

October 8, 2019

ASURE SOFTWARE WORKSPACE MANAGEMENT SALE

Building companies of the future



ASURE SOFTWARE

NASDAQ: ASUR

SAFE HARBOR STATEMENT

(Under the Private Securities Litigation Reform Act of 1995)

Statements made in this presentation regarding Asure's business which are not historical facts are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that involve risks and uncertainties. Such risks and uncertainties could cause actual results to differ materially from those contained in the forward-looking statements. The risks and uncertainties include—but are not limited to—adverse changes in the economy, financial markets, and credit markets; delays or reductions in information technology spending; the development of the market for cloud based workplace applications; product development; market acceptance of new products and product improvements; our ability to retain or increase our customer base; security breaches; errors, disruptions or delays in our services; privacy concerns; changes in the our sales cycle; competition, including pricing pressures, entry of new competitors, and new technologies; intellectual property enforcement and litigation; our ability to hire, retain and motivate employees; our ability to manage our growth; our ability to realize benefits from acquisitions; the level of our indebtedness; changes in sales may not be immediately reflected in our operating results due to our subscription model; changes in laws and regulations; change in the Internet infrastructure; disruptions in computing and communication infrastructure and changes in accounting standards. Please review our annual report on Form 10-K for other risks or uncertainties that may cause our actual results to differ from those presented in this presentation.

TABLE OF CONTENTS

Section	Title	Page
1.	Transaction Summary	4
2.	The “New” Asure	9
3.	Valuation Thoughts	12



SECTION 1

TRANSACTION SUMMARY

WORKSPACE MANAGEMENT SALE

- Asure has entered into an agreement with FM:Systems (backed by Accel-KKR) to sell Workspace Management for \$120 million in cash on a debt-free, cash-free basis
 - Vast majority of the gain on the sale will be offset by the Company's accrued NOL's
- All cash transaction with no financing contingency
 - The transaction will require Hart Scott Rodino (HSR) clearance
- Represents 4.3x LTM Revenue for Workspace Management¹
- Approximately 110 direct Workspace Management employees will leave Asure and go to FM:Systems
- We expect the transaction to close in 45 to 60 days
- Asure's entered into a transition services agreement for a period upon close up to approximately 6 months

¹ LTM as of 6/30/2019.

WHY SELLING WORKSPACE MANAGEMENT MAKES SENSE

Benefits

- + We believe that \$120 million is a good price for Workspace Management
- + Proceeds of transaction allows the Company to pay down majority of debt
- + Asure becomes a HCM-focused company
- + Simplified business with domestic operations only and no currency exposure
- + Smooths out overall revenue trends; post-close Asure's recurring revenue mix will exceed 90%
- + We believe the sale over the long-term will allow Asure to attain a higher multiple as a pure-play HCM vendor

ASURE BECOMES A SIMPLER BUSINESS TO MANAGE

Current



CORPORATE HEADQUARTERS
AUSTIN, TX



Offices in CA, FL,
MA, MI, NC, NE,
NY, TN, TX, VT, WA,
UK



Presence
in 86
countries



Post-Deal



CORPORATE HEADQUARTERS
AUSTIN, TX



Offices in CA, FL, NC, NE, NY, TN, TX, VT, WA

ASURE BECOMES A PURE PLAY HCM VENDOR



ASURE SOFTWARE

Human Capital Management (HCM)



Payroll & Tax



Time & Attendance



Benefits



Talent Management



Recruitment



HR Consulting

Business Intelligence

Products to stay with Asure

Workspace Management



Hoteling & Activity-based Work



IoT Sensors



Room Scheduling



Asset & Move Management



Mobile-Digital Workspace



Workspace Utilization

Business Intelligence

Products sold





SECTION 2

THE “NEW” ASURE

FINANCIAL OVERVIEW LTM AS OF 6/30/2019

Shared overhead will take some time to fulfill transition services, absorb future growth and optimize for the new model

Going forward

- ~\$9M interest expense eliminated

Shared Overhead

- Agreed to enter into a Transition Services Agreement for a period upon closing through approximately 6 months
- ~12 months to grow into shared overhead
- Provides an opportunity for Asure to simplify and rationalize overhead costs

Financial Overview - June 2019 LTM¹

(\$ in millions)	Pre-Deal		
	Workspace	HCM	Total
Revenue	\$27.9	\$71.6	\$99.5
Direct Costs	\$8.4	\$24.7	\$33.2
Gross Profit	\$19.5	\$46.8	\$66.3
% margin	69.8%	65.4%	66.7%
Direct Overhead	\$9.6	\$13.1	\$22.7
Shared Overhead		\$20.6	\$20.6
Adjusted EBITDA			\$23.0
% margin			23.2%
Interest Expense		\$11.1	\$11.1

¹ Represents management estimates.

Q3, Q4 AND 2020 OUTLOOK

- We will discuss the specific financial details of this transaction on our regularly scheduled upcoming third quarter earnings call as we move through the closing timeline, transition services agreement details and required approvals
- Asure will report a large one-time gain from the sale (at the time of closing which is expected to be in Q4 2019)
 - Vast majority of the gain on the sale will be offset by the Company's accrued NOL's
- While we are not yet ready to discuss 2020 outlook, we do know that it will be a transition year with splitting the business and phasing out residual business models which will lead to limited organic growth, however we'll be ready to embark on additional inorganic opportunities
 - Investments in organic growth (i.e. new sales hires, etc.) and incremental overhead absorption from Workspace Management sale will impact EBITDA margin in 2020
 - Post-close, our new capital structure will eliminate roughly \$9 million of annual interest expense
 - Incremental overhead absorption from Workspace Management will take approximately 12 months



SECTION 3

VALUATION THOUGHTS

ASURE VALUATION THOUGHTS

- Management believes that Asure's high debt balance has impacted its overall valuation
- Focusing on the core HCM business and eliminating the excess debt will allow the company to focus on organic growth and additional reseller acquisitions
- Post-close predictable, recurring revenue mix will exceed 90%
- Over time, as we execute, the valuation metrics should improve overall
- We believe the sale over the long-term will allow Asure to attain a higher valuation multiple as a pure-play HCM vendor

SHARE PRICE ANALYSIS POST-SALE AT THE SAME REVENUE MULTIPLE AND THE LOW END OF PEER COMPARABLES

Current Valuation

Close Price on 10/7/19	\$6.78
Shares Outstanding	15.6
Implied Equity Value	\$105.4
Plus: Debt	\$128.8
Less: Cash	\$14.7
Implied Enterprise Value	\$219.6
LTM Revenue (as of 6/30/2019)	\$99.5
EV / LTM Revenue	2.2x

Share Price Analysis

Revenue Multiple	2.0x	3.0x	4.0x	5.0x	6.0x
LTM HCM Revenue (as of 6/30/2019)	\$71.6	\$71.6	\$71.6	\$71.6	\$71.6
Implied Equity / Enterprise Value ¹	\$143.1	\$214.7	\$286.3	\$357.8	\$429.4
Implied Share Price	\$9.20	\$13.81	\$18.41	\$23.01	\$27.61
<i>% Premium to Current Share Price</i>	35.8%	103.6%	171.5%	239.4%	307.3%

¹ For illustrative purposes only. Assumes net debt of \$0.0m.

COMPARABLE PUBLIC COMPANIES VALUATION DETAIL

(\$ in millions, excluding per share data)

Company	Closing Price 10/7/2019	% of 52 Week High	% Float	Market Cap	Total Debt	Cash	Net Cash	Enterprise Value	Total Debt / Cap	Enterprise Value Multiples					
										Revenue			EBITDA		
										LTM	CY 2019	CY 2020	LTM	CY 2019	CY 2020
High Growth Payroll															
Paylocity Holding Corporation	\$ 98.24	87.4%	67.2%	\$ 5,345.9	\$ 0.0	\$ 161.8	\$ 161.8	\$ 5,184.1	0.0%	11.1x	10.1x	8.4x	NM	35.5x	29.2x
Paycom Software, Inc.	214.30	82.5	84.2	12,354.7	60.5	94.8	34.3	12,320.3	12.2	18.9	16.9	13.7	NM	40.2	32.7
Workday, Inc.	177.84	78.4	71.4	42,481.7	1,542.6	1,926.5	383.9	42,097.8	41.1	13.0	11.7	9.5	NM	NM	45.1
Mean		82.8%	74.2%	\$ 20,060.8	\$ 534.4	\$ 727.7	\$ 193.3	\$ 19,867.4	17.8%	14.3x	12.9x	10.5x	NA	37.8x	35.7x
Median		82.5	71.4	12,354.7	60.5	161.8	161.8	12,320.3	12.2	13.0	11.7	9.5	NA	37.8	32.7
Low-Mid Growth Payroll															
Paychex, Inc.	\$ 82.93	93.8%	89.1%	\$ 29,680.6	\$ 983.8	\$ 627.3	\$(356.5)	\$ 30,037.1	28.1%	7.7x	7.5x	7.0x	18.7x	18.3x	16.9x
Intuit Inc.	266.76	90.2	96.4	69,768.7	436.0	2,740.0	2,304.0	67,464.7	10.4	9.9	9.6	8.6	32.8	27.0	23.6
Automatic Data Processing, Inc.	158.89	91.1	99.8	69,112.1	2,264.2	1,959.7	(304.5)	69,416.6	29.5	4.9	4.8	4.5	19.9	19.1	17.3
SAP SE	114.64	83.4	87.7	136,844.6	2,064.2	6,338.2	4,274.0	132,638.8	6.2	4.5	4.4	4.1	17.8	12.0	11.3
Mean		89.6%	93.3%	\$ 76,351.5	\$ 1,437.0	\$ 2,916.3	\$ 1,479.3	\$ 74,889.3	18.6%	6.7x	6.5x	6.1x	22.3x	19.1x	17.3x
Median		90.6	92.8	69,440.4	1,524.0	2,349.9	999.8	68,440.6	19.3	6.3	6.1	5.8	19.3	18.7	17.1
Asure Software, Inc.	\$ 6.78	56.3%	71.1%	\$ 105.4	\$ 128.8	\$ 14.7	\$(114.1)	\$ 219.6	57.1%	2.2x	2.1x¹	2.0x¹	21.4x	9.6x¹	8.8x¹

Source: Capital IQ

¹ Does not assume Workspace divestiture.



THANK YOU

www.asuresoftware.com



ASURE SOFTWARE

NASDAQ: ASUR