



IODM Limited

December Quarter 2016 Report

Highlights for the Quarter

- Sales continue to increase quarter to quarter
- Corporate accounts Wilson Security and a national accounting group go to revenue
- National mid-tier accounting firms sign on to IODM for own use
- Successful trial of IODM by another mid-tier accounting firm
- Resellers in WA, QLD, NSW and Vic go to revenue
- Additional resellers and referrers signed in Vic, SA and QLD
- IODM receives \$255,000 R&D grant
- JCurve identifies client to undertake Proof of Concept trial
- Formed a commercial alliance with Quick Fee (fee funding provider)
- Company in advanced discussions with a tier 1 telecommunications company
- Company has several proposals out to large corporates
- Commenced discussions with Scottish Pacific business finance company
- Chris Rogers (joint company founder) joined the Board as Executive Director
- Additional features added to IODM software

Cloud-based automated debtor management solution IODM, IODM Limited (ASX: IOD) ("IODM" and "Company") is pleased to provide a report of its activities for the quarter ending 31 December 2016.

Throughout the December quarter, the company continued to make significant progress in executing on its business plan. We believe these efforts have and will crystallise into a substantial increase in sales during the March and June quarters.

IODM's sales and marketing focus on targeting corporate accounts and building a national distribution network of strategic partners and resellers continues to develop rapidly. This strategy has resulted in the conversion of some key enterprise contracts, which will only grow as these relationships expand nationally. We expect to see continued strong growth in the March and June quarters from these relationships.

IODM Limited

ABN: 28 102 747 133 **ASX Code:** IOD

Registered Address: Level 5, 22 Albert Road, South Melbourne, Vic, 3205

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Sales & Marketing

Throughout the quarter IODM accelerated sales within the corporate market, securing an enterprise contract with Wilson Security, which will likely expand throughout the Wilson Group in the coming months. Through our interface with various Desktop software solutions, IODM also secured sales with mid-tier accounting firms enabling IODM to capitalise on this key market segment.

We also continued to expand our distribution network through the appointment of further resellers and referrers throughout Australia. At quarter's end, IODM had a combined network of 15 resellers and referrers. This distribution model now gives IODM total national coverage, as well as opportunities throughout New Zealand and overseas markets.

This dual strategy of pursuing direct enterprise accounts and growing our distribution network has laid the foundation of anticipated strong revenue growth.

The company also reviewed and updated our pricing structures to optimise the opportunities within the corporate and mid-tier market. The pricing structures for this vertical were revised to factor in set up fees and charge out rates for customisation. These new prices had an immediate positive impact on revenue and were well received by clients.

IODM continues to generate market brand awareness through its ongoing media relations and social media program, updated marketing material and website enhancements, and eDMs and targeted partner events.

IODM has secured the opportunity for Managing Director Damian Arena to be a guest speaker at a luncheon hosted by Robert Half Recruitment on the benefits of IODM to credit managers of large corporates and various industry groups. This presentation has resulted in IODM presenting proposals to several major corporates. This opportunity will continue on a monthly basis.

Strategic Partnerships

Mid-tier accounting firm completed its trial of IODM's software and achieved its objectives in relation to debtor management and workflow. The trial produced a 69% increase in the firm's debtor collection. This firm will look to introduce IODM to its other offices and selected clients across Australia.

Maestrano: Launched a co-branded marketing campaign in the quarter with IODM as one of its marquee offerings. Interest was positive and is expected to convert to revenue in the March quarter.

NAB: Trade finance via NABLAB developed a white paper to implement a proof of concept (POC) to utilise IODM's platform to interact with NAB clients. The POC is expected to commence in the March quarter.

Other: IODM commenced discussions with several large organisations to interface with IODM in order to form a strategic partnership and roll out IODM to their client base. Talks have progressed in a positive direction and we hope to make further announcements in the March Quarter.

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These strategic partnerships will add to our growing reseller network and assist in securing further revenue.

Technology

Our commitment to continual technology enhancements and best of breed debtor management software has underpinned the development of some key additional features to our software including a Query Account and Invoicing Grouping tool.

Having developed our own API and introduced further advanced features allows IODM to be a multi-dimensional offering, expanding our solution and allowing us to work in multiple market sectors.

Operations

The company appointed Chris Rogers, Co-founder of IODM as an Executive Director to oversee the Sales and Operations and onboarding division of IODM. Chris has consulted at some of the largest European enterprises in the world. He has a very sound understanding of customer profiling, marketing segmentation and permission marketing.

The company continues to reduce its monthly operating costs by restructuring its work flow and operational processes.

We thank all investors for their continued support of IODM. For further information, please contact Damian Arena on 0419 106 176 or alternatively on damian@iodm.com.au.

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