

8 August 2017

GetBusy plc ("GetBusy" or the "Company" or the "Group")
Interim Combined Results for the six months ended 30 June 2017

GetBusy plc (AIM: GETB) announces its interim combined results for the six months ended 30 June 2017.

GetBusy was admitted to trading on AIM on 4 August 2017 following its acquisition of the demerged document management software business (the "Business") from its former parent company, Reckon Limited ("Reckon"), an Australian Stock Exchange listed accounting software company. The interim combined results of the Business are for the six months ended 30 June 2017, when it was part of Reckon. From 5 July 2017, the Business was acquired by the Company. The basis of the carve-out and combined methods applied in these interim combined results is consistent with that used in the Admission Document for the GetBusy Group.

KEY FINANCIAL INFORMATION

	30 June 2017 £'000	30 June 2016 £'000	Change %
Revenue	4,566	3,683	24%
EBITDA	780	352	122%
Capitalised development costs	1,134	1,289	(12)%

Financial highlights

- Revenue up 24 per cent. to £4.57 million (H1 2016: £3.68 million);
- Recurring subscription revenue increased to 83 per cent. of total revenue (H1 2016 82 per cent.);
- EBITDA up 122 per cent. to £0.78 million (H1 2016: £0.35 million);
- EBITDA operating margin is up 7 per cent. to 17 per cent. (H1 2016; 10 per cent.);
- Operating cash flow has increased by 206 per cent. to £0.81m (H1 2016: £0.27m); and
- Strong balance sheet with £3million raised on admission to AIM.

The financial information presented above has the majority of development costs capitalised and amortised on a like-for-like basis with those already disclosed in Reckon Limited's financial reports. In future reporting, GetBusy's accounting policies may reflect development costs being expensed rather than capitalised. For completeness, it should also be noted that future reporting will include the additional costs associated with operating GetBusy as a standalone AIM quoted company.

Operational highlights

- Strong growth across all international revenue streams with UK up 9 per cent., USA up 37 per cent. and other territories up 88 per cent;
- Expanded global infrastructure with 111 employees worldwide. UK 59 staff, USA 38 staff and ANZ 14 staff;

- 5,000 new paying customers added in H1 2017, 7,000 paying customers added in the full year of 2016;
- Total paying customer count as at 30 June 2017 increased to 56,000 (H1 2016: 48,000); and
- The development of the Company's innovative new product SCIM, targeted at our 752,000 online registered portal users is proceeding in line with expectations.

Daniel Rabie, CEO of GetBusy, commented:

"I am delighted with these results, particularly as the reported period coincided with the demerger from Reckon, the rights issue and our admission to AIM ("Admission").

With 83 per cent. of our growing revenues under repeat subscription, our high quality and strong organic revenue growth coupled with the proceeds from our rights issue on Admission puts the Company in an excellent position to leverage off its market position and accelerate our growth plans. In GetBusy, we have both a platform to bring our new SCIM product to market and also to build an infrastructure to scale and capitalise on the strong market demand for our disruptive products.

I would like to acknowledge the GetBusy team. Our unique culture enables us to move quickly, be innovative and truly address customer needs. Our success is carried on the shoulders of the talented team we have."

Enquiries

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CHIEF EXECUTIVE REVIEW

I am delighted to present the half year combined results of the Business to 30 June 2017 to our shareholders.

Strong organic growth combined with cost saving from operational efficiencies has led to solid results. In the first half of 2017 we commenced the de-merger from our parent company with a subsequent rights issue effective after the Company's admission to trading on AIM raising £3 million, streamlined our operations to reduce overheads, continued to meet customers' product demand and identified new growth opportunities. On top of this, our high customer stratification results proved that we remain focused on achieving our core mission to make our customers productive

and happy.

Our strategic focus for the rest of 2017 remains the same as the first six months. The foundations of a robust growth platform have been built and we are committed to scale it.

Key Strengths of the Group

These results have positioned the Group to take advantage of key market growth drivers. Some key strengths of our business are outlined below:

- **Strong recurring revenue growth**

The Group has generated strong organic revenue growth of 24 per cent.during the period. Further to this, the Group has recently changed its go-to-market strategy to target subscription sales based on Software-as-a-Service (“SaaS”) recurring revenue model. The Group’s subscription-based recurring revenues have increased to 83% of total revenue during the period.

- **Reliable products and proven operational model**

The Group has developed a reliable and strongly supported core product offering with a diversified customer base across industries and geographies. Our reliable product and customer focus results in low customer churn and the ability to scale revenue at a greater rate than the overheads needed to support that revenue.

- **Clear plan for future growth**

Both SmartVault and Virtual Cabinet have prospects to continue their current growth rates. Our 56,000 paying customers act as a foundation from which to continue the growth of the Group into the foreseeable future, and launch the new product offering, SCIM.

- **Team and culture**

GetBusy’s dynamic customer focused culture enables us to be innovative, agile and continuously moving forward. We are only as good as our team, and I am very proud of the passion and capabilities of the GetBusy team.

The Growing Customer Problem

The need to manage digital data and hard copy documents is a significant challenge for businesses using traditional digital storage and retrieval methods in standard computer operating systems. These systems are typically cumbersome, slow, unsecure and lack a standardised systematic approach to file storage and naming conventions. The Group’s software seeks to address the potential information chaos caused by these issues by optimising the capture, management, preservation and delivery for each individual document in the business.

This issue is a very real problem and forms a cost to businesses who are not addressing it. Wasted time dealing with information issues can cost organisations about.US\$19,732 per information worker per year, amounting to a 21.3 per cent. loss in an organisation’s total productivity.¹

¹<http://www.images.adobe.com/content/dam/Adobe/en/products/acrobat/axi/pdfs/bridging-the-information-worker-productivity-gap.pdf?ssid=KATQP>

The Group is positioned to access this international market as its SmartVault and Virtual Cabinet software are suitable for businesses ranging in size from SMEs to large global enterprise organisations. Furthermore, there is strong global demand and little country-specific optimisation needed, as evidenced by Virtual Cabinet's successful international expansion from the United Kingdom into the Australian and New Zealand markets.

These trends are favourable to the Group and its product suite and are expected to continue to drive new revenue growth and market expansion for the foreseeable future.

SmartVault and Virtual Cabinet

Our products are designed to provide a hybrid solution with on-premises document scanning, searching, storage and retrieval, complemented by secure 24/7 anytime, anywhere, cloud document distribution and electronic signature capabilities. In addition to seamless integration with other core business software, content capture facilities such as virtual printing and advanced e-mail capture rules allow automated information assimilation.

During H1 2017, SmartVault was the system of choice for 17,000 customers with an additional 3,000 new customer added in this time. Customers of SmartVault securely shared documents with over 539,000 registered users in H1 2017. We remain focused on increasing the life time value of our SmartVault customers and reducing the cost of acquisitions. Our inbound lead generation model continues to see good growth as we refine our customer acquisition model and increase brand awareness.

Virtual Cabinet is used by 39,000 customers, of which 2,000 were added in H1 2017. Customers of Virtual Cabinet securely shared documents with over 213,000 registered users in H1 2017. We continue to focus on moving Virtual Cabinet customers to a software as a service model. Virtual Cabinet's average revenue per user continues to grow as we focus on larger deal sizes. Our mature enterprise operating model enables additional revenue growth without the need to grow overhead the same rate.

Future Growth Strategy

Our next generation product, presently called SCIM, will seek to combine document management with key additional communication functionality that businesses require, but which is currently spread across multiple systems, including messaging, quotes, invoices, tasks capture and more.

The development of the SCIM product has three core objectives, to:

- create stronger customer relationships for users with less effort;
- help users become more organised and productive; and
- reduce administrative burden.

Once developed, the SCIM product is expected to be able to leverage the Group's existing customer base and global infrastructure in place.

SCIM addresses a real market need and is expected to continue to achieve growth in the Group's core markets of SMEs and large enterprises.

Outlook

In summary, we are extremely pleased with the financial results for the first half of the year. Our key focus for the second half of the year remains streamlining our operations, continuing to meet customers' product demand and identifying new growth opportunities through R&D, additional acquisition channels or new verticals.

GetBusy is in an excellent position to exploit the opportunities in the market.

The strong trading results continue to validate our strategy and business model and our mission to create productive and happy customer and increase shareholder value.

Daniel Rabie
CEO

Combined Statement of Comprehensive Income
for the six months ended 30 June 2017

	Note	Six Months ended 30 June 2017 £ '000	Six Months ended 30 June 2016 £ '000
OPERATING ACTIVITIES			
Revenue	3	4,566	3,683
Product Costs		(338)	(298)
Staff Costs		(2,572)	(2,222)
Premises and establishment expenses		(170)	(139)
Marketing expenses		(197)	(232)
Development costs		(88)	(70)
Amortisation		(624)	(317)
Depreciation		(56)	(54)
Other expenses		(421)	(370)
		(4,466)	(3,702)
Operating profit		100	(19)
Finance income/(expenses)		(29)	4
Profit/(loss) before income tax from continuing activities		71	(15)
Income tax credit		57	27
Profit from continuing operations		128	12
Other Comprehensive Income			
<i>Items that may subsequently be reclassified to profit and loss</i>			
Foreign exchange gain		101	46
Total comprehensive income		229	58

Combined Statement of Financial Position
as at 30 June 2017

	Note	30 June 2017 £ '000	31 Dec 2016 £ '000
ASSETS			
Current			
Trade and other receivables		1,045	731
Other assets		366	375
Total current assets		1,411	1,106
Non-Current			
Property, plant and equipment		311	317
Intangible assets	4	3,252	2,742
Total non-current assets		3,563	3,059
TOTAL ASSETS		4,974	4,165
LIABILITIES			
Current			
Trade creditors and other payables		692	667
Deferred revenue		3,106	3,068
Provisions		64	120
Financial liabilities		75	85
Current tax liabilities		245	177
Total current liabilities		4,182	4,117
Non-Current Liabilities			
Financial liabilities		33	66
Deferred Tax liabilities		306	257
Total Non-Current Liabilities		339	323
TOTAL LIABILITIES		4,521	4,440
NET ASSETS		453	(275)
EQUITY			
Share capital	5	157	101
Merger funding		1,281	838
Foreign currency translation reserve		20	(81)
Retained earnings		(1,005)	(1,133)
TOTAL EQUITY		453	(275)

Combined Statement of Changes in Equity
for the six months ended 30 June 2017
as at 30 June 2017

	Share Capital £ '000	Retained earnings £ '000	Foreign Currency Translation Reserve £ '000	Merger Funding £ '000	Total Equity £ '000
Balance at 1 January 2017	101	(1,133)	(81)	838	(275)
Profit for the period	-	128	-	-	128
Foreign currency translation	-	-	101	-	101
Total comprehensive income for the period	-	128	101	-	229
Funding from related party	-	-	-	443	443
Total transactions with owners	-	-	-	443	443
Inclusion of GetBusy plc	56	-	-	-	56
Balance at 30 June 2017	157	(1,005)	20	1,281	453

	Share Capital £ '000	Retained earnings £ '000	Foreign Currency Translation Reserve £ '000	Merger Funding £ '000	Total Equity £ '000
Balance at 1 January 2016	100	9	(8)	(880)	(779)
Profit for the period	-	12	-	-	12
Foreign currency translation	-	-	46	-	46
Total comprehensive income for the period	-	12	46	-	58
Dividends to shareholders	-	(350)	-	-	(350)
Funding from related party	-	-	-	1,230	1,230
Total transactions with owners	-	(350)	-	1,230	880
Inclusion of GetBusy USA Corporation	1	(863)	-	(120)	(982)
Balance 30 June 2016	101	(1,192)	38	230	(823)

Combined Statement of Cash Flows
for the six months ended 30 June 2017

	Six Months ended 30 June 2017	Six Months ended 30 June 2016
	£ '000	£ '000
Cash flow from operating activities		
Receipts from customers	4,746	4,135
Payments to suppliers and employees	(4,081)	(3,957)
Interest received/(paid)	(29)	4
Income tax received	174	83
Net cash from operating activities	810	265
Cash flow from investing activities		
Payment for property, plant and equipment	(96)	(15)
Proceeds from sale of property, plant and equipment	20	-
Payment for capitalised development	(1,134)	(1,289)
Net cash outflow from investing activities	(1,210)	(1,304)
Cash flow from financing activities		
Proceeds from Reckon Limited	443	1,230
Proceeds/(Payments) for other financial liabilities	(43)	159
Dividends paid	-	(350)
Net cash inflow from financing activities	400	1,039
Net increase/(decrease) in cash and cash equivalents	-	-
Cash and cash equivalents, beginning of the year	-	-
Net foreign exchange differences	-	-
Cash and cash equivalents at end of the year	-	-

**Notes to the consolidated financial statements
for the six months ended 30 June 2017**

1. General information

GetBusy plc (the "Company") and its associated companies specialises in document management software business operating across the United Kingdom, United States, Australia and New Zealand.

The Company was incorporated in the United Kingdom on 29 June 2017 and on 4 August 2017 became a quoted company on the AIM market of the London Stock Exchange.

GetBusy plc Group was formed on 5 July 2017. The shares in GetBusy Australia Pty Limited, GetBusy New Zealand Pty Limited, GetBusy UK Limited and GetBusy United States Corporation were transferred to GetBusy plc on this date.

Upon admission to AIM, GetBusy plc Group was demerged from Reckon Limited via In-specie distribution of GetBusy shares to Reckon shareholders on a 1 for 3 basis.

2. Basis of preparation

These interim financial statements have been prepared using accounting policies based on International Financial Reporting Standards ("IFRS"). The accounting policies, presentation and methods of computation followed in the preparation of these interim financial statements are consistent with those applied in the audited Historical Financial Information for the year ended 31 December 2016. These interim financial information are not required to and do not comply with IAS 34 "Interim financial reporting".

The interim financial information presented for the six month periods ended 30 June 2017 and 30 June 2016 has not been audited. The financial information for the year ended 31 December 2016 does not constitute the full statutory accounts for the period.

IFRSs do not provide for the preparation of financial information on a carve out basis or combined financial information for entities under common control which do not form a legal group. Accordingly, in preparing the interim statements, certain conventions commonly used for the preparation of historical financial information for inclusion in investment circulars as described in the Annexure to SIR 2000 (Investment Reporting Standard applicable to public reporting engagements on historical financial information) issued by the UK Auditing Practice Board have been applied. The basis of the carve-out and combined methods applied in these interim statements is consistent with that used in the Admission Document for the Group.

The interim financial statements have been prepared under historical cost convention and financial information is presented in sterling and has been rounded to the nearest thousand (£'000) unless otherwise stated.

As the legal group was not formed until 5 July 2017, there is a material departure from the requirements of IAS 33 to present earnings per share ("EPS") in these interim statements. Management are of the opinion that the calculated EPS would be misleading to users of the financial information due to the carve-out basis of preparation.

3. Segment reporting

The Business is currently organised into three geographic areas which are the United Kingdom, United States and Other. The geographical locations are the basis upon which the Business reports its financial information to the chief decision maker, being the Board of Directors.

	Six Months ended 30 June 2017	Six Months ended 30 June 2016
Revenue	£ '000	£ '000
The revenue reported below represents revenue generated from external customers where the sales originates		
United Kingdom	2,561	2,341
United States of America	1,399	1,019
Other	606	323
	<u>4,566</u>	<u>3,683</u>

4. Intangibles

	Capitalised development £ '000	Intellectual Property £ '000	Total £ '000
COST			
As at 1 January 2016	2,156	-	2,156
Acquired	-	63	63
Additions	1,289	-	1,289
As at 30 June 2016	3,445	63	3,508
Additions	1,362	-	1,362
As at 31 December 2016	4,807	63	4,870
Additions	1,134	-	1,134
As at 30 June 2017	5,941	63	6,004
AMORTISATION			
As at 1 January 2016	1,327	-	1,327
Amortisation for the period	317	-	317
As at 30 June 2016	1,644	-	1,644
Amortisation for the period	477	7	484
As at 31 December 2016	2,121	7	2,128
Amortisation for the period	620	4	624
As at 30 June 2017	2,741	11	2,752
NET BOOK VALUE			
As at 30 June 2016	1,801	63	1,864
As at 31 December 2016	2,686	56	2,742
As at 30 June 2017	3,200	52	3,252

The intangible assets represent capitalised development costs in GetBusy UK Limited and intellectual property purchased by GetBusy USA Corporation prior to the acquisition by Reckon Limited.

	30 June	30 June
	2017	2016
	£ '000	£ '000
Development costs capitalised	1,134	1,289
Development costs expensed	88	70
	<u>1,222</u>	<u>1,359</u>

5. Issued Capital

	30 June	30 June
	2017	2016
	£ '000	£ '000
Allocated, called up and fully paid capital		
Balance at 1 January	101	100
Addition of GetBusy plc / GetBusy USA Corporation	56	1
Balance as at 30 June	<u>157</u>	<u>101</u>

	No.	No.
	'000	'000
Allocated, called up and fully paid capital		
Balance at 1 January	101	100
Addition of GetBusy plc / GetBusy USA Corporation	37,500	1
Balance as at 30 June	<u>37,601</u>	<u>101</u>

6. Subsequent Events

On 5 July 2017 GetBusy plc acquired:

Shares in GetBusy Australia Pty Limited from Reckon Limited

Shares in GetBusy New Zealand Pty Limited from Reckon Accountant Group (NZ) Limited

Shares in GetBusy UK Limited from Reckon Limited

Shares in GetBusy USA Corporation from Billback LLC

These companies are 100 per cent. owned by GetBusy plc.

On 4 August 2017 GetBusy plc and its subsidiaries was demerged from Reckon Limited and its shares were admitted to trading on the AIM of the London Stock Exchange.

Effective 4 August 2017, after the demerger, an additional capital of £3 million was raised by way of a pro-rata non-renounceable rights issue to fund the ongoing development of the SCIM product and to expand marketing strategies and sales channels of the Group.

About GetBusy

GetBusy is an established, successful, award-winning Document Management software business, with global operations (UK, USA, Australia and New Zealand), providing over 56,000 customers with a highly secure form of digital document distribution with the flexibility to suit any business or industry. It has found particular success in the accountancy, legal and financial services verticals. Over 752,000 users are registered to share information through GetBusy's online client portals.

The Group currently has two core product offerings: its Virtual Cabinet product is Document Management software focused on the medium size to enterprise size content management (ECM) markets. It is used by 27 per cent. of the largest accounting firms in the UK, and it has completed a successful recent Australian and New Zealand launch proving its ongoing growth potential. GetBusy's SmartVault product is award winning Document Management software targeting the professional Small and Medium Enterprise (SME) market, and is long established in the USA market.

The Group is currently developing a new product which will help its customers create stronger relationships with less effort, will help users become more organised and productive, and reduce their administrative burden.

The Group has an international reach, rapidly growing existing products, a proven business model, and strong momentum moving into the future.

Further information on the Group is available at www.getbusy.com.