

Record Q2 SaaS revenue from user growth

December 2024 Quarterly Report and Appendix 4C

Fintech company 8common Limited (8common or the **Company**) (ASX: **8CO**), is pleased to release its quarterly cashflow and business update for the quarter ended 31 December 2024 (2Q FY25).

Outlook:

Key financial highlights for 2Q FY25 include:

- Record transaction and recurring SaaS revenue of \$1.2 million, up 9% on the previous corresponding period (PCP) and total revenue of \$1.8 million
- Strong cash receipts from operations of \$2.3million
- Net operating cash outflow for the period of \$12k
- Annualised Recurring transaction and SaaS Revenue (ARR) of c.\$5.0 million at 31 Dec 2024
- ARPU of \$29.13 down 1% vs the prior quarter and up 10% vs PCP
- Cash balance of \$0.1 million at 31 December 2024 (30 September 2024: \$0.1 million). The cash position is supported by a \$1.5m financing facility from the Executive Chairman which ensures the Company remains adequately funded.

Key operational highlights include

- Additional 19 agencies went live in NSW Government including:
 - Heritage NSW
 - Environment Protection Authority
 - Energy Climate Change and Sustainability
 - National Parks and Wildlife Service
- The Federal government Travel and Procurement Payment Services (TAPPS) corporate credit card transition to NAB payment cards required configuration changes across all clients. The change in cards resulted in a deferment of some SaaS transaction revenue in August and September (which was realised in Q2 FY25). We anticipate the transitions to be completed by Q3 FY25.
- New and prospective client activity continues to encourage with tender and proposal activity at unprecedented levels.

| | 2QFY24 | 1QFY25 | 2QFY25 | % Change (PCP) |
|-----------------------------------|--------|--------|--------|-------------------|
| Total Revenue (A\$k) | 2,253 | 1,989 | 1,785 | -21% |
| SaaS & Transaction Revenue (A\$k) | 1,132 | 1,199 | 1,234 | 9% |
| Number of users (k) | 173 | 163 | 182 | 5% |
| ARPU – Total (A\$) | 26.39 | 29.34 | 29.13 | 10% |

8common CEO, Andrew Bond said “We had an extremely busy Q2 from a business development standpoint with tender and proposal activity at its strongest leading into the holiday season. This

positions us well for the remaining half of the year as we anticipate responses and decisions to come through operational efficiency continued to be in focus as other areas in the business continued to be optimised. This has resulted in a marginally cash outflow quarter as we continue to deliver progress. ”

Financial and operational review

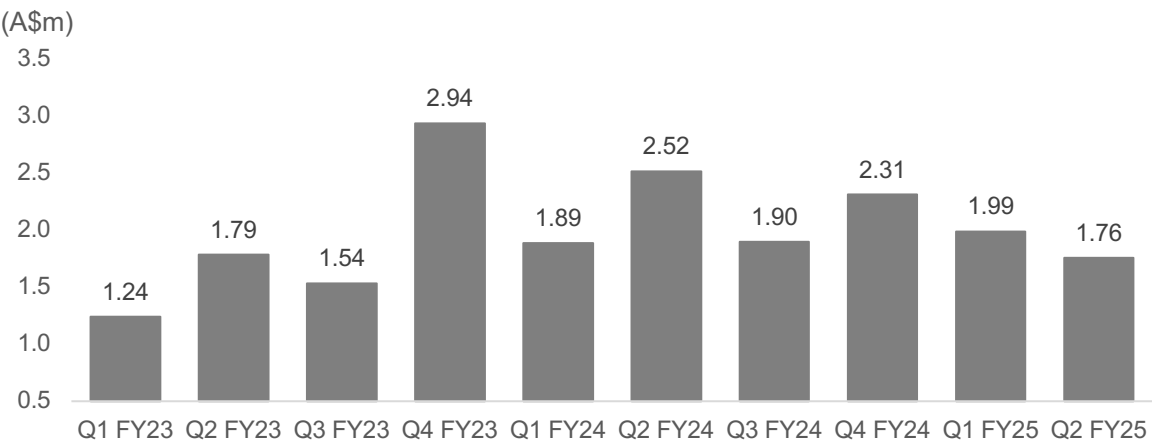
The Company delivered Record transaction and recurring SaaS revenue of \$1.2 million, up 9% on the previous corresponding period (PCP) and total revenue of \$1.8 million

ARPU for 2QFY25 was \$29.13, with strong user growth of 12% (QoQ) to 182k users.

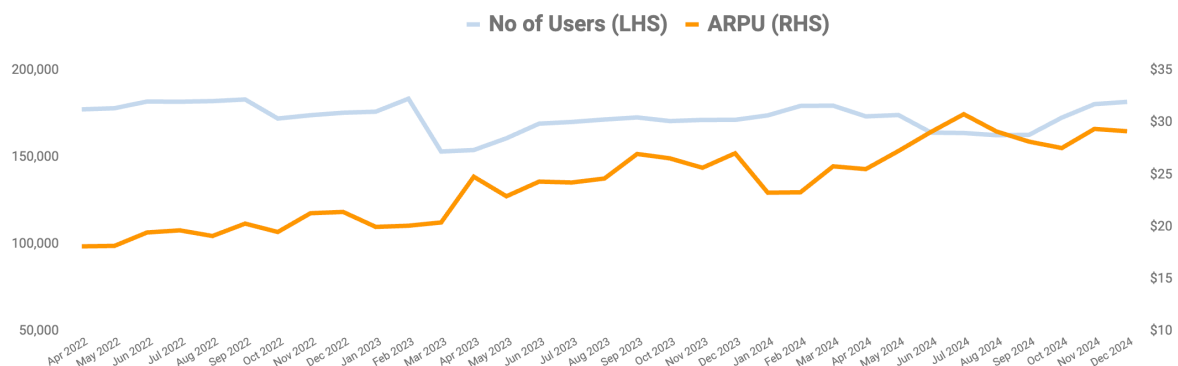
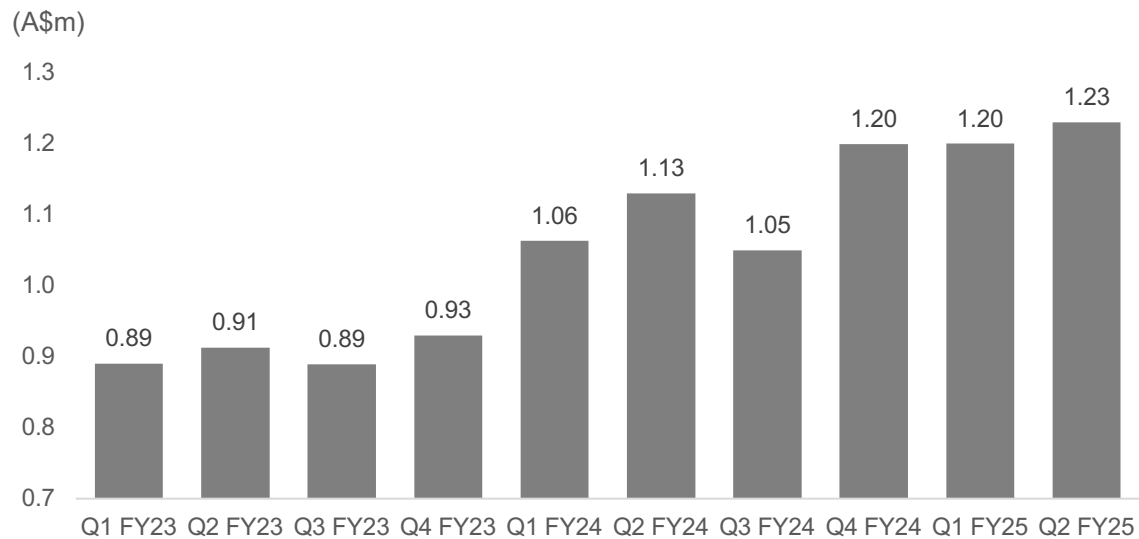
The Company continues to focus on costs and expenses. Staff, administration, and corporate costs were \$1.7 million for the quarter which was similar to Q1FY25.

Payments to the Directors of the entity, comprising of salaries and fees for Executive and Non-Executive Director, totalled \$46k during the quarter (see section 6 of the Appendix 4C). No other payments were made to any related parties or their associates of the entity.

Total revenue



Recurring SaaS & Transaction revenue

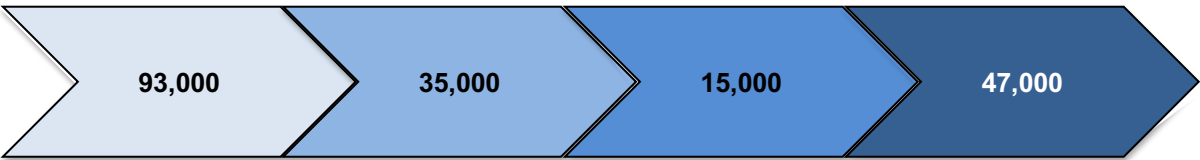


Expense8

- New and prospective client activity continues to encourage with tender and proposal activity at unprecedented levels.
- Significant existing client activity continues to drive Change request revenue which is expected to contribute to further revenue growth
- Additional 19 agencies went live in NSW Government including:
 - Heritage NSW
 - Environment Protection Authority
 - Energy Climate Change and Sustainability
 - National Parks and Wildlife Service
- Reseller partnership activity has strengthened and with more resellers expected to partner with expense8

Fed Gov onboarding pipeline (as at 31 December 2024)

There are approximately 190k Total Potential Users of Expense8



Users not yet engaged *Phase 0 Onboarding Live Users

* Phase 0 Discovery workshops are a key pre onboarding phase for Federal Government agencies on their path to adopting Expense8 and as such can be viewed as a precursor to future user additions. Over 55k users have commenced or completed Phase 0 Discovery workshops

Source: https://budget.gov.au/content/bp4/download/bp4_10_staffing_of_agencies.pdf

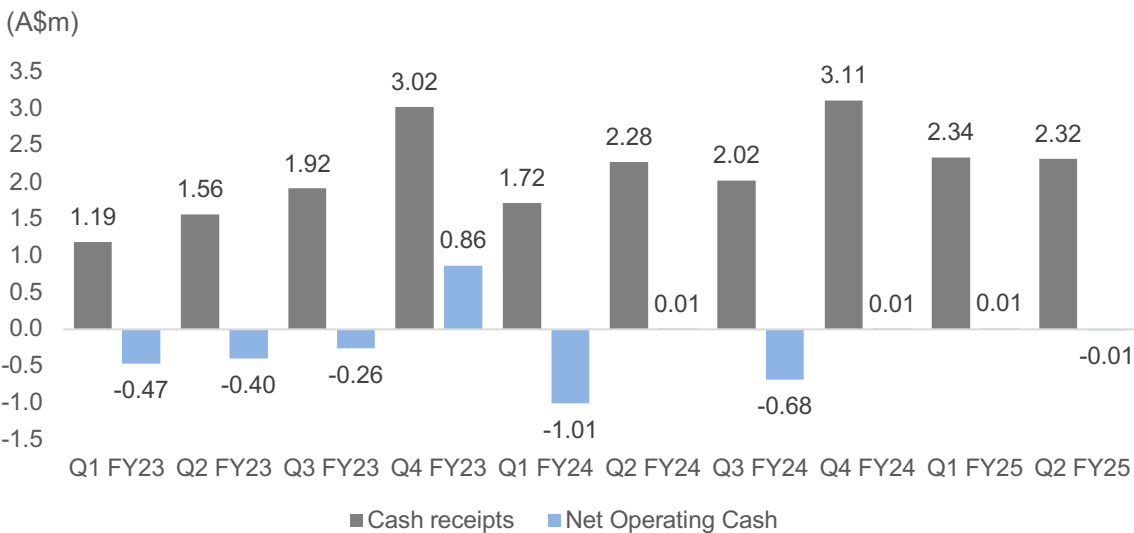
CardHero

CardHero continues to operate cashflow positive and with business development efforts continuing. CardHero contributed \$107k to recurring SaaS and transaction revenue during the quarter.

Cash Flow performance

Net cash flow from operations for 2Q FY25 was -\$12k, supported by strong cash receipts and cost efficiency gains which should continue through the rest of the year.

The Company has a cash position of \$0.1 million as at 31 December 2024. The cash position is supported by a \$1.5m financing facility from the Executive Chairman which ensures the Company remains adequately funded.



Further information

Corporate

Nic Lim

nic@8common.com

Executive Chairman

About 8common Limited

8common (ASX:8CO) solutions deliver enterprise grade financial transaction processing for government entities and large enterprise businesses. Its flagship Expense8 platform is a leading pureplay provider of end-to-end travel expense management software, card application and management. The innovative software solutions improve organisation, productivity, incorporate company organisational policies and expense auditing to reduce fraud.

Its new product CardHero (prepaid card fund distribution) delivers a closed loop solution to support regulated, large network and high-volume requirements. 8common specialises in large enterprise and government segments.

Its growing client base of more than 182,000 platform users include enterprise customers Woolworths, Broadcast Australia, Amcor, and over 190 state and federal government entities. For more information, visit <https://www.8common.com/>

Appendix 4C

Quarterly cash flow report for entities
subject to Listing Rule 4.7B

Name of entity

8common Limited

ABN

51 168 232 577

Quarter ended ("current quarter")

31 December 2024

| 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 | 2,320 | 4,659 |
| 1.2 Payments for | | |
| (a) research and development | | |
| (b) product manufacturing and operating costs | | |
| (c) advertising and marketing | - | (6) |
| (d) leased assets | | |
| (e) staff costs | (590) | (1,162) |
| (f) administration and corporate costs | (1,742) | (3,500) |
| 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 | | |
| 1.8 Other (provide details if material) | | |
| 1.9 Net cash from / (used in) operating activities | (12) | (9) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire: | | |
| (a) entities | | |
| (b) businesses | | |
| (c) property, plant and equipment | | |
| (d) investments | | |
| (e) intellectual property | | |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| | (f) other non-current assets | | |
| 2.2 | Proceeds from disposal of: | | |
| | (a) entities | | |
| | (b) businesses | | |
| | (c) property, plant and equipment | | |
| | (d) investments | | |
| | (e) intellectual property | | |
| | (f) 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) | | |
| 2.6 | Net cash from / (used in) investing activities | | |

| | | | |
|-----------|---|--|--|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | | |
| 3.2 | Proceeds from issue of convertible debt securities | | |
| 3.3 | Proceeds from exercise of options | | |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | | |
| 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 | | |

| | | | |
|-----------|--|------|-----|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 134 | 131 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (12) | 3 |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | - | - |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | - | - |
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 122 | 134 |

| 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 | 122 | 134 |
| 5.2 | Call deposits | | |
| 5.3 | Bank overdrafts | | |
| 5.4 | Other (provide details) | | |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 122 | 134 |

6. Payments to related parties of the entity and their associates

6.1 Aggregate amount of payments to related parties and their associates included in item 1

6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

46

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Relates to payment of Director wages and Director fees for the quarter.

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

| Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|---|--|
| 1,500 | 0 |
| - | - |
| - | - |
| 1,500 | 0 |

7.5 Unused financing facilities available at quarter end

1,500

- 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Facility is provided by Mr Nic Lim, Executive Chairman of the Company. The facility is unsecured and has an interest rate of 6% per annum. The loan facility expires on 31 December 2025.

8. Estimated cash available for future operating activities**\$A'000**

| | | |
|-----|---|-------|
| 8.1 | Net cash from / (used in) operating activities (Item 1.9) | (12) |
| 8.2 | Cash and cash equivalents at quarter end (Item 4.6) | 122 |
| 8.3 | Unused finance facilities available at quarter end (Item 7.5) | 1,500 |
| 8.4 | Total available funding (Item 8.2 + Item 8.3) | 1,622 |
| 8.5 | Estimated quarters of funding available (Item 8.4 divided by Item 8.1) | 135 |

- 8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

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.

Date:31 January 2025.....

Authorised by:Board of Directors.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.