



25 October 2016

IODM Limited – September Quarter 2016 Report

Highlights

- Commence negotiations for a strategic partnership with national accounting firm, SV Partners
- Commenced rollout to global outsourcing provider BPO Connect
- Agreement with Integra Pay to integrate payment technology
- Advisory Board established; two appointments made already
- Successful relisting on ASX in July 2016
- Strengthened sales and marketing strategy and program
- Continued to build sales pipeline and strategic partnerships
- Dr Paul Kasian joined the Board as a Non-Executive Director

CLOUD-BASED automated debtor management solution IODM Limited (ASX: IOD) (“IODM” or “the Company”) is pleased to provide a report of its activities for the quarter ending 30 September 2016.

Throughout the quarter, the Company made significant progress in executing its business plan to create new strategic partnerships, a national distribution network and revenue contracts. As a result, the Company believes these efforts will create an uplift in sales during the December and March quarters.

Strategic Partnerships

SV Partners: Commenced negotiations to form a strategic alliance with national accounting firm and insolvency specialists, SV Partners. The deal will see SV Partners integrate its fee funding and payment solution, Smart Fee onto the IODM platform. SV Partners has a network of approximately 4,000 small to medium size accounting firms across Australia

RSM Canberra: In September RSM Canberra went live with IODM as part of a two month paid trial. Should the trial meet with RSM Canberra’s requirements, it will introduce IODM to 26 offices across Australia. The trial is for internal purposes but is also likely to lead to IODM being introduced to RSM’s broader client base.

Maestrano: IODM continued talks with Maestrano regarding a global rollout, with the view to IODM becoming a standard offering to all its clients globally. Over the quarter, the Company met Maestrano’s head of sales and sales team to promote IODM.

IODM Limited

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

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NAB: The Company continued to explore the commercialisation strategy with NAB, with the objective of formalising a “go to market” strategy for a rollout in March 2017.

ANZ: An initial meeting with high-level ANZ management was facilitated by York Butter Factory. The IODM value proposition was well received, and the Company will continue discussions in the upcoming quarter.

Sales

During the quarter, the Company commenced enabling accounting firms to rollout IODM to their client base under a White Label Solution, providing IODM with a new distribution avenue to the SME market. Given the current Work in Progress (WIP) and trials in the marketplace, the Company is confident the sales pipeline will convert to revenue throughout the December quarter.

To further grow the sales pipeline, IODM continues to build vertical relationships throughout the accounting industry across the country. IODM’s national distribution network also allows the Company to engage in new business opportunities in industry verticals outside accounting.

During the quarter the company finalised the Wilson Security proposal and are expecting sign off from Wilson’s management. This is expected to be signed off and go to revenue in the December quarter.

Consistent with the Company’s go-to-market strategy, IODM increased the depth of the distribution capability by adding two additional members to its Victorian distributor network. This brings the total number of IODM distributors to seven across all states. Over the September quarter, confirmation of sales targets and KPI’s for the distribution partners were finalised.

Technology

The Company completed its interface with National Credit Insurance (NCI), Integra Pay and Reckon.

NCI interface: Clients using the IODM system now have direct access to credit checks and credit insurance hosted on the platform. Working with NCI also introduces NCI’s client base to IODM as a software provider of choice.

Integra Pay interface: Integra Pay is a payment gateway / merchant facility organisation which has been integrated with IODM to offer a “Please Pay Now” facility to clients. IODM will receive a fee for all payments processed through this system in addition to its normal subscription income.

Reckon Interface: Reckon is a well-established accounting software provider, widely recognised in the industry. IODM successfully integrated with two Reckon products (APS and Reckon 1). The interface to Reckon positions IODM as an agnostic offering to the accounting industry and also broadens its breadth in sales opportunities in the sector.

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Operations

In August, IODM formed an Advisory Board which complements the Company's executive to provide industry insights to optimise market penetration and engagement.

The first two appointments are Wayne Schmidt, former country manager for multinational accounting software company Xero, and Narelle Cirillo, group credit manager at national security specialist Wilson Security.

The Company engaged a Sales and Operations Manager to oversee current and future sales pipeline requirements for the business. The role will have responsibility for converting the sales pipeline to revenue, managing back-office processes and supporting distributors and the sales team.

IODM consolidated its offices to house all IT, sales, operations and administration teams team in one location.

Marketing

IODM Managing Director Damian Arena attended **Xerocon 2016** in Brisbane. The Company received more than 90 leads from the conference which have been followed up by relevant distributors.

PwC reaffirmed its commitment to IODM to make the PwC "Next" program successful. As part of the program, IODM attended PwC roadshows in Adelaide, Melbourne, Sydney, Brisbane, Perth, Newcastle and Townsville over the quarter. The Company will conduct monthly meetings with PwC to assist with the national rollout.

During the quarter, the Company completed and implemented a review of all marketing activities and materials, including the development of a new brand, website, public relations and investor relations program.

We thank all investors who supported IODM throughout the listing process. For further information, please contact Damian Arena on 0419 106 176 or on damian@iodm.com.au.

About Us

IODM is a software platform that fully automates the debtor management process to get cash off the balance sheet and into the bank account, drastically improving velocity to cash flow. Through a single monthly fee, what normally takes hours to manage can now take minutes, giving businesses control of all the parameters of the accounts receivable cycle. IODM interfaces with key accounting packages and has partners across Australia. IODM is headquartered in Melbourne.

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