

Tuesday 27 February 2018

Decimal Business Update – February, 2018

BUSINESS UPDATE

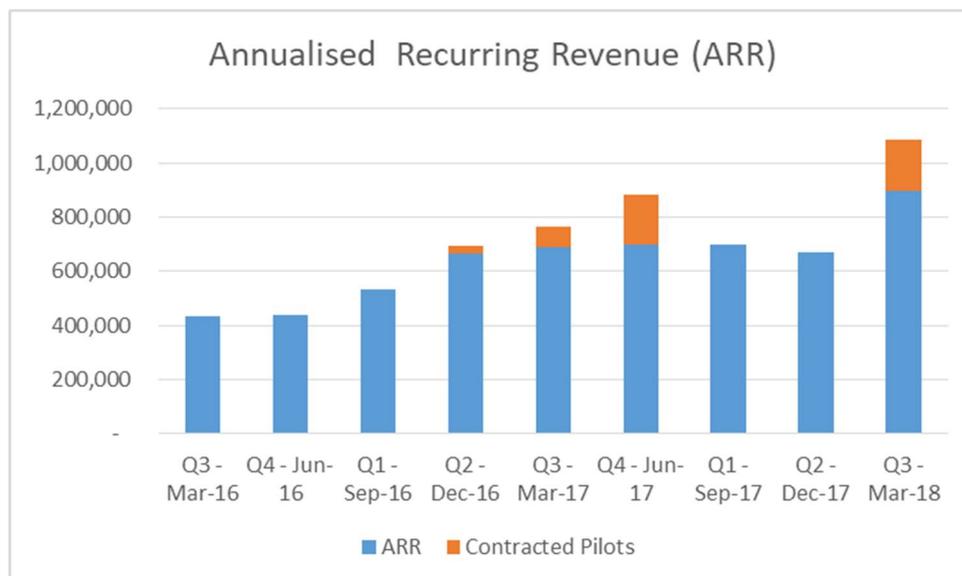
- Annual recurring revenue increase of 26 per cent from 1 January 2018.
- QSuper signs new three-year contract with Decimal
- Major diversified bank signs new pilot contract
- Statewide Super goes live with Decimal *Eqilize*
- IFM increases investment in Decimal to 15 per cent

Decimal Software Limited (ASX: DSX; “Decimal” or “the Company”) is pleased to provide this update on its financial and operational performance.

Annual recurring revenue increases 26 per cent

As at 27 February 2018, new contracts signed this calendar year have increased Decimal’s revenues.

Annual Recurring Revenue (ARR) has increased 26 per cent to \$898,130 per annum from \$668,130 per annum in 2017, effective from 1 January 2018. Additional pilot project revenue was also contracted in January which is recognisable revenue but not included into ARR calculations.



NB: ARR calculations do not include contracts less than 12 months in duration

QSuper signs new contract with Decimal

On 26 February 2018, QSuper signed a new three-year contract with Decimal for its digital advice platform, with increased platform fees as well as a new performance metric linked to the number of Statements of Advice (SOAs) issued through the service.

QSuper CEO Michael Pennisi said: “Decimal has been a key partner in fulfilling QSuper’s vision of putting members first and making financial advice available to more of them.

“Our membership has embraced digital advice. The collaboration with Decimal has meant we have already delivered more than 23,000 digital SOAs to our members, helping us to lift member engagement, understanding and support of their retirement outcomes.”

The new contract is for three years with an effective commencement date of 1 January 2018.

Major diversified bank signs new pilot contract

Having successfully delivered the first phase of a pilot project to a major Australian diversified bank, Decimal has entered a new commercial contract for an additional period.

The current pilot has moved in to business as usual operations and the customer is currently evaluating a number of key projects for the Decimal platform. The new contract takes effect from February 2018.

Statewide Super goes live with Decimal *Eqilize*

South Australia’s only locally-based and operated industry superannuation fund, Statewide Super, has launched a digital advice platform to its 145,531 members using Decimal *Eqilize*.

The service was soft launched in January 2018, however it has immediately recorded strong interest, already delivering SOAs to many members of the South Australian fund.

Statewide Super General Manager Member Engagement & Marketing Tony D’Alessandro said: “Decimal is an ideal fit in terms of functionality and delivering the best possible outcomes to our members. This includes product capability, Decimal’s approach to implementation and the company’s understanding and compliance with ASIC’s guidelines on digital advice.”

Decimal CEO Nic Pollock said the company was very proud to deliver its first project in conjunction with Industry Fund Services, the AFSL licensee and delivery partner for Statewide Super.

IFM Investors increases investment in Decimal to 15 per cent

On 18 January 2018, Decimal was pleased to announce one of its cornerstone investors, global fund manager IFM Investors, increased its stake in the company to 15 per cent with the purchase of an additional 28,900,000 ordinary shares at \$0.03 per unit.

IFM Investors is a global fund manager owned by 28 major superannuation funds with more than A\$72 billion in assets under management. IFM Investors purchased a 6.5 per cent shareholding in Decimal in January 2017.