

ASX / MEDIA RELEASE
31 OCTOBER 2023

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2023

Operational Highlights:

- User acquisition continued to accelerate significantly during the September Quarter, with over 115,000 users now registered on the One Click Life Platform
- Success of digital marketing strategy and increased product suite during the September Quarter has seen record results, demonstrated by:
 - Sept Quarter 2023 revenue up 125% to a record \$2.7m⁽¹⁾
 - YTD 2023 revenue of \$3.5m⁽¹⁾ (up 160% on prior year)
 - Average Revenue Per User (ARPU) increase from \$25 per user (CY 2022) to now over \$32⁽¹⁾ per user.
- One Click Mortgages continued to gain traction within the user base, with over 250 mortgage applications received since the product went live in March 2023 and revenue growing
- Next Day Refund Tax product successfully released at the end of the June Quarter, with \$2.2 million short-term funding secured to finance the product and repaid on time and in line with the terms of the loan note facility
- Four new customer contracts signed on the One Click Verify digital identity verification platform demonstrating growth in this product vertical

Outlook and Key Objectives:

- Continue to grow user numbers through digital marketing strategy
- Continue to pursue growth in revenue from existing and new users that are yet to lodge their 2023 tax return
- Continue to expand new products available on the One Click Life platform with the intention of increasing average revenue per user to capitalise on the value of the One Click Life platform's significant, and growing registered user base
- Further engage with new customer opportunities for the One Click Verify digital identity verification platform

One Click Group Limited (ASX: 1CG) ("Company"), a fast-growing finance and life admin technology platform, is pleased to provide shareholders with an overview of its activities for the period ended 30 September 2023 ("Quarter").

¹ Unaudited

Management commentary:

Managing Director, Mark Waller said: “The key focus for the September Quarter was revenue generation on the back of significant user acquisition through the Quarter. The growth in registered user numbers and expansion of our product suite has generated substantial revenue growth with year-to-date revenue reaching a record \$3.5m at the end of the Quarter, which is up an impressive 160% growth on the year before.

The Company continues to keep overheads low with only \$2.4m spent on operating expenses. Marketing is our key driver of revenue growth with \$2.1m attributed year-to-date. Pleasingly our marketing expense has been highly effective and the spend has generated an increase of \$2.1m in revenue (to \$3.5m year to date) when compared to the prior corresponding period (“PCP”) (9 months to 30 September 2022, revenue: \$1.4m). Excluding marketing, we are EBITDA positive to the tune of \$1.1m, inclusive of marketing it results in a small EBITDA loss of \$1m this year-to-date. Importantly this validates both the strategy and business model employed by the Company.

We don't anticipate operating costs to materially increase into next year given the scalable nature of the business, which means that we expect the continued revenue growth will have a significant impact on the bottom line. We are confident the foundation has been laid and we will continue to see material growth next year and beyond.”

Operational overview:

The key focus of the Quarter was increasing the registered user numbers on the One Click Life platform and generating revenue during the busiest quarter for the platform. This has seen revenue generation of a record \$2.7m during the Quarter and a record \$3.5m year-to-date (2022 PCP: \$1.4m).

Operating expenses year-to-date have totalled \$2.4m and marketing expenses have totalled \$2.1m. This has resulted in a small EBITDA loss of \$1m year-to-date.

	YTD (30 Sept 2023) ('000)
Revenue	\$3,476
Operating Expenses	\$2,393
Margin after Opex	\$1,084
Marketing	\$2,123
EBITDA / (Loss)	(\$1,039)

The expenditure in marketing funds of \$2.1m has generated \$2.1m of additional revenue when compared to the prior corresponding period (PCP 2022: \$1.4m), validating the business model employed by the Company. To continue to increase revenue, the business model does not require a material increase in operating expenditure next year as the products offered on the One Click Life platform are not labour intensive and are designed to be delivered in a scalable format.

One Click Life

A key focus of the Quarter was providing our tax products and services to our growing user base during the key tax period, as well as continuing to establish and grow our lending capability through the One Click Mortgages product.

During the September Quarter the Company continued to generate revenue from our Next Day Refund product as part of our suite of products on the One Click Life platform. Next Day Refunds allows customers to request the lesser of up to 50% or \$1,000 of their tax refund be paid in advance the next day (refer to the ASX announcement dated 3 July 2023 and 26 October 2023 for more information). The product has generated over \$0.5m in revenue this year and has been a contributor to both the Company's growth in revenue and increase in average revenue per user which is \$32 per user as at the end of the Quarter (CY2022: \$25).

In the March quarter, the Company introduced the One Click Mortgages product. Since this product was introduced the Company has received over 250 mortgage applications of varying quality and will look to expand the mortgage brokering team supporting the One Click Mortgages product. One Click Mortgages allows users to apply for a new mortgage or refinance of an existing mortgage when they want, where they want, on any device they want. One Click Mortgages then acts as a mortgage broker servicing the customer and earning 0.6% upfront and 0.15% ongoing per annum. On an average sized mortgage of \$600,000⁽²⁾, this equates to revenue of over \$3,000 upfront and \$900 a year thereafter, reducing in line with the mortgage being repaid. The product is presently only marketed to registered users of the One Click Life platform, costing very little in additional marketing efforts.

The aim in bringing new products to market is that we continue to increase both the average revenue per user and lifetime value of our fast-growing asset in our user base. The Company will continue to work on expanding the products and services available on the One Click Life platform in line with its strategy.



² <https://www.ratecity.com.au/home-loans/mortgage-news/average-mortgage-around-australia>

The Company will update the market as and when new products become available on the One Click Life platform.

One Click Verify

In response to the regulatory requirement for One Click Life to digitally verify the identity of its customers, One Click Life established a digital identity verification product within the One Click Life platform. Upon developing a very succinct customer onboarding process, the company decided to replicate this part of the One Click Life onboarding experience into its own platform, One Click Verify, capable of being commercialised.

During the September Quarter, the Company continued to improve the product and expand the number of customers using the platform, signing four new customer contracts during the period. The platform currently integrates with customer relationship management software (CRM) Iress Xplan. The Company is currently working to expand the integrations available from the platform, and will continue to work on attracting new customers to the platform.

For more information on the One Click Verify platform, visit the website here: <https://oneclickverify.com.au/>.

Corporate

Non-Renounceable Entitlement Issue

Following the end of the Quarter, the Company announced that it is undertaking a pro rata non-renounceable entitlement offer of one (1) fully paid ordinary share in the capital of the Company ("Share") for every six (6) Shares held by eligible shareholders on 19 October 2023 at an issue price of \$0.015 per Share to raise up to approximately \$1,716,782 (before costs). Participants will also receive one (1) free attaching option for every two (2) Shares subscribed for and issued (exercisable at \$0.03 on or before that date which is three (3) years from the date of issue) ("Entitlement Offer"). The Entitlement Offer is partially underwritten up to \$1 million.

The Company intends to use the funds raised under the Entitlement Offer as set out in the ASX announcement released on 13 October 2023, with the key drivers to the raise being to continue to rapidly grow the business and aim to increase ARPU through bringing new financial services to market on the One Click Life platform.

The Entitlement Offer opened 24 October 2023, and letters to eligible shareholders were dispatched that day. The closing date for the Entitlement Offer is currently set at 5:00pm (WST) on 10 November 2023, subject to any prior extension by the Company in accordance with the ASX Listing Rules. Further information is set out in the Entitlement Issue Disclosure Document released on ASX on 13 October 2023.

Release of Securities from Escrow

During the Quarter, 217,767 Shares, 10,700,000 Options (\$0.025, expiry 15/09/2025) and 17,400,000 Performance Rights were released from ASX imposed escrow. The securities were issued as part of the consideration paid by the Company to the vendors of Mobile Business Devices Pty Ltd ("MBD").

Class A Performance Rights

The Company further announced during the Quarter that the Class A Performance Rights on issue, which were due to vest where revenues of MBD were equal to or greater than \$3,000,000 in the financial year ending 30 June 2023 ("Milestone"), had not met the Milestone.

The Milestone was negotiated in the leadup to completion of the Company's acquisition of MBD, when the expectation was that the Company would have recommenced trading (and MBD would therefore have access to the funding raised during the process) prior to 1 July 2022. Being in its growth phase, and with its predominant revenue source being its tax product, MBD's revenues are currently heavily dependent on marketing spend during the tax season (July to October each year). As such, the unexpected delay to the Company recommencing trading until late September 2022, and the resultant lack of funding for marketing during the 2022 peak tax period significantly impacted the Company's ability to meet the Milestone.

The terms and conditions of the Class A Performance Rights provide that the Performance Rights will now automatically lapse on 15 September 2027, however the Company anticipates it will agree with holders to cancel these Performance Rights in the near term.

Outlook:

The One Click Life platform has experienced significant user growth into October with user numbers growing to over 115k (December 2022: 65k). It is expected that user numbers will continue to grow through the current quarter as the Company's marketing efforts have remained effective outside of the peak tax season.

The growth in user numbers has directly correlated to a growth in revenue on the One Click Life platform. By 12 July 2023, the Company had already exceeded entire CY2022 revenue of \$1.6m⁽¹⁾, with revenue of \$3.5m⁽¹⁾ achieved by the end of the Quarter.

New products on the One Click Life platform have generated strong revenue contribution and assisted in increasing average revenue per user on the One Click Life platform. The Company intends to continue to expand the suite of products and services available on the platform with an aim of creating a financial hub for customers to manage all their life's finances in a simple, low cost format from their mobile phones.

The Company will continue to focus on expanding the footprint of the One Click Verify platform with continuing activities on refining the product and attracting new customers to the platform.

Appendix 4C Quarterly Cash Flow:

The Company's Appendix 4C Quarterly Cash Flow Report for the quarter ended 30 September 2023 accompanies this announcement, highlighting a cash balance of \$1.7m.

The Company experiences seasonality of both its revenue and marketing expenditure, with the One Click Tax suite of products being its main source of income presently and marketing efforts tied to acquiring new registered users to complete their tax returns.

In addition to the Appendix 4C, the Company provides the following supplementary information pursuant to Listing Rule 4.7C.

During the Quarter the Company expended a net total of \$72,000 on the operations of the Company. This was comprised of research and development costs (\$140,000), advertising and marketing expenses (\$1,464,000), leased asset costs (\$17,000), staff costs (\$581,000), administrative and corporate costs (\$353,000), receipts from customers (\$2,480,000), and interest received (\$3,000).

The payments included at section 6.1 of the attached Appendix 4C relate to Director fees (\$151,000), Company Secretarial and corporate services fees (\$36,000), and lease payments (\$17,000).

Use of Funds:

The following table sets out the Company's actual cash expenditure for the period from 27 September 2022 (being the date of re-admission) to 30 September 2023, against the proposed use of funds as set out in the Replacement Prospectus dated 15 July 2022 ("Prospectus").

Description of use of funds	Funds allocated under Prospectus \$A ¹	Actual funds expended from re- admission to 30 Sept 2023 \$A ¹
Marketing	2,000,000	2,584,690
Product development	1,500,000	795,207
Corporate and administration ²	400,000	1,700,321
Lodging patents	250,000	0
Working capital	1,144,000	1,315,908
Expenses of the offer and the acquisition	590,000 ³	658,810
	5,884,000	7,054,936

Notes:

1. The above table shows cash outflows only and does not contemplate the impact of cash inflows from sales and other income. Cash inflows over the Quarter have been \$2,480,000 in receipts from customers, and interest received of \$3,000.
2. Administration costs include the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, directors' fees and salaries, rent and other associated costs. The funds expended do not take into account the receipt of revenue and other income items that are used to pay for these costs. Expenditure from Corporate and Administration costs should be viewed with use of funds from Working Capital.
3. Refer to Section 11.13 of the Prospectus for detail.

This ASX Announcement has been authorised for release by the Board.

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About One Click Group

[One Click Life](#) is a fast-growing Australian based financial technology platform positioned to disrupt and capitalise on the increasing market demand for online self-directed financial and life admin services.



The platform's primary competency and revenue stream at the moment is online tax. The One Click Life platform now contains a lending competency and a number of other products for users, with online wills and private health insurance already available with more new products to come in the future. The One Click Life platform aims to be the one stop shop for everyday Australians who want to manage their financial life admin across, tax, wills, insurance, mortgages, investing and more.

[One Click Verify](#) is a digital identity verification platform allowing businesses to digitally identify their customers as part of an onboarding or transaction process.



Appendix 4C

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

Name of entity

One Click Group Limited

ABN

52 616 062 072

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,480	2,881
1.2 Payments for		
(a) research and development	(140)	(564)
(b) product manufacturing and operating costs	0	0
(c) advertising and marketing	(1,464)	(1,859)
(d) leased assets	(17)	(48)
(e) staff costs	(581)	(1,126)
(f) administration and corporate costs	(353)	(868)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	3	13
1.5 Interest and other costs of finance paid	0	(4)
1.6 Income taxes paid	0	0
1.7 Government grants and tax incentives	0	0
1.8 Other (Proposed RTO Acquisition Transaction costs)	0	0
1.9 Net cash from / (used in) operating activities	(72)	(1,575)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	0	0
(b) businesses	0	0
(c) property, plant and equipment	0	0
(d) investments	0	0
(e) intellectual property	0	0

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(f) other non-current assets	0	0
2.2 Proceeds from disposal of:		
(a) entities	0	0
(b) businesses	0	0
(c) property, plant and equipment	0	0
(d) investments	0	0
(e) intellectual property	0	0
(f) other non-current assets	0	0
2.3 Cash flows from loans to other entities	139	(251)
2.4 Dividends received (see note 3)	0	0
2.5 Other (cash acquired on acquisition of subsidiary)	0	0
2.6 Net cash from / (used in) investing activities	139	(251)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	0	0
3.2 Proceeds from issue of convertible debt securities	0	0
3.3 Proceeds from exercise of options	16	16
3.4 Transaction costs related to issues of equity securities or convertible debt securities	0	(25)
3.5 Proceeds from borrowings	225	1,000
3.6 Repayment of borrowings	0	(70)
3.7 Transaction costs related to loans and borrowings	(63)	(72)
3.8 Dividends paid	0	0
3.9 Other (provide details if material)	0	0
3.10 Net cash from / (used in) financing activities	178	849

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	1,499	2,721
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(72)	(1,575)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	139	(251)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	178	849
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	Cash and cash equivalents at end of period	1,744	1,744

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	1,814	1,544
5.2	Call deposits	5	5
5.3	Bank overdrafts	0	0
5.4	Other (credit card)	(75)	(50)
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,744	1,499

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	204
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<p>Payments at section 6.1 relate to director fees (\$151,000), corporate services and company secretarial fees (\$36,000), and lease payments (\$17,000).</p>		

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>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.</i>		
7.1 Loan facilities	1,000	1,000
7.2 Credit standby arrangements	0	0
7.3 Other (please specify)	0	0
7.4 Total financing facilities	1,000	1,000
7.5 Unused financing facilities available at quarter end		0
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.		
Please refer ASX announcement dated 3 July 2023.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(72)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,744
8.3 Unused finance facilities available at quarter end (item 7.5)	0
8.4 Total available funding (item 8.2 + item 8.3)	1,744
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	24.22
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 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: N/A	
8.6.2 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: N/A	
8.6.3 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	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

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.

Date: 31 October 2023
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Authorised by: The Board of Directors
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(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.