

## ApplyDirect Limited March Quarterly Report and Appendix 4C

### Key business highlights

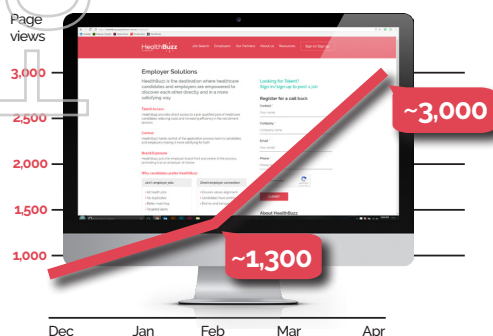
- **HealthBuzz site visits exceed 1 million**, which is equal to circa two-thirds of all employees in the health sector in Australia
- As the destination for job seekers in health, **launched on-site advertising product in March 2017**. As at the end of April 2017, four customers have signed up for this new product
- **Total of 20 revenue generating customers** now on HealthBuzz, representing ~100% increase since the end of February 2017
- Expanded the number of **jobs currently advertised on HealthBuzz to over 85%** of all health jobs, with the balance expected to follow by 30 June 2017
- **Renewal of existing ApplyDirect customers exceeding 85%**, which is a strong endorsement of its enduring value proposition. Importantly, all such renewals have been generated on more favourable terms
- **Approved as registered seller to the Federal Government**, a necessary precursor to competing for a portion of the \$5 billion spent per annum by the Commonwealth on Information & Communication Technology (ICT), including digital marketing
- In concert with Mercury, **completed development of a 'plug and play' end-to-end talent acquisition solution** comprising candidate search, application management, and job ready checks. This integrated solution is specifically targeted at small to medium sized businesses (SME) in the health sector, whose current talent acquisition process is largely manual. Marketing of this new product has commenced, with an incremental sales pipeline building
- Leveraged the investment in HealthBuzz, to **complete an upgrade of the user experience (UX) on the ApplyDirect platform**. The new user interface will be officially launched in June 2017

### HealthBuzz site visits equal approximately two thirds of all employees in the health sector

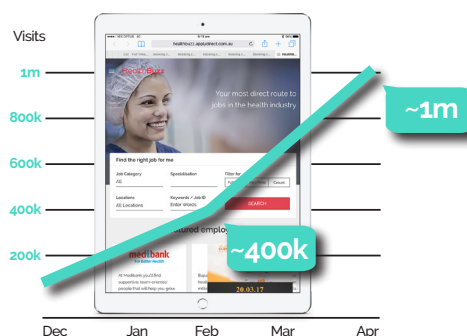
With 1.5 million employees in the healthcare sector, this represents significant progress. Since February 2017, HealthBuzz has enjoyed a:

- ~150% increase in candidate traffic;
- ~200% increase in jobs searched; and
- ~300% increase in Apply click-through rate.

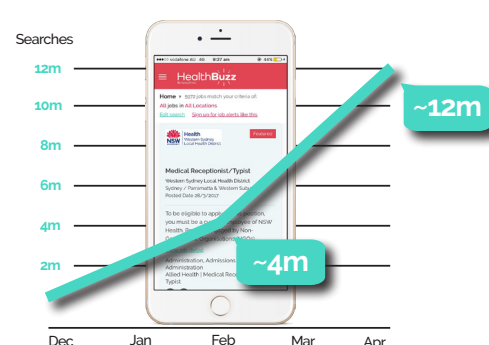
#### Employer Visits



#### Candidate Visits



#### Jobs Searched

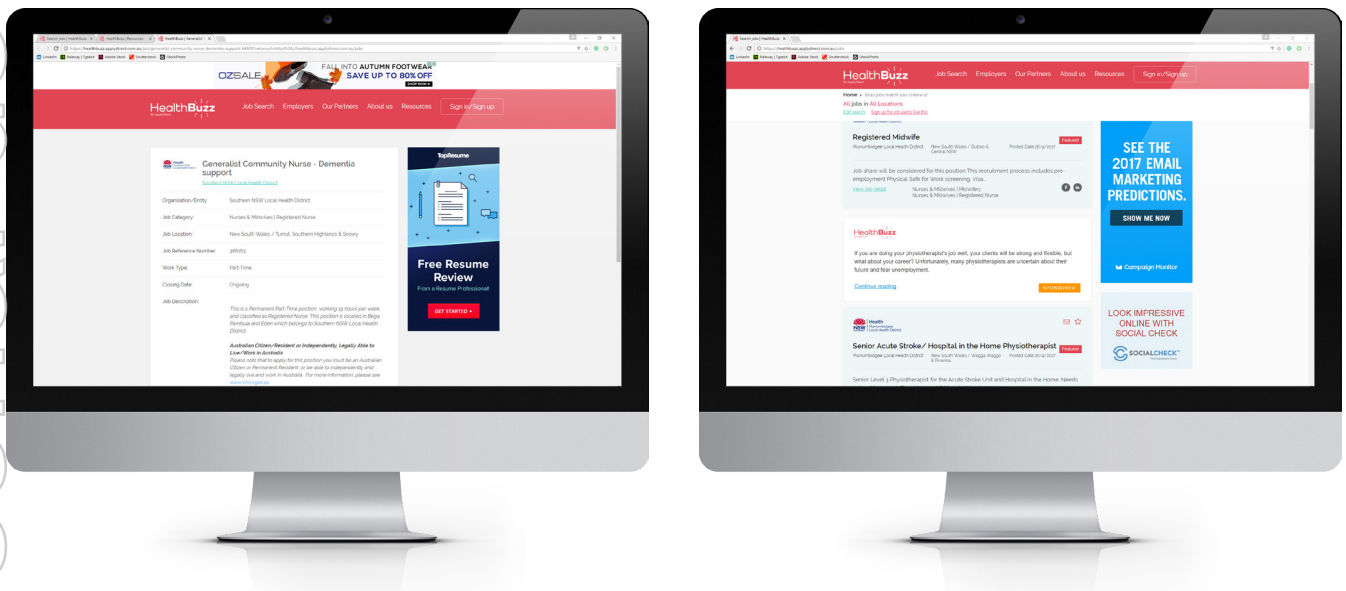


## Revenue growth will be driven by HealthBuzz subscriptions, on-site advertising & customer renewals

The customer base on HealthBuzz continues to expand with 20 revenue contributing customers signed up as at the end of April 2017.

- Subscriptions increased by 60%, with 16 revenue contributing employers currently subscribed for job advertising
- Enabled by the buildup in traffic on HealthBuzz, launched on-site advertising product in March 2017. Four customers (including Australia Post) have signed up to this new product as at the end of April 2017. This product has a strong pipeline that continues to build across sectors including superannuation and financial services

### HealthBuzz on-site advertising



The renewal rate of existing ApplyDirect customers is ~85%. It is noted these renewals have been generated on more favourable terms, including improved pricing and/or extended terms.

## Strong progress across a number of governments

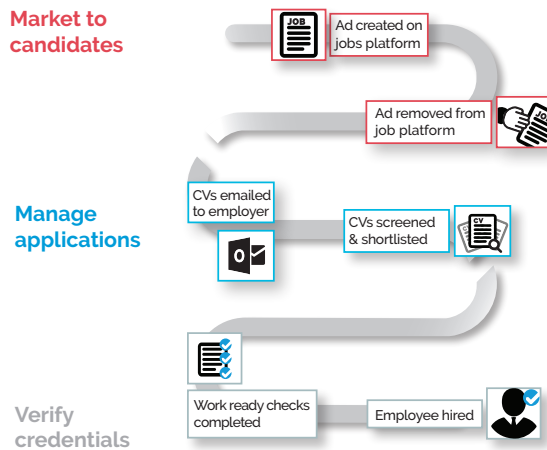
ApplyDirect recently applied for and was accepted onto the Federal Government panel as a registered seller of ICT services. More specifically, ApplyDirect is now permitted to offer software development, digital marketing and operational support services to the Federal Government. This provides the opportunity to actively participate in the \$5 billion spent by the Commonwealth each year on ICT.

More generally, ApplyDirect is continuing to advance opportunities with a number of other governments.

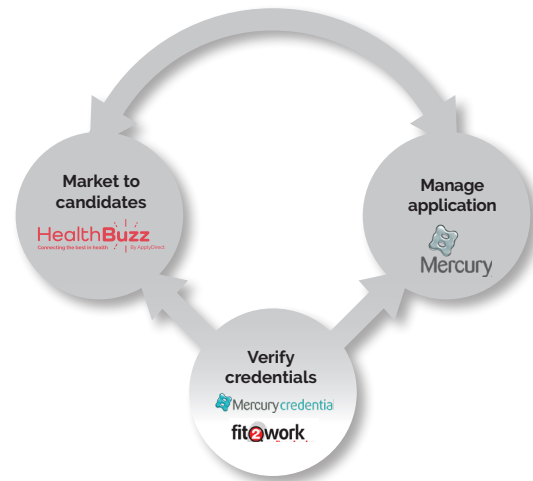
## Innovations increasing points of difference & creating revenue opportunities

Our strategic alliance with Mercury has enabled the creation of a new plug and play solution that offers SME employers a seamless and cost effective end-to-end talent acquisition solution. This product is aimed at employers which currently lack the necessary technology or systems integration to support their recruitment process

### Traditional non-integrated solution



### Integrated HealthBuzz solution

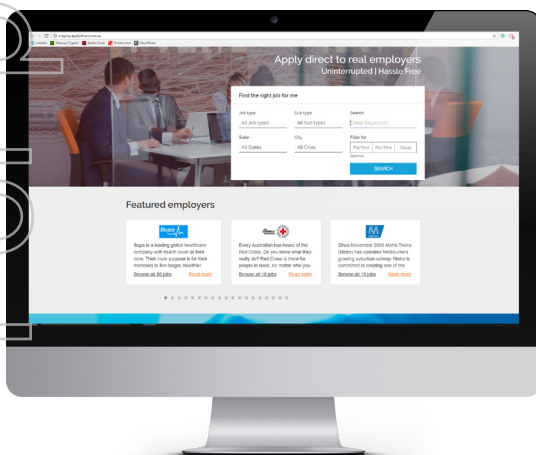


- The traditional process is heavily manual, particularly for small to medium sized businesses, often resulting in the duplication of data entry
- This non-integrated solution serves to increase the time to hire and the associated costs
- To solve this problem in the past, an expensive IT implementation was typically required. However, such investments do not easily integrate the necessary work ready checks

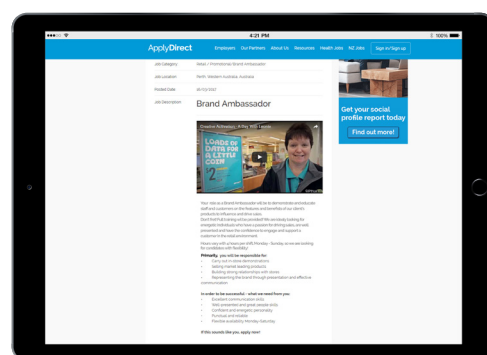
- Inclusive of job advertising, applicant management and credentialing, HealthBuzz offers an automated end-to-end talent acquisition solution
- This plug and play solution combines the technology and services of ApplyDirect and Mercury
- Enforces process standardisation, whilst also greatly reducing the time to hire by integrating the candidate credential checking during the application process

The investment in HealthBuzz has been leveraged to complete an upgrade to the user experience (UX) on the ApplyDirect platform. The images below provide an example of the new user interface.

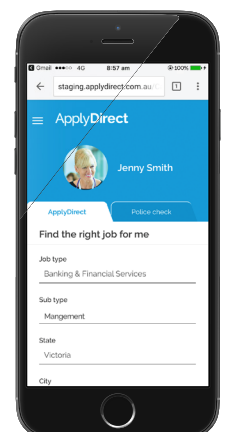
New ApplyDirect homepage



New ApplyDirect job ad details page



ApplyDirect profile



Go live, including the required marketing and promotion, is currently being planned, with official launch to take place in June 2017.

**Mr Lorcan Barden**  
CEO  
ApplyDirect  
1300 554 842  
3 / 3 Wellington St  
Kew Vic 3101

**Mr Phillip Hains**  
Company Secretary  
The CFO Solution  
+61 3 9824 5254  
1 / 1233 High St  
Armadale Vic 3143

## About ApplyDirect

ApplyDirect is a marketplace where employers and candidates can discover each other directly. We give control back to candidates and employers.

We aim to provide employers with fast, direct access to high quality talent at a lower cost, with less hassle and in a way which cuts out the middle man.

Jobseekers discover the job they've always wanted but could never find, or access. We connect them with companies actually looking for candidates – organisations for which they want to work. We give candidates the platform and tools to develop their careers and secure the job that is right for them.

We aim to end the inefficiencies that exist in the market today, providing candidates and employers with a better experience. Our search engine assesses, consolidates and catalogues job listings and makes them easily available to the right candidates. Our platform takes the stress out of looking for the right job, and brings strong talent straight to an employer's door.

In October 2016, ApplyDirect entered into a strategic alliance with Mercury Group of Companies Pty Ltd (Mercury), the largest supplier of workforce management software to the healthcare sector.

The alliance connects ApplyDirect's industry first platform, HealthBuzz, with Mercury's workforce management software, bringing together employers and candidates directly – without the need for recruitment agents and job boards.

## 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**

Apply Direct Limited

**ABN**

29 123 129 162

**Quarter ended ("current quarter")**

31 March 2017

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	131	444
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(142)	(388)
(c) advertising and marketing	(244)	(1,192)
(d) leased assets	-	-
(e) staff costs	(659)	(1,582)
(f) administration and corporate costs	(310)	(774)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	27	57
1.5 Interest and other costs of finance paid	(1)	(3)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	252	252
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(946)</b>	<b>(3,186)</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(11)	(17)
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(11)</b>	<b>(17)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	50
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	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>50</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	5,188	7,384
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(946)	(3,186)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(11)	(17)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	50
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>4,231</b>	<b>4,231</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> 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	1,981	1,189
5.2	Call deposits	2,250	4,000
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,231</b>	<b>5,189</b>

<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	154
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	

The amount at 6.1 includes payment of directors' fees and payments to a director related entity excluding superannuation and reimbursement for administrative expenses and travel expenses.

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	
N/A	

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.		
N/A		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	148
9.3 Advertising and marketing	396
9.4 Leased assets	-
9.5 Staff costs	782
9.6 Administration and corporate costs	181
9.7 Other (provide details if material)	-
<b>9.8 Total estimated cash outflows</b>	<b>1,507</b>



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: 28 April 2017

Print name: Phillip Hains

### 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.