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Edison Talks Tech

Sydney

March 2015

Published by Edison Investment Research

Welcome to the Edison research guide for the Edison Talks Tech conference 2015.

Edison has grown to become one of the largest independent equity research companies in the world. Our team of more than 120 equity analysts and investment professionals works with leading companies, fund managers and investment banks worldwide to support their capital markets activity. We provide services to more than 450 retained corporate and 60 investor clients from our offices in London, New York, Frankfurt, Sydney and Wellington. Our research can be accessed free of charge at www.edisongroup.com.

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EDISON

Edison talks tech

19 March 2015 – 08.30-17.30

Radisson Blu Hotel Sydney
27 O'Çonnell Street
Sydney, NSW 2000

This exclusive investor event will connect Australasia-listed and private technology companies with specialist technology investors in Australia. You will have the opportunity to hear from 13 companies from Australia and New Zealand.

Tickets are complementary and will include lunch, after-conference drinks and the opportunity to hear from guest speaker Richard Suhr (Head of Digital APAC at Ernst & Young), Fraser Thorne (Edison Group CEO) and Dan Ridsdale (Global head of Edison's technology team).

Conference programme:

Programme	Ticker	Speaker	Market cap(m)	Time
Conference registration				8.30am
Edison Investment Research		Fraser Thorne, Managing Director		8.40am
Edison Investment Research		Dan Ridsdale, Global Head of Technology		8.45am
migme	MIG.ASX	Stephen Goh (CEO)	A$169	9.00am
Freelancer	FLN.ASX	Darren Williams (CTO/Director)	A$396	9.30am
nearmap	NEA.ASX	Gerhard Beukes (CFO)	A$181	10.00am
Morning tea				10.30am
SLI Systems	SLI.NZX	Shaun Ryan (CEO) Rod Garrett (CFO)	NZ$79	10:45am
Crowd Mobile	CM8.ASX	Domenic Carosa (CEO)	A$17	11.15am
VMob Group Ltd	VML.NZX	Christopher Dawkins (Strategy Director)	NZ$29	11.45am
Smartpay	SMP.ASX	Bradley Gerdis (CEO)	A$33	12.15pm
MyNetFone	MNF.ASX	Rene Sugo (CEO)	A$174	12.45pm
Lunch				1:15pm
Guest Speaker		Richard Suhr (Head of Digital APAC, Ernst & Young)		1:30pm
Catapult Sports	CAT.ASX	Adir Shiffman (Chairman)	A$72	2:00pm
TZ Limited	TZL.ASX	Mark Bouris (CEO/Chairman)	A$51	2:30pm
PowerbyProxi	Unlisted	Greg Cross (CEO)		3:00pm
Afternoon Tea				3:30pm
Redflex	RDF.ASX	Brad Crump (CFO)	A$70	3:45pm
Serko	SKO.NZX	Darrin Grafton	NZ$69	4:15pm
WhereScape	Unlisted	Michael Whitehead		4:45pm
Booktrack	Unlisted	(CEO) Paul Cameron		5:15pm
Drinks				5:45pm-6:30pm

Edison Talks Tech

Contents

Introduction

Dan Ridsdale: Global Head TMT

Welcome to Edison Talks Tech

The rapid pace of development and diversity within the technology sector make it both one of the most rewarding and the most challenging to play from an investment perspective. As the rate of innovation accelerates across so many different disciplines and so many vertical and geographical markets, so the opportunities for value creation are increasing. Equally, gaining an in-depth understanding of the investment case becomes more challenging, as technology becomes more involved, the pace of development accelerates, business models change and competition globalises. At Edison, we feel we have built a unique global platform for bridging this gap and our inaugural Australia and New Zealand 'Edison Talks Tech' conferences are an important new component in this. We hope you find them enjoyable, informative and effective.

Unrivalled capacity to create value

The technology sector is unrivalled in its ability to rapidly create significant value. In the US, technology companies account for five out of the top 10 best performing stocks over the past decade, led by Apple (+2,200%), salesforce.com (+1,600%) and Google (+1,200%). While Apple was not the first smartphone provider, Google the first search engine, nor salesforce the first SaaS software provider, each of these companies recognised that a major structural shift was about to occur and executed their plan brilliantly. On a smaller scale, but still in a hugely impressive fashion, we have seen how the early embrace of the SaaS business model and good execution has enabled Xero to progress from start-up to a NZ$3bn valuation.

A confluence of technology development cycles

It is difficult to identify one particular technology cycle that will carry the next start-up to the Fortune 500, but this has always been the case. However, the ingredients for value creation have never been stronger, with potentially transformative innovation happening across so many different domains of technology. To name a few, we would include accelerated materials development techniques, 3D printing, artificial intelligence, unstructured data analytics, machine-to-machine computing/connectivity, open source software, Saas, utility computing, social networking, crowd funding and many others.

The next generation of global winners will be those companies that identify the opportunities stemming from these trends early or that harness a number of these innovations in parallel and then execute very well. Countries that can develop strong clusters of technology expertise across multiple disciplines will be at a clear advantage. A savvy investment community and a supportive capital markets structure will clearly also be critical enabling factors.

Technology becoming a more important success factor across more industries

The rise in prominence of the CIO demonstrates how the deployment of technology is becoming a key defining success factor across more and more industries. Banks are starting to resemble technology companies that are able to leverage capital. We are seeing a rapid rise of programmatic trading in the advertising industry, just like we did in financial services. The bricks and mortar retail industry has become much more receptive to deploying innovative technology to stave off the threat from online. The much hyped 'internet of things' will accelerate this trend into traditionally less information-driven industries such as manufacturing, utilities and logistics. Hugely damaging attacks on the likes of Sony and the NSA hacking controversy highlight the rising stakes and increased threats to keeping our systems and data safe. Major institutional investors are increasingly considering the establishment and communication of a robust cyber security structure to be a key corporate governance issue.

The battle with complexity and hype

From a technology investor's perspective, these developments are hugely exciting, but the pace and diversity of development is also often bewildering. Technology is becoming more involved, business models are changing and success hinges on competing in crowded international markets against overseas competitors, many of which will be private or embedded in much larger businesses. Investors also need to cut through the liberal overhyping of emergent technology trends.

This confusion is not limited to generalist investors. The same views were expressed by technology-focused investors we met during the recent Mobile World Congress – especially in 'hot' domains of the industry such as ad-tech or big data analytics and by technology investors in San Francisco while we were setting up a client roadshow in the Bay area.

How can Edison's unique platform help?

This is where we believe Edison can help. Good research starts by having experienced analysts with strong global domain expertise, a rapid ability to grasp new concepts and a rigorous research method. We analyse the company, then the shares. Only once the analyst has developed a clear understanding of the company's products, differentiators, competitors, addressable market, strategy and business model is it possible to build a financial model that best reflects the prospects ahead. We then aim to give a comprehensive valuation framework – including both a fundamental and relative valuation to enable investors to make a well-informed investment decision.

We believe our international distribution network and unrestricted access model give us a unique platform for improving investor understanding of technology businesses across the global investment community, from domestic retail investors to overseas specialist institutions.

We hope you enjoy the conferences and look forward to furthering our relationship with you in the future.

Edison's TMT research team

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We believe we have developed a unique platform to enable companies within TMT to broaden and enhance investor understanding of their businesses.

Our growing TMT research client customer base consists of c 80 TMT companies, listed on exchanges in the UK, the US, Western Europe, the Nordics, Australia, New Zealand and Singapore, allowing our analysts to develop their expertise across global domains. This enables them to gain a deep understanding of the global dynamics within the industry and adds efficiency to the research process.

We allocate two analysts per company, matching skillsets and location to optimise coverage and service.

Analysts Australia and New Zealand

Moira Daw
Analyst

Finola Burke
Analyst

Analysts UK

Jane Anscombe
Gaming content

Bridie Barrett
Internet/media coverage, social media, ad-tech, Mobile Marketing

Anne Crow
Advanced Manufacturing and Materials Electronics

Tom Grady
Data/analytics Robotics

Richard Jeans
Enterprise software Financial services software

Fiona Orford-Williams
Media agencies B2B media Publishing

Dan Ridsdale
Global head TMT

Ian Robertson
Healthcare and enterprise software

Katherine Thompson
Enterprise software Electronic payments

Richard Windsor
Mobile technology and ecosystems

Company profiles

EDISON

Catapult Group International

Information technology

Tapping into elite sports

Catapult Group International (CAT) is a pioneer in sports analytics, combining "wearable" hardware with sophisticated analytical software. The company was formed in 2006 and listed on the ASX in December 2014, raising A$12m to expand its offshore operations, increase its analytics team and fund working capital for its ongoing growth. The key catalyst for success in the immediate term is penetration of the US market, in particular the US college team sports market.

Capital raise

Catapult Group raised A$12m from the issue of 21.8m shares at A$0.55 per share in an IPO in December 2014. The offer proceeds were used to pay down shareholder loans ($0.5m), repay other loans ($1.5m) and provide working capital and expansion capital for its analytics team and offshore expansion.

Business model

Catapult Group provides sports analytics products to sporting teams and organisations around the world, using cloud technology to deliver detailed, real time data and analytics to monitor and measure an athlete's fitness and skill levels, response to training techniques, tactical performance and injury risk.

The company generates revenues from subscriptions and one-off sales of products. Subscription revenues are the group's fastest growing source of income, with more than 3,000 users subscribing to its services. When the company reported at the end of December 2014, the US represented 37% of sales generated, while Europe and Australia/New Zealand each accounted for 30% of sales. A year before Australia and New Zealand accounted for 43% of all sales, while North America and Europe generated 28% and 26% respectively.

Consensus and prospectus guidance

Consensus forecasts for revenue are $9.5m in 2015 and $15.2m in 2016. In its December 2014 prospectus, the company provided guidance for the 2015 financial year for revenues of $9.4m and pre-tax loss of $6.5m. Catapult Grou reported on 25 February that it had generated $4.5m in revenue in the six months to 31 December, a pre-tax loss of $3.8m and EPS of -3.0c. Consensus for 2015 seems to be in line with this guidance.

Consensus estimates

Year end	Revenue (A$m)	PBT (A$m)	EPS (c)	DPS (c)	P/E (x)	Yield (%)
06/13	2.9	(0.3)	N/A	N/A	N/A	N/A
06/14	4.8	(1.3)	N/A	N/A	N/A	N/A
06/15e	9.5	(5.2)	(4.0)	0.0	N/A	N/A
06/16e	15.2	(1.6)	(0.9)	0.0	N/A	N/A

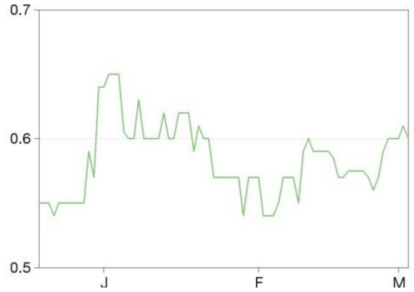
Source: Thompson, First Call

Price	A$0.60
Market cap	A$72m

*At 3 March 2015

Net cash (A$m) at end December 2014	9.2

Share price graph



Share details

Code	CAT
Listing	ASX
Shares in issue	120.17m

Business description

Catapult is a leading global sports analytics company with more than 500 sporting teams and organisations using its products across the world. These products are designed to improve player and team performance and assist in injury prevention.

Bull

- An extensive client base with leading elite sporting teams in North America, Europe and Australia.
- Cloud-based services that increase client retention and provide opportunity for scale.
- Stable revenue stream from recurring subscription revenues.

Bear

- Further capital raises are likely and will dilute existing shareholders.
- Exchange rate risk, given most revenues are generated in US dollars, euros and Australian dollars.
- Company is relying on further developing its athlete tracking technology for future upside.

Analysts

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Crowd Mobile

Standing out in the crowd

Crowd Mobile (CM8) is one of a new breed of companies leveraging the social media phenomenon. It offers a range of mobile entertainment applications for phones and tablets and a mobile-focused, cloud micro-job platform. It has operations in New Zealand, Germany, Italy, Belgium, The Netherlands, Austria, Portugal, Switzerland, Denmark, Spain and Hong Kong.

Capital raises and acquisitions

The company was listed in January 2015 using Q Limited as a shell. At that time CM8 raised A$661,000 through the sale of 3.3m shares to the public. On 25 February it completed a further placement of 10m shares at A$0.20 per share to raise another A$2m for acquisitions and working capital. At the same time, it announced it had acquired the assets of AQA Mobile for A$165,000. The acquisition, which was done at around two times EBITDA, adds to CM8's Any Question Answered portfolio, which operates in Australia, the United Kingdom and Ireland. More than 3.4m Any Question Answered messages were generated on Crowd Mobile's platform in 2014 and over 2.2m questions were generated in H115.

Business model

CM8 owns a suite of mobile entertainment apps including Bongo Thinks, which allows users to submit their photos and be critiqued; Passion for Fashion, which provides instant fashion advice from industry experts; WHAT WOULD JESUS DO, which allows users to express their thoughts and gain feedback from fellow Christians; and Buddy, which uncovers gossip on people in the United Kingdom and Australia. Telcos pay CM8 c 50% of the fee generated; Apple pays 70% and Google Play pays CM8 90% of the fee generated. It, in turn, pays 15% of its revenues to experts who answer the questions. The company generated revenues of A$9.8m in FY14 and EBITDA of A$2.1m. On 16 February, CM8 reported a 30% increase in message volumes in the six months to 31 December 2014 over the prior corresponding period. In the same period, revenue grew 20% to A$5.6m and EBITDA jumped 40% to A$1.4m.

Consensus

There are no consensus estimates or prospectus forecasts.

Historical financials

Year end	Revenue (A$m)	PBT (A$m)	EPS (c)	DPS (c)	P/E (x)	Yield (%)
06/13	10.0	2.3	N/A	N/A	N/A	N/A
06/14	9.8	1.6	N/A	N/A	N/A	N/A

Source: Company prospectus

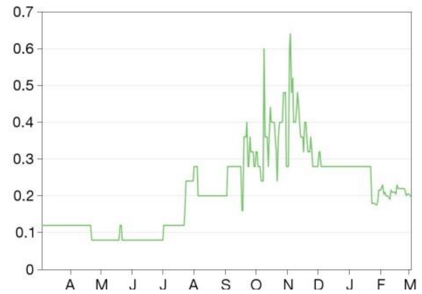
Consumer discretionary

Price*	A$0.20
Market cap	A$17m

*At 3 March 2015

Proforma net cash (A$m) at 20 November 2014 (combined Q Ltd & Crowd Mobile)	1.3

Share price graph



Share details

Code	CM8
Listing	ASX
Shares in issue	85.1m

Business description

Crowd Mobile provides mobile entertainment apps and a cloud-based micro-job platform to consumers across Europe, Australasia and Asia. It has relationships with 40 telecoms carriers worldwide, and with Apple and Google Play, which pay Crowd Mobile for the traffic it generates on their networks.

Bull

- Demand for apps ballooning, generating almost $20bn globally in 2014.
- Opportunity to consolidate the fragmented Any Question Answered segment.
- High organic growth complemented by acquisition.

Bear

- Audiences can be fickle, Crowd Mobile relies on the popularity of its apps/platforms.
- Barriers to entry low, apps in the market doubled to 1.3m in the two years to Sept 2014.
- Content advertising regulations vary between jurisdictions and expose CM8 to potential fines.

Analysts

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Freelancer

Information technology

Leveraged to growth in internet use

Freelancer (FLN) is the world's largest freelancing, outsourcing and crowdsourcing marketplace by number of users (14.3 million) and projects (6.9m). It connects global small business, consumers, start-ups and entrepreneurs who need things done, with a global workforce of skilled online freelancers who are looking for jobs. The average job size is less than A$200 and FLN provides a platform for small business to obtain cost effective services while providing employment and a global opportunity for a fast-growing skilled workforce in the developing world.

Business model

The revenue model is to charge users posting projects a commission of up to 3% and to charge users performing projects between 3% and 10% depending on the type of project and whether the user is on a free or paid membership plan. Membership plans range in price from A$4.95/month to A$199.95/month, and reduce the commission rate charged to users. Projects can be posted as jobs, without an estimated price, with a budget range or as competitions with a prize, referred to as crowdsourcing contests.

The opportunity

McKinsey Global Institute's report *The Emerging Demand for Offshore Talent in Services* estimates that 161 million jobs, or about 11% of the projected 1.46 billion services jobs worldwide, could, in theory, be carried out remotely, barring any constraints in supply. In FY14 the number of users of FLN's platform increased by 47% and the number of projects grew by 30% to 6.9m or 4.3% of the potential pool of jobs which can be performed remotely. This increased platform use and growth in the take-up of memberships and project upgrades resulted in an annual revenue increase of 39%.

Valuation: Profits expected in FY16

FLN expects a continuation of strong growth rates in FY15 driven by increased global internet penetration (currently 42.3%; source: Internet World Stats), the self-education rate of the developing world's populations and the growing importance of software companies as white collar job functions are replaced by technology. Consensus forecasts suggest that CAGR in revenues for the next two years will be ~25% and that operations will be profitable in FY16. FLN has no debt and A$20.2m of cash to fund growth.

Consensus estimates

Year end	Revenue (A$m)	PBT (A$m)	EPS (A$)	DPS (A$)	P/E (x)	Yield (%)
12/13	18.8	1.0	0.00	0.0	N/A	N/A
12/14	26.1	(2.4)	0.00	0.0	N/A	N/A
12/15e	32.8	(1.5)	(0.10)	0.0	N/A	N/A
12/16e	41.1	1.7	0.05	0.0	18.2	N/A

Source: Company data, Thomson Reuters

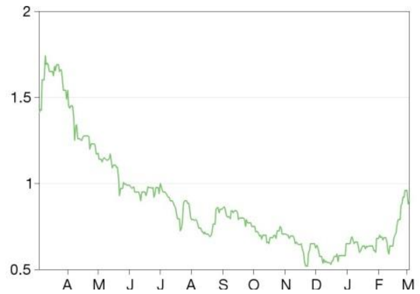
Price* A$0.91

Market cap A$396m

*At 3 March 2015

Net cash (A$m) at end Dec 2015 20.2

Share price graph



Share details

Code	FLN
Listing	ASX
Shares in issue	434.9m

Business description

FLN's goal is to provide an online platform to allow people to connect, to perform any type of work from anywhere in the world, at any time in any language in any way, making it the most diverse online services marketplace in the world. It offers 40 regional websites, supports 32 languages and 19 currencies.

Bull

- Market leader.
- Scalable business model.
- Strong balance sheet.

Bear

- Challenges of attracting website traffic.
- Risks associated with user generated content.
- Technology risks.

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EDISON

migme

Software and services

Monetising the freemium model

migme's (MIG's) social media platform is initially targeting the rapidly growing mobile internet markets in Indonesia and India, where there are expected to be 294 million smartphone users by 2017. By taking a different approach to the more established Facebook, MIG believes its platform will have little competition from other freemium sites and will be suitable for the emerging markets. It hopes to continue to rapidly scale its user base, which doubled to over 10 million in the four months to December 2014.

Business model

MIG's business model is based on the virtual goods model used by Tencent (HK.700), YY.com (YY.US) and others. MIG drives its user base by partnering with mobile phone suppliers to pre-install the migme app and with key celebrities to help to attract and engage users. It monetises this user base by offering freemium services (chat, blogging etc), which encourages users to upgrade to paid-for premium activities and virtual goods. The proceeds from selling these virtual goods are shared between MIG and the celebrity, which in turn encourages more celebrities to partner with MIG.

Partnerships and acquisitions help drive reach

FIH Mobile (a subsidiary of Hon Hai Precision Co, Taiwan) produces 40m to 60m handsets per month and has a 19.9% stake. MIG also recently acquired alivenotdead, a HK-based artist management company, LoveByte Pte Ltd, a couples-sharing mobile app, and online shopping site www.sold.sg. It has invested A$0.4m in regional games platform Matchme and opened its games platform to developers. Other recent deals include signing three of the four key music labels in Indonesia, agreement with two major handset providers with half the mobile shipments in Indonesia and extension of the payment platform in Indonesia through DOKU.

Valuation: Early stages of commercialisation

MIG is still in the relatively early stages of commercialisation; however, if the concept takes off and the company is able to execute, the opportunity is very significant. Consequently, this is a high-risk, potentially high-reward investment case. The key catalysts for pricing include rapid increase in the number of users, high monetisation rates and increasing spend per user. We have quantified the valuation range in our DCF based valuation sensitivities as from A$0.20 to A$1.03.

Edison estimates

Year end	Revenue (A$m)	PBT (A$m)	EPS (A$)	DPS (A$)	P/E (x)	Yield (%)
06/13	0.1	0.0	0.00	0.0	N/A	N/A
06/14	0.0	(0.4)	(0.01)	0.0	N/A	N/A
06/15e	6.1	(7.5)	(0.02)	0.0	N/A	N/A
06/16e	21.9	(1.8)	(0.01)	0.0	N/A	N/A

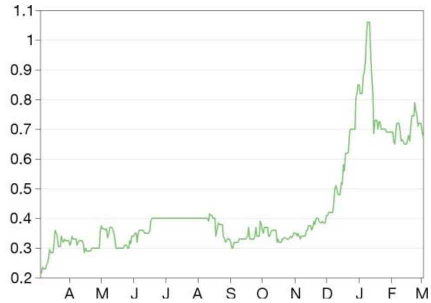
Source: Company accounts, Edison Investment Research

Price*	A$0.67
Market cap	A$169m

*At 3 March 2015

Net cash (A$m) at end Dec 2014	5.9

Share price graph



Share details

Code	MIG/A117AB
Listing	ASX/Frankfurt
Shares in issue	252.0m

Business description

MIG is a social entertainment platform targeting the world's next wave of internet users, the 3.5 billion people in emerging markets. The service offers free chat, content and blogging services to acquire new users. These users buy virtual goods including gifts, games, avatar items, emoticons and stickers.

Bull

- Reduction in price of smartphones.
- Growth of mobile use set to explode in South and South-East Asia driven by social media and entertainment.
- Scalable model.

Bear

- Deterioration of economies in target markets.
- Privacy issues.
- Competition from local players.

Analysts

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MIGME IS A RESEARCH CLIENT OF EDISON INVESTMENT RESEARCH LIMITED

My Net Fone

Telecommunication services

On the dial

My Net Fone (MNF) is one of Australia's leading providers of hosted voice and data communications services for residential, business, government and enterprise users. The company was established in 2004, listed on the Australian Stock Exchange in 2006 and has operated profitably since 2009 with year-on-year EPS growth greater than 25% for the past three financial years. The company has also paid dividends each year since FY10.

Business model

MNF owns the largest Voice over Internet Protocol (VoIP) network in Australia, providing voice communications, data and video services to residential, business, government and wholesale customers. The company has two operating divisions: MyNetFone and Symbio Group. MyNetFone is the retail arm of the group and sells directly to residential, business, enterprise and government customers. The Symbio Group is the wholesale arm, acquired in 2012, delivering wholesale voice and managed services powered by a CAC, one of only seven in Australia. The group also owns and operates carrier voice networks in Singapore and New Zealand.

Acquisitions and scalability driving growth

MNF has made a number of small acquisitions over the past two years. PennyTel, iBoss and OpenCA have increased the company's national network and intellectual property portfolio. All acquisitions have been funded from existing cash reserves. The company anticipates future growth will come from both strategic acquisitions and scalability on its national footprint. Since 2010, the company's EBITDA margin has near doubled from deploying this strategy.

Valuation: Guidance reaffirmed

MNF has reaffirmed its FY15 guidance for EBITDA of A$11.2m (up 24%) and EPS of 11.35c (up 23%), which is slightly below consensus for 11.6c. The stock is trading at a small premium to the telecommunications index, but at a discount to its nearest peers, Amcom Telecommunications (AMM) and TPG Telecom (TPM).

Consensus estimates

Year end	Revenue (A$m)	PBT (A$m)	EPS (A$)	DPS (A$)	P/E (x)	Yield (%)
06/13	46.2	5.4	0.07	0.04	39.9	1.4
06/14	59.3	8.0	0.09	0.05	31.0	1.8
06/15e	65.5	10.4	0.12	0.06	23.3	2.2
06/16e	70.9	12.1	0.14	0.07	19.9	2.5

Source: Company data, Thomson Reuters

Price*	A$2.79
Market cap	A$174m

*At 3 March 2015

Net cash (A$m) as at end December 2014	3.9

Share price graph

Share details

Code	MNF
Listing	ASX
Shares in issue	62.5m

Business description

My Net Fone is a leading provider of voice communications, broadband internet and cloud-based communications services to residential, business, government and wholesale customers. The company has the largest VoIP network in Australia carrying over 3bn billed voice minutes.

Bull

- Scalable business model with earnings growth driven from margin expansion.
- Barriers to entry high in wholesale market - one of only seven holders of a Carrier Access Code (CAC) in Australia.
- Acquisitions plan has been strategic, conservatively priced and growth accretive.

Bear

- Competition from other platforms (ie mobile) and new technologies.
- Reliance on key management, directors.
- Broadband supply is negotiated regularly, no guarantee of future access if terms become unfavourable.

Analysts

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nearmap

Information technology

Images delivered within days

nearmap (NEA) uses its Federal Aviation Administration (FAA) approved HyperCamera system and its patented aerial camera technology to deliver high-resolution aerial imagery direct to a customer's digital device, within days of capture. During FY14 NEA moved to a subscription-based business model and has introduced Advantage Pricing, a pricing model based on consumption. NEA continues to develop applications, such as the recently launched Insurance and Construction applications, which increase the utility of the images captured and drives more spend per customer.

Business model

NEA uses patented intellectual property to capture high-quality images (5-8cm resolution) on which it overlays other data sets to provide visual analytical tools for specific industry verticals, such as construction, real estate, rail and insurance. Examples of value-add products include a flood-modelling tool to help the insurance industry assess risk and a shade analysis tool for the property development/ construction industry. The stored images can be used to create a time-series, which allows customers to track progress. The business is capital light, has strong free cash flows and has a focus on research and development. NEA achieved its maiden profit in FY14 driven by a 63% increase in revenue to A$20m. Management expectations are for a revenue run rate of between A$30-50m by December 2014 in Australia. In the US market the same revenue target range is expected by December 2017. The software as a service (SaaS) and volume-based charging models should mean a high proportion of recurring revenue (in FY14 97% of revenue was recurring). Costs comprise 66% labour and 34% administration and other costs.

Valuation: Commercialisation just two years old

Commercialisation of the NEA product began in November 2012. The business will benefit from scale as shown in assumed profit before tax margin increase used in consensus forecasts from c 20% in FY15 to c 30% in FY16. Expansion into the US is the main growth driver. The US market is seen as a natural fit for NEA because the market dynamics are similar to those in Australia, where NEA has been able to establish proof of product. We expect that earnings growth will be sufficient to justify NEA trading in the near term at a premium to the market.

Consensus estimates

Year end	Revenue (A$m)	PBT (A$m)	EPS (A$)	DPS (A$)	P/E (x)	Yield (%)
06/13	11.0	(1.0)	(0.00)	0.0	N/A	N/A
06/14	20.1	3.5	0.02	0.0	26.0	N/A
06/15e	24.8	5.1	0.01	0.0	52.0	N/A
06/16e	34.1	10.3	0.02	0.0	26.0	N/A

Source: Company data, Thomson Reuters

Price*	**A$0.52**
Market cap	**A$181m**
	*At 3 March 2015
Net cash (A$m) at end Dec 2014	21.8

Share price graph

Share details

Code	NEA
Listing	ASX
Shares in issue	348.2m

Business description

NEA's goal is to become a visual analytics business by marrying its unique PhotoMaps with data sets to offer the user valuable information. One of its key competitive advantages is that it provides current data with data capture in metropolitan areas taking place >six times pa.

Bull

- Product approved in US market.
- US market data capture ahead of schedule in terms of both cost and time.
- High customer retention rates and highly scalable model.

Bear

- US market penetration still unproven.
- Competition from larger players.
- Technology developments that may become competitive rather than complimentary (eg drones).

Analysts

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EDISON

Redflex Holdings

Technology hardware

On the rebuild

Redflex Holdings (RDF) is one of the leading providers of traffic enforcement products in North America and internationally, focusing on red-light and speed photo enforcement solutions. Its products include REDFLEXred, a fixed traffic enforcement camera system that detects speeding and red light infringements across up to six lanes of traffic, and REDFLEX Student Guardian, a school bus-stop-arm photo enforcement camera system designed to meet safety needs of children on school buses. In 2014, Redflex experienced some headwinds in the North American market and moved to address this by reassessing its growth strategy in both existing and adjacent markets, streamlining its costs structure and appointing a new CEO Paul Clark.

Business model

Redflex Holdings has two core divisions run along geographic lines. Redflex North America, headquartered in Phoenix, Arizona, operates over 2,000 traffic systems in the US and Canada within 220 communities. The company has experienced headwinds in some states where contracts have terminated on completion due to the state electing not to continue its photo enforcement programs. There have also been some delays in implementing its Redflex Student Guardian programme in Gwinnet County. Reflex International sells traffic systems and accompanying back-end software in the UK, Ireland, Middle East, Australia, where it is domiciled. In 2014, Redflex was awarded four of six regions in the New South Wales Roads and Maritime Services expanded Mobile Camera Program, a contract that will generate around A$9m per year for the group.

Valuation: Company guidance

Redflex has announced that it expects to report a trading loss of A$10m for the 2015 financial year, with A$4.5m of the downward revision due to a non-cash write-off of assets employed in New Jersey and Ohio, A$2.3m from delayed implementation and underperformance in the Student Guardian business and A$1.0m from one-off restructuring costs and currency movements.

Historical financials

Year end	Revenue (A$m)	PBT (A$m)	EPS (c)	DPS (c)	P/E (x)	Yield (%)
06/13	137.4	8.6	6.4	5.0	9.8	7.9
06/14	121.5	(3.8)	(1.1)	0.0	N/A	N/A
06/15e	N/A	N/A	N/A	N/A	N/A	N/A
06/16e	N/A	N/A	N/A	N/A	N/A	N/A

Source: Company data

Price*	**A$0.63**
Market cap	**A$70m**

*At 3 March 2015

Net debt (A$m) at end June 2014	2.2

Share price graph

Share details

Code	RDF
Listing	ASX
Shares in issue	110.8m

Business description

Redflex Holdings is a leading provider of traffic enforcement products in North America and internationally. The company's products focus on red-light and speed photo enforcement solutions.

Bull

- New CEO and revamped board focused on rebuilding market share and streamlining business model.
- Ability to leverage already developed systems and software.
- Opportunities to leverage expertise into adjacent markets through acquisitions.

Bear

- Maturing market in the US.
- Subject to legislative process on a state by state basis.
- Student Guardian business unproven and implementation has been delayed.

Analysts

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EDISON

Serko

Finance & other services

Price* NZ$1.1
Market cap NZ$68m

*At 3 March 2015

Net cash (NZ$m) at end Sept 2014 8.3

Share price graph

Share details

Code	SKO
Listing	NZX
Shares in issue	61.4m

Business description

SKO is Australasia's leading online travel and expense management company for business. Its head office is in Auckland. Other offices are in Sydney, Xi'an (China) and Gurgaon (India). SKO's booking tool is used by administrators and travellers to book flights, accommodation and car hire.

Bull

- Corporate travel is a significant controllable cost, estimated to be 8-12% of the average organisations total cost base.
- SKO's systems are estimated to reduce corporate travel costs by c 20%.
- Founders have 25 years' experience in travel software origination.

Bear

- Competitive market subject to change.
- Market growth may be slower than expected.
- Reliance on TMCs.

Analysts

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Transforming business travel

Serko (SKO) is a leading cloud-based software business based in New Zealand. It has developed products designed to transform business travel by providing tools to initiate and change travel arrangements and to record and reconcile travel expenditure. SKO's Mass Booking patented technology is experiencing rapid adoption across Australia and increased interest from the US market. Re-seller arrangements with travel management companies (TMCs) are key to SKO's growth. The current re-seller base provides SKO with exposure to >90% of the Australasian corporate travel market.

Business opportunity

According to management, SKO's share of the US$23bn Australian corporate travel market is c 13% and SKO is well placed to capture a share of the Asian corporate travel spend where its addressable market is estimated at US$300m and expected annual growth rates are c 10%. 25-40% of all corporate travel bookings change after the initial booking, which means that flexibility and ease of use are two primary requirements for any corporate travel system. SKO's system allows travellers to manage travel themselves and integrate expense claims with the company's enterprise reporting system (ERP). The SKO system, which now includes Serko Mobile, allows real-time application of the company's travel and booking policies and is estimated to cut corporation travel budgets by c 20%. At IPO in June 2014 SKO raised NZ$22m (NZ$1.10 per share) to fund offshore expansion.

The revenue model

SKO earns revenue by charging transaction fees on all corporate travel spend including flights, accommodation rental cars and ancillary services, such as taxis, booked across its platform. Most of SKO's 6,000 corporate users and government agencies use TMCs with whom SKO has contracts usually for a period of three years. The top five TMC contracts accounted for >70% of SKO's revenue in FY14. It is the TMC that pays SKO its booking fees.

Valuation: Losses expected for next two years

The company forecasts revenue of NZ$11m for FY15; an increase of 64% on the previous year. Key growth drivers include an expected increase in the size of the global corporate travel market, a shift to cloud-based tools for key corporate functionality and increasing penetration of mobile applications. Losses are expected for the next two years as it enters new markets and captures international growth.

Historical financials

Year end	Revenue (NZ$m)	PBT (NZ$m)	EPS (NZ$)	DPS (NZ$)	P/E (x)	Yield (%)
03/13	4.8	(0.3)	(0.01)	0.0	N/A	N/A
03/14	6.7	(1.7)	(0.03)	0.0	N/A	N/A
03/15e	N/A	N/A	N/A	N/A	N/A	N/A
03/16e	N/A	N/A	N/A	N/A	N/A	N/A

Source: Company data

EDISON

SLI Systems

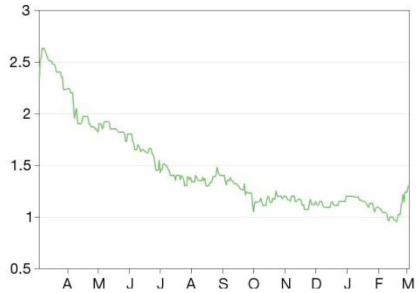
Finance & other services

Price*	**NZ$1.3**
Market cap	**NZ$79m**

*At 3 March 2015

Net cash (NZ$m) at end Dec 2014	7.4

Share price graph



Share details

Code	SLI
Listing	NZX
Shares in issue	61.0m

Business description

SLI's core products are e-commerce site search and navigation tools that learn from customer behaviours to improve the relevance of search results and therefore increase sales conversions. Customers pay a monthly subscription based on the number of queries per month.

Bull

- Low-cost solution for retailers.
- Volume-based pricing.
- e-commerce growth rates.

Bear

- High implementation costs.
- Competition could erode retention rate.
- Training required for sales and marketing staff.

Analysts

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SLI SYSTEMS IS A RESEARCH CLIENT OF EDISON INVESTMENT RESEARCH LIMITED

High margin recurring revenue stream

SLI Systems' (SLI's) search and navigation products power the website search functionality for some of the world's highest-profile companies. Its subscription model, high retention rates (90% by value in H115) and high gross margins (75% in H115) provide a recurring revenue stream that should generate significant returns for shareholders when it reaches profitable scale. SLI continues to grow strongly in its core regions of the US, the UK, Australia and Brazil. The company recently confirmed it does not need to raise additional capital to break even.

Creating long-term value through searches

SLI's search and navigation products are cloud-based products that increase sales conversions for e-commerce sites. Its competitive advantage is in providing search and navigation tools that learn from user behaviour and deliver a high quality service, which minimises the effort required by the customer. The subscription-based model provides a low upfront-cost solution for customers and provides a rapid return on investment. From SLI's perspective, this helps to attract and retain customers, but results in an average two-year payback period due to the cost of implementation. Short-term losses will therefore increase as customers are added, but as the client base grows, the business should generate a high degree of recurring revenue at high margins.

High retention rate key to profitability

e-commerce site search is a competitive market, but through its products and high level of customer SLI has established a competitive advantage and maintained a high customer retention rate. Retaining customers is key to realising each customer's long-term value.

Valuation: Long-term value potential

Although SLI is at a significant discount to peers on an EV/sales basis, we believe DCF analysis remains the best valuation method given the business's high expected growth rate. After updating for the results and estimates changes, our DCF produces a valuation of NZ$2.92, down from NZ$2.96 previously. This is based on a WACC of 12%, terminal growth of 2% and 30% ARR CAGR out to 2020, which it is on track to achieving. Growth rate and retention rate are the key sensitivities to this valuation and therefore it is encouraging that the retention rate is remaining stable and both ARR and revenue are growing strongly.

Edison estimates

Year end	Revenue (NZ$m)	PBT (NZ$m)	EBITDA (NZ$m)	EPS* (c)	EV/sales (x)	P/E (x)
0613	19.0	(1.6)	(1.4)	(2.9)	3.6	N/A
06/14	22.4	(5.4)	(5.4)	(8.6)	3.0	N/A
06/15e	29.2	(5.7)	(5.3)	(9.3)	2.3	N/A
06/16e	37.8	(4.2)	(3.8)	(6.9)	1.8	N/A

Source: Company data, Edison Investment Research.

Smartpay Holdings

Information technology

Innovative payment solutions

Smartpay (SPY.NZX/SMP.ASX) designs, develops and implements EFTPOS and mobile payments technology solutions in New Zealand and Australia. It sources its equipment, which in the main is supplied by one large Chinese manufacturer. SPY has ~35,000 EFTPOS terminals under rental contract in New Zealand (market share of 33%) and ~5,000 terminals (market share of <1%) under rental contract in Australia. Delays in entering the Australian marketplace have weighted heavily on the share price over the last 12 months. Success in Australia should be reflected in an improved share price.

Business model

SPY's main business (~85% of revenue) is the capital-intensive EFTPOS terminal rental business. SPY typically enters into a fixed-term contract for three or four years where the customer pays a monthly rental fee for the physical EFTPOS terminal, service, support and the right to use SPY's proprietary software. The SPY product offering for smaller customers includes software that enables the terminal to communicate with the Paymark software used by the transaction switch in NZ or the various bank networks in Australia. Larger customers may use software developed by SPY that links with the customers point of sale systems. The balance of revenue (~15%) is generated by a specialised proprietary transaction switching system that caters for high transaction-volume customers, from equipment sales and from mobile phone top-up commissions (NZ only).

Australian taxi industry opportunity

Changes to the regulatory environment in the Australian taxi industry, including a reduction in service fees from 10% to 5%, have enhanced the competitive framework and provided SPY with an opportunity to introduce its 'Taxipos' payments technology. Over time, this is expected to replace lost revenue from the termination in December 2014 of a single relationship with an Australian taxi payment provider (~8% of total revenue). It has secured contracts for 700 taxis (~3% market share) in Australia. The SPY smartphone booking app was launched in NZ in December 2014. It offers unique end to end booking and payment technology.

Valuation: More EPS growth required

SPY has exhibited below-market earnings per share growth over the last two years. However, opportunities in Australia could see above market growth, which will help to justify the stock re-rate towards a market multiple.

Consensus estimates

Year end	Revenue (NZ$m)	PBT (NZ$m)	EPS (NZ$)	DPS (NZ$)	P/E (x)	Yield (%)
03/13	16.7	(4.1)	(0.04)	0.0	N/A	N/A
03/14	22.9	1.7	0.01	0.0	20.0	N/A
03/15e	20.6	N/A	0.01	0.0	20.0	N/A
03/16e	22.6	N/A	0.03	0.0	6.6	N/A

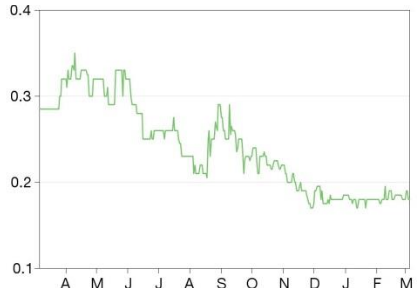
Source: Thomson Reuters consensus forecasts, company data

Price*	**A$0.19**
Market cap	**A$33m**

* At 3 March 2015

Net debt (NZ$m) at end September 2014	23.1

Share price graph



Share details

Code	SPY/SMP
Listing	NZX/ASX
Shares in issue	171.8m

Business description

Smartpay Holdings (SPY) offers a variety of advanced payment and data management solutions for retail business payment and transactional processing requirements. It supplies EFTPOS terminals in New Zealand and Australia using a rental model.

Bull

- Entry to the Australian market, which is four to five times the size of the New Zealand market.
- Development of specialised apps such as TaxiPOS.
- Market fragmentation offers acquisition opportunities.

Bear

- Low barriers to entry in NZ.
- High gearing albeit that the NZ business is secure and highly cash generative.
- Execution risk in Australia.

Analysts

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TZ Limited

Lock, stock and barrel

TZ Limited (TZL.ASX) is a designer and producer of Shape Memory Alloy (SMA)-based locking systems, which include hardware with embedded intelligence and software for lock management and auditing. TZL's systems deliver asset level protection and compelling solutions for security, monitoring and control applications. The balance sheet has been strengthened by a December 2014 placement of 8m shares at 12.5c per share that raised A$1m.

The technology

TZL's core technology is a smart material actuated, small form-factor, intelligent locking and fastening device. It owns a number of patents around the locking mechanism and its embedded intelligence.The company's strategy is to first commercialise the technology in parcel lockers (PAD) and data centre cabinet security (IXP), and then start licensing the technology to third parties. If this model is successful it should generate a high-margin, recurring licensing revenue stream.

Contract wins from 1 July 2014; FY15 profit upgrade

Since the end of the last financial year, TZL has won contracts for the supply of employee day lockers for a major bank customer in Brisbane, the supply of Electronic Parcel Lockers for Pos Malaysia Berhad that has 1,000 touch points and the supply of Parcel Lockers to Hills Limited at its Lidcombe (NSW) and Hendra (Queensland) stores. It has also won an IXP contract with a major European multinational banking and financial services corporation in Singapore. These contract wins and progress made on existing contracts have resulted in upgraded revenue guidance for FY15, from A$15m to between A$18m and A$20m.

Valuation: Effective execution is key

The outlook for TZL is encouraging. The order book is healthy and there appears to be growing interest in its employee day lockers and postal locker products. Effective execution and careful cash flow management will be key to making the most of the significant market opportunity. TZL is currently trading at 1.9x FY16e EV/sales and 10x EV/EBITDA, which is at a small premium to its peers. However, if the current forecast growth trajectory continues into FY17, the high degree of operating leverage will quickly compress these multiples. Consistent execution and regular announcements of new contract wins should be catalysts for upside.

Edison estimates

Year end	Revenue (A$m)	PBT (A$m)	EPS (A$)	DPS (A$)	P/E (x)	Yield (%)
06/13	3.0	(10.1)	(0.06)	0.0	N/A	N/A
0614	10.0	(6.6)	(0.03)	0.0	N/A	N/A
06/15e	19.0	0.4	0.00	0.0	N/A	N/A
06/16e	26.1	3.6	0.01	0.0	13.0	N/A

Source: Company data, Edison Investment Research. Note: Estimates are set pre the release of interims.

Industrials

Price*	**A$0.13**
Market cap	**A$51m**

*At 3 March 2015

Est net cash (A$m) post placing	2.6

Share price graph

Share details

Code	TZL
Listing	ASX
Shares in issue	392.9m

Business description

TSL designs and produces intelligent, locking and fastening systems using its proprietary and patented technology. The three business units are infrastructure protection (IXP), packaged asset deliver (PAD) and aero asset maintainability.

Bull

- Patented technology.
- Blue chip customers.
- Market leader in data centre infrastructure protection (IXP).

Bear

- Lumpy revenue.
- Competition in smart locker space.
- Lack of board independence.

Analysts

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TZ LIMITED IS A RESEARCH CLIENT OF EDISON INVESTMENT RESEARCH LIMITED

EDISON

VMob Group

Software & comp services

Driving traffic through bricks and mortar stores

VMob (VML) is an early-stage New Zealand-based company commercialising a unique cloud-based mobile marketing solution for global retailers. It uses big data analytics to deliver targeted rewards to mobile handsets to drive more customers into bricks and mortar stores to increase sales and build loyalty. VML has a close partnership with Microsoft and its flagship customer is McDonald's (Japan, the Netherlands and Sweden). We forecast losses for two to three years but successful expansion with major retailers should create a platform for sales and earnings to build rapidly.

Endorsement from Microsoft and McDonald's

VML's product is aligned with Microsoft's 'mobile-first, cloud-first' strategy and is ranked in the top 10% of data users on Microsoft's Azure platform. VML is an important Microsoft client, as evidenced when Microsoft showcased VML at the December 2014 National Retailers Federation Trade Show in New York. VML is leveraged to the expected take-up of smartphones and the switch from traditional media to digital marketing using mobile devices. VMob's product has received endorsement from the number one global fast food provider, McDonald's, winning a competitive tender for McDonald's Japan with 3,200 stores and 40 million app users. The McDonald's relationship has been strengthened by the announcement in January 2015 of a commercial agreement that will give VML access to up to 119 worldwide markets and involve an immediate rollout in the large US market. The agreement terms are confidential and as yet VML has not provided an update to its Annualised Committed Monthly Revenue (ACMR).

Valuation: Exposure to volume creates upside

The current share price factors in 38 customers at an average annual revenue (ARR) of NZ$0.3m by 2017. Valuation uplift will be triggered by contract wins and increases in ACMR, which stands at NZ$2.1m following the McDonald's Japan contract win. The recent global McDonald's contract win has not been included, pending further information from the company. Because the product is early-stage and there are few relevant or profitable comparable companies, we have used a DCF valuation to determine how many customers the market is paying for today. To dimension the opportunity we have included an upside case as well as our base case forecasts. Our base case assumes 43 customers by 2017 and results in a DCF valuation of NZ$0.038. The upside case assumes 51 customers and values the company at NZ$65.5m (NZ$0.052).

Edison estimates

Year end	Revenue (NZ$m)	PBT (NZ$m)	EPS (NZ$)	DPS (NZ$)	P/E (x)	Yield (%)
03/14	0.5	(1.6)	(0.2)	0.0	N/A	N/A
03/15e	2.2	(4.4)	(0.3)	0.0	N/A	N/A
03/16e	7.7	(2.3)	(0.2)	0.0	N/A	N/A
03/17e	12.5	0.5	0.0	0.0	N/A	N/A

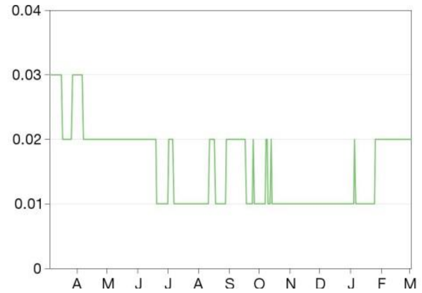
Source: Edison Investment Research

Price*	**NZ$0.02**
Market cap	**NZ$29m**

*At 3 March 2015

Net cash (NZ$) at end September 2014	2.9

Share price graph



Share details

Code	VML
Listing	NZ Alternative Market
Shares in issue	1,468.4m

Business description

VMob Group is one of a new breed of mobile marketing enablers. Its software as a service (SaaS) product is designed to help global retailers drive more foot traffic through bricks and mortar stores. The top 250 global retailers still transact >90% of their business through bricks and mortar stores.

Bull

- End-to-end solutions that use all available data, technology and marketing tools.
- Measures the marketing campaign's return on investment.
- Provides a targeted personalised marketing programme, which has superior efficacy to store-wide discounting programmes.

Bear

- Lengthy sales cycle.
- Dilutive equity raises likely.
- Product complexity and product confusion in the market.

Analysts

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VMOB IS A RESEARCH CLIENT OF EDISON INVESTMENT RESEARCH LIMITED

Unlisted companies

Booktrack

Factsheet

- Booktrack is based in Auckland, New Zealand, with offices in Auckland and San Francisco.
- Booktrack synchronizes movie-style soundtracks to eBooks and digital text (not an audio book).
- A Booktrack soundtrack consists of music, ambient audio and sound effects that are automatically paced to an individual's reading speed to match the story while they read.
- The Booktrack platform allows any publisher/author to add a soundtrack and publish their story.
- There is a growing problem globally of declining literacy rates and publisher profits due to film, TV and video games taking children and adults away from reading.
- Booktrack readers get a totally new immersive reading experience.
- University studies have demonstrated that Booktrack increases comprehension (by 17%) and engagement (by 30%).
- The eBook and tablet markets are two of the fastest-growing markets in the world, with a small number of very large companies competing to own relevant market share. Innovations such as Booktrack will be crucial to how these major players differentiate themselves in the future.
- In just 15 months, the Booktrack platform has had more than two million users, with more than 100% compound quarterly growth, >10,650 Booktrack titles created in 30 different languages and >12.5 years of total usage time (reading and writing/creating).
- In 12 months, Booktrack Classroom, a dedicated education platform, has been used by 6,100 teachers in 1,700 schools globally, with students creating 14,250 Booktrack titles.
- Booktrack is a key partner of Google and Apple and has worked with all the major publishing houses. Park Road Post Production (the audio house for *The Lord of the Rings*) is an audio partner.
- Booktrack has several patents in national phases in the US, Europe, Japan and India, and an issued patent in China. Booktrack has trademarks approved for both the name Booktrack and stylized 'B' logo across four trademark classes.
- Booktrack earns revenue through share of content sales and licensing the patented technology to produce sustainable revenue.
- Booktrack's shareholders include Valar Ventures (Peter Thiel), Weta Digital, Sparkbox Ventures and the government-backed New Zealand Venture Investment Fund.
- A total of $7.3m has been invested in Booktrack to date.
- In January 2014 Booktrack closed a Series A$3.1m funding round led by Sparkbox Ventures for growth of the new Booktrack platform and education offering.
- Pre-money valuation: $13.0m.
- Series A round two opened to meet investor demand: seeking $3m; $1m already committed.
- Funds raised will be used to fund marketing for user growth.

Source: Company
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PowerbyProxi

Factsheet

- Based in Auckland, New Zealand.
- Has offices in the US – head office in Austin and offices in San Francisco and Atlanta.
- >70 employees.
- Global leader in the development of proprietary- and standards-based wireless power technologies, which are used to deliver electrical power without cables or plugs.
- Core expertise is designing the control systems that manage and transfer electricity, transmitter and receiver coils, integration of all the sub-systems and packaging for commercial deployment.
- Products are designed for industrial, consumer electronics (CE) and infrastructure markets.
- Patent portfolio comprises 293 patent and patent applications developed in-house and via exclusive licensing arrangements with the University of Auckland. This patent portfolio positions the company to be an industry leader.
- R&D cycle for industrial applications of wireless power is three to five years.
- Has raised US$20m in venture capital to date.
- Strategic investors include Samsung Ventures and TE Connectivity.
- Seeking a further US$25m in growth capital for R&D and IP and patent portfolio enhancement, working capital and sales and marketing.
- FY14 revenue (31 March year end) NZ$2.6m (up from NZ$1.1m in pcp).
- FY16 and FY17 revenue expected to ramp-up significantly.
- Growth will be driven by continued development of the CE market and the emergence of the infrastructure segment.
- Development plans include the establishment of R&D centres in Austin and China.
- Addressable market for wireless power (an emerging new technology) is expected to be US$15.6bn by 2023 – CE US$7.9bn, industrial US$4.7bn and infrastructure US$3.0bn.
- Business model is to license platforms to IC manufacturers, OEMs and ODMs and industrial component manufacturers, and deliver core platform products in selected markets.
- Key competitive advantages include the IP portfolio, product innovation, R&D leadership, dominant industry standard and demonstrated commercial success.
- Joint development agreements and licensing agreements with John Deer, TE Connectivity, Samsung, Linear Technology and Texas Instruments.
- Next version of Wireless Power Consortium (WPC) standard includes the company's IP.
- Positioned to capture opportunities in standards-based markets as well as proprietary markets like industrial components, AA batteries and wearable devices.

Source: Company
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WhereScape

Factsheet

- Started operating in Auckland in 1997.
- Privately-held international data warehousing and big data software company.
- Operates from four regional centres – Auckland (NZ), Portland (US), Reading (UK) and Singapore.
- Improves the way that organisations use data in management decision-making.
- Automates the creation and operation of data warehouses and big data systems.
- Develops, markets and sells two software products: WhereScape RED and WhereScape 3D.
- WhereScape software products are used to build data warehouses on Teradata, Microsoft, Oracle, IBM, Netezza and Greenplum databases.
- WhereScape Software enables customers to build data warehouses faster (in 25% of the time) with fewer people than traditional approaches and software.
- This has led to a blue-chip customer base of >720 spread across 15 countries.
- Customers include: General Electric; HSBC; Tesco; Sainsbury's; Volvo; VW; Sky City; Xero; Abano Healthcare; Lotto NZ; Fonterra; ASB Bank; Vodafone; Spark; Telstra; and Blue Cross and Blue Shield of Minnesota.
- Business model is to sell perpetual licences to use WhereScape's software products.
- Ongoing revenue is generated from maintenance contracts and professional services projects.
- Big data market for software and sales is estimated by IDC to increase from US$6.8bn in 2013 to US$15.5bn by 2017.
- Generated revenue of NZ$20m in FY14.
- Targeting revenue of at least NZ$25m in FY15.

Source: Company
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