRESENTATION

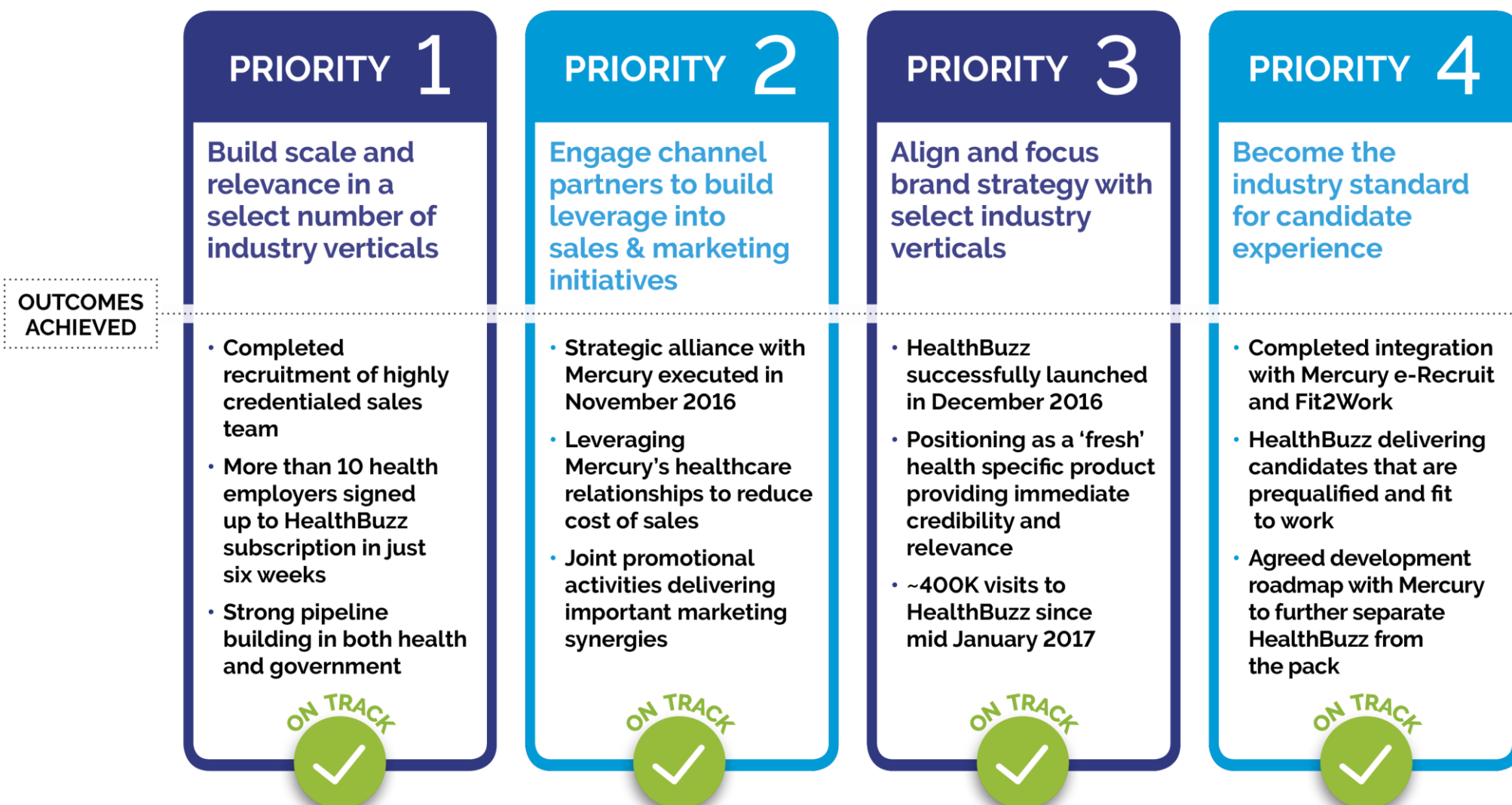
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27 FEBRUARY 2017

ApplyDirect

**1H17 HIGHLIGHTS:  
GROWTH FOUNDATIONS PUT IN PLACE**

## Execution of our strategic priorities is ahead of expectation



**1H17 KEY FINANCIALS:  
REFLECT THE PLANNED CAPABILITY BUILD**

## 1H17 key financials reflect the planned investments in sales and marketing

SIX MONTHS TO 31 DEC 2016	1H17	1H16	Change
Summary	\$'000s	\$'000s	%
Revenue from continuing operations	320	306	4.6
Employee benefits expense	(1,086)	(382)	184.1
Total Expenses	(2,404)	(1,844)	30.3
Loss for the period	(2,084)	(1,538)	35.4

- Total revenue increased by 4.6% in 1H17
- Total expenses increased by 30.3%, which is consistent with our stated plan to build management capability during 1H17

## Balance sheet is debt free following conversion of notes

	31 Dec 2016 \$	30 Jun 2016 \$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	5,188,077	7,384,118
Trade and Other Receivables	404,047	566,182
Other	48,150	-
<b>Total current assets</b>	<b>5,640,274</b>	<b>7,950,300</b>
<b>Non Current Assets</b>	<b>38,314</b>	<b>25,191</b>
<b>Total Assets</b>	<b>5,678,588</b>	<b>7,975,491</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and Other Payables	445,450	908,573
Borrowings	-	1,214,020
Other	155,214	170,540
<b>Total current liabilities</b>	<b>600,664</b>	<b>2,293,133</b>
<b>Non current liabilities</b>	<b>54,751</b>	<b>47,650</b>
<b>Total Liabilities</b>	<b>655,415</b>	<b>2,340,783</b>
<b>Net Assets</b>	<b>5,023,173</b>	<b>5,634,708</b>

- Movement in Cash between 30 June 2016 and 31 December 2016 reflects the investments made to build the business
- Reduction of Other Receivables and Other Payables relative to 30 June 2016 relates to the one off nature of activities associated with the IPO
- All Notes converted prior to 31 December 2016, resulting in a debt free position

**OPERATIONAL REVIEW:  
DELIVERING A PLAN AND NOW EXECUTING ON IT**



## Highly credentialed sales team recruited, onboarded, and active in the market

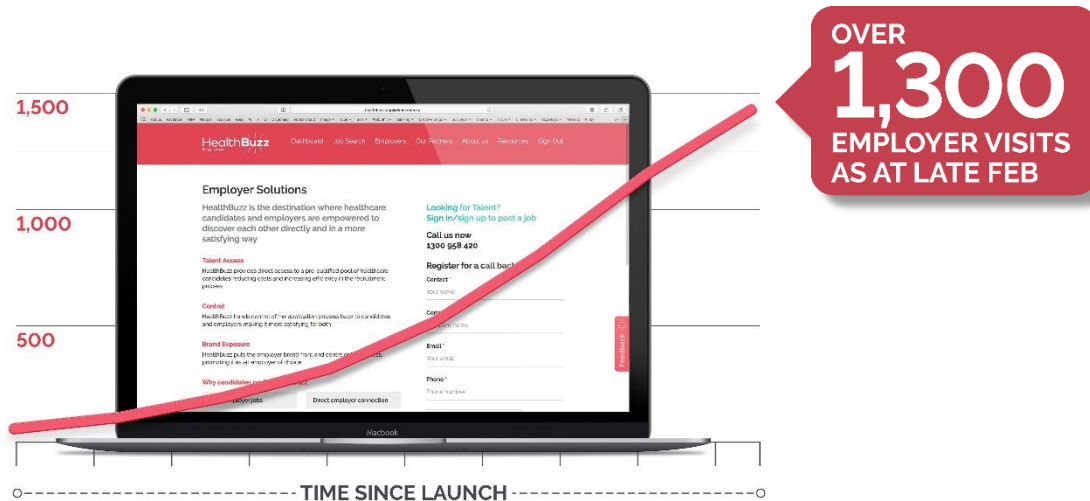
### Strengthening the sales capability to realise the significant opportunity available

- Following the commencement of our Sales Director, the sales team more than doubled by the end of January 2017
- Each member of the sales team has deep sector experience
- The majority of the team is field based, targeting large enterprise customers
- Small-to-medium size customers are targeted by inside-sales
- Within just six weeks, the sales team has developed considerable momentum across health and government verticals





## Mercury strategic alliance is proving very effective



Reference Number	Submission Date	Organisation	Checks	Action
1344966	04/01/2017	MERCURY GROUP OF COMPANIES PTY LTD	National Criminal History Check(Employee To Complete)	
1344967	04/01/2017	MERCURY GROUP OF COMPANIES PTY LTD	National Criminal History Check(Employee To Complete)	

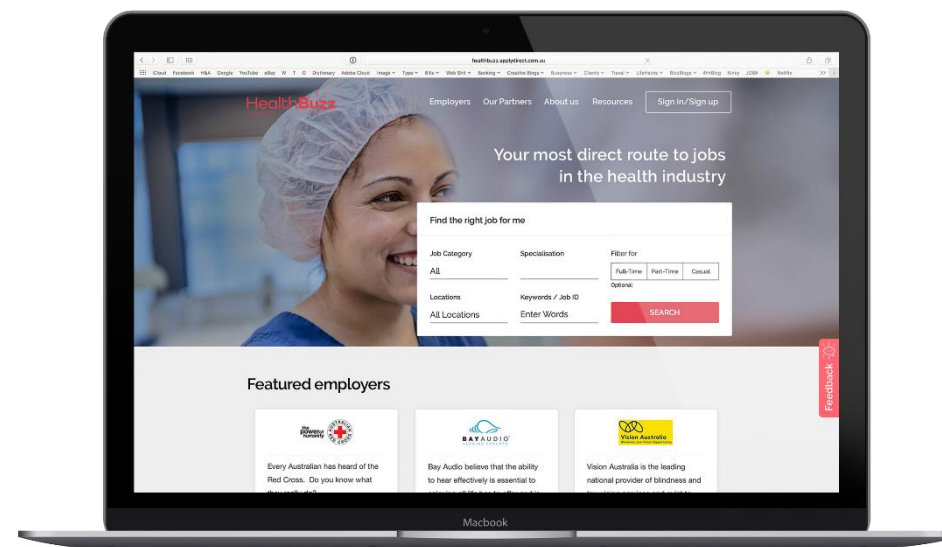
- Industry first integration with Mercury e-Recruit and Fit2Work platforms **separates HealthBuzz from the pack**
- Leveraging established footprint in health will significantly **reduce HealthBuzz's cost of sales**, including time to convert
- Joint promotional activity will **deliver important marketing synergies**
- **Collaboration on future development** will further strengthen HealthBuzz's points of difference
- Like minded partners **enables HealthBuzz to be nimble** in addressing the needs of the health sector

*“Since the announcement of the strategic alliance with ApplyDirect, the feedback from customers has been fantastic. The market is clearly ready for change and sees HealthBuzz as a real alternative.” John Anastasiou, Mercury Founder and CEO*

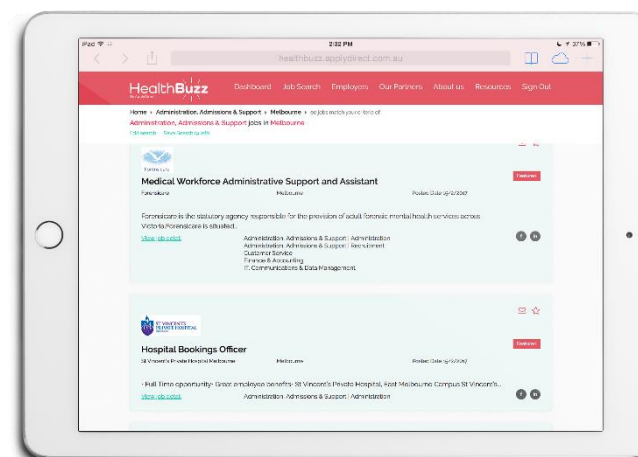
## What customers are saying about HealthBuzz

- Positioning as an industry specific product with **all health jobs and all health candidates**, gives it relevance
- Strategic alliance with **Mercury** provides **instant credibility** among health employers
- **One-stop-shop** candidate value proposition provides reach, particularly for hard to fill roles
- Prequalified **candidates that are fit to work** is an important point of difference, significantly reducing time to hire and increasing return on investment
- Flexibility of services and responsiveness make us **easier to deal with**

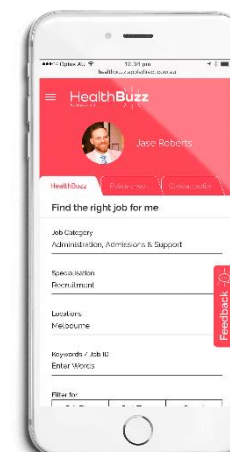
In summary, the health sector wants HealthBuzz to be successful and is ready to adopt!



Simple home page search



Matching candidates to employer jobs

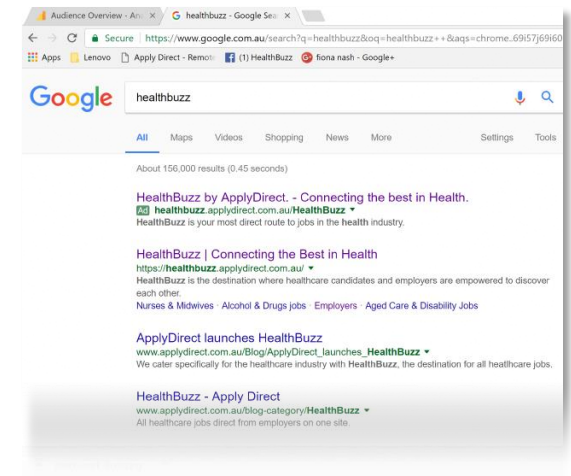
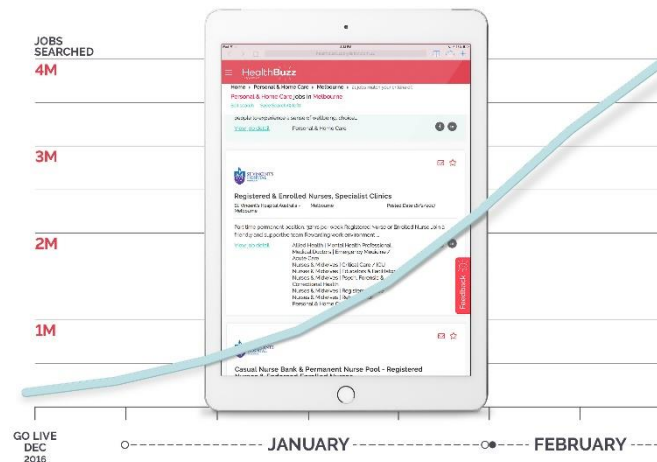


Candidate profile

## Activity on HealthBuzz after six weeks...

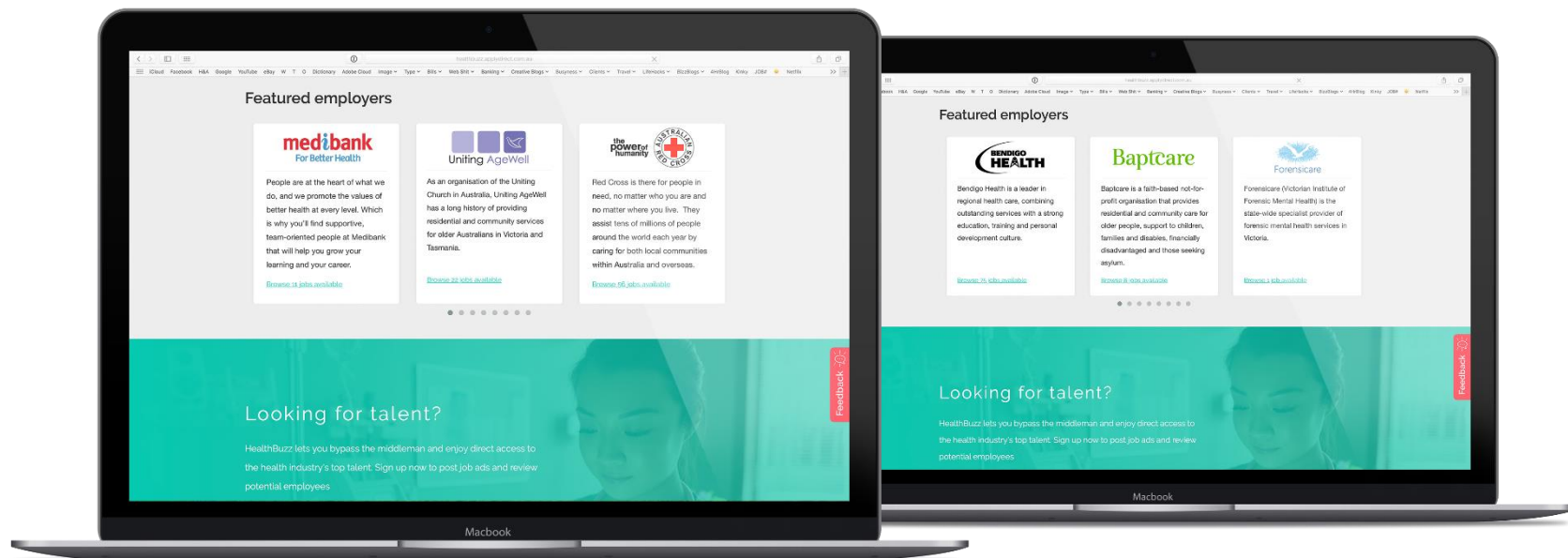
- Since late January, candidate traffic has more than doubled to ~400k, resulting in almost 4 million job searches
- SEO ranking building as content and authority expands
- Over 70% of health jobs currently advertised, with remainder to follow by 30 June 2017
- Very strong pipeline building, due not only to the Mercury partnership, but also the ready-made sales capability recruited into the business

Management is delighted with both the acceptance and adoption of HealthBuzz in such a short time period and is encouraged by the opportunity to significantly penetrate the market over the next six months



## Primed to deliver strong revenue growth in 2H17

- The sales team has already developed momentum across the health and government verticals. For example:
  - As at late February, more than 10 health employers are subscribing to HealthBuzz;
  - Both the Department of Defence and the NSW Government are contributing to the sales pipeline, with other opportunities at various stages of advancement; and
  - Introduction of on-site advertising product, which is driven by our media specialist
- The enhanced sales capability positions the business to achieve significant growth in 2H17, with opportunities expected to be realised across both ApplyDirect and HealthBuzz



**OUTLOOK:  
BUILDING SUSTAINABLE AND EXPANDING REVENUES**

## Driving 1H17 investments in sales and marketing to build a sustainable and expanding revenue base

In the second half of FY17, ApplyDirect expects to achieve a number of key milestones, including:

- Strong growth in the number of paid job ads across all ApplyDirect domains, HealthBuzz in particular
- Attracting significant monthly candidate engagement to HealthBuzz, building on the strong run rate as at late February
- Significant number of renewals from existing ApplyDirect customers
- Focusing R&D on the development of additional government modules, which will greatly enhance ApplyDirect's points of difference in the government sector
- Expanding the contribution of government through both advertising and project based revenue



A quality sales team, supported by the Mercury alliance, receiving positive customer feedback, which is resulting in a strong pipeline, has positioned the business to deliver strong revenue growth in 2H17

QUESTIONS



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**THANK YOU**