

ASX Announcement
21 November 2024

IODM - UK Education Material Revenue Uplift

IODM Limited (ASX: IOD) (“**IODM**” or “**the Company**”), a cloud-based software platform delivering a complete working capital communications solution, is pleased to provide an update on its’ United Kingdom Education (“UK Education”) segment revenue.

UK Education has achieved revenue for the month of October 2024 of ~AUD289k¹, a 306% increase on the same month last year. Pleasingly, the five original universities that contributed revenue for the Company in October 2023 generated ~AUD271k¹ of the October 2024 revenue, demonstrating the positive impact of:

- The UK Education revised revenue sharing agreement announced to the ASX on 5 February 2024; as well as
- The increased organic revenue growth potential from each university as a direct consequence of commissioning the IODM connect platform.

The four additional universities on-boarded during the 1H25 contributed limited revenue of ~AUD18k for October 2024. That said, all nine universities will – from November 2024 – fully contribute to the Company’s ongoing monthly UK Education revenue.

The Company now anticipates cash receipts for the December quarter to be AUD670k¹, a c.38% increase on the Previous Corresponding Period (PCP) while UK Education is presently programmed to report ~AUD490k¹, 110% up on PCP.

In addition, the Company anticipates unaudited revenue for 1H25 to be AUD1.16m, a c.38% increase on PCP, whilst UK education is presently programmed to report ~AUD780k, a 77% up on PCP.

Regarding the UK Education partnership, the October 2024 revenue performance has demonstrated and delivered:

1. A greater than 50% increase in partnership revenue from the original five universities as a direct consequence of those universities adopting the IODM connect platform.
2. a significant reduction in bad and doubtful debts for the universities;
3. a decreased cost to the universities in managing student invoicing and debtor management;
4. empirical results which provides IODM additional confidence of engaging, contracting and on-boarding an increasing number of the c. 140 universities in the UK who collectively cater for c. 680k international students; and
5. Notwithstanding the well documented financial issues that a number of universities in the UK are presently managing – including severe cash flow constraints - those educational institutions that have implemented the IODM connect platform have not only fortified but enhanced their respective cash collection positions.

The October 2024 result amplifies the “win-win-win” nature of the symbiotic relationship that IODM and the interposed payments platforms have in managing and streamlining the individual university’s invoicing and AR function.

Further – of the tripart relationship between the payment platform, the university and IODM - it is increasingly apparent that the Company provides a critical service which has demonstrably reduced student invoicing and AR costs of the universities while increasing revenue for the payment platforms and those participating universities.

1 AUDGBP assumption = 0.5231

IODM CEO, Mark Reilly said:

“I am extremely pleased to provide this update to the market. The results clearly demonstrate the efficacy of the IODM connect platform when applied to partnering with universities to manage their AR function. Further the October UK Education revenue results indicate that IODM has progressed well beyond a ‘pilot’ and is demonstrating a robust commercial model in the education space which is presently being investigated and or pursued in other geographic regions and revenue segments”.

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. The IODM connect platform delivers a fully integrated end-to-end AR process that supports customers with invoicing, query management, payment reminders, escalation, analytics and more. The connect platform drives increased client productivity and timely payments while reducing costs, minimising human error and decreasing bad and doubtful debt provisioning. 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.iodemconnect.com

For more information, please contact:

General enquiries

Corporate Communications

Tony Smith

Tony.Smith@iodm.com.au