



## Media Release

19 June 2018

# Reckon Renews Focus on Independent Growth Strategy

Strengthens board and management as planned, continues to fuel 'cloudification' journey via strategic acquisitions as well as new product developments and enhancements

**SYDNEY, Australia – 19 June, 2018** - Australian accounting software provider Reckon (ASX:RKN) is set to accelerate its independent growth strategy, in light of the MYOB deal for the Accountants Group division not proceeding. The renewed focus will see Reckon rejuvenating its board and management structure as planned prior to the deal, whilst fuelling its 'cloudification' journey via strategic acquisitions, as well as new product developments and enhancements.

"We have an exciting growth strategy across our entire business, and what we have retained with the Accountants Group is a prestigious client base, a fantastic product set, distribution channel, revenue stream and the best team in the market," said Sam Allert, who will be CEO from 1 July 2018.

"Market feedback on our APS practice management software has proven it is the best solution for mid to large accounting practices, especially compared to our competitors, who lack the feature set and commitment to work with these firms. Through this exercise, we now have a clearer understanding of the strength of our APS offering, our relationships with clients and we are committed to build on these strengths to the benefit of all our customers."

"Across the Accountants Group, we have a renewed focus on enhancing and "cloudifying" the APS suite. We are well on the way to delivering on our roadmap of new products designed to give our accounting firm clients greater mobility, efficiency and connectivity in their role as advisors, as well as growing their practice revenues."

"We remain confident that we will continue to deliver value for our customers, partners, shareholders and employees as part of our independent growth strategy," Allert added.

## **Developing Niche Capabilities to Accelerate Cloud-First Momentum**

As a first step, strategic acquisitions and product developments aimed at upping Reckon's cloud-first game, will form a core component of the company's long-term growth strategy and roadmap.

The first of this is the acquisition of Better Clinics, a cloud-based practice management software for health, medical and fitness professionals. The secure online application combines scheduling, finance and customisable client databases on a single platform, enabling users to manage their business from any device, anywhere. Given the broad features, the software is also suitable for other time-based small businesses.

"Not only does the acquisition of Better Clinics open Reckon up to the market of health and fitness professionals, there is also significant potential here for us to update and refine the source code for other industries," said Allert. "We also plan to put our flagship cloud accounting software Reckon One behind the app to enhance the offering over time. The integration will deliver immediate synergies, with Better Clinic customers having access to accounting functionalities on Reckon One including payroll."

The move follows the company's acquisition of the perpetual licenses to the source codes for two cloud based applications last year, specifically a leading web-based point of sale (POS) system provider, and a mobile-based time tracker established in New Zealand.

Further to acquisitions, Reckon will also be launching a suite of new products and enhancements to ever-evolving and ongoing market demands for our growing small business and advisor network

For a start, the company is working on enhancing its bank feeds functionality, developing BankData for Accountants, a new feature aimed at streamlining the accounting and data management process for accounting practices working with their business clients across Australia. BankData for Accountants will be released later this year.

## **Board Changes Underpin Future Growth Strategy**

In addition to software capabilities, Reckon has today announced multiple changes to its board of directors and management structure to strengthen its leadership team.

- ***Long serving Chairman Ian Ferrier to retire***

Following 14 years on the board, Ferrier will retire effective 1 July 2018. He had served as both a director and later as Chairman of Reckon. During his tenure, Ferrier saw the company significantly transform its business by continually disrupting itself, enabling Reckon to stay relevant in a fiercely competitive market and cater to customers' ever-evolving needs.

- ***Reckon co-founder Greg Wilkinson to step up as Chairman***

Effective 1 July 2018, Ferrier will be replaced by current Deputy Chairman Wilkinson, who was one of the co-founders of Reckon in 1987. Wilkinson has served in his position since 2006.

Wilkinson plays an important role in challenging management on their vision and strategy for the business, whilst bringing a steady hand and invaluable measured thinking to vital decision making processes. As a founder of Reckon, he is in a unique position given his intimate knowledge and passion of the business, its products, customers, the technology landscape and the contemporary markets Reckon plays in. Wilkinson is also involved as an investor and mentor to several technology start-ups.

- ***Reckon co-founder Phillip Hayman joins the board as director***

Effective today, Hayman has been appointed independent non-executive director of Reckon. Hayman was one of the co-founders of the company alongside Wilkinson, and was at various times in its early days Chief Financial Officer and Head of Logistics. The board believes it was timely to bring Hayman's broad entrepreneurial flair and energy back to the company at this exciting time.

- ***Sam Allert to be promoted to Chief Executive Officer***

Together with these changes to the board, incumbent head of the Australian and New Zealand business, Allert will assume the operational responsibilities of Chief Executive Officer (CEO) effective 1 July 2018. He will take over the role from Clive Rabie, who has been Group CEO since 2006. The board has over a number of years given careful consideration to an appropriate succession plan for Rabie and believes it is now an appropriate time for the transition period to Allert.

Allert joined Reckon/APS in 1999, where he was one of the first employees in the APS business. Since then, he has held various roles within this division, from office management to sales management and eventually MD.

Allert's longstanding background with the business puts him in a strong position to lead the company into a new era, as it embarks on its independent growth strategy and 'cloudification' journey.

- ***Clive Rabie to step down as CEO and become Managing Director***

With Allert's elevation to CEO, Rabie will be appointed as Managing Director effective 1 July 2018. The move will enable Rabie to take a step aside from his commitment to day-to-day operational responsibilities, allowing him to focus on group strategy, growth, and mentoring the management team during a transition period.

The existing and new board of Reckon believe that collectively the composition of the new leadership team aligns well with the strategy, focus and values of the company.

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## **About Reckon**

Reckon is an ASX listed and Australian owned company with over 30 years' experience delivering market leading solutions to accountants and bookkeepers, legal professionals and small to medium sized businesses. Reckon's software services are designed to make accounting faster, easier and more productive. Find out more at [www.reckon.com](http://www.reckon.com)