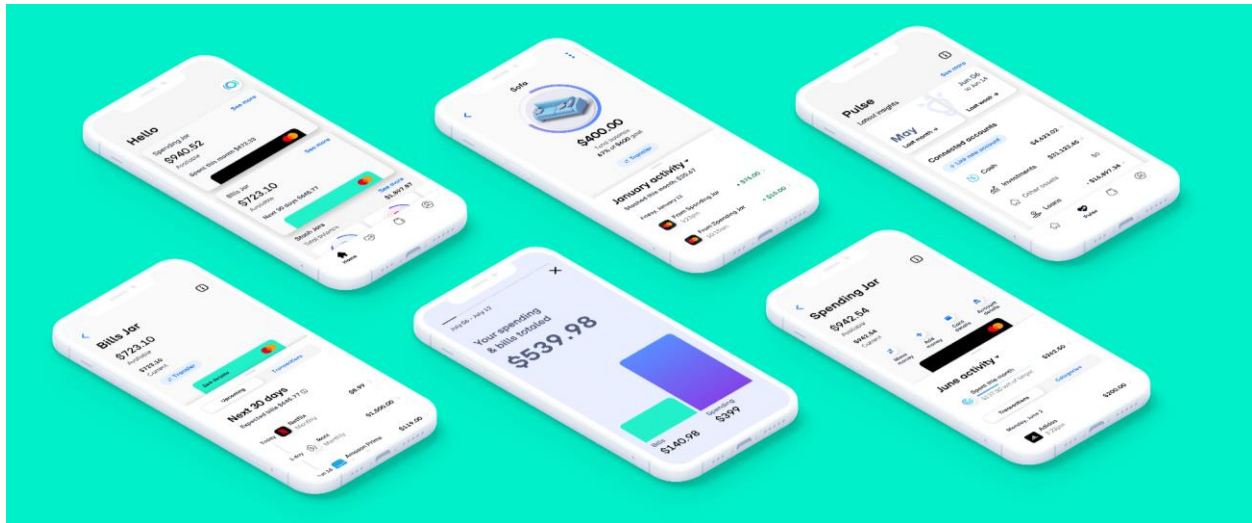


Dough nears launch of its financial 'super app' in Australia.

- *Dough is moving closer to the launch of its financial 'super app' in Australia.*
- *Dough's AU launch will focus on fostering and building rapport with a small cohort of early adopters prior to scaling, reducing any reliance on paid media.*
- *A phased approach to the launch will see an initial focus on the core wealth management offering – a key material revenue driver, prior to the introduction of a transactional banking & credit offering.*
- *Registered customers finished the year up 202% YoY, with deposits and card spend up 483% YoY and 708% YoY respectively. Annualised revenue run rate is up 1,529% YoY.*
- *Dough anticipates banking an R&D Tax Incentive rebate of \$2.2M in Q1FY23.*
- *Cost saving initiatives have reduced the Company's cash burn and put it on a faster path to breakeven and profitability.*
- *Dough is actively assessing Enterprise partnerships to boost customer growth across the AU and U.S, including providing API and white-label B2B offerings.*



Sydney|New York, 29 July 2022 – [Dough](https://www.dough.com) Ltd (ASX: DOU), the responsible financial 'super app' on a mission to foster financial wellness by helping customers spend mindfully, save more and build long-term wealth, is pleased to present the following Q4FY22 activity report.

During the quarter, Dough focused its efforts and resources on the Australian launch of its super app, which will replace its current '[Goodments by Dough](#)' share trading offering.

Mindful of macroeconomic and market conditions, the Company has successfully implemented cost reductions across its operation with minimal impact on the Company's ability to achieve its short-term goals. A reduction in corporate overheads and a pause on paid marketing expenditure in the U.S, have contributed to a significantly reduced monthly cash burn, shortcutting the Company's path to cash flow breakeven.

Our learnings from the U.S have shown that banking and budgeting services linked to pay-cycles is a very high barrier to switching for customers and appeals to a less affluent audience, who are not willing to pay a subscription and have low discretionary spend. However, more affluent gen-z and millennial customers with higher disposable incomes are willing to pay a subscription for a broader range of tightly integrated wealth management services.

Dough has therefore decided to focus on launching differentiated financial super app capabilities that support the revenue generating 'save more, build long-term wealth' propositional pillar, leveraging both Open Banking and Dough's proprietary Autopilot functionality to facilitate the debiting and investing of customer funds on the Dough platform from a connected bank account. In practice this means operating initially as a companion investing app.

Dough's customer research in Australia shows an extremely high level of frustration from people having to use multiple apps to manage money and wealth, whilst yearning for smarter automation to help build good money habits and be supported by better education. Dough has validated strong demand for its proposed integrated wealth services solution (Savings, Portfolios, US/AU Stocks and Crypto trading), connected to Autopilot. The provision of a bank will come at a later date as Dough switches focus to budgeting and lending to support the propositional pillar of fostering 'mindful spending' through a premium subscription offering.

Dough's focus is to build a strong community of members and establish a strong brand in the market, centred around our Automation USP. In an effort to reduce acquisition costs, this will be done with a reduced reliance on paid media and an increased focus on building a stronger customer reliance on the app services, supported with member incentives.

Enterprise partnerships & services

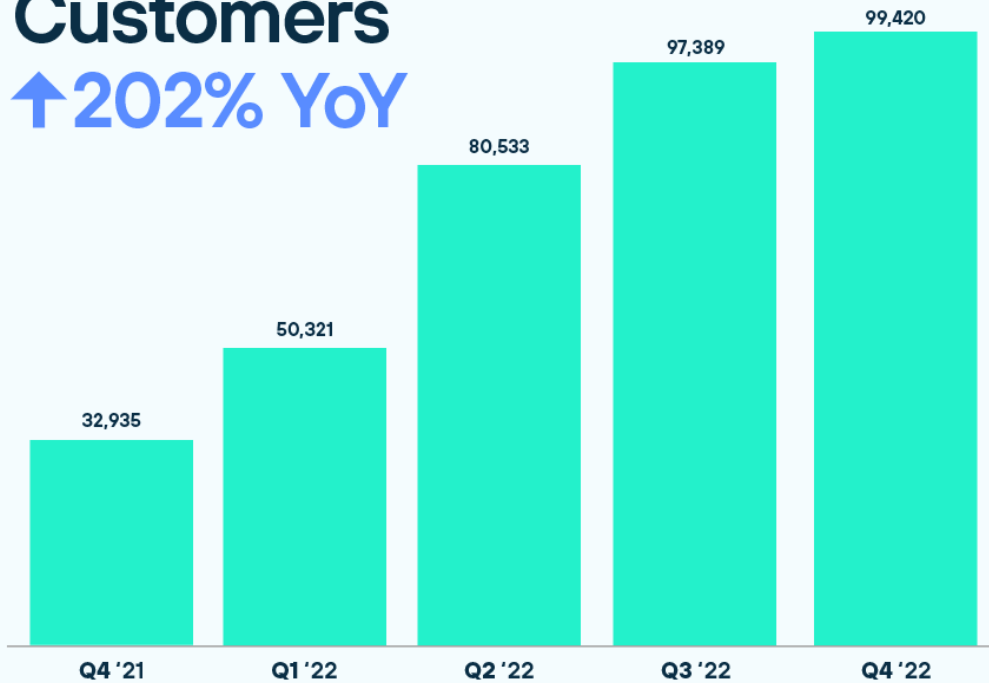
Based on reverse enquiries and the expanding market opportunity for embedded financial experiences, Dough is continuing to actively assess Enterprise partnerships to boost customer growth in the U.S and AU of its consumer business as well as explore white-label opportunities through a potential B2B offering.

Company results

With limited marketing spend, Dough demonstrated reasonable organic growth in its U.S proposition in terms of deposits and overall card spend, but a flattening in new customer acquisition.

Customers

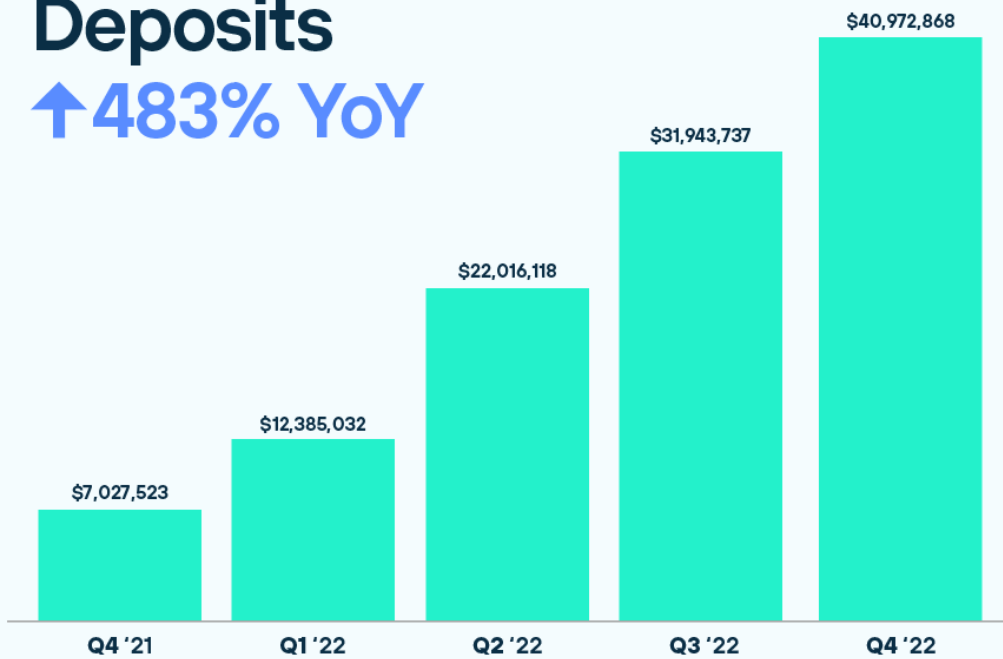
↑202% YoY



Registered Customers: Consolidated registered customer growth across US & AU since the Dough USA launch in Nov 2020 including the acquired Goodments user base.

Deposits

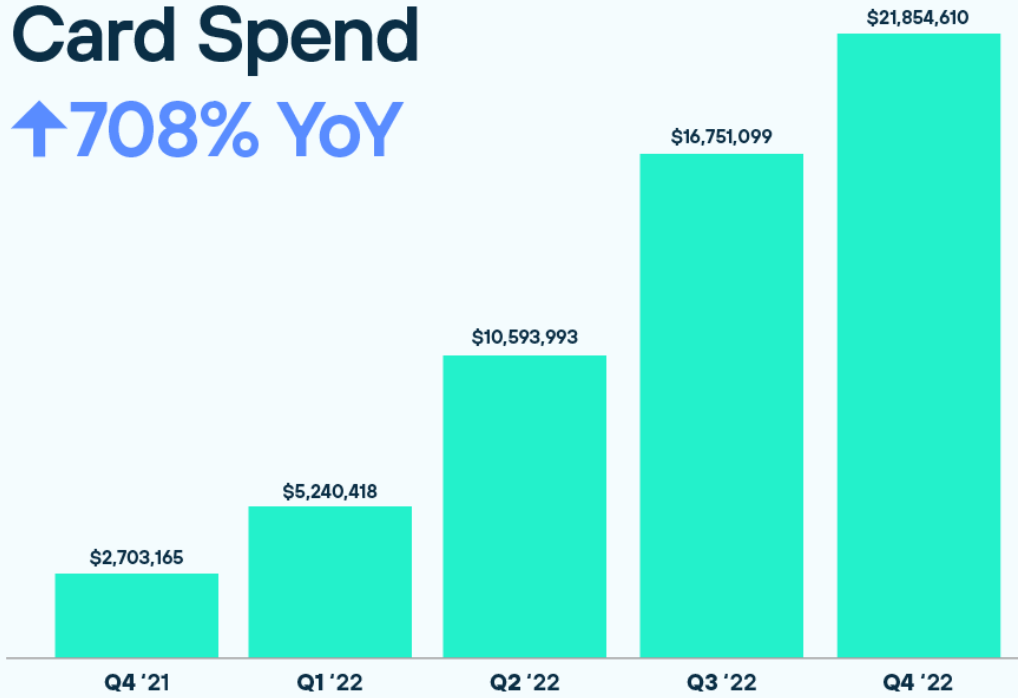
↑483% YoY



Total Deposits: Accumulated cash deposits on the platform across the US & AU, a reflection of customer engagement. AU revenue is driven off deposits converted into USD to trade US securities. Additionally, funds deposited in the US are available for customers to spend with their linked debit card, save and invest.

Card Spend

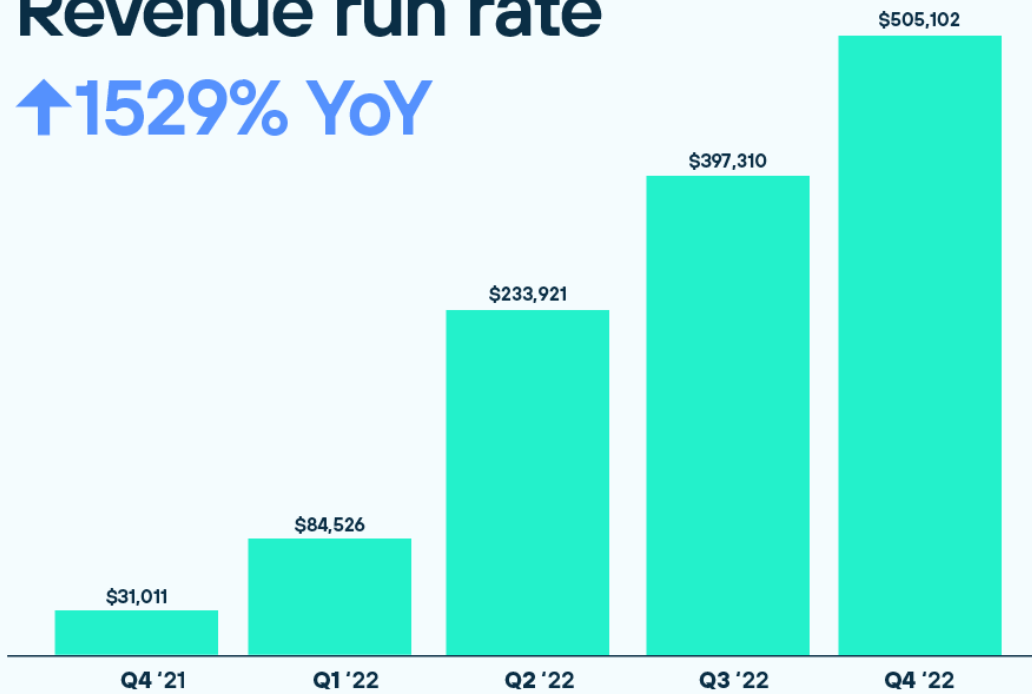
↑708% YoY



Total Card Spend: Accumulated card spend, an indicator of US customer engagement and the driver of interchange revenue.

Revenue run rate

↑1529% YoY



Revenue: Annualised revenue run rate across U.S and AU markets.

Commenting on the Company's progress, Dough's Founder and CEO Andy Taylor said:

"It's been a challenging time weathering the shift in macroeconomic conditions and market sentiment. Our response has been to adopt a more conservative approach to growth in our home market of Australia, with the aim of delivering a faster path to cash flow breakeven and profitability."

"We have taken additional steps to reduce our burn rate and extend our cash runway, whilst continuing our focus on building out the Australian service, informed by all the lessons we have learnt from our live offering in the U.S."

"We are very pleased with the financial super app proposition that we will be launching in Australia, with greater emphasis on long-term wealth creation for our customers from enhanced automation, utilising Open Banking initially for deposit taking, as we transition into becoming more wealth creation focused as opposed to everyday banking-led."

"This is an area we believe can unlock greater customer demand and engagement moving forward with a more affluent customer base. Coupled with the fact that we now have a comprehensive technology platform offering that is becoming attractive to third party companies looking to integrate the Dough services into their own propositions."

"We certainly see B2B services as an area of opportunity to expand into in the future, once we have established the direct to consumer proposition, which will assist with accelerating customer acquisition and the addition of licensing revenue."

Business activities

The Company collected \$87k in cash receipts for the quarter from users of the platform. Business activities expenditure totalled \$2.89M for the quarter (Q3: \$4.82M) consisting of research and development (\$804k), advertising and marketing \$290k (Q3: \$1.66M), operating costs (\$548k) with the balance to administration (\$413k) and staff costs (\$838k). The aggregate amount of payments to related parties and their associates included in Q4 Cash flows from operating activities totalled ~\$69k. These payments consisted of Directors' fees. All payments were on normal commercial terms.

This quarter is covered by the Use of Funds projection detailed in the Company's August 2020 Prospectus. The Company confirms that the funds raised have been fully expended in line with the projected use of funds detailed under the Prospectus.

--End--

About Dough

[Dough](#) is developing a responsible financial 'super app', on a mission to help customers spend mindfully, save more and build long-term wealth on autopilot to live financially healthier lives. Currently live in the United States, with Australia set to go live in late 2022.

For more information contact:

Investor

info@dough.com

Media

press@dough.com

ASX Release approved by the CEO on behalf of the Board.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

DOOUGH LIMITED

ABN

41 108 042 593

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	87	704
1.2 Payments for		
(a) research and development	(804)	(3,355)
(b) product manufacturing and operating costs	(548)	(2,506)
(c) advertising and marketing	(290)	(4,602)
(d) leased assets	-	-
(e) staff costs	(838)	(3,115)
(f) administration and corporate costs	(413)	(1,292)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	-	(5)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	131	1,681
1.8 Other (provide details if material)	(3)	(3)
1.9 Net cash from / (used in) operating activities	(2,678)	(12,492)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(1)	(16)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (cash from acquired subsidiary)	-	-
2.6	Net cash from / (used in) investing activities	(1)	(16)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)*	-	5,847
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(409)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	6,256

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,931	10,327
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,678)	(12,492)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1)	(16)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	5,438
4.5	Effect of movement in exchange rates on cash held	14	9
4.6	Cash and cash equivalents at end of period	3,266	3,266

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,266	5,931
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,266	5,931

6. Payments to related parties of the entity and their associates

6.1 Aggregate amount of payments to related parties and their associates included in item 1

6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
69
-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	490	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	490	-

7.5 **Unused financing facilities available at quarter end** 490

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

On 28 March 2022, the Company announced that it had entered into an equity placement funding facility with an investment fund (the Funder). The facility is immediately available to be accessed utilising 35M shares issued to the Funder and was undrawn at 30 June 2022.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(2,678)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	3,266
8.3 Unused finance facilities available at quarter end (Item 7.5)	490
8.4 Total available funding (Item 8.2 + Item 8.3)	3,756
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	1.40

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

- Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

The Company has substantively completed the bulk of its large R&D activities in order to enable a domestic B2C product launch and to exploit potential B2B Enterprise services opportunities. This will significantly reduce the R&D expense line. The Company is also relying on organic and internally led marketing activities to drive growth (e.g. member-get-member program and Douugh social channels) resulting in a material fall in the advertising and marketing expense line (\$290k vs \$1.66M March qtr) which will continue until further notice. Management have also decided to accrue key corporate costs including director fees with no cash payments to be made in this regard until further notice. Overall, these steps resulted in a 40% (or \$1.93M) decline in operating cash outflows versus the March quarter and as implemented during the course of June quarter, will fully reflect in Q1 FY2023.

- Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: No.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: n/a

The Company expects to receive a tax credit to the value of \$2.2M during the next quarter. With this credit; significant cost reductions; and the Company's unused finance facilities, the Company expects to continue its operations and to meet its business objectives.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

29 July 2022

Date:

By the Board

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.