



ASX Announcement

30 January 2023

Bridge December 2022 Quarter Update

Highlights

- Renewed major agreement with the Department of Employment and Workplace Relations (DEWR) for the next three years.
- Key leadership appointments made to drive growth in new and existing markets and enable the Company to scale its software solutions for government service providers.
- Successful completion of \$4.5 million Initial Public Offering (IPO) and admission to the official list of the Australian Stock Exchange (ASX).
- CEO comments and outlook.

Bridge SaaS Limited (ASX: BGE) ('**Bridge**' or the '**Company**') is pleased to announce the following update on its activities during the December 2022 quarter.

Agreement renewal with Commonwealth Government DEWR

Bridge is currently one of a limited number of third-party IT vendors with a deed in place and accredited to provide software services to employment services providers. The Company's accreditation extends to 14 Australian Government programs operating within the DEWR.

During the quarter, Bridge renewed a major agreement with the DEWR, enabling the Company to keep providing software services to employment services providers, which effectively underpins existing revenues for the next three years.

In addition, the Company made product enhancements to the Employment Services software product which resulted in existing customers purchasing additional functionality and bespoke reporting features, adding to Employment Services revenue in the quarter.

Key Leadership Appointments

As outlined in the Company's prospectus lodged 15 August 2022, a significant portion of funds raised from the Public Offer are to be applied towards Sales, Marketing and Customer Success, along with Developers and IT related costs for the first two years following Bridge's admission to the Official List of ASX.

During the quarter, the Company commenced the necessary key leadership appointments to enable Bridge to leverage its first-mover opportunity in Employment Services, to become a major software provider across multiple government funded programs including, the Australian Disability (includes NDIS), Aged Care and Disability Employment Services sectors.

Bridge SaaS Limited

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ABN 14 130 148 560



Chief Product & Technology Officer (CPTO)

Oyem Ebinum was appointed to the key role of CPTO to facilitate product innovation and development as the Company consolidates and expands its offering into new market opportunities. Oyem was previously Director, Founder and Chief Product & Technology Officer at digital health and social innovation agency, Sheda.

Head of Sales

Adam Mercurio was appointed Head of Sales to grow revenue in the existing Employment Services sector as well as drive growth in the new NDIS sector. Adam was previously Sales Director for Hivebrite in Australia & New Zealand and prior to this was State Sales Manager in NSW for CreditorWatch. Adam held a number of business development and sales roles for leading Australian companies prior to these positions, making him the ideal candidate to lead our sales team.

Head of Operations

Anna-Marie Stella was appointed Head of Operations to build the Company's foundations to enable rapid scale in existing and new markets. For more than seven years, Anna-Marie has held a number of senior roles for The College of Law Australia, culminating in her appointment as Chief Operating Officer in 2019. Prior to this Anna-Marie spent more than nine years with both LexisNexis Pacific and UK in a range of roles from Managing Editor to Product Manager and Pacific Product Lead. Anna-Marie has a proven track record as a results-focused leader with the ability to craft high level strategy and to successfully operationalise strategic outcomes.

Corporate

Admission to official list of ASX

On 6 October 2022, Bridge was admitted to the official list of the ASX following the successful raising of \$4.5 million via an IPO of 22.5 million shares at \$0.20 per share. Funds raised from the IPO enable Bridge to execute on its long term growth strategy to establish a strong and sustainable position in the market and become a leading all-in-one operating software platform for government service providers.

Director appointment

During the quarter, the Company appointed Martin Hoffman as a Non-Executive Director. Mr Hoffman was previously CEO of the National Disability Insurance Agency and prior to this held a number of senior roles in both the public and private sector.

Cash and Expenditure

During the quarter, cash receipts from customers totalled \$473k. The Company had a cash balance of \$3,181k as at 31 December 2022.

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Section 2.12 of the Company's Prospectus for its IPO outlined an indicative use of funds for the capital raised. As required by ASX Listing Rule 4.7C.2, the below table shows the actual use of funds from listing date until the balance date of 31 Dec 2022 compared to the use of funds outlined in the Prospectus.

Use of Funds (\$m)	Actual use of funds	Prospectus use of funds
Expenses of the Public Offer	\$0.5	\$0.7
Executive and central functions	\$0.1	\$0.4
Developers and IT costs	\$0.3	\$1.6
Sales, Marketing & Customer Success	\$0.2	\$1.4
Product Development, Delivery & QA	\$0.1	\$0.3
General, Admin & Working Capital	\$0.0	\$0.1
Ongoing Listing Costs	\$0.1	\$0.4
TOTAL	\$1.3	\$4.8

The following table sets out the information as required by ASX Listing Rule 4.7C.3 regarding payments to related parties of the entity and their associates:

Payments to Directors and related parties	\$000
Payments to Directors for CEO base remuneration, Directors' fees and cost reimbursements	\$123
Payments to related parties for sub-lease and cloud hosting	\$216
TOTAL	\$339

CEO Commentary & Outlook

Background

Bridge has been providing software to assist third party providers of government funded programs (Providers), to deliver services to people on behalf of Federal and State Governments. Our aim is to help the recipients of government funded services by reducing the administrative burden and increasing efficiencies for Providers to service these recipients.

Since 2008, Bridge has focused on Employment Service Providers and through the Federal Government's Digital Information Assurance and IT Security Compliance programme, has been accredited for 14 Federal Government programs.

The Company believes there will be an increasing trend for Providers to deliver multiple government programs including NDIS and Aged Care. In order to service these much larger market verticals, Providers will require IT systems capable of servicing multiple programs. Having Federal Government accreditation and an established base with Employment Service Providers, Bridge has a unique opportunity to leverage its enterprise management software across multiple government programs.

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Just prior to listing, Bridge soft launched into the much larger NDIS Provider market.

NDIS Update

NDIS represents a very large and growing market opportunity for the Company. There are currently more than 554,917¹ participants using the NDIS supported by close to 13,973² registered Providers and 131,255³ unregistered Providers. Bridge is making a number of enhancements to the NDIS software product which are designed to deliver a seamless automated onboarding process to make it easy for Providers to trial, buy and use the product.

Product Milestones

Bridge is currently developing the following product enhancements for the NDIS product:

- automated trials
- automated onboarding, and
- automated sign-up/purchasing.

These product enhancements are designed to deliver a seamless trial, purchase and onboarding process for customers aligned to market expectations. These enhancements will also create back-end efficiencies for Bridge and reduce the operational costs associated with the current manual purchasing and onboarding processes. The product roadmap is currently under development and is expected to be finalised in the third quarter.

During the quarter, the Company commenced NDIS marketing campaigns which generated high levels of interest, particularly from Bridge's initial target customers - small NDIS Providers. Results of these campaigns indicated strong market demand amongst smaller NDIS Providers and the Company received a number of requests for trials of the Bridge software.

NDIS support coordinators were onboarded during the period as part of Bridge's strategy to grow revenue in the support coordinator market. One of Bridge's existing Employment Service customers, also an NDIS provider, signed on with Bridge for NDIS software during the period.

Outlook

With the key technology hire in place, the third quarter will see a focus on NDIS product innovation. The NDIS Provider market is highly fragmented and characterised by a large number of small providers. Our aim is to streamline Bridge, to make it easier to use and easier to buy for the many small businesses working with the community and NDIA. Each month we will be delivering further software enhancements.

In addition to the technology enhancements, we now have a seasoned sales leader to grow sales

¹ NDIS Quarterly Report to disability ministers - 30 September 2022

² NDIS Quarterly Report to disability ministers - 30 September 2022

³ NDIS Quarterly Report to disability ministers - 30 September 2022

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aggressively. Our focus is on increasing the number of NDIS providers using Bridge. These providers are mainly Small to Medium Enterprises (SMEs) which means the monthly revenue per provider is much lower than enterprise clients. We are targeting large volumes of smaller providers, which is why the onboarding process (trialing, buying, using) needs to be light touch from a staff perspective and easy from a prospective client perspective.

As well as the 13,973 registered NDIS providers, there is another group of 131,255 unregistered providers. These providers are typically SMEs who provide various goods and services to the community, helping people with disability, but they are not registered. Together, registered plus unregistered providers total 145,514⁴ active providers. We discovered through our marketing efforts, after listing, that these unregistered providers could use Bridge to help them manage their day-to-day operations. This means the addressable market for Bridge is much larger than just the registered providers.

Looking forward, our goal is to increase the number of NDIS providers (registered and unregistered) using Bridge. Our new sales, technology/product and operational leaders are focussed on streamlining marketing, conversion and onboarding as well as continually adding to the Bridge customer experience to set the foundations for growth.

This announcement was authorised for release by the Board of BGE.

For Further Information:

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About Bridge

Bridge provides Software-as-a-Service (SaaS) based Customer Relationship Management (CRM) and workflow solutions to the employment & NDIS industries. Bridge commenced operations in 2008 and has built an established, high-quality customer base within the Employment Services segment.

The Bridge Software is a single platform that simplifies the unique data, compliance and documentary evidence requirements of major government-funded programs through a unified user interface. Bridge Software allows Providers to effectively manage large client caseloads and geographically distributed workforces, within a secure and compliant cloud-based platform. The Company manages more than 1 million client records and is accredited for multiple Australian Government programs.

⁴ NDIS Quarterly Report to disability ministers - 30 September 2022

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Appendix 4C

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

Name of entity

BRIDGE SAAS LIMITED

ABN

14 130 148 560

Quarter ended ("current quarter")

31 December 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	473	739
1.2 Payments for		
(a) research and development	(237)	(474)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(55)	(131)
(d) leased assets	-	-
(e) staff costs	(276)	(466)
(f) administration and corporate costs	(713)	(1,098)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	5
1.5 Interest and other costs of finance paid	(0)	(1)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	0	0
1.9 Net cash from / (used in) operating activities	(803)	(1,426)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	(13)	(13)
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(13)	(13)
3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	4,500
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(543)	(648)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(543)	3,852

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,540	768
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(803)	(1,426)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(13)	(13)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(543)	3,852
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,181	3,181

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	3,181	4,540
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,181	4,540

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

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	339
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-
<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>	
Payments to Directors and related parties	\$000
Payments to Directors for CEO base remuneration, Directors' fees and cost reimbursements	\$123
Payments to related parties for sub-lease and cloud hosting	\$216
TOTAL	\$339

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. 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	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
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.		
-		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(803)
8.2 Cash and cash equivalents at quarter end (item 4.6)	3,181
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	3,181
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	4
<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: N/A

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: N/A

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?

Answer: N/A

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.

Date:30 January 2023.....

Authorised by: The Board of Bridge SaaS Ltd
(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.