

**31<sup>st</sup> October 2019: OtherLevels Holdings Limited (ASX: OLV) (OtherLevels)** has today released its Appendix 4C for the quarter ended 30<sup>th</sup> September 2019, featuring:

- Total operating and investing cash receipts for FY20 Q1 were \$1.9m.
- 26% increase in cash receipts from customers for FY20 Q1 to A\$1.4m compared to the corresponding period in FY19.
- The Company also received an R&D tax concession for the financial year ended 30 June 2019 of A\$0.5m.
- A further A\$1.1m of outstanding receivables at end of quarter.
- Total operating and investing costs were A\$2.1m for the quarter. This included \$146k of redundancy related payments.
- Cash and cash equivalents of A\$0.2m at the end of quarter.
- Additional short-term funding of \$250,000 was advanced by the Chairman and the Managing Director during the period, primarily to fund redundancy payments.

Customer receipts were the highest received to date in Q1, which is generally a weaker quarter and the outstanding receivables provide a strong start to Q2.

Brendan O’Kane, the OtherLevels CEO commented “This was a good quarter for the Company. The strong cash receipts and small cash flow deficit, excluding one-off items, in a historically weak quarter, was pleasing. It also demonstrates that the Company’s reduced cost base gives it a firm foundation from which to achieve the goal of being operating cash flow positive in FY20.”

The Company has advanced discussions with potential partners in the martech and sports betting/iGaming space with a view to greater sales coverage, particularly to take advantage of the significant opportunity in the US market. While these discussions are not yet concluded, the Board looks forward to successfully concluding them in an acceptable timeframe.

- ENDS -

## Contact

### Brendan O’Kane

Managing Director and CEO

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## About OtherLevels

OtherLevels is a leading second-generation digital marketing platform with offices in Europe, the US and Australia.

The OtherLevels platform enables clients to **acquire sooner, engage smarter** and **retain longer** across desktop, mobile web and apps audiences. OtherLevels provides both **OtherLevels Intelligent Messaging**, an omni-channel messaging solution, as well as **OtherLevels In-Play Live Messaging**, a real-time live messaging solution for on-line sports betting and iGaming operators. OtherLevels leading clients include Camelot (UK), OPAP (Greece), Tatts/Tabcorp, Coles, Flight Centre, IHG, LadbrokesCoral and Betfred.

For more information, please visit [www.otherlevels.com](http://www.otherlevels.com), OtherLevels Holdings Limited ACN 603 987 266.

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

OtherLevels Holdings Limited (OLV)

**ABN**

88 603 987 266

**Quarter ended ("current quarter")**

30 September 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,370	1,370
1.2 Payments for		
(a) research and development	(123)	(123)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(20)	(20)
(d) leased assets	(39)	(39)
(e) staff costs	(1,042)	(1,042)
(f) administration and corporate costs	(587)	(587)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(56)	(56)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	501	501
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>4</b>	<b>4</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(d) intellectual property	(277)	(277)
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	<b>Net cash from / (used in) investing activities</b>	<b>(277)</b>	<b>(277)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	250	250
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	<b>Net cash from / (used in) financing activities</b>	<b>250</b>	<b>250</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	206	206
4.2	Net cash from / (used in) operating activities (item 1.9 above)	4	4
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(277)	(277)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	250	250

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	4	4
4.6	<b>Cash and cash equivalents at end of quarter</b>	<b>187</b>	<b>187</b>

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	187	206
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>187</b>	<b>206</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter  
\$A'000**

66  
-

Director fees and employment agreement with Mr Brendan O'Kane, CEO & Managing Director, OtherLevels Australia.

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter  
\$A'000**

-  
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8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	3,800	3,750
8.2 Credit standby arrangements		
8.3 Other (please specify)	1,000	1,000
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

8.1 Loan facilities as at 30 September 2019 comprise of the following:		
(a) \$300,000 – Halfbrick Studios Pty Ltd. Interest rate is 12% per annum, and the loan is unsecured. This is fully drawn.		
(b) Loan facility of \$2,750,000. Lenders are a syndicate of sophisticated and professional investors, led by Brendan O’Kane (Managing Director) and Brian Mitchell (Chairman), directors of OtherLevels Holdings Limited. This facility has been fully drawn as at 30 September 2019.		
(c) Loan facility of \$500,000. Lenders are directors of OtherLevels Holdings Ltd including Brendan O’Kane, Brian Mitchell and Cris Nicolli. \$450,000 has been drawn as at 30 September 2019.		
(d) Loan facility of \$250,000. Lenders are directors of OtherLevels Holdings Ltd including Brendan O’Kane and Brian Mitchell. This facility has been fully drawn as at 30 September 2019.		
8.3 Convertible Note facility of \$1,000,000 fully underwritten by Brendan O’Kane and Brian Mitchell with the option to convert to shares being subject to shareholder approval.		

9. <b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Research and development	(125)
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	(20)
9.4 Leased assets	(32)
9.5 Staff costs	(985)
9.6 Administration and corporate costs	(565)
9.7 Investing cash outflows – Software development	(265)
<b>9.8 Total estimated cash outflows</b>	<b>(1,992)</b>

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity		
10.2	Place of incorporation or registration		
10.3	Consideration for acquisition or disposal		
10.4	Total net assets		
10.5	Nature of business		

### 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.

Sign here: 

Company Secretary (By order of the Board)

Date: 31 October 2019

Print name: Andrew Ritter

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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. Payments to employees for the quarter totalled \$1.43 million and is included within the research & development (1.2(a)), staff costs (1.2(e)) and software development (2.1(d)) costs above. The allocation between these categories may vary from quarter to quarter, depending on the activities undertaken by employees.