1H FY17 Results

Leigh Jasper, CEO

Steve Recht, CFO

21 February 2017

Project name: Cathay Pacific Air Cargo Terminal, Hong Kong International Airport

Important notice

Disclaimer

To the maximum extent permitted by law, none of the Aconex Group Limited or its subsidiaries or their directors, employees or agents accepts any liability, including, without limitation, any liability arising out of fault or negligence, for any loss arising from the use of the information contained in this presentation. In particular, no representation or warranty, express or implied, is given as to the accuracy, completeness or correctness, likelihood of achievement or reasonableness of any forecasts, prospects, statements or returns contained in this presentation. Such forecasts, prospects, statements or returns are by their nature subject to significant uncertainties and contingencies. Actual future events may vary from those included in this presentation.

Summary information

This presentation is for information purposes only is not a recommendation or advice in relation to Aconex or any product or service offered by Aconex or any of its subsidiaries. The information in the presentation is of a general nature only and is not intended to be relied upon as advice to investors or potential investors.

Past performance

Past performance information, including past share price information, given in this presentation is given for illustrative purposes only and should not be relied upon as an indication of future performance.

Future performance

Forward-looking statements, opinions and estimates provided in this presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Financial information

Certain financial data included in this presentation is 'non-IFRS financial information.' These measures are used internally by management to assess the performance of the business and make decisions on the allocation of resources and are included in this presentation to provide greater understanding of the underlying financial performance of the Group's operations. When reviewing business performance, this non-IFRS information should be used in addition to, and not as a replacement of, measures prepared in accordance with IFRS. Readers are cautioned not to place undue reliance on any non-IFRS financial information and ratios included in this presentation. The non-IFRS information has not been subject to audit or review by Aconex's external auditor. The non-IFRS measures do not have any standard definition under IFRS and may be calculated differently by other companies.

Market share information

All market share information in this presentation is based on management estimates and internally available information, unless otherwise indicated.

Currency

All amounts in this presentation are in Australian dollars unless otherwise stated.

No offer of securities

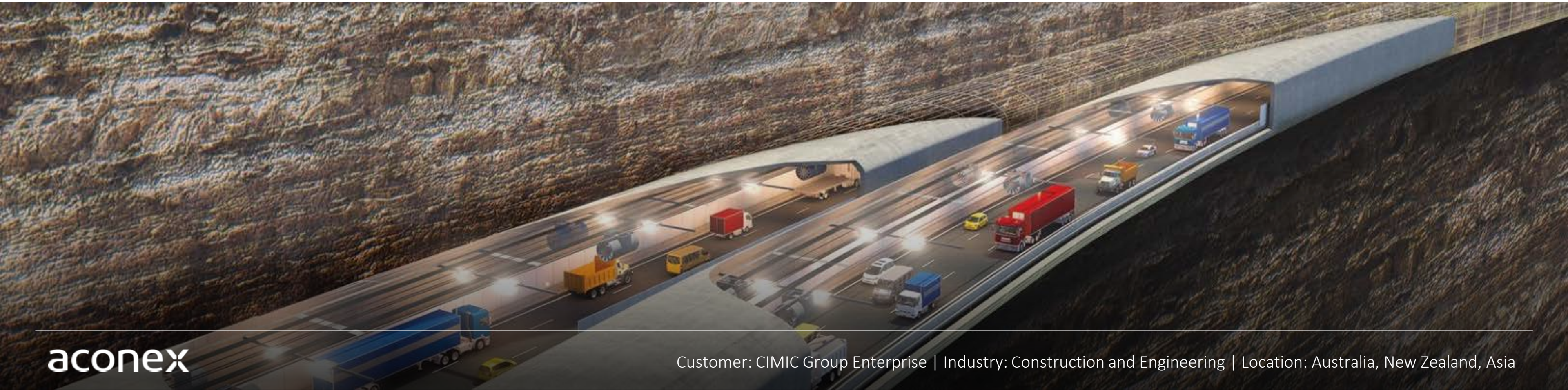
Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell Aconex securities in any jurisdiction.

Reliance on third party information

The views expressed in this presentation contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. This presentation should not be relied upon as a recommendation or forecast by Aconex.

Agenda

1. Overview
2. Financial results
3. Business performance
4. Strategy and outlook



Revenue increase reflects Conject acquisition and international growth

Revenue [1]

$77.0m

↑38%

Revenue up $21.4m

- 45% growth on a constant currency basis ($4m currency impact)[2]
- Acquisition of Conject ($16.8m)
- International growth (ex Conject) of 11%, 18% on a constant currency basis
- ANZ growth of 6%, following two very strong years (+25% CAGR)

Operating Contribution

$34m

↑30%

Operating contribution up $7.9m

- High gross margin of 73%
- High operating leverage as company scales
- Positive and growing contribution from all regions

EBITDA[3]

$7.4m

↑9%

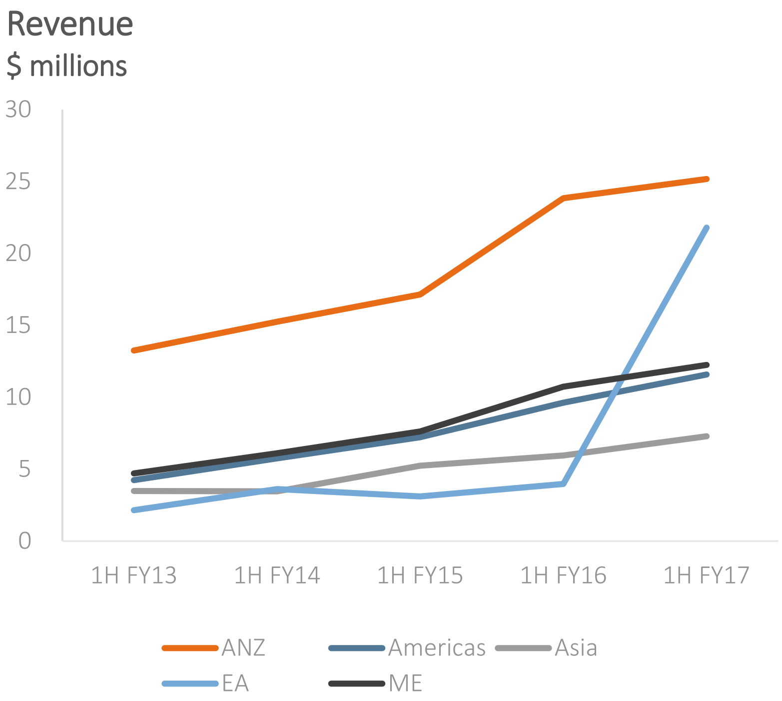
EBITDA up $0.6m

- Continued investment in sales, marketing and product
- Increasing leverage on G&A
- Fixed cost structure

[1] Statutory actuals. $81.0m on a constant currency basis.
[2] Constant currency is calculated by using the weighted average exchange rate for the six months ended 31 December 2016 to translate the revenue for the six months ended 31 December 2016.
[3] EBITDA from core operations, excluding acquisition and integration costs. Refer to slide 31 for a full reconciliation of financial results.

Continued solid international revenue growth. High margin ANZ business.

Region	Revenue $ millions	YoY revenue growth (%)[1]	YoY revenue growth (%) (constant currency)	Contribution $ millions	Contribution % margin
ANZ	25.3	6%	6%	17.9	71%
Americas	11.6	16%	20%	1.4	12%
Asia	7.3	18%	23%	1.4	19%
EA	20.6	369%	430%	7.9	38%
ME	12.2	9%	14%	5.3	44%
Total	77.0	38%	45%	34.0	44%

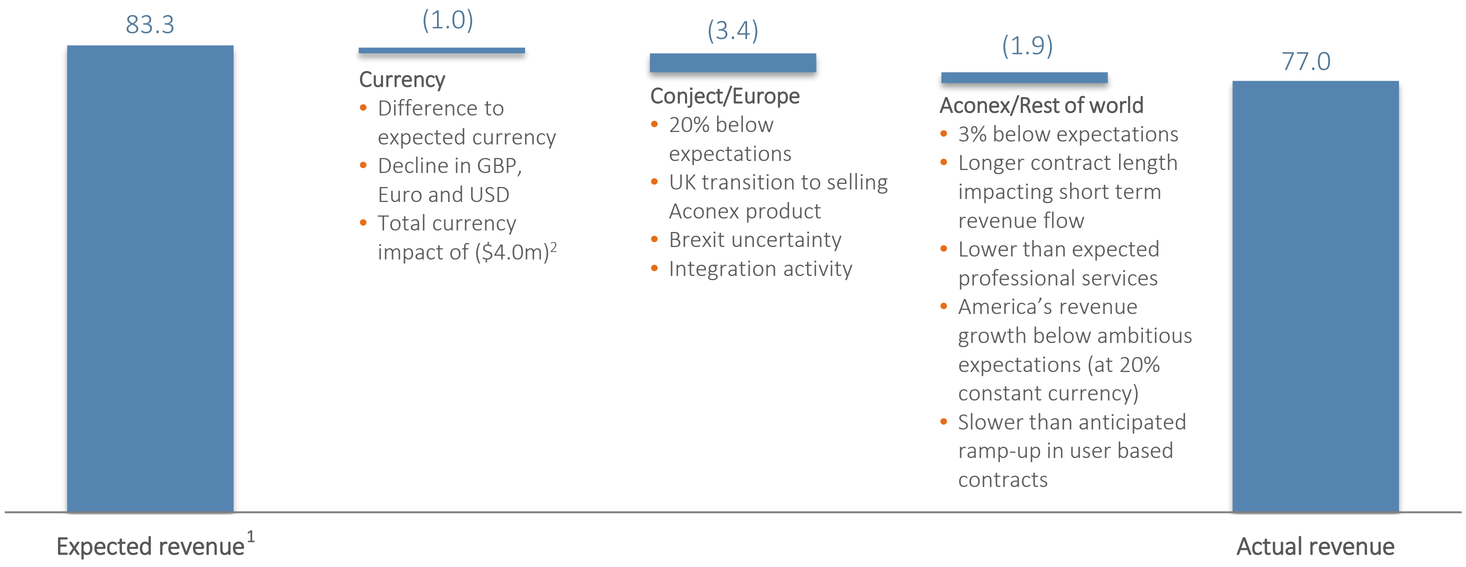


[1] Statutory actuals comparison.

Factors that contributed to the difference between expected and actual 1H FY17 revenue

Revenue impact against expectations

$ millions



[1] Expected revenue at AGM 2016. Full year of $172-180 million.

[2] Expectations took into account deteriorating GBP, EUR and USD. $4.0m total currency impact 1H FY16 to 1H FY17.

Confident in our short and long term growth

1. Aconex is #1 globally.
2. Market leading customer base and strong pipeline:
    - High and increasing enterprise customer base
    - Global leaders – EPCs, Contractors and Asset Owners – standardised on Aconex
    - Increasing network effects
3. Key markets set to recover. Infrastructure project growth expected.
4. Continued investment in product, sales, marketing and customer service for competitive advantage and long term growth.
5. Large addressable market with increasing adoption.

Agenda

1 Overview

2 Financial results

3 Business performance

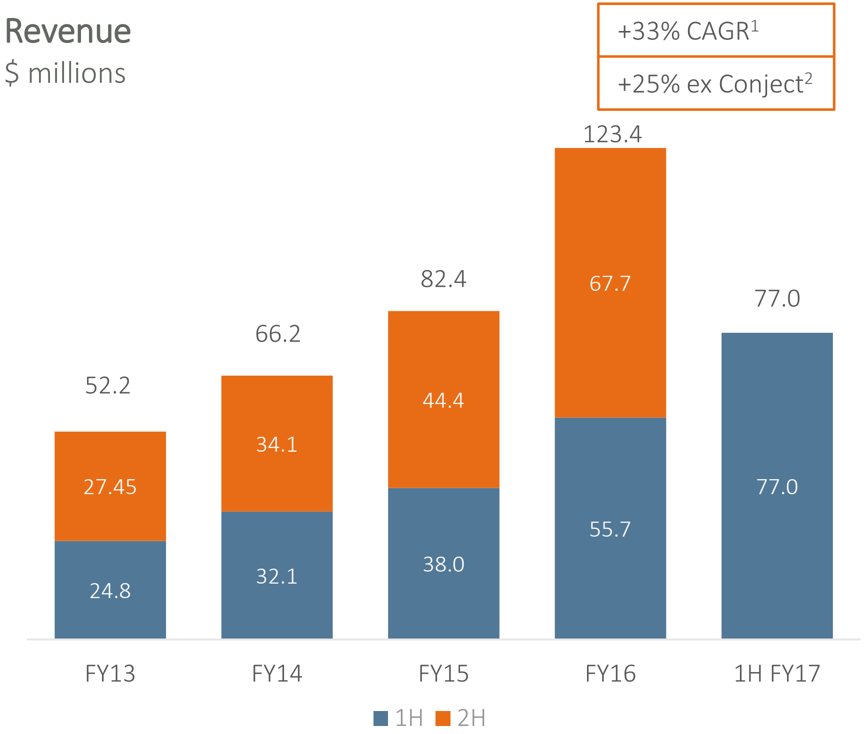
4 Strategy and outlook

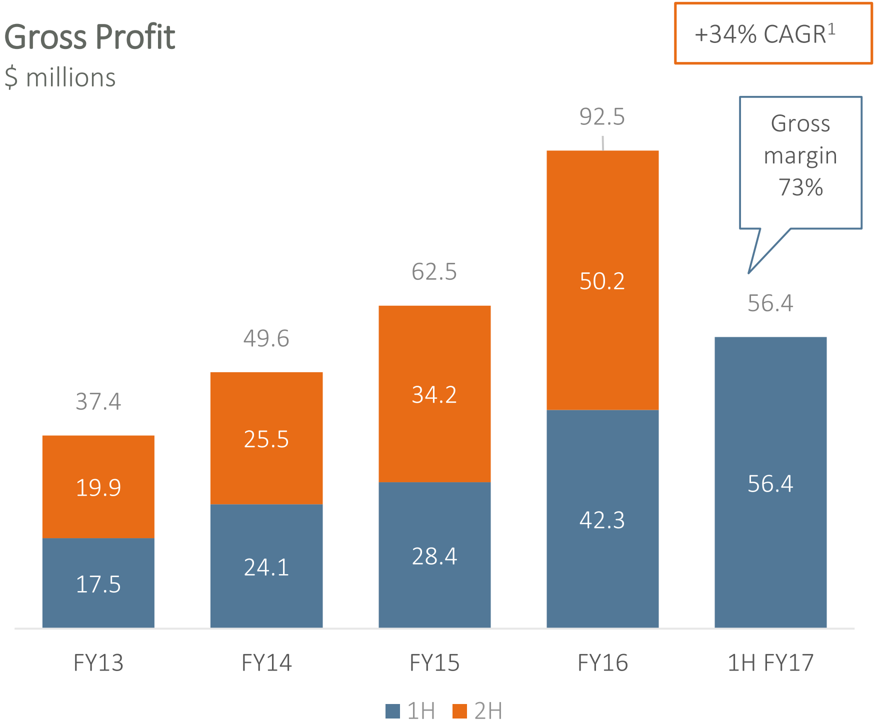
1H FY17 Financial results summary

$ millions	1H FY16	1H FY17	Change
Revenue	55.7	77.0	38%
Operating contribution	26.1	34.0	30%
Gross profit	42.3	56.4	33%
Operating expenses[1]	(35.5)	(49.0)	38%
EBITDA from core operations[2]	6.8	7.4	9%
Depreciation expense	(0.9)	(1.5)	(61%)
Amortisation of internally generated software[3]	(1.4)	(2.8)	(104%)
EBIT from core operations[3]	4.5	3.1	(30%)

[1] Operating expenses exclude acquisition and integration expenses of $3.6m (1H FY16: $0.6m).
[2] Refer to Slide 31 for a full reconciliation.
[3] Excludes amortisation of intangible assets acquired from business combinations of $3.4m (1H FY16: $0.3m).

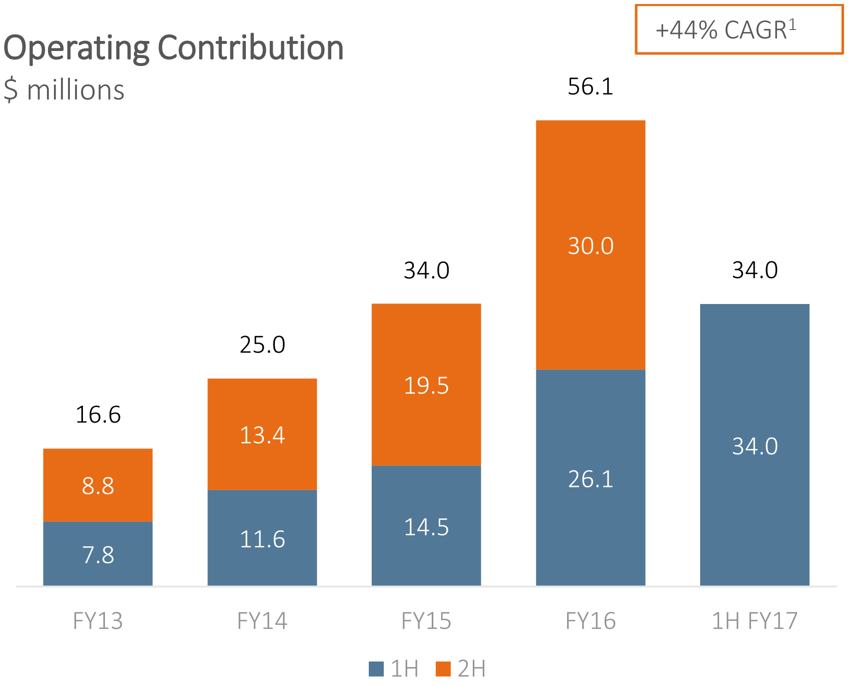
Consistent growth in revenue and gross profit

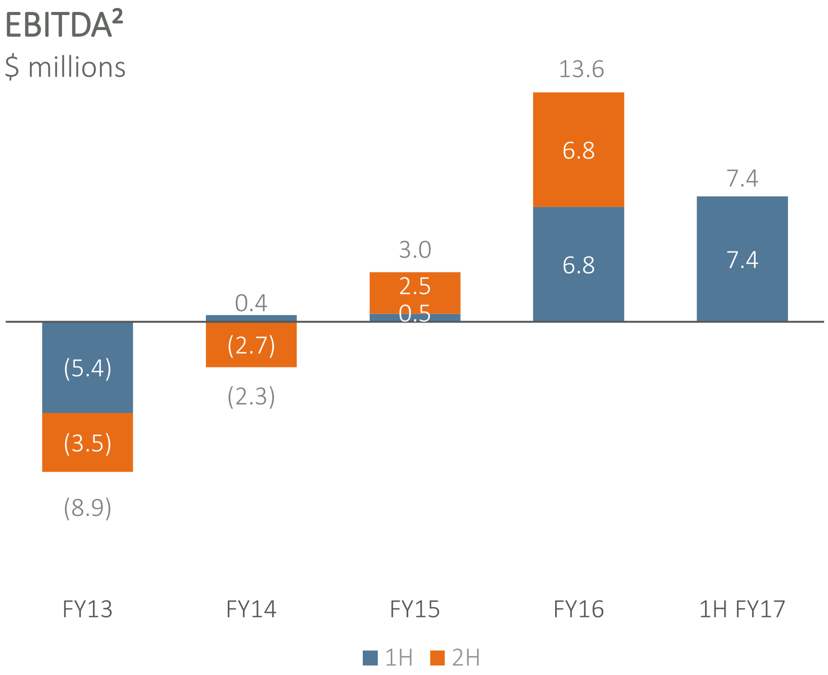




[1] Compound Annual Growth Rate (CAGR) from 1H FY13 to 1H FY17.
[2] Excludes 1H FY17 Conject revenue of $16.8m.
[3] Excludes depreciation and amortisation.

Increasing contribution margins and profitability





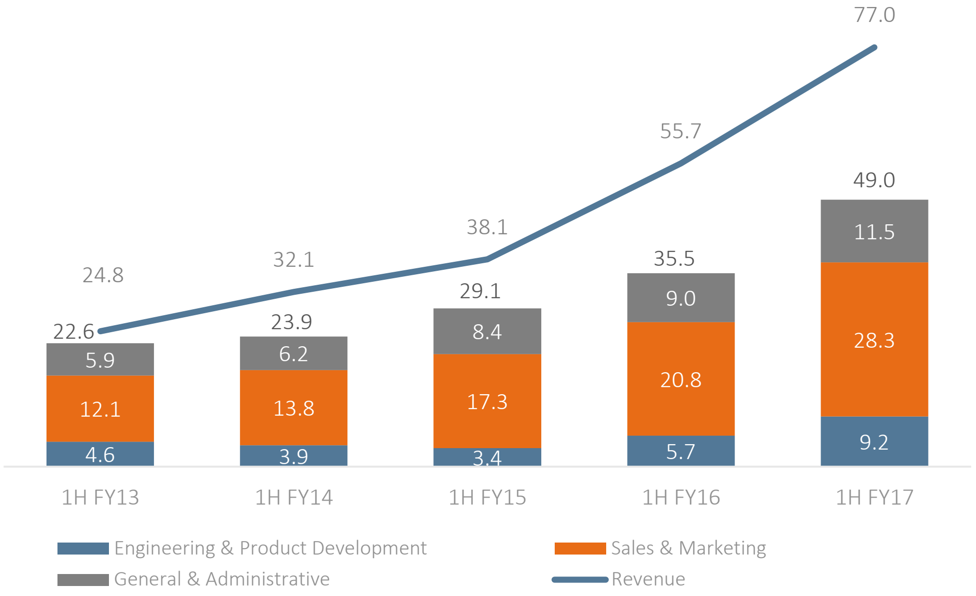
[1] Compound Annual Growth Rate (CAGR) from 1H FY13 to 1H FY17.

[2] EBITDA from core operations, excluding acquisition and integration costs. Refer to slide 31 for a full reconciliation.

Ongoing investment in product and sales. Margin leverage on G&A.

Operating Expenses and Revenue[1]

$ millions



- Increased expenses largely related to Conject acquisition
- Increased investment in product, engineering and development
- Sales and marketing investment increased 35% YoY, in line with revenue
- Continued leverage on G&A, reducing to 15% in 1H FY17 from 22% pre-IPO

[1] Excluding acquisition and integration costs, depreciation and amortisation.

Increased investment in R&D to drive yield and competitive advantage

R&D cash spend	1H FY16	1H FY17
R&D expense (excluding D&A)	5.7	9.2
Capitalised R&D (per cash flow statement)	3.6	7.8
Total cash spend on R&D	**9.3**	**17.0**
% of revenue	*17%*	*22%*

R&D expense breakdown	1H FY16	1H FY17
R&D expense (excluding D&A)	5.7	9.2
Amortisation of internally generated software development	1.4	2.8
Amortisation of acquired software	-	1.4
Total R&D expense (per Income Statement)	**7.1**	**13.4**

Total R&D cash spend increased from 17% to 22% of revenue:

- The increase was largely due to Conject and Worksite (Connected Cost) engineering and product development
- Capitalisation increased from 39% to 46% YoY, reflecting additional development, including Connected Cost

Amortisation increased from \$1.4m to \$2.8m as a result of new product development, excluding acquired software.

Substantial cash balance; no debt

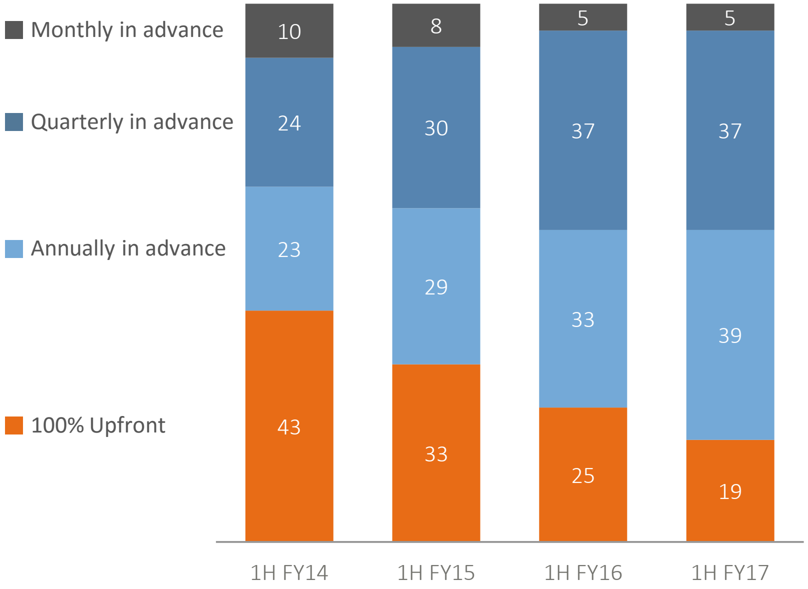
	30 Jun 2016	31 Dec 2016
Assets		
Cash and cash equivalents	49,985	40,346
Restricted cash	2,522	2,881
Trade and other receivables	30,908	27,329
Plant and equipment	6,085	9,731
Intangible assets	141,232	140,236
Income tax receivable	179	242
Deferred tax assets	7,597	5,944
Other assets	11,131	8,143
Total assets	**249,639**	**234,852**
Liabilities		
Trade and other payables	27,856	22,822
Provisions	9,903	10,584
Deferred revenue	91,242	88,181
Contingent consideration	5,928	2,904
Income tax payable	1,830	1,849
Deferred tax liability	6,269	3,281
Loans	965	939
Total Liabilities	**143,993**	**130,560**
Net assets	**105,646**	**104,292**

- Cash balances of $43.2m including restricted cash of $2.9m
- 85% of cash outflow related to investment in R&D
- Receivables are now 35% of revenue (46% in 1H FY16)
- Final payment for Worksite acquisition reduced contingent consideration

	Internal	*Internal*	*Acquired*	*Acquired*	*Acquired*	
Summary of intangible assets ($M)	**Software and software licenses**	**Software developments costs**	**Software developments costs**	**Acquired brands & customer relationships**	**Goodwill**	**Total**
Balance at 30 June 2016	**0.2**	**12.7**	**12.9**	**14.3**	**101.1**	**141.2**
Additions	-	7.3	0.2	-	-	**7.5**
Exchange differences	-	-	(0.1)	(0.2)	(2.0)	**(2.3)**
Amortisation	-	(2.8)	(1.4)	(2.0)	0.0	**(6.2)**
Balance at 31 December 2016	**0.2**	**17.2**	**11.6**	**12.1**	**99.1**	**140.2**

Contracts are invoiced in advance. Cash collection aligned to revenue.

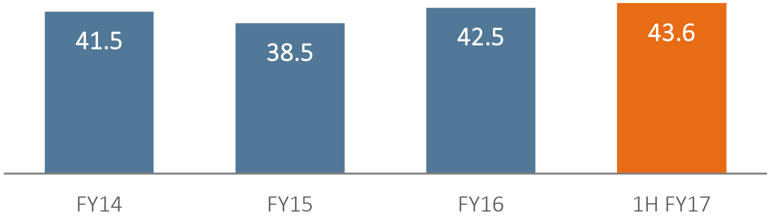
Cash profile
% of invoicing



Cash collection to revenue

Period	Revenue $m	Cash collection[1] $m	Cash/ Revenue
1H FY17	$77.0	$77.0	100%
FY16	$123.4	$117.0	95%
FY15	$82.4	$84.8	103%

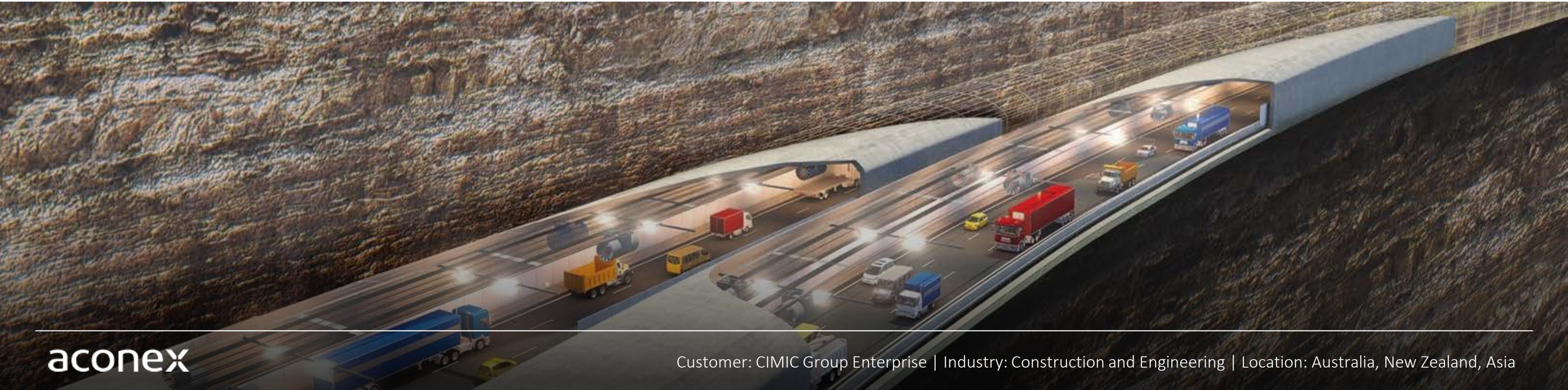
Average contract length[2]
Months



[1] Reported Appendix 4C collections – 1HFY17: $83.8m; FY16: $124.5m (including GST and VAT). FY15 Appendix 4C cash flow reports excluded GST/VAT.
[2] Aconex only.

Agenda

1. Overview
2. Financial results
3. **Business performance**
4. Strategy and outlook

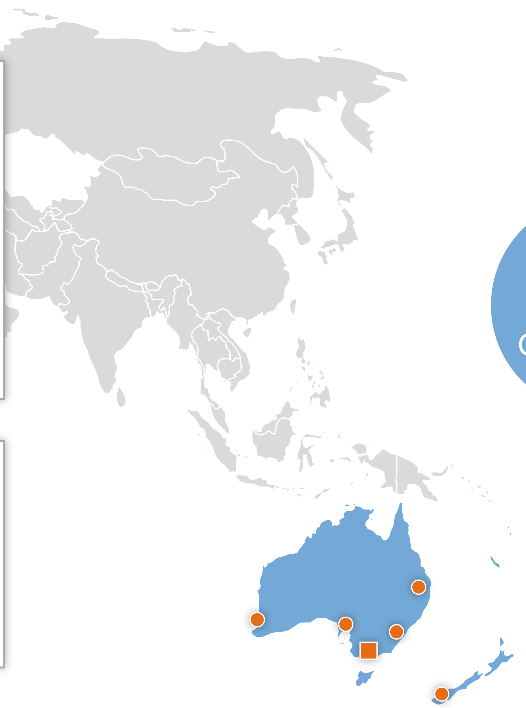


aconex

Customer: CIMIC Group Enterprise | Industry: Construction and Engineering | Location: Australia, New Zealand, Asia

ANZ – Increasing standardisation as network grows

- Performed in line with expectations
- Growth of 6% following two strong years of 25%+
- Continued standardisation and increase in enterprise agreements
- Deepening key account relationships
- Significant progress in penetration of infrastructure sector
- Growth through new products: Connected Cost, Field, Packages
- New business opportunities leveraging installed network and data

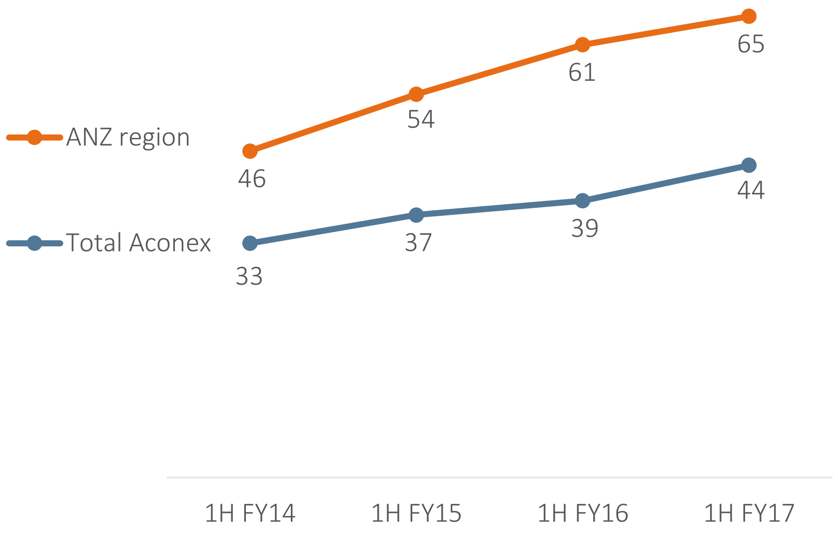


1H FY17
Revenue
$25.3m
Contribution
$17.9m

Revenue from enterprise agreements is increasing, particularly in ANZ, as more customers standardise on Aconex.

Enterprise revenue by engagement type

% of revenue



Benefits of enterprise agreements:

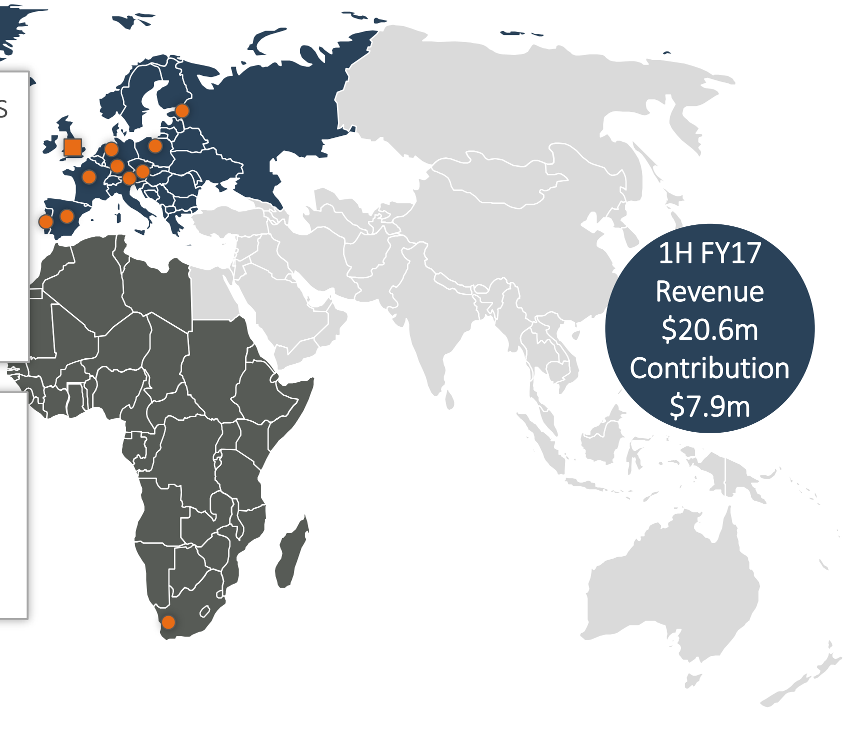
- Standardisation on Aconex
- Increased network effects
- High customer retention
- High and growing recurring revenue

[1] Aconex only.

Europe & Africa – Strengthening customer base. Integration tracking well.

- Strengthening customer base – retained all Conject customers
- Significant currency impact of $3.0m YoY
- Conject growth below expectations
- Integration on track – operations and product
- Expecting UK to rebound
- Improving productivity in mainland Europe

Hammerson
VINCI
ZÜBLIN
CRAIGEWAN
BNP PARIBAS



Strong strategic rationale for acquisition. Growth below expectations in 1H FY17.

Strategic acquisition rationale:

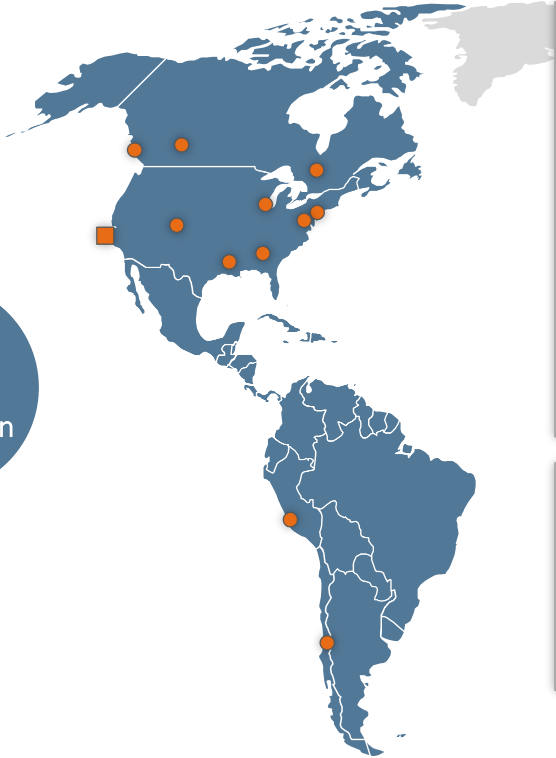
1. Consolidate global and European market leadership
2. Enhance product and sales capabilities, integrating a team with deep industry experience, including significant cost control expertise
3. Add significant scale and operating leverage, increasing global footprint and economies of scale

Conject performance:

- Actual 1H FY17 revenue of $16.8m (includes $2.8m from FM business)
- Business originally expected to grow ~15%
- Significant currency impact
- Slower than expected UK sales performance as team transitioned from selling Conject to selling Aconex (rebuilt pipeline)
- Brexit uncertainty and its impact on buying decisions[1]
- Good momentum in mainland Europe

[1]The total value of new UK construction contracts signed in 2016 was down by nearly a fifth on 2015 (Source: The Builders Conference, www.theconstructionindex.co.uk, January 2017).

Americas – Strong growth – increasing adoption in the region



1H FY17
Revenue
$11.6m
Contribution
$1.4m

- Americas growth 20% YoY (constant currency) including strong growth in US of ~30%
- Sales performance lower than ambitious expectations, due to U.S Presidential transition uncertainty[1]
- Canada flat on mining, oil and gas project roll-off
- Slower than anticipated ramp-up in user-based contracts
- Solid opportunity pipeline, expected lift in infrastructure
- Investment to scale sales and marketing

[1] November's level of U.S construction starts, excluding residential activity, was $23.4 billion, a decline of 22% relative to the prior period, November 2015 to November 2016 also declined 8.5%. Source: www.constructconnect.com.

Middle East – Improved stability has supported growth

- Stable oil price and reduced volatility has supported growth
- Great success in airports – Kuwait, Dubai & Bahrain
- Well positioned to leverage ongoing investment in infrastructure

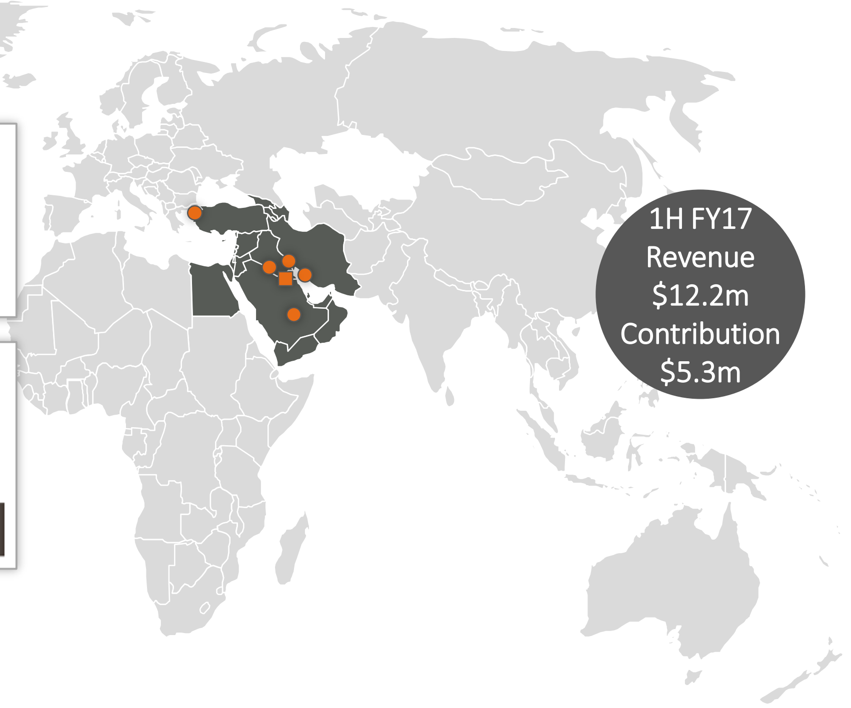
Dubai Airports
Connecting the World

هيئة الطرق والمواصلات
ROADS & TRANSPORT AUTHORITY
RTA

حكومة دبي
GOVERNMENT OF DUBAI

manateq
شركة المناطق الاقتصادية، قطر
ECONOMIC ZONES COMPANY, QATAR

ميرال
MIRAL



1H FY17
Revenue
$12.2m
Contribution
$5.3m

Asia – Well positioned in the infrastructure sector

- Large market opportunity
- Increasing adoption off a low base
- Executing targeted sales initiatives to build the network
- Well positioned to leverage significant investment in mega-infrastructure projects
- Growth opportunity in Greater China

香港國際機場 HONG KONG INTERNATIONAL AIRPORT

熔盛重工 RONGSHENG

SINOPEC

五礦建設有限公司 MINMETALS LAND LIMITED

中国路桥工程有限责任公司 CHINA ROAD AND BRIDGE CORPORATION

1H FY17 Revenue $7.3m
Contribution $1.4m

Connected Cost released in November 2016

Growth driver for Aconex

- Increases size of addressable market
- Increases Aconex customer yield
- Improves win rates

Positive customer engagement and momentum

- Significant opportunity pipeline and early wins
- Further marketing launches over coming months

Three tier offering tailored to customer needs and maturity

Contracts Administration PMs and GCs	Contracts, Changes, Progress claims & payment, Reporting, Cross organisational collaboration
Project Controls PMs and GCs	**Contracts Administration** plus Budget management, Forecasting, Variance analysis, Project & portfolio reporting
Earned Value Management Tier 1 Owners and GCs	**Project Controls** plus EVM reporting, Rules of credit, percentage complete on earned value

Agenda

Project name: West Kowloon Cultural District | Industry: Residential & Commercial | Project size: US$2.8 billion | Location: Hong Kong

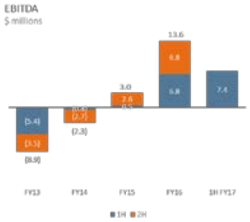
Growing the network, increasing customer value and driving performance

1. Grow the network

AECOM Fletcher transurban VINCI

2. Increase customer value

3. Drive performance



Continuing to invest to leverage significant market opportunities

aconex

1. Grow the network

- Invest in sales and marketing in Americas and Asia
- Transition project customers to enterprise agreements
- Build on solid pipeline and sales momentum
- Extend key account management

2. Increase customer value

- Drive Connected Cost roll-out
- Launch progress claims & payments
- Launch further insights and analytics functionality
- Deliver enhanced security through Aconex Gov/FedRAMP

3. Drive performance

- Leverage product and operational synergies
- Maintain one set of operating systems and standards
- Invest in people, culture and corporate systems

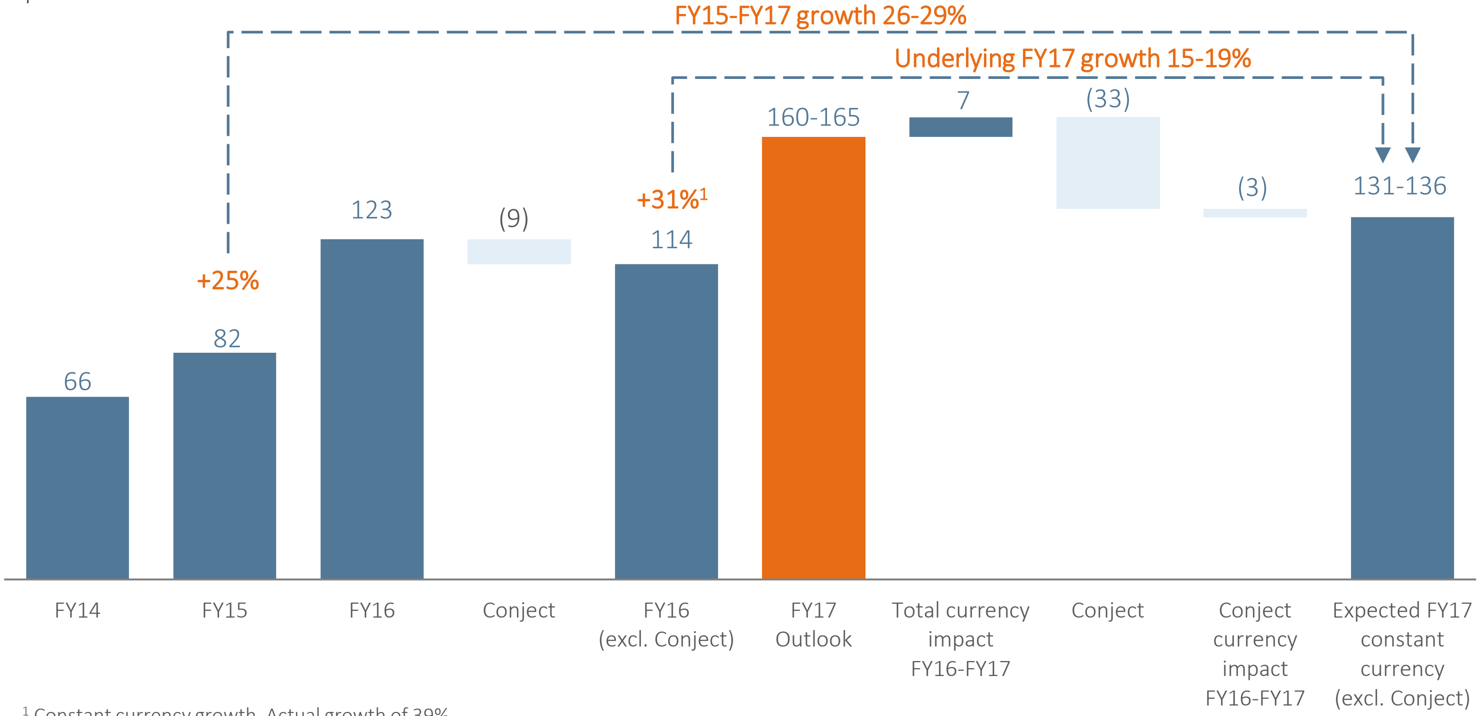
Balancing profitability and long term growth

Investment in:

- Product & engineering
- Sales, marketing and customer service
- Scaling our operating systems

Over the long term, Aconex has delivered consistently strong growth

Revenue bridge FY14-FY17
$ millions



Current revenue visibility is **90%** of FY17[2] outlook

[1] Constant currency growth. Actual growth of 39%.
[2] Includes Aconex and Conject committed contracts.

Aconex Group outlook

FY17 Outlook[1]	
Revenue	$160-$165m
EBITDA[2]	$15-$18m

FY17 outlook takes into account:

- Impact of currency on revenue (natural hedge at EBITDA)
- Ongoing sales momentum across all regions
- Reduced uncertainty in the UK, Europe growing
- Improved conditions in US and increasing infrastructure investment
- Stabilisation of oil price and return to growth in Middle East
- Investment in sales, marketing, product and key operational systems to support growth

Aconex expects revenue growth of 20%+ over the medium to long term.

[1] As at 30 January 2017 ASX Announcement. Currency impact relative to FY16 of $7m. FX rates at 31 Dec 2016 to AUD of GBP 0.5871, EUR 0.6886 and USD 0.7190.

[2] Excludes integration costs.

Thank you

aconex

Customer: Colorado Department of Transportation (CDOT) | Industry: Road & Rail I Project size: US$500 million | Location: Colorado, USA

Reconciliation of results from core operations and non-IFRS measures with the results reported in the financial statements

	Six months ended 31 Dec 2016 $000's	Six months ended 31 Dec 2015 $000's
Reported EBIT	(3,783)	3,645
Add: Business acquisition and integration expenses	3,546	558
Add: Amortisation on acquired intangibles	3,380	312
EBIT from core operations	3,143	4,515
Reported EBIT	(3,783)	3,645
Add: Depreciation and expense	7,648	2,592
Reported EBITDA	3,865	6,237
Add: Business acquisition and integration expenses paid	3,546	558
EBITDA from core operations	7,411	6,795
Reported net (loss) / profit before tax	(3,528)	4,552
Add: Business acquisition and integration expenses	3,546	558
Add: Amortisation on acquired intangibles	3,380	312
Net profit before tax from core operations	3,398	5,422
Reported net operating cash flows	905	2,380
Add: Business acquisition and integration expenses paid	4,470	558
Net operating cash flows from core operations	5,375	2,938