

22 APRIL 2022

Quarterly Activities Report and Appendix 4C

Bill Identity Limited (ASX: BID) (“Bid” or “the Company”) is pleased to provide its Quarterly Activities Report and Appendix 4C cash flow statement for the Quarter ended 31 March 2022.

Highlights:

- Quarterly total revenue of A\$3.8m achieved (excluding discontinued operations), underpinned by Platform revenue of A\$2.9m and Rebate revenue of A\$0.9m. Platform Annualised Recurring Revenue (“ARR”) (excluding discontinued operations) was A\$11.7m
- On 24 February 2022, Bid presented its refined strategy to investors. Strategy announced to focus Bid’s SaaS technology platform on High Quality Source Data solutions, launch channel partner networks in the UK, Europe, Australia and New Zealand, and execute on sustainability use cases
- On 31 March 2022, Bid successfully received commitments to raise a total of A\$6.0m through a non-underwritten two-tranche placement to sophisticated and institutional investors (“**Placement**”) at an offer price of A\$0.105 per share, with attaching options
- On 6 April 2022 and in addition to the completed Placement, Bid launched a Share Purchase Plan (“**SPP**”) for eligible shareholders targeted at raising a further A\$1.0m at A\$0.105 per share. The SPP is intended to close on Thursday 28 April 2022
- Quarterly net cash outflows of A\$2.8m (excluding the initial tranche earn-out payment for Optima vendors), improving from A\$3.7m in Q2 FY22 and A\$4.9m in Q1 FY22. Net operating cash outflows (i.e. net cash outflows excluding investing and financing cash flows) improved to A\$1.7m in Q3 FY22, down from A\$2.7m prior Quarter
- Subsequent to the quarter, Bid received ~A\$4.0m cash, reflecting the proceeds raised as part of Tranche 1 of the Placement. The remaining A\$2.0m of committed Placement funds (Tranche 2) is subject to shareholder approval at an EGM to be held in June 2022

Michele Garra, Bid’s CEO said:

“I am very pleased to provide our Quarterly Activities Report and Appendix 4C for Q3 FY22.

This Quarter, we have been highly focused on re-setting the foundations for Bid to scale with the growing demand for sustainability solutions and in doing so, building long-term shareholder value. We have dedicated significant time and resource to re-setting operations, stemming cash outflows and driving operational / cost efficiencies in each of our operating regions with the intention of driving targeted, profitable and growing ARR’s.

We are buoyed by the confidence and strength of shareholder commitment. Our team is rejuvenated and focused and we are on-track to execute our strategy for growth. We look forward to providing regular updates moving forward.

We are also delighted to announce the success of our recently completed Placement and launch of our SPP to eligible shareholders. The funds raised from both the Placement and SPP are critical to Bid’s ability to establish a long-term platform for growth and scale our SaaS technology platform. Eligible shareholders who wish to participate in the SPP must do so before the close of business on 28 April 2022.

Business update

During the Quarter, Bid achieved total revenue of A\$3.8m, comprising A\$2.9m from Platform and A\$0.9m from Rebate. Platform ARR was A\$11.7m (excluding discontinued US operations) in line with recent representations disclosed to the market on 31 March 2022 as part of the capital raising Investor Presentation.

Quarterly net cash outflows were A\$2.8m for the Quarter (excluding the initial tranche earn-out payment for Optima vendors of A\$0.7m), down from A\$3.7m in the prior Quarter and A\$4.9m in Q1 FY22. Improvements in cash flows were a result of management effort directed at resetting group expenditure, increased focus on billing and collections, restructuring of senior management and further progress made towards the exit of unprofitable US Platform contracts. Cash flow remains a focus with further cost saving initiatives ongoing. As at 31 March 2022, Bid held cash of A\$4.3m.

Subsequent to the Quarter, Bid made progress in engaging with, and executing on a range of global channel partnership opportunities. Bid will provide an update in following quarters once these opportunities have been formally signed and start to generate incremental ARR.

The UK business' growth pipeline was strong in Q3 FY22, with further momentum expected from the appointment of new Channel Sales Leaders in the UK and Europe. As outlined in Bid's February strategy update, the Company intends to build on its success with channel partners in the UK and focus on its new go-to-market approach. In Australia, Bid continues to focus on higher-margin product sales and improving platform performance.

In December 2021, Bid announced plans to discontinue ~20 US Platform contracts contributing either negative or low gross margin and in doing so, reduce associated headcount and fixed costs. This process is progressing well. Bid expects to have exited all respective contracts by the end of FY22.

Leadership update

During the quarter, Bid announced streamlining of its Senior Leadership Team.

Prateek Munjal, previous Head of Strategic & Commercial Finance at Bid stepped into the role of CFO, bringing experience across technology (SaaS), retail and media sectors.

Ben Rouncefield-Swales was appointed Executive Vice President UK & Europe, bringing significant experience in ESG and energy management. Ben was previously Director of Operations at Optima.

Strategy update

On 24 February 2022, Bid provided a strategy update hosted by Michele Garra and other members of Bid's Senior Management Team.

As part of the strategy update, following a 360 degree review of operations, Bid announced plans to focus its SaaS Data & Analytics technology platform on delivering High Quality Source Data products, launching channel partner networks in the UK (with Europe to follow), Australia and New Zealand, and begin executing on sustainability (ESG) use cases. The revised strategy is geared towards building a sustainable and unique value proposition, driving revenue growth and improving profitability.

Execution of Bid's growth strategy is progressing well with Bid making a number of in-roads into refining its product offering, shifting go-to-market approach and building the infrastructure to service the growing number of use cases in the area of sustainability reporting and compliance.

Subsequent to the Quarter, Bid has commenced resetting its market position and brand promotion with an initial focus in the UK (with Europe to follow), to continue to execute its revised go-to-market approach by optimising channel partner networks that are servicing sustainability reporting and compliance use cases.

Capital raising

On Thursday 31 March 2022, Bid announced it had received commitments to raise a total of A\$6.0m through a non-underwritten two-tranche placement to sophisticated and institutional investors (“**Placement**”) at an issue price of A\$0.105 per share, with attaching options.

Subsequent to the Quarter, Bid received ~A\$4.0m, representing proceeds from Tranche 1 of the Placement. Subject to shareholder approval at an EGM (to be held later this year), Bid will receive a further A\$2.0m for the remaining Tranche 2 of the Placement.

A SPP offer is currently open to eligible Bid shareholders to raise up to A\$1.0m (with Bid able to accept oversubscriptions or scale down the offer size at its sole discretion). Eligible shareholders currently have the opportunity to apply for a minimum of A\$1,000 up to A\$30,000 (in \$1,000 increments) of new shares at A\$0.105 per share (the same offer price as the Placement) without incurring brokerage or other transaction costs. The SPP offer is intended to close Thursday 28 April 2022.

Bid intends to use proceeds raised from the Placement and SPP to execute on its strategy for growth, with funds earmarked for investment into technology, product capability, sales and marketing, finance systems, working capital and transaction costs.

Authority: This announcement has been approved by the Board of Bid.

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About

Bid is an Australian-founded technology company with offices in Australia, New Zealand, the USA and the UK. Bid’s cloud-based platform simplifies the complex utility bill management process by using automation, enabling organisations to have complete control over their utility spend and reporting. Unlike many manual consulting and business services, the platform automates the management of almost every component of the process for multi-site companies. By automatically capturing and validating invoices and meter data, Bid clients can streamline their accounting and payments processes, go to market at short notice to optimise their supply contracts, and reduce billing charges using sophisticated analytics and reporting. Bid’s platform automatically captures and validate invoices, automating the payable function, discovering cost reduction opportunities and providing real-time energy information and accurate financial capabilities at the touch of a button, as and when they need it. For more information, visit www.billidentity.com