

**ASX Appendix 4C - Quarterly Activity Report**

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DataDot Technology Limited (ASX:DDT) has today released its cash flow report (ASX Appendix 4C) for the quarter ending 30 June 2021.

This cash flow report is unaudited and discloses the inflows and outflows of cash during the quarter ended 30 June 2021 and for the financial year ended on 30 June 2021.

**Highlights**

Cash at the end of the 2021 financial year and quarter was \$2,328.8k which is up from \$1,903.9k at the beginning of the quarter. The company opened FY 2021 with a cash balance of \$1,005.1k following capital raising totalling \$1,312k in 2020. This improvement of \$1,323k in the cash position over the course of the year is due to the continuation of the strong positive trading performance in the second half of FY2021 that followed the profitable result announced for 1H FY2021.

The company is now also reaping the full benefits from the significant restructuring of facilities and other cost reductions that occurred in FY 2020 including the closing of the USA factory in the second half on FY2020, realignment of reporting structures for the UK operation and relocation of the Australian manufacturing and head office facilities from Frenchs Forest to Brookvale. In FY2021 cash flow has further benefited from additional efficiencies in U.K. manufacturing and the transfer of the U.K.'s accounting functions into new cost effective systems implemented in head office to consolidate all global operations.

As a result of the company's positive trading results and the capital management activity undertaken in FY2020 there has been no requirement for financing activity during the quarter.

To date, the company has not experienced any material negative impacts from the Covid-19 pandemic, however we believe that there is still a significant level of Covid related uncertainty across our global markets. We continue to carefully monitor the potential for disruption and any possibility of short-term reversal in our trading results; particularly in the Northern Hemisphere where major customers are located.

Payments in the quarter to Related Parties of \$109k include Director Fees and salaries, reimbursement of expenses and Licence Fees paid in the normal course of business.

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This release has been approved by the Board of Directors.

**For further details contact:**

DataDot Technology Limited  
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**About DataDot:** DataDot Technology Limited provides world leading asset identification, management, protection and authentication solutions that deliver great value to customers. For more information please visit [www.datadotdna.com](http://www.datadotdna.com).

**Appendix 4C**  
**Quarterly cash flow report for entities**  
**subject to Listing Rule 4.7B**

**Name of entity**

DataDot Technology Limited - ASX DDT

**ABN**

54 091 908 726

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

30-Jun-21

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date 12 months) \$A'000</b>
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	1,156.2	4,109.0
1.2	Payments for	-	
	a. research and development	(17.9)	(57.6)
	b. product manufacturing and operating costs	(434.8)	(1,568.8)
	c. advertising and marketing	(14.0)	(29.3)
	d. leased assets	(53.1)	(53.1)
	e. staff costs	(184.8)	(700.7)
	f. administration and corporate costs	(163.1)	(576.7)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	0.6	0.6
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	(8.2)	(8.2)
1.7	Government grants and tax incentives	173.3	250.8
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>454.2</b>	<b>1,366.0</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	a. entities	-	-
	b. businesses	-	-
	c. property, plant and equipment	(28.1)	(33.7)
	d. investments	-	-
	e. intellectual property	-	-
	f. other non-current assets	-	-
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 (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(28.1)</b>	<b>(33.7)</b>

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<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	-	-
<b>4.</b>	<b>Net increase / (decrease) in cash and cash</b>		
4.1	Cash and cash equivalents at beginning of period	1,903.9	1,005.1
4.2	Net cash from / (used in) operating activities (item 1.9 above)	454.2	1,366.0
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(28.1)	(33.7)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(6.2)	(13.6)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,323.8</b>	<b>2,323.8</b>

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<b>5. Reconciliation of cash and cash equivalents</b>	<b>Current quarter</b>	<b>Previous quarter</b>
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>\$A'000</b>	<b>\$A'000</b>
5.1 Bank balances	2,323.8	1,903.9
5.2 Call deposits		
5.3 Bank overdrafts		
5.4 Other (provide details)		
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,323.8</b>	<b>1,903.9</b>

**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

<b>Current quarter</b>
<b>\$A'000</b>
109.0
nil

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.*

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

<b>Total facility amount at quarter end</b>	<b>Amount drawn at quarter end</b>
<b>\$A'000</b>	<b>\$A'000</b>
0	0
0	0
0	0
-	-

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

Nil

- 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.

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<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (Item 1.9)	454.2
8.2	Cash and cash equivalents at quarter end (Item 4.6)	2,323.8
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	2,323.8
8.5	<b>Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b> Note the last three quarters have generated positive cash flow from operations.	Not Applicable
8.6	<p>If Item 8.5 is less than 2 quarters, please provide answers to the following questions:</p> <p>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?</p> <div style="border: 1px solid black; padding: 2px;">Answer: N/A</div> <p>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?</p> <div style="border: 1px solid black; padding: 2px;">Answer: N/A</div> <p>3.Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?</p> <div style="border: 1px solid black; padding: 2px;">Answer: N/A</div>	

**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:** 27-Jul-21

**Authorised** DataDot Technology Limited Board of Directors

**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.