



28 January 2020

Manager of Company Announcements  
ASX Limited  
Level 6, 20 Bridge Street  
SYDNEY NSW 2000

By E-Lodgement

### **Strategic Business Update**

- **Highlighting the breadth of the Company's offerings and the strength of each business unit.**
- **Significant work done to re-align our ERP team and relationship with Oracle Netsuite which is now completed and looking to significant growth in Australia and Asia.**
- **Strong confidence that Riyo is developing into a world leading solution with worldwide opportunities.**

JCurve Solutions Limited (ASX: JCS) today provides an overview of the Company's strategic priorities.

### **Growing Your Company**

It is important to recognise the strength of the Company's underlying business divisions, namely:

1. A profitable Asia-Pacific ERP business originating and growing sales in Australia, but now using Singapore as a launchpad for Asian growth;
2. A profitable, legacy TEMS software solution, with Company owned IP, which continues to show resilience in customer numbers and revenue; and
3. A software solution, the Riyo Platform, with Company owned IP, which has been developed over a number of years, was purchased in 2018 by JCS, and is now moving into a period of first sales. For any tech development company, first sales are a watershed moment and enable the Company to open up channel partnerships.

Overlaying the above businesses is an executive management and Board team, focused on the stewardship of your Company and committed to growing shareholder value.

With the strength of our underlying business and solid cash position, we continue to investigate product IP acquisition opportunities which have synergies with JCS's existing software solutions.

### **Key Strategic Priorities**

As previously announced the Company is currently focused on three key strategic priorities:

1. Grow ERP in Australia;
2. Rapidly grow JCS in Asia; and
3. Grow Riyo faster.

### **Grow ERP in Australia**

The Company's ERP business remains the largest part of our sales profile, our team and our near term focus.

The shift in the new business sales mix of our Australian ERP Division towards the larger more complex NetSuite solutions with longer sales cycles has continued throughout 1HY2020 with a reduced number of Australian ERP new customers won but a 25% increase in the initial average deal



size. In addition to higher initial revenue, we expect that the shift to larger more complex NetSuite solutions will deliver stronger future revenue and profit potential from increased consulting opportunities and reduced customer churn but increasing levels of deferred ERP revenue as we sell to larger customers whose implementation takes longer to complete.

This transition to larger more complex Netsuite solutions has not been without its complications or difficulties as we re-aligned both our team and our relationship with Oracle Netsuite, moving the focus of our relationship away from entirely the small business JCurveERP edition to a broader basis selling the entire suite of Netsuite solutions.

Pleasingly, we can report that we have now successfully transitioned into these larger more complex contracts whilst continuing with the smaller JCurveERP contracts and, importantly, our contractual relationship with Oracle Netsuite has been updated accordingly. We are now positioned to strongly grow the entire suite of NetSuite solutions both locally and internationally and continuing as Oracle NetSuite's largest solution partner of NetSuite globally by number of customers managed.

### **Rapidly Grow JCS in Asia**

Since acquiring the Spectrum Business in December 2018, one of the Company's key strategic priorities has been to rapidly grow our Asia operations. As part of this focus, our CEO Stephen Canning relocated to Singapore in August 2019.

This expansion process in Asia has been slower than desired but we are now seeing both sales growth and recognition of the Company in Asia following the investment in our sales and marketing team over the past 12 months in Singapore. Pleasingly, in December 2019 the Company won its two largest new customers in Asia, with contracts worth in excess of A0.4m of combined contracted sales income over the contract periods.

In October 2019, JCS was recognized as a finalist in three categories of the Channel Asia Awards and in November 2019 presented at the Cyber Security and Digital Banking event in Vietnam. Such recognition and publicity assists the Company to expand its brand presence within the region.

The Company expects to see an improving contribution from our Asian operations in 2HY2020 reflecting a strong return on our investment in the Spectrum Business and Asia more generally.

### **Grow Riyo Faster**

Following feedback from initial customers we have continued to enhance the Riyo platform. We have moved our focus to larger opportunities in a broader range of areas as we have seen the real power of the platform.

Riyo, with its own IP sitting in the Company, provides a strong opportunity to establish a world leading solution. Management are focused on revealing the true potential of this opportunity to shareholders as well as counterparties through the rest of 2HY2020 and beyond.

For and on behalf of the Board

Bruce Hatchman  
Chairman



**About JCurve Solutions:**

JCurve Solutions is a trusted Australian technology solutions partner, listed on the ASX (JCS). The team at JCS utilise the power of the cloud to help customers make lasting, substantial improvements to their performance and grow into great businesses. Learn more: [www.jcurvesolutions.com](http://www.jcurvesolutions.com).