



SMARTER COMMUNICATIONS

Results for the year ended 31  
December 2012

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# 2012 Highlights

## DISCONTINUED OPERATIONS

- Assets of Zenergy Power Inc sold July 2012
- Shares in Zenergy Power Pty Ltd sold July 2012
- Liquidation of Zenergy Inc September 2012
- All old businesses closed off with no future costs expected

## CONTINUING OPERATIONS

- Acquired 100% of Synety Ltd September 2012 for initial consideration of £1.07 million of which £75,000 was paid in cash with the remainder paid in ordinary shares in the Company

# Financial Extracts

Year ended 31 December	2012	2011
	£000	£000
Revenue	<b>76</b>	61
Gross profit/(loss)	<b>29</b>	(384)
Operating (loss)	<b>(1,326)</b>	(11,093)
Net cash (outflow) from operating activities	<b>(2,389)</b>	(6,608)
Cash and cash equivalents	<b>2,704</b>	5,287

# The Market

- CRM (Customer Relationship Management) software will be the top priority for additional spending on enterprise applications around the world this year and next, according to newly released data from analyst firm Gartner.
- The category edged out ERP (Enterprise Resource Planning), which took up the second-highest spot.
- Most CRM and ERP platforms struggle with telephony.
- CloudCall allows businesses to make and receive, record and log phone calls directly from within their CRM and ERP platforms

Worldwide Enterprise Applications Service Market							
(£ Millions)	2009	2010	2011	2012	2013	2014	2015
CRM	£ 16,789	£ 18,872	£ 20,199	£ 21,465	£ 22,693	£ 24,463	£ 26,589
ERP	£ 30,455	£ 32,343	£ 34,809	£ 36,471	£ 38,344	£ 40,086	£ 42,077
<b>Total</b>	<b>£ 47,244</b>	<b>£ 51,215</b>	<b>£ 55,008</b>	<b>£ 57,936</b>	<b>£ 61,037</b>	<b>£ 64,549</b>	<b>£ 68,666</b>

Source: Gartner (February 2012)

# CloudCall

- Fully featured hosted PBX specifically designed to integrate with 3<sup>rd</sup> party software
- Simply click on a customer record in CRM to initiate a call
- Logs / notes / recordings automatically added and accessible from customers' records
- No on premise equipment – or need to change phone infrastructure
- Full logging and reporting of all activity through customer portal
- IFA compliant
  - No orphaned calls
  - Includes mobiles



# Sales Approach

## Sales Phases

- I. Integrate with CRM platforms
- II. Partner Networks & Direct Sales
- III. Add Territories
- IV. Launch Reseller product

### Phase I. – Integration with CRM Platforms

- Excellent response - Exceeded expectations
- Recent integrations increase approximate addressable market from 10,000 to 1m seats 0 5m Globally
- More to follow....

### Phase II. – Partner Network and Direct Sales

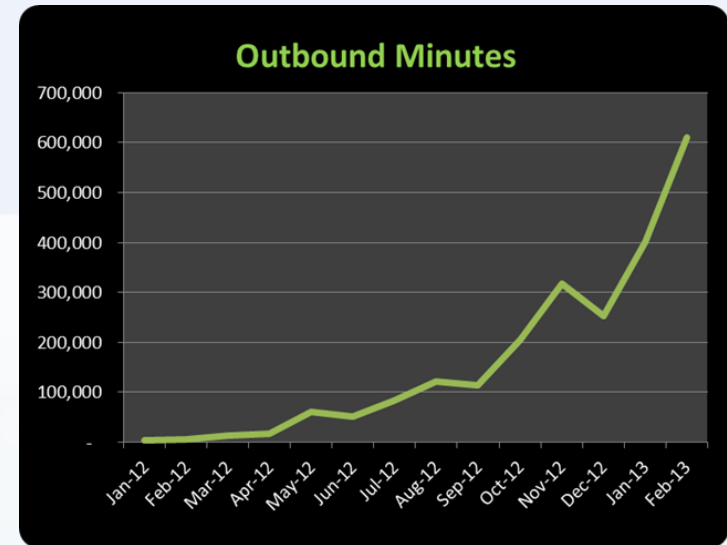
- Over 25+ partners signed up this year – including;
  - Microsoft / Salesforce / Ciber
- Direct Sales initiatives
  - 14 Day free trail
- Very encouraging
  - month on month increase in sales this year

## Integrated CRM platforms include

- Bullhorn
- CallPro CRM
- DealerWeb
- Intrabench
- Lunar CRM
- Microsoft CRM
- Outlook
- Salesforce.com
- Sugar CRM
- WebCRM

## Income

- Monthly recurring Software Income – SaaS
- Can undercut Telco's as not reliant on call margin
- Low Cost / High Quality Call Charges
  - 2ppm to mobiles and 0.75ppm to Landlines
- Early days, but encouraging low churn rates
- Self-upsell appears to outnumber churn



## Capex

- Platform Rebuild – approx. £250,000
- Fully redundant / High availability
- Expect to be multi location by April
- Scaled for 100,000 Seats
- No significant further Capex anticipated in Europe in mid term

