

ASX Announcement
30 August 2024

IODM FY2024 Results

IODM Limited (ASX: IOD), “**IODM**”, “**Group**” or “**the Company**”), a cloud-based software solution that revolutionises business cash flow management today released its full year results for the period ended 30 June 2024 (“**FY24**”).

FY24 Highlights:

- **Group revenue of \$2.6 million, +63% versus the prior corresponding period (pcp)**
- **Receipts from customers of \$2.1 million, +87% versus pcp**
- **Broader validation of UK education business amid ongoing business development efforts**
 - **Increasing number of UK universities onboarded, utilising IODM Connect platform solution**
 - **Strategic partnership with Convera resulting in continued strong revenue growth to \$1.1 million, up 195% versus pcp**
- **New revenue agreement agreed with Convera for UK education effective 1 January 2024 is showing immediate positive effect**
- **Further platform and technical enhancements strengthen IODM’s overall proposition**
- **Subsequent to year end the Group completed a share placement to raise approximately \$1.7 million to accelerate the Group’s global education roll out into North America, progress existing growth initiatives in the UK education sector and for general working capital purposes**

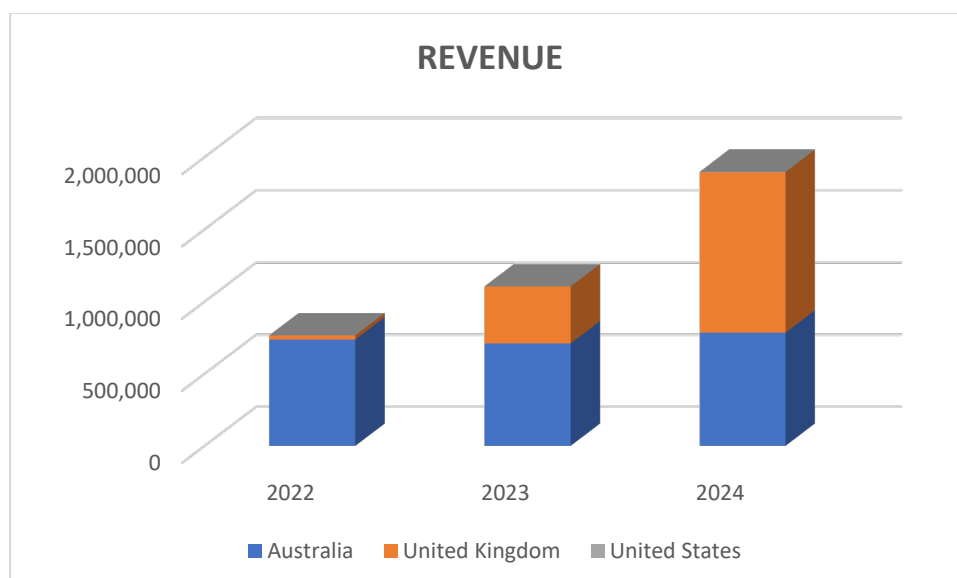
Summary of Financial Performance

FY24 Group revenue was \$2.6 million, up 63% versus FY23 as IODM continued to strengthen its position as a premier automated accounts receivable management solution provider, on a global scale. During the year, the Company expanded its reach, engaging with businesses across various regions, including the UK and North America. Receipts from customers was \$2.1 million, up 87% versus FY23, predominantly driven by strong growth in revenue arising from the commercial partnership for the UK education sector with Convera.

The Company reported a net loss after tax in FY24 of \$3.1 million, slightly up from the loss incurred in FY23, but in line with management’s expectations given costs involved with the continued overseas expansion.

Subsequent to year end the Group completed a share placement to raise approximately \$1.7 million to accelerate the Group’s global education roll out into North America, progress existing growth initiatives in the UK education sector and for general working capital purposes.

Geographically, Australia contributed \$784k (41.3% of Total Revenue) and 10.4% up on pcp, the UK contributed \$1.1m (58.5% of Total Revenue) and 180.9% up on pcp while the United States contributed for the first time with \$3k (0.2% of Total Revenue).



Commenting on the results, IODM CEO, Mark Reilly said:

"I'm pleased to present the full year results today. As outlined, we remain particularly confident in the continued growth achieved and foundations laid in the UK education landscape. Having now established a working relationship with over 20 UK Universities, we've validated our solution during the year with the additional onboarding of another four universities towards the latter stages of the FY24. As forecast this time last year, we have seen a significant increase in the collections from the universities that we had previously categorised as work in progress as a result of the communications sent out, which has been accelerated in FY24."

REVENUE	2022	2023	2024
Australia	737,020	710,383	784,609
United Kingdom	28,807	395,232	1,110,241
United States	0	0	3,051

Validation of UK education business amid ongoing business development

During the year, IODM continued to achieve meaningful results and significant growth across the education sector, notably with UK universities. An increasing number of universities were onboarded to the IODM platform to recover aged and current student fees including tuition and accommodation fees. The revenue share agreement with Convera contributed \$1.1m for the full year, a significant improvement on last year (FY23:\$366k).

The growth in the UK revenue significantly contributed to the Group recording record quarterly cash receipts in Q3FY24. This was assisted by the implementation of a new revenue share agreement with Convera. Under the new agreement, IODM will receive 25% of all FX revenues generated by Convera from international payments from existing onboarded universities, primarily in relation to university tuition fees and accommodation. In addition, IODM will receive 30% of the abovementioned revenue from additional universities that are onboarded from 1 January 2024. The effect of the above is that IODM will share in a larger revenue pool covering all international payments made through Convera.

Previously IODM's revenue share was limited to payments directed to Convera's platform by IODM's communications.

The new agreement, retrospective from 1 January 2024, allows for a guaranteed **minimum** payment of GBP150,000 per month payable to IODM when revenue thresholds are achieved by Convera in relation to growth in FX revenues from both existing universities as well as new onboarded universities. Specifically, the agreement initially provides for a minimum guaranteed payment of GBP50,000 per month to IODM, stepping up in GBP25,000 increments. Importantly, the minimum component partially insulates IODM from the seasonal nature of the education sector and tuition cycle.

The new agreement and its terms are a direct result of the success that Convera and its onboarded university clients have observed utilising the IODM platform to manage their accounts receivable function.

Pleasingly, the uplift in cash receipts and revenue observed during the second half of the financial year is a direct result of the new revenue share agreement with Convera, further confirming its attractiveness and importance to IODM.

Multiple enterprise trials commenced – across industries – reinforcing global opportunity

Beyond the pursuit of opportunities within the education sector in the UK, IODM is continuing to actively explore further enterprise opportunities, both domestically and overseas. The launch of the company's cash allocation tool, has led to a significant increase in the enquiry level for the platform at an enterprise level, emphasising the importance of the continued investment in its technology by the company.

In addition, the company is actively engaging with universities in North America in conjunction with Convera, for the rollout of the IODM platform, following the success and proof of concept in the UK.

Further platform and technical enhancements strengthen IODM's proposition

During the year, IODM also directed investment towards enhancing its technical capabilities, including streamlining onboarding processes, which continue to yield encouraging results. Firstly, the Company invested to bolster its technical teams, including the addition of James Burke as the Company's Chief Technology Officer, further solidifying IODM's technical leadership. Secondly, efforts were focussed on the development and expansion of features that significantly enhance the value of the IODM Connect platform. Additionally – as outlined – the introduction of the cash allocation module has attracted encouraging attention in the domestic market, confirming IODM's position as an innovative leader in the industry.

This announcement is authorised by IODM's Board of Directors

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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

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