

ASX Announcement  
31 July 2023

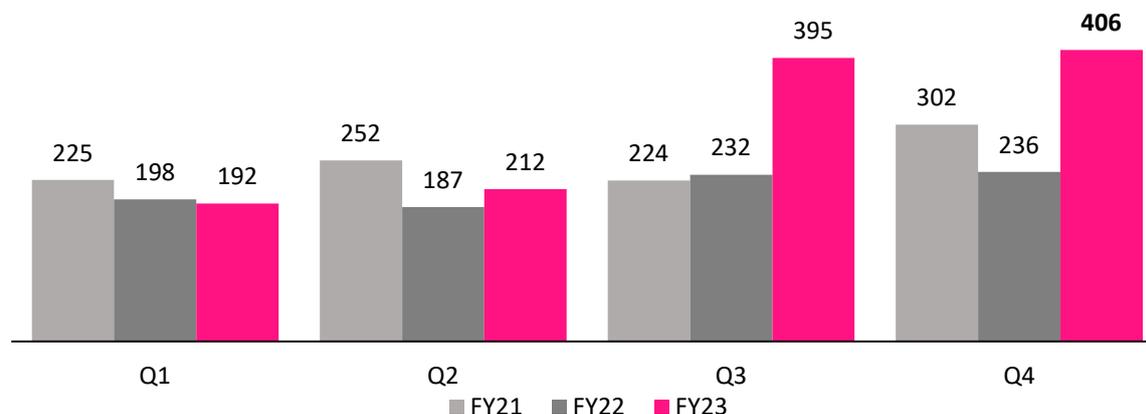
## IODM Q4 Quarterly Activities Report and Appendix 4C

### Key Q4 highlights:

- Quarterly cash receipts of A\$406k, +2.8% quarter on quarter (+72% versus previous corresponding period (“pcp”))
- UK cash receipts of A\$182k +32.8% quarter on quarter
- Domestic cash receipts of A\$223k, -13.2% quarter on quarter (-5.5% versus pcp)
- Annual FY23 cash receipts of A\$1.2 million, +41.1% versus FY22
- Significant efforts focused on continued progress and validation of UK education sector with the number of universities being onboarded continuing to increase
- Successful development and launch of the Company’s cash allocation module, further enhancing platform
- Appointment of London-based Karen Penney as Non-Executive Director

IODM Limited (ASX:IOD), “IODM” or “the Company”), a cloud-based software solution that revolutionises business cash flow management, is pleased to release its Quarterly Activities Report and Appendix 4C for the period ended 30 June 2023 (“Q4 FY23”).

**Figure 1: IODM Quarterly Cash Receipts (A\$’000)**



### UK Education Business

The UK Education business continued to see growth notwithstanding a seasonally slow period for the industry heading into the end of the UK academic year and the Northern Hemisphere summer. Cash receipts ended the quarter up 32.8% to A\$182k, as further Universities saw settlements flow through. Automated reminder communications sent during the quarter also grew by 16.6% to over 37,000 while the value of the invoices for the same period expanded 26.2% to £231 million due to increased number of communications. Importantly, the total value of outstanding invoices continues to grow, underpinning the ‘work-in-progress’ revenue yet to be collected by IODM.

During the quarter, the IODM UK team also hosted a webinar for the education sector, where 42 UK universities registered and attended, representing 25% of the UK education market. The UK team are now busily following up the significant amount of institutions that expressed interest in IODM/Convera offering

In other developments, the Company is beginning to trial the IODM Connect software solution with potential clients outside of the education industry within Europe. The Company will continue to update shareholders around the result and key learnings of these trials.

### **Appointment of Director**

The company appointed London based Karen Penny as a Non-Executive director on 14 June 2023.

A London-based British national, with an extensive background in senior executive roles and a wealth of experience spanning over 30 years, Karen brings a unique blend of strategic, commercial, and industry expertise to IODM's Board of Directors. More recently, Karen has held significant executive positions in renowned global financial companies, including American Express and Convera – formerly Western Union Business Solutions – where she served as Vice President Payment Products (2018 – 2022) and was primarily responsible for delivering corporate payments across the UK and Europe. Similarly, as Vice President & General Manager UK at American Express (2012 – 2018), Karen spearheaded their UK corporate business, managing a diverse customer base and considerable cross-border payments transactions.

### **Domestic Business**

Cash receipts during Q4 within the domestic Enterprise business declined 13.2% versus Q3 FY23, largely reflecting the cycling of higher revenues and pre-payments during the March quarter. This was primarily a consequence of an increase in new client signings between January and March.

In addition, the Company also launched its cash allocation module during the quarter which has generated interest in the enterprise market.

### **Corporate and Additional Information**

Payments to related parties of the entity and their associates during the Q4 FY23 totalled \$11k, which were all directors' fees.

As communicated to the market on 31 January 2023 the Company has used funds to invest in its technical and onboarding capabilities. During the quarter the Company spent \$135k on increasing the technical teams and investing in the development of new features to the IODM Connect platform. This included the appointment of a new CTO James Burke in early April 2023. James was previously CIO at the Victorian Dept of Treasury and prior to that role was Head of IT at Ryco Pty Ltd, a wholly owned subsidiary of GUD Holdings Limited.

The development of new features continues to enhance the value of the platform to the UK educational sector as highlighted in the webinar registrations in June 23. The Company also developed and launched the cash allocation module, a new offering which assists businesses in reconciling

receipts. This module is generating interest in the domestic market. This specific expenditure is included in the staff, administration and corporate costs during the quarter.

The Company also received \$374K from the exercise of options during the quarter.

**IODM CEO, Mark Reilly said:**

*“Notwithstanding a seasonally softer period given the Northern hemisphere summer holidays, we’re really pleased with the continued growth in the UK education landscape, particularly around building a long-term, sustainable business model. Having now established working relationships with 12 Universities, we’ve validated our solution and eagerly anticipate an acceleration in growth in both invoices sent and total collections received. Beyond our UK education business, we’re optimistic around the ongoing trials in Europe with certain Enterprise customers and look forward to this developing into FY24.”.*

***This announcement is authorised by IODM’s Board of Directors***

– END –

**About IODM**

IODM is a leading accounts receivable (AR) solution that utilises digital technology to optimise automation. IODM’s solution provides an end-to-end AR process that supports customers with invoicing, query management, payment reminders, escalation, analytics and more. IODM’s solution drives increased client productivity and timely payments while reducing costs and minimising human error. The solution is a customisable application that seamlessly integrates with any accounting ERP software package. IODM operates globally and is headquartered in Melbourne, Australia. To learn more, please visit [www.iodmconnect.com](http://www.iodmconnect.com)

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## Appendix 4C

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

**Name of entity**

IODM LIMITED

**ABN**

28 102 747 133

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

30 JUNE 23

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	406	1,205
1.2 Payments for		
(a) research and development	0	0
(b) product manufacturing and operating costs	0	0
(c) advertising and marketing	0	0
(d) leased assets	0	0
(e) staff costs	(579)	(2,111)
(f) administration and corporate costs	(424)	(1,581)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	5	5
1.5 Interest and other costs of finance paid	(7)	(21)
1.6 Income taxes paid	0	0
1.7 Government grants and tax incentives	0	425
1.8 Other (provide details if material)	0	0
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(599)</b>	<b>(2,078)</b>
<b>2. Cash flows from investing activities</b>		
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
(f) other non-current assets	0	0

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
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	0	0
2.4 Dividends received (see note 3)		
2.5 Other (Redeem refundable security deposit)	0	0
<b>2.6 Net cash from / (used in) investing activities</b>	<b>0</b>	<b>0</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	0	2,250
3.2 Proceeds from issue of convertible debt securities	0	0
3.3 Proceeds from exercise of options	374	611
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(12)	(41)
3.5 Proceeds from borrowings	0	0
3.6 Repayment of borrowings	(38)	(154)
3.7 Transaction costs related to loans and borrowings	0	0
3.8 Dividends paid	0	0
3.9 Other (provide details if material)	0	0
<b>3.10 Net cash from / (used in) financing activities</b>	<b>324</b>	<b>2,666</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	2,056	1,191
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(599)	(2,078)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	0	0

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	324	2,666
4.5	Effect of movement in exchange rates on cash held	1	3
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,782</b>	<b>1,782</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	1,782	2,056
5.2	Call deposits	0	0
5.3	Bank overdrafts	0	0
5.4	Other (provide details)	0	0
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,782</b>	<b>2,056</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	11
6.2	Aggregate amount of payments to related parties and their associates included in item 2	0
<i>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.</i>		

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	0	0
7.2 Credit standby arrangements	0	0
7.3 Other (please specify)	0	0
7.4 <b>Total financing facilities</b>	0	0
7.5 <b>Unused financing facilities available at quarter end</b>		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.		
N/A		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(599)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,782
8.3 Unused finance facilities available at quarter end (item 7.5)	0
8.4 Total available funding (item 8.2 + item 8.3)	1,782
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	2.8
<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:	
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:	
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?	
<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.

31 JULY 2023

Date: .....

BY THE BOARD OF IODM LIMITED

Authorised by: .....  
 (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.