



OVANTI LIMITED (ASX: OVT)
(ACN 091 192 871)

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Company Announcements Office
Australian Securities Exchange

ACTIVITIES REPORT FOR THE QUARTER ENDED 31 MARCH 2024

The Board of Ovanti Limited (**OVT** or the **Company**) provides its quarterly activities report for the period ended 31 March 2024.

Operations

- iSentric Mobile Banking business performed to management expectations, with the Board resolving to continue to support current resourcing and capital allocations to continue operating the business.
- The Company continued to explore the strategic re-launch of its BNPL services in Malaysia and the South East Asian region.
- During the quarter, iSentric continued to pursue collaborations with large corporations to enhance and expand its fintech solutions.
- The Company continued efforts to strategically position itself to enhance its digital marketing endeavours through the introduction of Electronic Direct Mail (EDM). The Company's view is that EDM serves as a comprehensive platform within the digital marketing strategy, enabling businesses to promote products to an opted-in list of potential customers via email. In conjunction with EDM, brands have the flexibility to extend their reach through cross-channel marketing, targeting customers across various platforms. The utilization of EDM as a strategy aims to build a robust subscriber database, facilitating targeted engagement through both online and offline channels to cultivate personal relationships, generate leads, and drive sales.
- Amidst the ongoing strategic realignment within the Commercial team, specifically the KoOpTech team, the Company continues efforts on examining the re-launching of our Buy Now Pay Later (BNPL) services to cater to Koperasi members, enhancing flexibility with shorter repayment terms compared to traditional installment schedules. This work continued during the March 2024 quarter.
- Koperasi is a co-operative whose objective is to assist its members in acquiring quality goods in a wide range of categories at reasonable prices. Categories include banking & finance, housing, consumer goods, transport, farming, industrial, construction and other services.

- This initiative has garnered interest from various Koperasi entities, and advanced discussions are underway with potential collaborators. The Company's upcoming presentation at Koperasi TNB will highlight the tailored benefits and features of OVT's BNPL services to meet the unique needs of their members. Working closely with Koperasi, a government servant sector entity, we aim to establish a robust collaborative partnership, minimizing risk through a seamless process where Koperasi members utilise our BNPL app, and installment repayments are auto-deducted from their salaries. This strategic pivot underscores OVT's commitment to adapting to market demands and providing innovative financial solutions. The Company is optimistic about the potential collaboration with Koperasi TNB, viewing it as a precedent-setting move for future engagements with other Koperasi partners. As we progress, OVT's commitment to professionalism and dedication remains steadfast in nurturing mutually beneficial relationships within the cooperative sector.
- In conclusion, the Company's strategic initiatives, which include significant collaborations with large corporations, position it as a formidable player poised for substantial growth in SMS traffic, revenue, and profitability.

Corporate

- As part of the requirements for relisting, on 22 January 2024 the Company lodged its outstanding ASX Quarterly Reports and Appendix 4C's for the quarters ended 31 March 23, 30 June 2023, 30 September 2023, and 31 December 2023.
- As announced on 24 January 2024, the Company raised \$830k from the issue of 830,000 Convertible Notes.
- On 24 January 2024, the Company held its AGM for the year ended 30 June 2023, with all resolutions overwhelmingly being approved by shareholders.
- Following shareholder approval, effective 7 February 2024 the Company changed its name to Ovanti Limited with a new ASX-ticker code of OVT and adopted a new Constitution.
- On 29 February 2024, the Company lodged its audit reviewed interim accounts for the period ended 31 December 2024.
- Benefits from the cost-optimisation program continue to accrue, as evidenced by further reduction in staff costs. The staff costs during the quarter were \$172k compared to the prior corresponding quarter of \$199K.
- Administration costs significantly reduced from \$1,504k in the Dec23 quarter to \$744k in March 2024 quarter.
- Total operating negative cash flow for the quarter was (\$536K) vs (\$2,072K) in the Dec 2023 quarter. The Malaysian business unit was positive cash flow and is expected to continue to generate positive cash in future quarters.
- The Company remained suspended from trading on the ASX throughout the period.
- As announced on 6 March 2024, the Company conducted a capital raise of \$500k by way of a Placement of 50m shares at an issue price of \$0.01 per share.

Related Party Payments Made during the Quarter

- Payments to related parties during the quarter amounted to A\$47k, consisting of director and consulting fees.

The release of this announcement was authorised by the Board of the Company and released by the Company Secretary.

About Ovanti (ASX:OVT):

Ovanti Limited (ASX:OVT) provides fintech and digital commerce software solutions and services that enable its institutional customers to securely authenticate end-user customers and process banking, purchase and payment transactions.

The Company's core technology platform enables large customer communities to connect to end user customers using any mobile device and integrate mobile technology throughout their existing business and customer product offerings. The Company's business divisions consist of Mobile Banking and Digital Payments which service leading banks in Malaysia and large telcos and corporates in Malaysia & Indonesia. Ovanti also works with telecommunication network providers to provide mobile OTT (over-the-top) services that leverage their subscriber base to build active communities.

Forward Looking Statements

This announcement contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. Forward looking statements should, or can generally, be identified by the use of forward-looking words such as "believe", "expect", "estimate", "will", "may", "target" and other similar expressions within the meaning of securities laws of applicable jurisdictions, and include but are not limited to the expected outcome of the acquisition. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. Such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements. Those risks, uncertainties, assumptions and other important factors are not all within the control of Ovanti and cannot be predicted by Ovanti and include changes in circumstances or events that may cause objectives to change as well as risks, circumstances and events specific to the industry, countries and markets in which Ovanti operates. They also include general economic conditions, exchange rates, interest rates, competitive pressures, selling price, market demand and conditions in the financial markets which may cause objectives to change or may cause outcomes not to be realised.

None of Ovanti or any of its subsidiaries, advisors or affiliates (or any of their respective officers, employees or agents) makes any representation, assurance or guarantee as to the accuracy or likelihood of fulfilment of any forward-looking statement or any outcomes expressed or implied in any forward-looking statements. Statements about past performance are not necessarily indicative of future performance.

Appendix 4C

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

Name of entity

Ovanti Limited

ABN

11 091 192 871

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows	Current quarter \$AU'000	Year to date (9 months) \$AU'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,627	5,761
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(1,247)	(5,457)
(c) advertising and marketing	-	(601)
(d) leased assets	-	(82)
(e) staff costs	(172)	(863)
(f) administration and corporate costs	(744)	(3,397)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	-	2
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(536)	(4,637)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	-	(28)
(d) investments		
(e) intellectual property		
(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$AU'000	Year to date (9 months) \$AU'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	-	7
	(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)	-	464
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	-	443

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	500	1,900
3.2	Proceeds from issue of convertible debt securities	-	1,130
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(210)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	500	2,820

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	697	2,042
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(536)	(4,637)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	443

Consolidated statement of cash flows		Current quarter \$AU'000	Year to date (9 months) \$AU'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	500	2,820
4.5	Effect of movement in exchange rates on cash held	(31)	(38)
4.6	Cash and cash equivalents at end of period	630	630

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 \$AU'000	Previous quarter \$AU'000
5.1	Bank balances	630	697
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)	630	697

Other includes cash held in trust accounts

6.	Payments to related parties of the entity and their associates	Current quarter \$AU'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	47
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><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></p> <p><i>6.1 Includes payment of wages and salaries, directors fees and consulting fees.</i></p>		

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 \$AU'000	Amount drawn at quarter end \$AU'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	\$AU'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(536)
8.2 Cash and cash equivalents at quarter end (item 4.6)	630
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	630
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.18
<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?	
<p>No, this quarter included elements of legal costs that are not expected to be recurring and will only be commensurate with further recovery outcomes. The benefits of the cost optimisation program have delivered cost savings and with the focus on revenue generation from the core business, the Malaysian business was positive cash flow during the quarter. In addition, together with a measured approach to incurring legal & advisor costs commensurate with likely recoveries, the Company expects ongoing net operating cashflows to improve as the Company stabilises and rebuilds.</p>	
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?	
<p>During the quarter, the Company raised additional capital totalling \$0.5m to fund ongoing operations and recovery activities. The Company is confident it will continue to be able to raise additional capital as required. This is evidenced by the announcement on 8 April that a further \$1m has been raised for working capital.</p>	

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?

The Board has demonstrated success in raising additional capital since appointment in May 2023 and have the support of major shareholders as evidenced by voting at the recent AGM. Capital management is a standing agenda item at monthly Board meetings, allocation of capital is carefully considered and the Company is confident of continuing to deliver on its strategic objectives.

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: 9 April 2024

Authorised by: The Board
(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.