

ASX Announcement
31 July 2024

IODM Q4 FY24 Quarterly Activities Report and Appendix 4C

Q4 FY24 highlights:

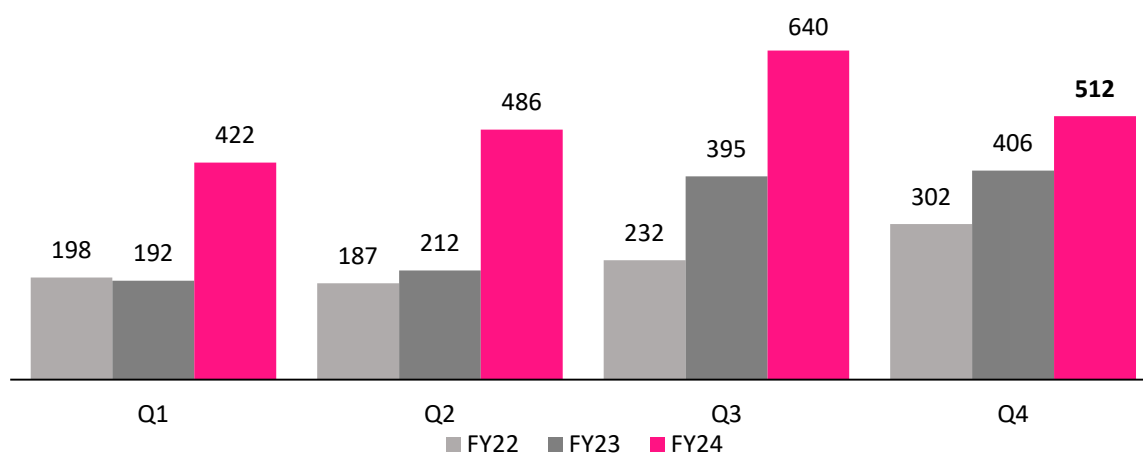
- Cash receipts of A\$512k, +26% versus previous corresponding period (“pcp”)
 - UK cash receipts of A\$307k, +72% versus pcp, driven by new commercial agreement with Convera for UK education business
- UK revenue of \$301k, +77% versus pcp
- Annual cash receipts of \$2.06m, up 71% on previous year
- Several presentations made to both US and Canadian universities
- Presentations have commenced in Japan for the education sector

IODM Limited (ASX:IOD) (“**IODM**” or “**the Company**”), a cloud-based software platform delivering a complete working capital communications solution, is pleased to release its Quarterly Activities Report and Appendix 4C for the period ended 30 June 2024 (“**Q4 FY24**”).

Quarterly cash receipts in Q4 FY24 of A\$512k increased 26% vs the pcp. This number was in line with company expectations, given it is a traditional quiet period for payments for UK education institutions as the academic year comes to an end.

In addition, as a consequence of the new revenue share agreement with Convera, effective 1 January 2024, UK quarterly revenue continued to grow to \$301k, up 77% versus the pcp. This strong result continues to demonstrate that the new Convera agreement announced to ASX on 5 February 2024 (effective 1 January 2024) is having a continuing positive effect on the Company’s UK revenue, as anticipated. This will be enhanced following the announcement of an additional four universities that have been onboarded in the UK in time to take advantage of the new UK academic year commencing in September 2024, that will see the commencement of deposit, tuition and accommodation payments.

Figure 1: IODM Quarterly Cash Receipts (A\$’000)



UK Education Business

Both the cash receipts and revenue observed during the fourth quarter were in line with the company's expectations given the seasonal quiet period for student payments leading up to the end of the academic year. Notwithstanding this quiet period, pleasingly, cash receipts from student payments remained at a better than expected level as a result of the guaranteed minimum payments the company receives from Convera following the commencement the abovementioned new revenue share agreement.

Encouragingly, further analysis of Convera-related receipts during the quarter reveals IODM immediately demonstrated its optionality above the minimum guaranteed payment of GBP50k per month, with IODM collecting more than the guaranteed amount in one of the months of the quarter.

Further, as a result of new Convera agreement, IODM's revenue from the UK education space versus pcp continues to grow.

As mentioned, the company announced post the quarter end, that it had onboarded an additional four universities in the UK in time for the commencement of the billing cycle for the new academic year, which will lead to an organic lift in receipts and revenue going forward.

Interestingly, one of those additional universities is the University of Sunderland, previously a key customer of a Convera competitor and converted from the IODM pipeline via a joint proposal.

Domestic Business

Following on from a record breaking quarter in Q3FY24 due to the implementation of five new clients and strong receipts attributable to implementation fees for enterprise clients, the company's receipts for Q4FY24 were slightly lower than Q3FY24, as the Australian sales team focussed on replenishing its pipeline and delivering a record number of presentations to a number of enterprise business's including both national and international brands, many of which should be converted during the current quarter.

The Company continues to see an increasing number of enterprise companies seeking out the IODM solution and requesting presentations and contract proposals. The Company expects to see the domestic signings continue at an elevated rate in the coming quarters.

North American Business

During the quarter the company began the first of several presentations to educational institutions in both Canada and the USA in conjunction with Convera. All the meetings were extremely positive and it is clear that there is demand for the IODM/Convera proposition in North America and the company looks forward to updating shareholders on the outcome of those opportunities imminently.

Corporate and Additional Information

Payments to related parties and their associates during the Q4 FY24 which totalled \$17k were for directors fees.

IODM CEO, Mark Reilly said:

"I am pleased to again report that IODM has had an extremely positive quarter across all sectors of its business. The UK business continues to grow as a direct result of the new agreement with Convera. This growth will only continue with the expected revenue from the newly onboarded Universities and those from our pipeline. The company continues its push in diversifying its revenue globally and with the presentations now in full swing across North America and Japan, I look forward to updating shareholders as we progress through the quarter."

This announcement is authorised by IODM's Board of Directors

– END –

About IODM

IODM is a leading accounts receivable (AR) solution that utilises digital technology to optimise automation. IODM's solution provides an end-to-end AR process that supports customers with invoicing, query management, payment reminders, escalation, analytics and more. IODM's solution drives increased client productivity and timely payments while reducing costs and minimising human error. The solution is a customisable application that seamlessly integrates with any accounting ERP software package. IODM operates globally and is headquartered in Melbourne, Australia. To learn more, please visit www.iodmconnect.com

For more information, please contact:

General enquiries

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

IODM LIMITED

ABN

28 102 747 133

Quarter ended ("current quarter")

30 JUNE 24

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	512	2,058
1.2 Payments for		
(a) research and development	0	0
(b) product manufacturing and operating costs	0	0
(c) advertising and marketing	(10)	(64)
(d) leased assets	0	0
(e) staff costs	(725)	(2,753)
(f) administration and corporate costs	(611)	(2,375)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	3	30
1.5 Interest and other costs of finance paid	(4)	(16)
1.6 Income taxes paid	0	0
1.7 Government grants and tax incentives	25	675
1.8 Other (provide details if material)	0	0
1.9 Net cash from / (used in) operating activities	(810)	(2,445)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	0	0
(b) businesses	0	0
(c) property, plant and equipment	0	(1)
(d) investments	0	0
(e) intellectual property	0	0
(f) other non-current assets	0	0

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	0	0
	(b) businesses	0	0
	(c) property, plant and equipment	0	0
	(d) investments	0	0
	(e) intellectual property	0	0
	(f) other non-current assets	0	0
2.3	Cash flows from loans to other entities	0	0
2.4	Dividends received (see note 3)		
2.5	Other (Redeem refundable security deposit)	0	0
2.6	Net cash from / (used in) investing activities	0	(1)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	0	800
3.2	Proceeds from issue of convertible debt securities	0	0
3.3	Proceeds from exercise of options	0	19
3.4	Transaction costs related to issues of equity securities or convertible debt securities	0	(6)
3.5	Proceeds from borrowings	300	300
3.6	Repayment of borrowings	(41)	(164)
3.7	Transaction costs related to loans and borrowings	0	0
3.8	Dividends paid	0	0
3.9	Other (provide details if material)	0	0
3.10	Net cash from / (used in) financing activities	259	949

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	837	1,782
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(810)	(2,445)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	0	(1)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	259	949
4.5	Effect of movement in exchange rates on cash held	(6)	(5)
4.6	Cash and cash equivalents at end of period	280	280

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	280	837
5.2	Call deposits	0	0
5.3	Bank overdrafts	0	0
5.4	Other (provide details)	0	0
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	280	837

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	16.5
6.2	Aggregate amount of payments to related parties and their associates included in item 2	0
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	600	300
7.2	Credit standby arrangements	0	0
7.3	Other (please specify)	0	0
7.4	Total financing facilities	0	0
7.5	Unused financing facilities available at quarter end		300
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	Unsecured loan from private party repayable in cash or equity at the lenders election by 31 December 2024 at 12% per annum.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(810)
8.2	Cash and cash equivalents at quarter end (item 4.6)	280
8.3	Unused finance facilities available at quarter end (item 7.5)	300
8.4	Total available funding (item 8.2 + item 8.3)	580
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	0.72
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: Yes but the company expects an increase in cash receipts and revenue following the onboarding an additional 4 universities in the UK.	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: IOD is presently undertaking a capital raising which will provide the necessary funding. The IOD Board will continue to manage capital in a prudent manner that benefits shareholders.	

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

IOD expects to continue its operations and meet its business objectives as pursuant to the answers provided in Questions 1 and 2 of Section 8.6

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

31 JULY 2024

Date:

BY THE BOARD OF IODM LIMITED

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.