

28 OCTOBER 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 September 2022.

Highlights:

- Q1 FY23 Platform ARR of \$11.7m and MRR of \$1.0m excluding discontinued operations in the USA (Q4 FY22: ARR \$11.7m).
- CEO visits to the UK highlight continued demand for the enhanced Optima platform functionality for Net Zero reporting / ESG use cases and reinforce Optima’s competitive positioning.
- Signed a multi-year contract with BP Pulse to provide a global EV network solution that underpins EV product economics to calculate pricing at every BP EV charge pump across 17 countries. Additionally, the central global interface helps manage the portfolio and accounting with automated exception, accrual, and payments file reports.
- New contract signed with new channel partner Accenture Australia, who service several enterprises within Bid’s addressable market and 11 existing contracts renewed during the quarter.

Michele Garra, Optima Technology’s CEO said:

“I am very pleased to provide our Quarterly Activities Report and Appendix 4C for Q1 FY23. In line with our revised strategy, we are focusing on building strong partnerships to service Net Zero reporting needs, and I am confident our strategy work has been validated with progress in the key markets.

Our initial focus is the UK and Europe markets, where rising energy costs and Net Zero reporting issues are vital business topics.

I’m very excited about the potential of our first Net Zero initiative which is focused on the expansion of EV networks around the world. Globally, the strength of these networks will be centred on the product economics and operability of the networks. This combined with the challenge to manage the dynamics of exponential growth and core electricity demand creates a need for near real-time data automation. We see the potential for Optima software solution with other electric and battery projects, where automated and accurate supply data will drive commercialisation and investment.

During follow-up meetings with global partners in September in the UK, I was pleased to hear confirmation that Optima is competitively positioned with the following core competencies: unique technical automation capability, global reach, tenant billing and the new global billing solution with unlimited data fields to validate bills in any country. The European demand for tenant billing and bill validation is high, as is the need for Pan European Net Zero data and reporting.

The UK business is gathering momentum and the pipeline is building with new orders translating to onboarding in the next quarter.

We have now completed recruitment in Australia and look to onboard new channel executives for a ramp-up in Australia and the Asia Pacific, to simultaneously support new global partners in this region and grow local partner relationships.

Additionally, I am pleased with the progress made on gross margins and key client renewals in Australia, as we evolve our business model.”

Financial update

Quarterly cashflow¹ was \$(2.6m), up from \$(2.4m) in the prior quarter. This includes net operating cash outflow of \$(1.4m) and \$(1.1m) of capitalised costs associated with the BID platform and excludes one-off payments during the quarter related to earnout on acquisition of Optima Energy Management holdings (UK) in December 2020 (\$0.5m), transaction costs related with recent capital raise (\$0.1m) and FX.

Receipts from customers in Q1 FY23 were \$3.6m. These were in line with prior corresponding period (Q1 FY22: \$3.6m when excluding the US platform operations receipts of \$0.3m, which was discontinued subsequently) and down \$0.8m on prior quarter (Q4 FY22: \$4.4m), mainly due to the seasonality of annual upfront receipts in the UK.

Payments to Suppliers and Employees² were \$(6.3m) down \$0.5m on the prior quarter (Q4 FY22: \$(6.8m)) driven by continued focus on resetting group expenditure, lower redundancy costs as well as finalising the exit of remaining unprofitable US platform contracts.

As at 30 September 2022, the Company holds cash of \$7.5m (30 June 2020: \$10.7m). Further sustainable cost enhancement initiatives are being progressed to drive optimised cashflow in coming quarters whilst BID continues to invest efficiently in growth levers of technology, sales capability, brand, marketing, and product.

Bid achieved Platform ARR of \$11.7m and MRR of \$1.0m this quarter excluding discontinued operations in the US (Q4 FY22: \$11.7m). Q1 ARR was attributed to the signing of new contracts, including BP EV (June 2022) and channel partner Accenture Australia, validating the effectiveness of Bid's High-Quality Source Data ("HQSD") solution. ARR achieved from contract renewals was ~\$0.5m in the quarter.

Group ARR was comprised of ~\$7.4m from Australia and ~\$4.3m from the UK.

Note:

1. Cashflow represents quarterly cash movement (Q1 -\$3.2m) excluding earnout payments (Q1 -\$0.5m), net monies associated with capital raise (Q1 -\$0.1m), FX (Q1 +\$0.1m) and impact of one-off R&D incentives (Q1 nil).

2. Payments to Suppliers and Employees is defined as quarterly cash movement (Q1 -\$3.2m) excluding receipts from customers (Q1 +\$3.6m), earnout payments (Q1 -\$0.5m), net monies associated with capital raise (Q1 -\$0.1m), FX (Q1 +\$0.1m) and impact of one-off R&D incentives (Q1 nil).

Strategy update

The Company has previously advised the market that it is undertaking a strategic review of its US rebate operations. It has engaged with several potential acquirers for those operations and is in final discussions with a party. The company believes a binding agreement is imminent. The company will advise further should it enter into a binding agreement for that purpose.

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

Contact

Bill Identity Limited

Prateek Munjal

Chief Financial Officer

Phone: +61 3 8608 0781

Email: investorrelations@optimatech.io

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.