

26 March 2020

Company Announcements Office
Australian Securities Exchange
Rialto Tower,
525 Collins Street,
Melbourne, Vic, 3000

By Email

Dear Sir

RE IODM UPDATE ON BUSINESS CONTINUITY PLANNING & COVID-19 RESPONSE

IODM lodges an update on COVID-19.

The announcement has been authorised for release to the market by the Board.

Yours sincerely,



Petrina Halsall

Company Secretary

IODM Limited

For further information please contact

Tony Smith

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IODM Limited

ABN: 28 102 747 133 ASX Code: IOD

Registered Address: Level 5, 22 Albert Road, South Melbourne, Vic, 3205

Contact Details: 03 8396 5890 Email: info@iodm.com.au Website: www.iodm.com.au

IODM Update – Business Continuity Planning & COVID-19 Response

Leading accounts receivable and operational efficiency solution company, IODM Limited (ASX: IOD) (“IODM”), provides an update to the Business impact of COVID -19.

IODM makes the following statements to all stakeholders and encourages shareholders, clients and suppliers alike to open communications with the company if they are in any type of distress, financial or otherwise, to ensure that we all work through a plan to remediate a satisfactory result in this current environment.

COMPANY

On the 6th March 2020, the company enacted phase 1 of its Business Continuity Procedures which, in part, detailed the protocol of how staff enact with each other and our clients. On the 13th March 2020, the business further moved to enact phase 2 of its Business Continuity Procedures which saw all travel cancelled in line with government recommendations and further on 17 March 2020, all staff were instructed to both work from home and conduct all meetings and interactions with staff and clients electronically. We take the government directives and the wellbeing of all stakeholders seriously.

OPERATIONS

DOMESTIC

IODM is fortunate that we are in the Software as a Service industry and thus the need for physical interaction with clients, staff or suppliers in any part of the business is not essential. Therefore, operationally, **IODM has not been adversely affected**. The sales staff are experiencing an increase in reverse enquiry, along with the normal sales function, as all companies, domestic and international, are investigating better ways to operate their Accounts Receivable function for what is economically forecast to be a very difficult short term landscape. IODM is well positioned for this, although, we do expect the conversion in new clients may take slightly longer to implement than normal due to the conditions.

EUROPEAN EXPANSION

As disclosed on the 26th February, IODM launched in Europe as part of its global partnership with Western Union. The launch was co-ordinated with Western Union and in part, was to consist of conferences and introductions with IODM employees in attendance through Europe. As part of our response to COVID – 19, we cancelled all travel, and thus this was not possible. However, the demand for our product is present and we have commenced video meetings in Europe. Like the Australian experience, we are finding businesses very receptive in this current situation and companies are looking at alternatives to change their Accounts Receivable approach. The company is also using this time to broaden and strengthen our current partner relationships and will update the market as they progress.

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FINANCIAL STABILITY

IODM is, however, preparing itself accordingly for what is transpiring in the broader economy and has ceased or reduced contractor payments where appropriate and cut overseas and interstate travel. We have negotiated with supplier contracts to better reflect the current outlook and the company qualifies for the government support programs. After taking this into consideration and the recent capital raising, IODM had ~\$1.26m in liquid assets at the end of February 2020 and is comfortable with the current cash at bank balances versus cash flow budgets, the current reduction in cash outflows and the current pipeline in both domestic and international sales.

The board will continue to keep the shareholders, staff and clients up to date as, and when, the situation changes or the government provides further updates accordingly.

For further information, please contact Anthony Smith at Tony.Smith@iodm.com.au.

About IODM

IODM is an Australian leading accounts receivable solution that goes beyond chasing debt. Powered by technology, IODM streamlines the AR workflow to drive operational efficiencies and significantly improve cashflow. IODM offers a customisable application that seamlessly works with any accounting and ERP software package.

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