



ASX release

31 January 2018

December 2017 Quarterly Performance and Business Update

Performance and Productivity software group 8common Limited (**8common** or the **Company**) (ASX: **8CO**) is pleased to release its consolidated Quarterly Cash Flow for the quarter ended 31 December 2017. Key highlights for the quarter up till the date of this release include:

- \$218,000 net cash outflow for operating activities for the quarter largely due to one-off expenses, cash receipts from customers of \$1,060,000;
- Significant new client wins include the Australian Communications and Media Authority;
- Expense8 monthly recurring and transaction based revenue grew 74% on a year on year basis for the December 2017 quarter;
- Group cash position of \$256,000 at 31 December 2017.
- SGD\$220,000 (approximately AUD\$211,000) was received from Clouaron Pte Ltd as part of the second tranche consideration for the 10% share sale of Realtors8 Pte Ltd. The entire consideration for the 10% stake was SGD\$470,000);

Commenting on the December 2017 Quarter cash flows, 8common Executive Chairman, Nic Lim said “Key metrics continue to demonstrate improvement on a year on year basis particularly in the Expense8 business. The team continues to deliver strong results.”

Cash flow performance

Due to a number of one-off expenses the Company recorded an operating cash outflow of \$218,000 for the period compared with an operating cash outflow from the prior year of \$99,000. Cash receipts were slightly lower by 2% at \$1,060,000 compared to the same period last year.

The group cash position at the end of December 2017 was \$256,000. An additional SGD\$220,000 (approximately AUD\$211,000) was received from Clouaron Pte Ltd on 20 October as part of the 2nd tranche payment for the 10% stake in Realtors8 Pte Ltd. The 10% share sale of Realtors8 Pte Ltd has now been completed.

Expense8

Core SaaS monthly recurring and transaction based revenue has grown in excess of 74% for the December 2017 quarter versus the December 2016 quarter (unaudited SaaS monthly recurring and transaction based revenue of \$406,000 for the December 2017 quarter compared to \$233,000 for the December 2016 quarter) as new and existing clients were on-boarded to the Expense8 platform, contributing to the strong revenue growth.

The Travel and Credit Card application and maintenance platforms are expected to fuel further growth as additional clients are on-boarded. Revenue models are similar across all platforms with implementation fees and SaaS based monthly platform and transaction fees.

Perform8

Management has begun to review the opportunities around Perform8 as group resources continue to focus on Expense8 and the sale of Realtors8.

Realtors8

The total consideration of SGD\$470,000 has been received from Clouaron Pte Ltd for the 10% sale of Realtors8 shares. Following completion procedures during the quarter, the 10% share sale of Realtors8 Pte Ltd has now been completed. There are no updates available with regards to the sale of the remaining 90% stake in Realtors8. The Board and



Management will provide updates as they become available and as previously outlined, the Board and Management remain committed to the sale of the Realtors8 business.

Outlook

The group intends to continue pursuing a complete sale of Realtors8 to enable it to focus on the Expense8 business and build upon its market leading products.

For further information please contact:

Nic Lim

Executive Chairman

E: nic@8common.com

About 8common Limited

The 8common is listed on the Australian Securities Exchange (ASX:8CO). As a global software product company, 8common delivers productivity and performance software to enterprises and professionals globally. In its core markets of Australia and North America, its clients include government agencies, large corporates, multi-nationals and thousands of individual professionals. www.8common.com

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

8common Limited

ABN

51 168 232 577

Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,060	2,075
1.2 Payments for		
(a) research and development	-	(113)
(b) product manufacturing and operating costs	(191)	(338)
(c) advertising and marketing	-	(1)
(d) leased assets		
(e) staff costs	(595)	(961)
(f) administration and corporate costs	(463)	(901)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	(6)	(75)
1.6 Income taxes paid	(23)	(32)
1.7 Government grants and tax incentives		56
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(218)	(290)

2. Cash flows from investing activities

2.1 Payments to acquire:

- (a) property, plant and equipment
- (b) businesses (see item 10)
- (c) investments

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
(d) intellectual property		
(e) other non-current assets		
2.2 Proceeds from disposal of:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)	211	211
Second payment related to sale of Realtors8 Group		
2.6 Net cash from / (used in) investing activities	211	211

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options		
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings	(36)	(43)
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
3.10 Net cash from / (used in) financing activities	(36)	(43)

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	297	383
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(218)	(290)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	211	211

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(36)	(43)
4.5	Effect of movement in exchange rates on cash held	2	(5)
4.6	Cash and cash equivalents at end of quarter	256	256

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	205	246
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details) Term Deposit	51	51
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	256	297

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	27
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payments represent Directors wages and fees for the quarter.

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

None

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

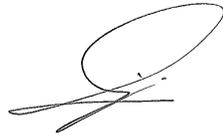
None

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	
9.2 Product manufacturing and operating costs	(185)
9.3 Advertising and marketing	
9.4 Leased assets	
9.5 Staff costs	(585)
9.6 Administration and corporate costs	(480)
9.7 Other (provide details if material)	
Loan Repayment + Interest	(135)
Convertible Note Repayment + Interest	(1,442)
9.8 Total estimated cash outflows	(2,827)

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Director/Company secretary)

Date:31 January 2018.....

Print name:Zoran Grujic.....

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.