

Q2 December 2018 Quarterly Performance and Business Update

Fintech Group 8common Limited (**8common** or the **Company**) (ASX: **8CO**) is pleased to release its consolidated Quarterly Cash Flow for the quarter ended 31 December 2018.

Key Company highlights for the quarter up till the date of this release include:

- Quarterly Revenue +42% Year-on-Year to \$847K;
- Quarterly SaaS Revenue +21% Year-on-Year to \$477K;
- Cash receipts +20% Year-on-Year to \$808K;
- NSW Department of Education extends Expense8 contract for 1 year;
- 3 Federal Government Agencies goes live on the Travel platform, more agencies expected to follow suit;
- Founder and Executive Chairman convert \$333K worth of options.

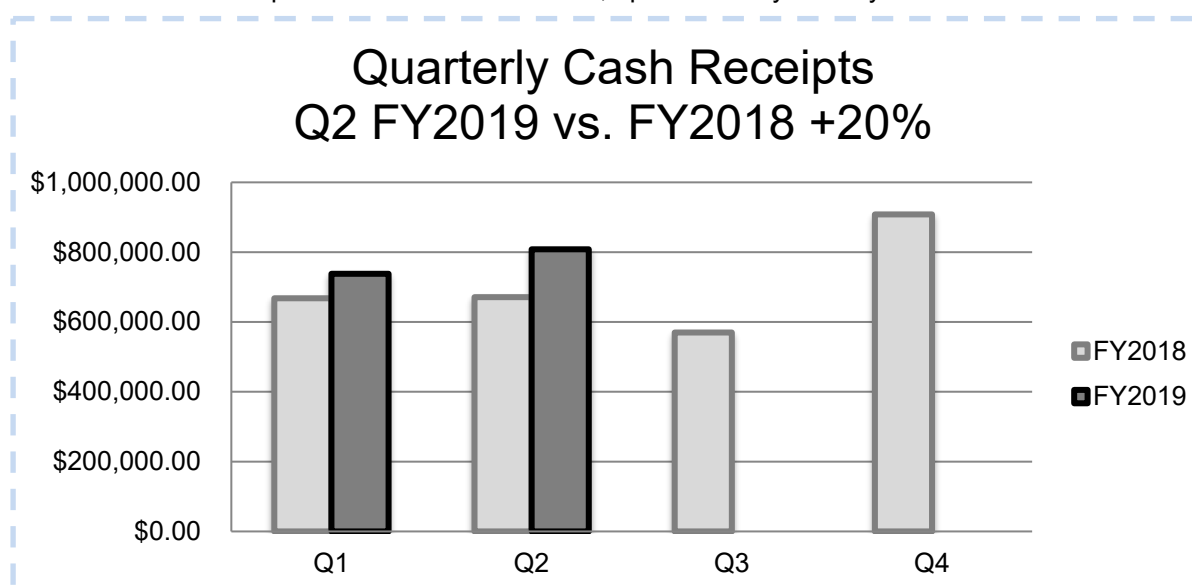
Commenting on the December 2018 Quarter, 8common Executive Chairman, Nic Lim said “We are on track to continue growing cash receipts and drive the group to operational cash surplus within the current financial year. Monthly recurring and transaction based SaaS revenues will continue to grow as new clients are on-boarded.”

Cash flow performance

The Company recorded a net cash inflow of \$124K for the period. Net operating cash outflow was \$209K. As expected, operating costs have lowered due to savings associated with the disposal of Realtors8. The cash position increased from \$205K to \$329K at the end of December 2018. The Executive Chairman converted \$333K worth of options during the quarter.

Expense8

Record Q2 cash receipts of \$808K were achieved, up 20% on a year on year basis.

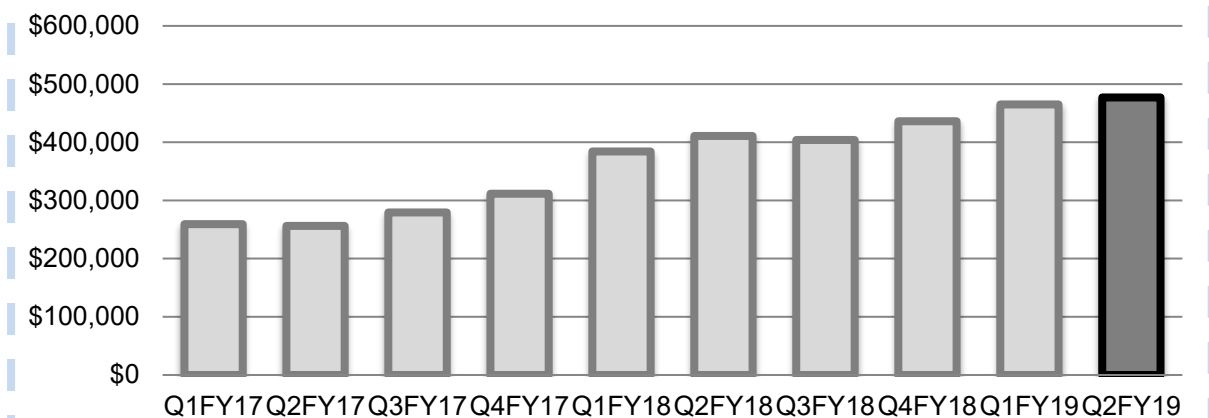


The core Expense8 SaaS (Software as a Service) revenue model is based on a combination of monthly platform, per account and transaction fees. Q2 SaaS revenue grew 16% Year-on-Year from \$411K to \$477K. The expected adoption of expense8 across Federal Government agencies will further boost revenue growth over the coming quarters.

Appendix 4C Quarterly report for entities subject to Listing Rule 4.7B

+ See chapter 19 for defined terms, 1 September 2016

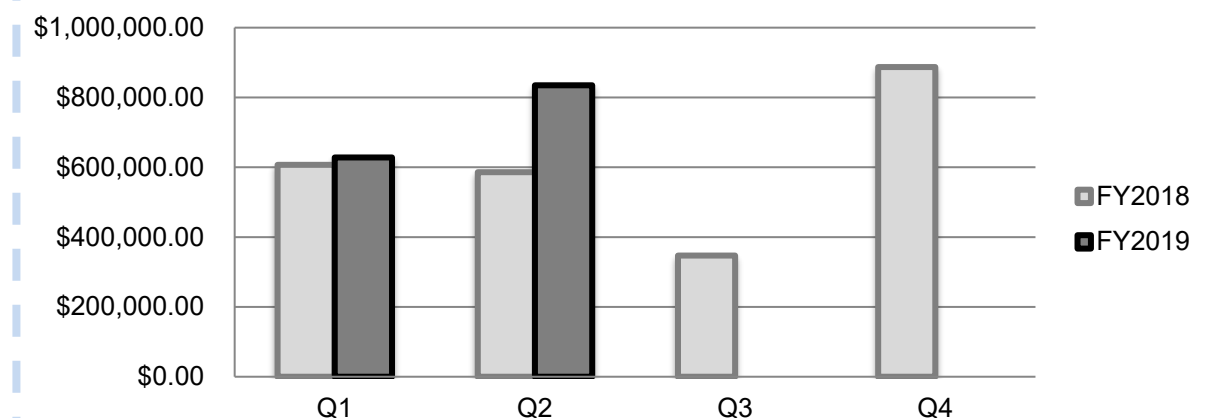
Quarterly SaaS Revenue Q1 FY2018 vs. Q1 FY2019 +21%



*FY19 Figures calculated from Unaudited Management Accounts

Federal Department of the Senate, Department of Finance and Federal Courts of Australia went live on the Travel platform with more agencies expected to follow suit. Revenue models are similar across all platforms with implementation fees and SaaS based monthly platform and transaction fees.

Quarterly Revenue Q2 FY2019 vs. Q2 FY2018 +42%



*FY19 Figures calculated from Unaudited Management Accounts

Outlook

The Group expects to reach operational cash surplus within the current financial year driven by new customer implementation revenue and existing customer usage of the various product platforms.

For further information please contact:

Nic Lim

Executive Chairman

E: nic@8common.com

About 8common Limited

8common is listed on the Australian Securities Exchange (ASX:8CO). With a focus on financial technology, the group's core product expense8 delivers Travel & Expense Management (TEM) and Card Application & Management to large Australian enterprises including Woolworths, Broadcast Australia, Amcor and State and Federal government agencies including the Federal Department of the Prime Minister and Cabinet and the NSW Department of Education.

Appendix 4C Quarterly report for entities subject to Listing Rule 4.7B

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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

31 December 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	808	1,559
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(100)	(213)
(c) advertising and marketing	-	-
(d) leased assets		
(e) staff costs	(472)	(1,064)
(f) administration and corporate costs	(444)	(1,091)
1.3 Dividends received (see note 3)		
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	225
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(209)	(584)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets		

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2.2	Proceeds from disposal of:		
	(a) property, plant and equipment		
	(b) businesses (see item 10)		
	(c) investments	-	98
	(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)	-	(53)
2.6	Net cash from / (used in) investing activities	-	45

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	333	333
3.4	Transaction costs related to issues of shares, convertible notes or options		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
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	333	333

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	205	534
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(209)	(583)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	45
4.4	Net cash from / (used in) financing activities (item 3.10 above)	333	333
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	329	329

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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	279	155
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details) Term Deposit	50	50
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	329	205

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

50

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 deferred 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

Add notes as necessary for an understanding of the position

**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

Appendix 4C Quarterly report for entities subject to Listing Rule 4.7B

+ See chapter 19 for defined terms, 1 September 2016

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Research and development	-
9.2	Product manufacturing and operating costs	(110)
9.3	Advertising and marketing	
9.4	Leased assets	
9.5	Staff costs	(440)
9.6	Administration and corporate costs	(360)
9.7	Other (provide details if material) ATO Monthly Repayment Plan	(84)
9.8	Total estimated cash outflows	(994)

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: 
Company secretary

Date: 31 January 2019

Print name: Dean Jagger

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

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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.