

28 JULY 2022

Quarterly Activities Report and Appendix 4C

Bill Identity Limited (ASX: BID) (“**Bid**” or “**the Company**”), now trading as **Optima Technology Group**, is pleased to provide its Quarterly Activities Report and Appendix 4C cash flow statement for the quarter ended 30 June 2022.

Highlights:

- Delivered reduced quarterly cash burn of \$2.4m¹, improving QoQ from \$4.9m in Q1, \$3.7m in Q2 and \$2.8m in Q3. Net operating cash outflows improved to \$0.5m in Q4, down from \$1.7m in the prior quarter. The Company holds \$10.7m of cash as at 30 June 2022
- Achieved Platform ARR of \$11.7m and MRR of \$1.0m in Q4 FY22 (excluding discontinued operations in the US)
- Enhanced platform functionality for Net Zero reporting / ESG use cases through ongoing foundational technology developments
- Introduced new electric vehicle pricing / charging product, and progressed collection and parsing solution development for UK market growth
- On 10 May 2022, successfully completed an SPP, with valid applications totalling ~\$2.2m. The Company has since issued ~21.1m respective fully paid shares
- Subsequent to the quarter, the Company improved product market fit with global GTM repositioning to capitalise on Net Zero reporting / ESG use cases. The Company has repositioned its GTM brand from Bill Identity to Optima Technology Group

Michele Garra, Optima Technology’s CEO said:

“I am very pleased to provide our Quarterly Activities Report and Appendix 4C for Q4 FY22. In line with our revised strategy, we continue to focus on growth fast and first in the UK, followed closely by expansion into Europe.

Following the success of our Placement in March and settlement of our SPP in May, we have been highly focused on setting the foundations for profitable revenue growth and sustainable cost optimisations to stem cash outflows. As such, we are pleased with the results achieved and expect to see green shoots from an ARR perspective in the next quarter.

Moving forward, we will continue to focus on expanding key UK and European growth pipelines through the development of Net Zero data platform capabilities and the establishment of strong channel partnerships. We expect the foundational investments made during this quarter to strengthen these pipelines and enable the Company to also improve Platform performance and gross margins in Australia, driving further product developments with an ESG focus.

We look forward to progressing our revised strategy and seeing this momentum continue throughout FY23.”

1. Cash burn represents quarterly cash movement excluding amounts from capital raise, options exercise, earnout payments, R&D tax rebate incentives and FX.

Financial update

During the quarter, cash burn¹ was significantly reduced to \$2.4m, consistently improving from \$4.9m in Q1. Note the \$2.4m does not include an annual R&D rebate tax incentive receipt of \$0.7m.

Quarter on quarter (“QoQ”) improvements in cash burn were a result of continued focus on resetting group expenditure, revising billing and collection processes, further layering and optimising of senior management, and finalising the exit of remaining unprofitable US Platform contracts. Notably, the revision of billing and collection processes resulted in a number of upfront receipts from clients in the UK, which have strengthened the cash flow this quarter. As at 30 June 2022, the Company holds cash of \$10.7m and is sufficiently capitalised to continue to execute on its growth strategy. Further sustainable cost optimisation initiatives are being progressed to drive reduced cash burn in coming quarters.

The Company achieved Platform ARR of \$11.7m and MRR of \$1.0m this quarter (excluding discontinued operations in the US), noting incremental ARR of \$0.5m achieved and churn of 7.9%. Incremental ARR was attributed to the signing of new contracts, including a UK based oil and gas conglomerate deploying new EV pricing / charging products, Harvey Norman, Fonterra and SunRice, validating the effectiveness of the Company’s Net Zero Data solutions. ARR achieved from contract renewals was ~\$0.6m in the quarter.

Group ARR was comprised of ~\$7.3m from Australia and ~\$4.4m from the UK.

Strategy update

Execution of Optima Technology’s growth strategy is progressing well, with technology developments to enhance Platform functionality for ESG use cases launched and deployed. Bid has also developed a high demand electric vehicle solution as it aims to capitalise on the growing demand for electric vehicles across the UK and Europe. The Company is also progressing the development of collection and parsing solutions which will underpin the servicing of SME and residential markets in the UK and European markets.

During the quarter, the Company significantly targeted brand awareness for its Net Zero reporting solutions, focusing on lead generation through channel partners in the UK. Additionally, the Company has launched product sales into the European market ahead of schedule, as it primarily focuses on the UK and European growth pipelines first.

In Australia, Bid is progressing the transition of its clients away from bundled offerings to its new Net Zero Data platform, channel partner strategy and updated pricing models. This is progressing well noting the above contract renewals and is intended to drive an uplift in Platform performance and gross margins in the region.

In the US, the Company continues to remain focused on its rebate consulting offering and licensing of micro services such as data extraction and validation. The Company is also on track to finalise the strategic review of its US operations with an update to follow in due course.

Capital raising

On Tuesday 10 May 2022, the Company announced the completion of its SPP, with valid applications totalling approximately A\$2.2m. Tranche 2 of the Placement was also approved by shareholders at an EGM on Friday, 10 June 2022.

Brand repositioning

In line with the Company’s revised strategy, it determined the previous Bill Identity brand to be limiting from a GTM perspective, specifically as the Company expands into the sizable global Net Zero reporting market opportunity. The Optima brand benefits from an established reputation and high brand value developed over 30+ years of operations in the UK market. The repositioning better places the Company to execute on its revised growth strategy to become a leading provider of Net Zero Data solutions in ESG markets and Utility Bill Management and Procurement.

Authority: This announcement has been approved by the Board of Bill Identity Limited.

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About

Optima Technology Group (the trading name of Bill Identity Limited) is a software technology company that offers accurate, automated and secure energy data management solutions focused on Net Zero reporting as well as Bill Management and Procurement Planning.

Optima Technology Group is an Australian based SaaS company with offices in Australia, the United States and the United Kingdom.

For more information about the Company, please visit www.optimatech.io