

ASX Announcement
31 January 2025

IODM Q2 FY25 Quarterly Activities Report and Appendix 4C

Q2 FY25 highlights:

- **Cash receipts of A\$719k, an increase of 49.4% versus previous corresponding period (“pcp”);**
- **UK Education Segment revenue (“UK Education”) cash receipts of \$A511k, an increase of 119% versus pcp;**
- **Record October 2024 UK Education cash receipts which significantly exceeded the guaranteed minimum monthly revenue share arrangement**
- **At the conclusion of Q2 FY2025, twelve (12) education institutions successfully onboarded including the highly prestigious Global Trium Executive MBA universities; and**
- **Advanced negotiations continue pertaining to commercial agreements with multiple education industry participants - service providers and universities - in North America.**

IODM Limited (ASX: IOD) (“**IODM**” or “**the Company**”), a cloud-based software platform delivering a complete working capital communications solution, is pleased to release its Quarterly Activities Report and Appendix 4C for the period ended 31 December 2024 (“**Q2 FY25**” or “**Quarter**”).

Cash receipts for the Quarter, in amount of A\$719k represented an increase of 49.4% over pcp.

Pleasingly, the result exceeded the forecasts detailed in the Company’s Announcement of 21 November 2024 of:

- Q2 group revenue (of A\$670k); and
- UK Education (of A\$490K).

Consistent with management budgeting, Net cash operating outflows increased 20% over pcp, driven by the programmed increase in the Company’s Australia, UK and USA sales team.

At the conclusion of Q2, the Company had a total of twelve (12) on-boarded universities, increase of three (3) over the Quarter and includes the penetration into the new geographical regions of North America and France.

The educational institution cohort under stewardship at the conclusion of Q2 geographically comprises:

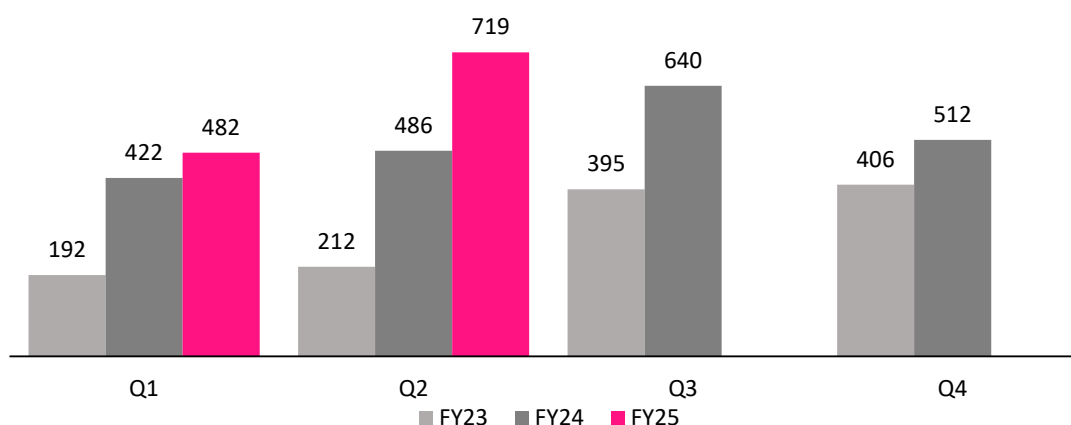
- The UK: 8
- North America: 1; and
- France: 1.

The on-boarded North American university (New York University) and French university (Hec Paris Business School), together with the London School of Economics (“LSE”) comprise the LSE managed Global Trium Executive MBA program.

Due to implementation timing being late in the Q2, only eight (8) universities contributed to IODM cash receipts for the Quarter with the remaining four (4) programmed to contribute for the entire third quarter.

Following the recruitment and appointment of Francesca (“Chessie”) Stanley (formerly Convera UK) to the position of Senior Business Development - UK, both the near-term accessible education market and implementation pipeline have grown significantly. This outcome is as a direct consequence of Chessie’s historically strong relationships with the UK university cohort. It remains the Board’s expectation that the positive momentum established by the UK sales team headed by Graham Smith will again be in evidence during the current quarter with further educational institution implementations.

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



UK

The UK Education Division was the strongest contributor – in relative and absolute terms - to the Company’s Q2 cash receipts growth, with a 119% increase on pcp (to A\$511k).

In addition, as announced on 21 November 2024, UK Education Division revenue for the month of October 2024 (A\$289k), represented a 306% increase on the same month for the previous year.

More significantly, the revenue result demonstrated the advantages of the previously announced revised UK Education revenue share agreement with its’ exclusive UK service provider (Convera) in that IODM;

- Enjoys a minimum guaranteed monthly revenue payment (presently GBP50k); and
- For the month of October 2024 - actual receipts exceeded the minimum monthly guaranteed payment.

Australia

As a result of the reinvigorated domestic sales team announced to the Market on the 31 October 2024, the Company witnessed tier 1 enterprise clients execute service contracts and commence the implementation process.

The domestic sales team continues to add household name enterprises to its pipeline, which is anticipated to result in additional contract signings during the current quarter, with a meaningful relative revenue uplift.

North American Business

As detailed to the market on 31 October 2024, IODM is in the final stages of formalising a number of commercial agreements with North American education participants, comprising individual universities as well as educational sector financial service providers.

Contrasting to the elongated “executed contract to implementation process” initially witnessed in the UK, and as a consequence of exhaustive service agreement provider meetings held during Q2 and the current quarter, there are a number of universities who will be in a position to commence the implementation process immediately after the execution of the relevant agreements.

The truncated service agreement and university engagement regime which has been successfully piloted within the North American Education Division is also being adopted in those other geographic regions where IODM has commenced engagement.

IODM CEO, Mark Reilly said:

“I am extremely pleased to again report that IODM has had an exemplary 2nd Quarter across all Divisions of its business, primarily driven by the fortified Sales team. UK Education had a stellar quarter and continues to grow at impressive rates which are delivering commercial and financial results which comprehensively exceed the expectations of the implemented universities and IODM’s UK Education service provider.

IODM has now comprehensively demonstrated the scalability of its’ unique customisable Connect Platform with elevated growth programmed to continue during the third quarter with revenue contributions from those universities onboarded late in Q2, those presently being implemented as well as the opportunities available from an ever increasing pipeline.

Combined with the imminent commercialisation of the Company’s education offering in North America and other virgin regions, shareholders and other stakeholders can be comforted by the ongoing positive trajectory in all key performance indicators.”

Corporate and Additional Information

Payments to related parties and their associates during the Q2 FY25, totalling \$17k were in respect of directors’ fees.

The company received its annual Research & Development tax offset (R&D) refund of \$504K during the quarter which was in accordance with expectations.

This announcement is authorised by IODM's Board of Directors

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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

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