

# Coffee Microcaps Presentation

1 May 2023

8common

(ASX:8CO)

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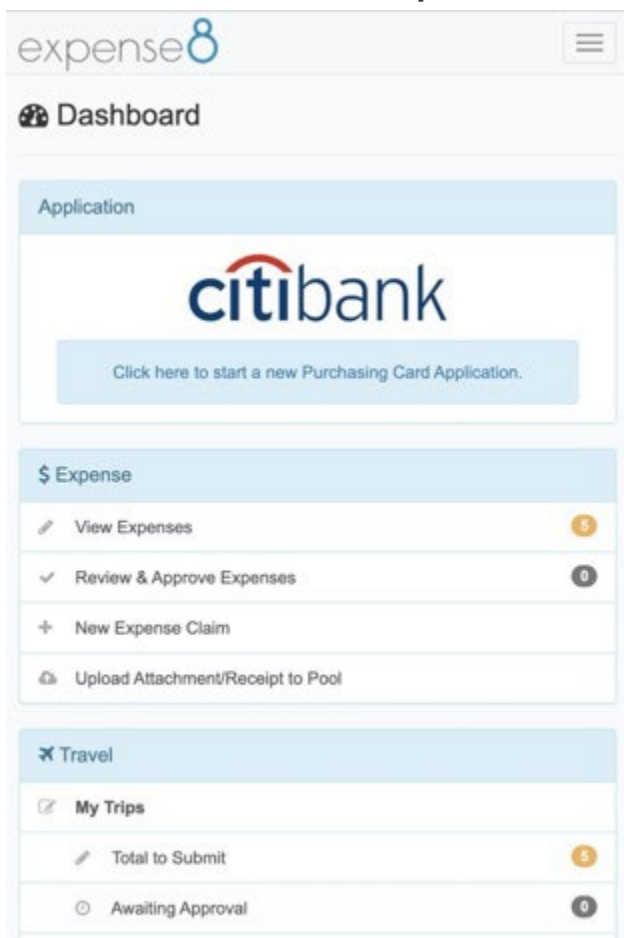
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# Financial Transactions Management and Payments for Blue Chip Clients

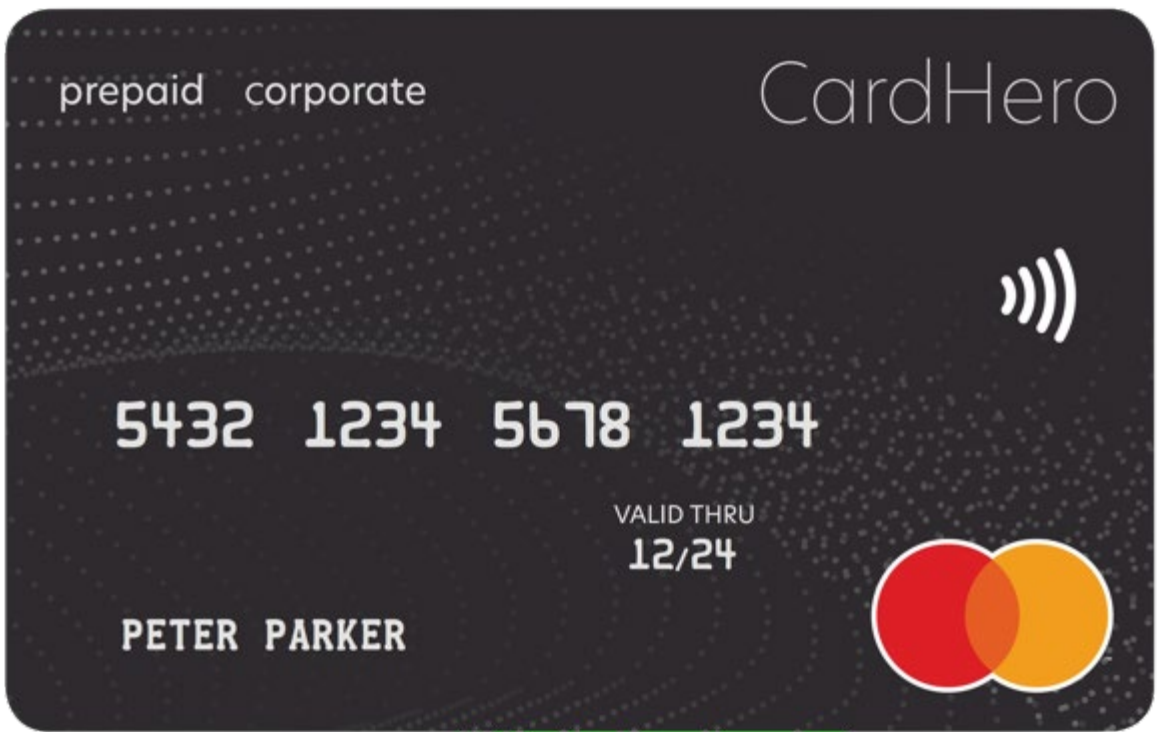
## Leading Player + Pioneering Position



Expense8 is an enterprise grade Software as a Service (SaaS) platform that supports organisations in the management of their credit cards, business expenses and travel



CardHero offers enterprises a next generation and robust closed-loop fund disbursement and card payment solution



## Core Clients

8common's client base consists of enterprise customers such as Woolworths, and over 153k users across 160 state, territory and federal government entities



Financial highlights  
show transition to  
positive operating  
cashflow

# Financial Highlights at Q3 FY2023



Q3 FY23 Revenue  
39% growth vs  
PCP



YTD value of  
transaction  
managed by  
exoense8



Q3 FY23 PCP SaaS and  
Transaction Revenue  
up 25% vs PCP



TTM Revenue +64%  
vs PCP



YTD FY23 revenue  
has already  
surpassed FY22  
revenue of \$4.5m



TCV of signed deals  
YTD FY23, greater  
than new TCV in  
FY21 and 22  
combined



Fed Gov ARPU  
vs \$20 average  
ARPU

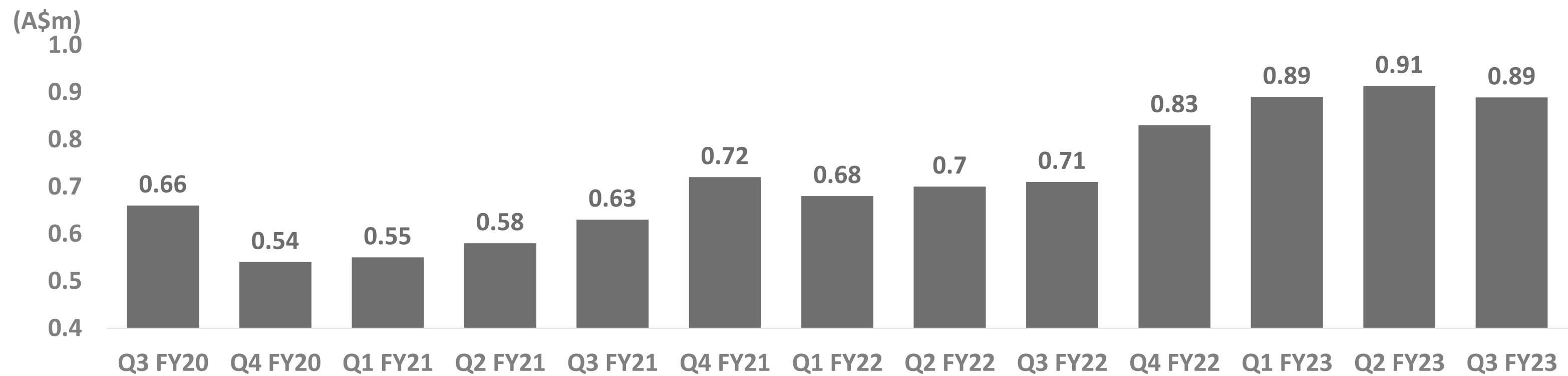


Cash balance to  
transition to op  
cashflow positive

# Recurring & Transaction SaaS Revenue

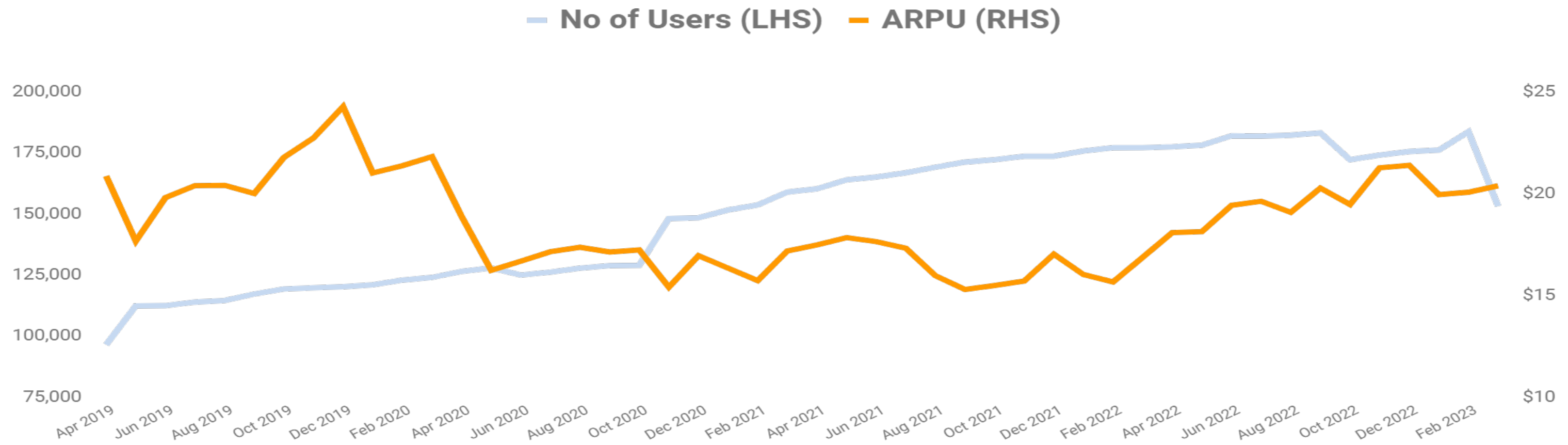
- Quarterly transaction and recurring SaaS revenue of \$889k, up 25% on the previous corresponding period (pcp)
- Growth driven by increasing ARPU and higher proportion of Federal Government activity
- Annualised Recurring transaction and SaaS Revenue (ARR) of c.\$3.7 million at 31 March 2023
- Federal GovERP mandate expected to significantly grow SaaS revenue in FY24 as current implementation projects deliver users to the platform

Quarterly Recurring & Transaction SaaS Revenue (\$000)



# User Growth and ARPU

- Overall user numbers decreased to 153k at the end of the quarter due to the roll-off of the Transport for NSW contract - a high user volume, low ARPU client.
- ARPU of \$20.12, up 9% vs PCP, but down slightly on the prior quarter due to the impact of the seasonally lower business travel & activity levels over the January holiday period
- Federal Government ARPU of \$46.96 for the period, an important indicator of future revenue growth given the increasing number of federal government users to be on-boarded under the GovERP program



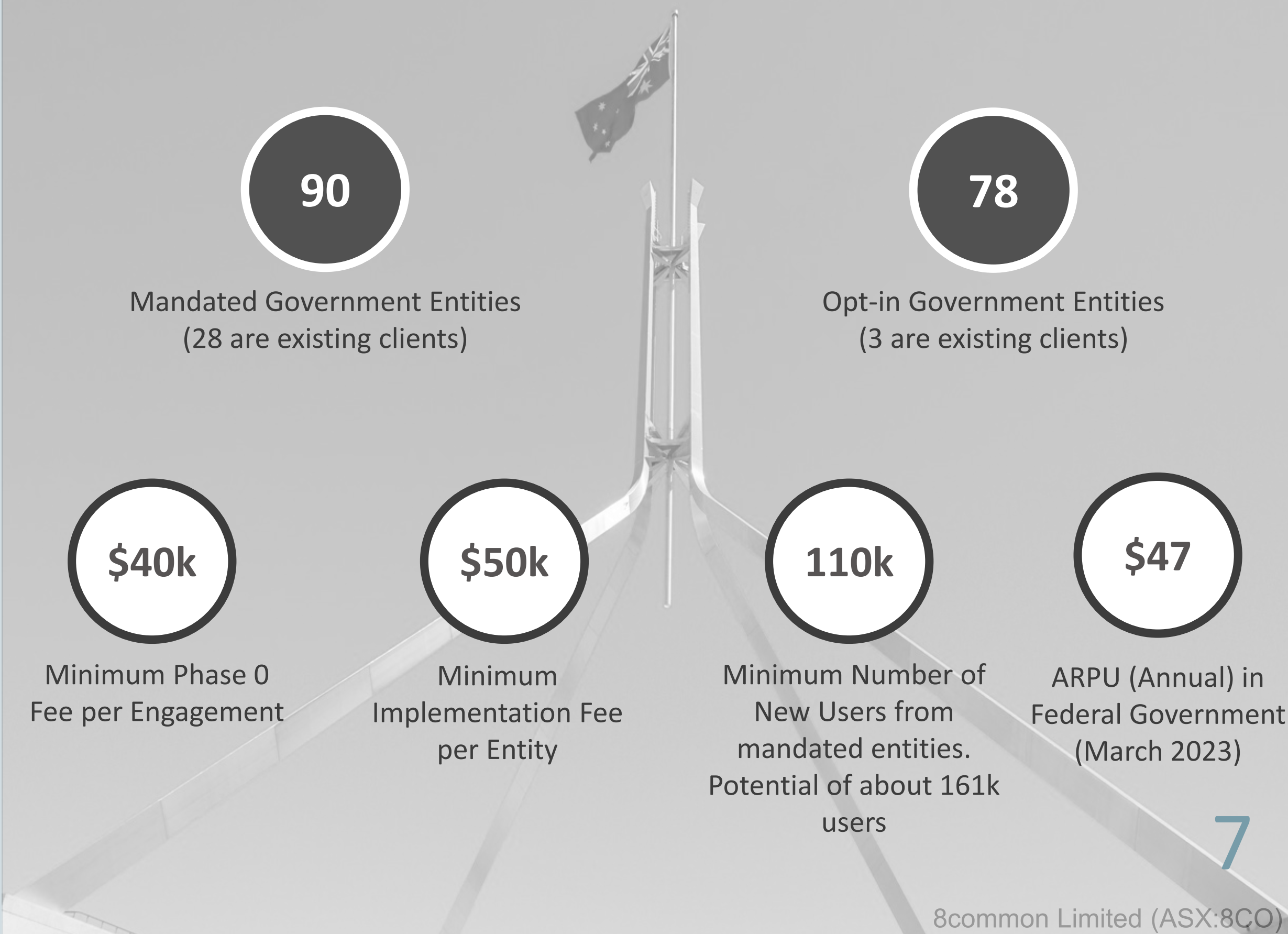


# Whole of Government ERP

- 8CO flagship product expense8 was selected as the sole solution provider of Travel and Expense Management for the Australian Government GovERP panel
- 8CO have designed a technology solution specifically with the GovERP program to provide a unified solution for the whole of Government Travel and Expense management requirements.
- As at 31 March 2023 over \$5.5million total value of signed contracts under GovERP program
- Transaction and recurring revenue from GovERP to scale significantly in FY24



## Federal GovERP



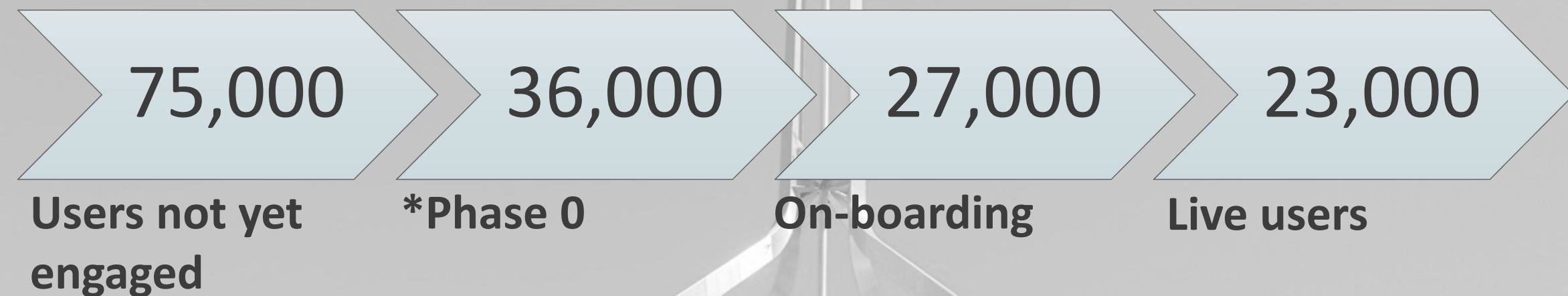
# Whole of Government ERP

- Potential of ~161k users under GovERP program
- 23,000 Federal Gov users
- Key Agencies Signed to date include:
  - Dpt. Veteran Affairs
  - Australian Securities and Investment Commission (ASIC)
  - Dpt. Climate Change, Energy, the Environment and Water
  - Dpt. of Finance (includes 6 other Service Delivery Office/Shared services agencies)
  - Dpt. of Human Services



## Federal GovERP

***There are approximately 161k Total Potential Users Under the GovERP Program***



*\* Phase 0 Discovery workshops are a key pre onboarding phase for Federal Government agencies on their path to adopting the GovERP template and as such can be viewed as a precursor to future user additions. Over 63k users under the GovERP program have commenced or completed. Phase 0 Discovery workshops*

Source: <https://budget.gov.au/2022-23-october/content/bp4/index.htm>





# About CardHero

## Digital pre-paid expense/disbursement cards



### PRE-PAID CARDS



Digital pre-paid expense/disbursement cards designed to enhance transparency and reduce barriers to disbursement and access too funds by employees and clients



### SIMPLIFIED FUNDS DISBURSEMENT

Manage employee/client disbursements easily with one off or multiple disbursements



### STRAIGHTFORWARD ONBOARDING

Integration with other platforms, strong self provisioning capabilities



### STREAMLINED ADMINISTRATION

Improved visibility, simplified reconciliations, ability to manage receipt photos to substantiate expenses



### FULLY DIGITISED SYSTEM

Digital card ready to go, automatic notifications and ability to require uploaded receipts



### EFFECTIVE REPORTING

Near real-time transaction reporting and fraud detection

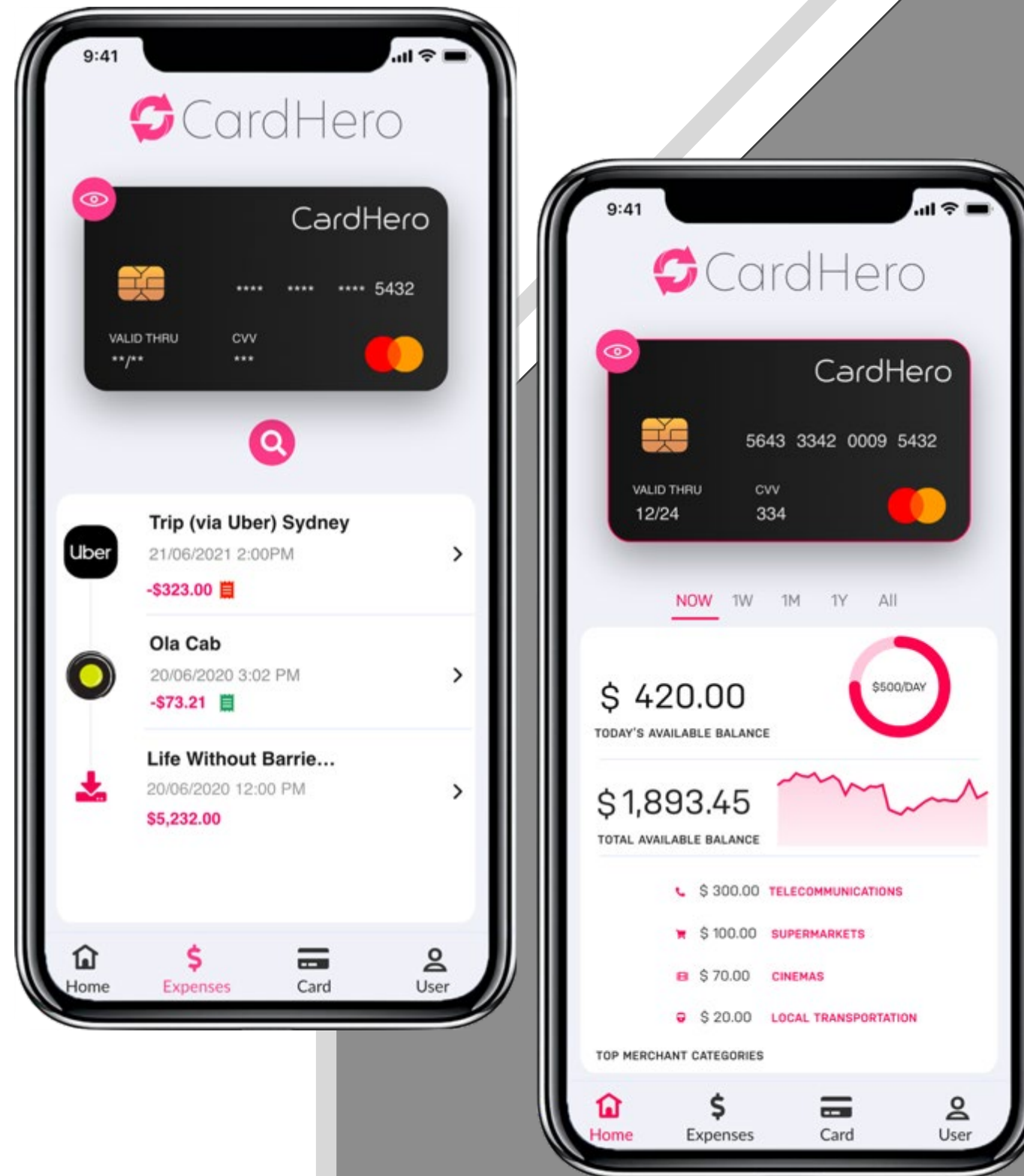


# Employee Purchasing

## Interesting Features:

- Administrators can view available funds, past transactions and recent top-ups
- Merchant type, geographical and currency configuration
- Pre-approval process and post transaction reporting

## Clients On-Boarded



# Fund Disbursement

## Core Target Market:

- Large volume of transactions
- Pre-approval capabilities
- Post transaction reporting tools

## Clients On-Boarded



LIFE  
WITHOUT  
BARRIERS



# The outlook

8CO will consolidate and secure its position in **large enterprise financial payments and transaction management**

A clear focus on:



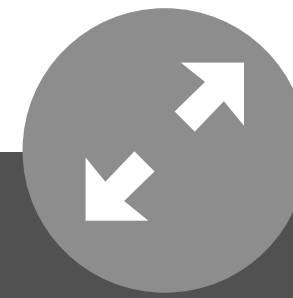
Grow organic revenue through new agency wins, uplift in users and increase of ARPU



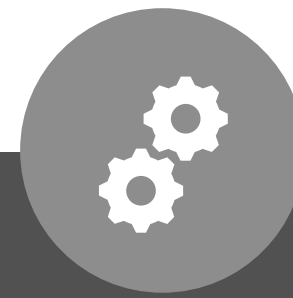
Over 27,000 users to go live under Fed GovERP in FY24



Focus on strategy to deliver CardHero existing clients and clearly defined opportunities



Expand direct client footprint and Develop partner ecosystem to scale distribution to new markets



Strong balance sheet provides all capital required to execute on growth and transition to cash flow positivity



## **Investor Relations**

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