

ASX Announcement

31 January 2022

IODM 2Q Quarterly Activities Report and Appendix 4C

Key highlights

- **Achieved quarterly cash receipts of A\$187k**
- **Continued signing of university clients in the UK with WUBS**
- **Expansion of operations in UAE**
- **Commenced engagement with North American Universities**
- **Announcement today regarding a capital raise of A\$2.13M to grow the UK, European and UAE workforce**

IODM Limited (ASX:IOD, "IODM" or "the Company"), a cloud-based software solution that revolutionises business cash flow management is pleased to release its Quarterly Activities Report and Appendix 4C Quarterly Cash Flow Report for the period ended 31 December 2021 ("2Q FY22").

During the quarter, IODM received cash receipts from clients of A\$187k, this figure was down on the 2QFY21. This was due to the continued flow through impacts from the prolonged lockdown on the East Coast of Australia and subsequent Omicron isolation issues which has affected its ability to implement all its new clients, coupled with late timing of receipt of a licencing client that pays its licencing fee on a semi-annual basis (A\$33K), which has subsequently been received. As previously disclosed, the company took the opportunity to reposition its domestic resources to assist in its international operations growth, including the onboarding of international clients in the overseas regions where the company was seeing significant demand due to these regions not been locked down. Further to this, the company has today announced that it is raising A\$2.13M to further resource the onboarding and sales functions in the UK, Europe and the UAE.

The company is aiming to have eleven Education clients implemented in the UK through its partnership with WUBS in the next quarter, with a further new client in Europe marking the first relationship outside of UK. The company also repositioned key staff members in Australia to aid the added workload it has seen through the presentation process in commercialising and onboarding this opportunity. The company believes it will continue to sign UK universities during the current quarter and beyond at an accelerated pace. As a result of the continued success the company has experienced in the Education space in the UK, and the level of anticipated future signings, the company is in the process of finalising the employment of permanent onboarding and support staff in that region to assist both our regional head of sales and WUBS. During the quarter the company began the process of engaging with education clients in North America and is confident that will lead to formal signings during the current quarter.

During the quarter the company experienced significant traction in the UAE after having established a presence there in the previous quarter. The company expects to execute several licensing agreements (New revenue model) as opposed to subscription agreements in the region in the current quarter. The company is also in discussions with several groups who have procurement contracts for the supply of IT products to the various governments in the

region with a view to executing distribution agreements with these groups and the company looks forward to advising the market and shareholders of these developments as they occur.

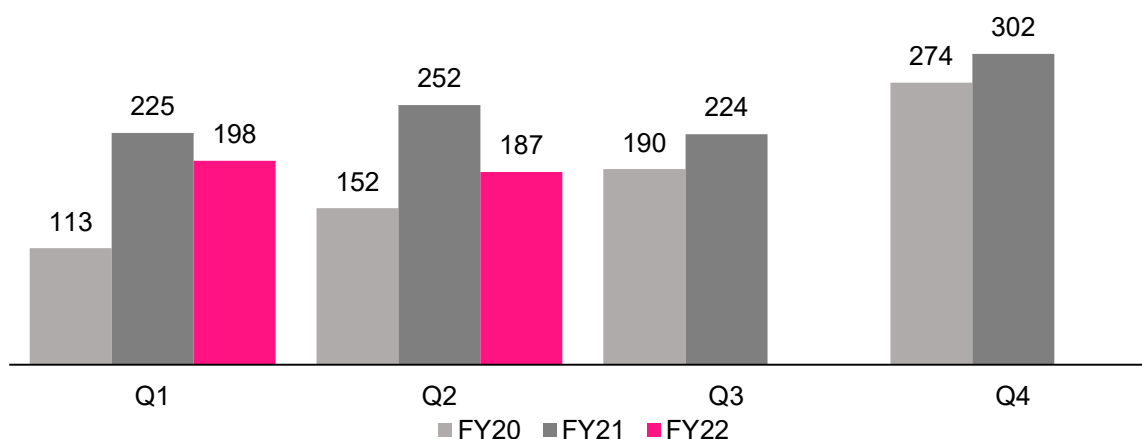
Corporate and Additional Information

During the quarter the Company expended \$7K on costs associated with setting up a UK subsidiary. This expenditure is included in the staff, administration, and corporate costs for the quarter.

Payments to related parties of the entity and their associates during the December quarter totalled \$11K, which were all directors' fees.

During the quarter the company received a Tax Research and Development tax offset refund of \$406K, and \$113K from the exercise of options.

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



IODM CEO, Mark Reilly said, *“The company is enjoying a very busy period of time at the moment globally and while domestically our closed borders have proved difficult, globally economies are open and are very easy to transact business.”*

– 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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This announcement is authorised by IODM's Board of Directors

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")

31 DECEMBER 2021

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	187	385
1.2 Payments for		
(a) research and development	0	0
(b) product manufacturing and operating costs	0	0
(c) advertising and marketing	0	0
(d) leased assets	0	0
(e) staff costs	(399)	(863)
(f) administration and corporate costs	(328)	(604)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	0	0
1.5 Interest and other costs of finance paid	(7)	(7)
1.6 Income taxes paid	0	0
1.7 Government grants and tax incentives	406	436
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(141)	(653)
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	0
(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 (6 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	43
2.6	Net cash from / (used in) investing activities	0	43

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	0	0
3.2	Proceeds from issue of convertible debt securities	0	0
3.3	Proceeds from exercise of options	113	263
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(3)	(5)
3.5	Proceeds from borrowings	0	0
3.6	Repayment of borrowings	(7)	(17)
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	103	241

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	320	651
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(141)	(653)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	0	43

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	103	241
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	Cash and cash equivalents at end of period	282	282

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	282	320
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)	282	320

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	11
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	0	0
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		0
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.		
	N/A		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(141)
8.2	Cash and cash equivalents at quarter end (item 4.6)	282
8.3	Unused finance facilities available at quarter end (item 7.5)	0
8.4	Total available funding (item 8.2 + item 8.3)	282
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	2
	<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:	
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:	
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?	
	<i>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.</i>	

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 JANUARY 2022

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.