

ASX Announcement

30 June 2021

IODM Signs Material Contract

Key highlights

- IODM signs first Education client in UK
- IODM signs transactional contract for Education sector.
- Client size is >30% of last years reported Revenue (FY20).

IODM Limited (ASX:IOD, "IODM" or "the Company"), a cloud-based software solution that revolutionises business cash flow management is pleased to announce that it has signed its first client in the UK which will represent greater than 30% of the company's last reported full year Revenue number (FY20, ~AUD645k) pursuant to the announcement 30 April 2021 of, in part, its focus on the Education sector.

The signing, via a service level agreement for a term of up to five years, comes via the Global Partnership agreement with Western Union Business Solutions ("WUBS") while the details of the agreement have been changed to reflect a transactional focus. The new contract between IODM and WUBS allows WUBS to provide the IODM platform to existing and new clients in the Education sector in the UK while the previous subscription-based revenue model gives way to a sharing of economics on turnover that is transacted through the WUBS Payment Platform and IODM system. After extensive analysis and marketing by the partnership over the last six months, the company is now able to disclose the financial metrics around the Education industry both in the UK and the USA.

The total assessable market for Education is more than 1.6m* students and ~AUD118.6m* in Revenue per annum. The target market, being WUBS existing business, has an achievable Revenue market of ~AUD57.7m per annum. Revenue will be recognised on a quarterly basis reflecting the previous quarters turnover. WUBS has an extensive client base in Education globally and thus the cost of client acquisition is negligible to the company.

Figure 1: IODM Education Industry Strategy

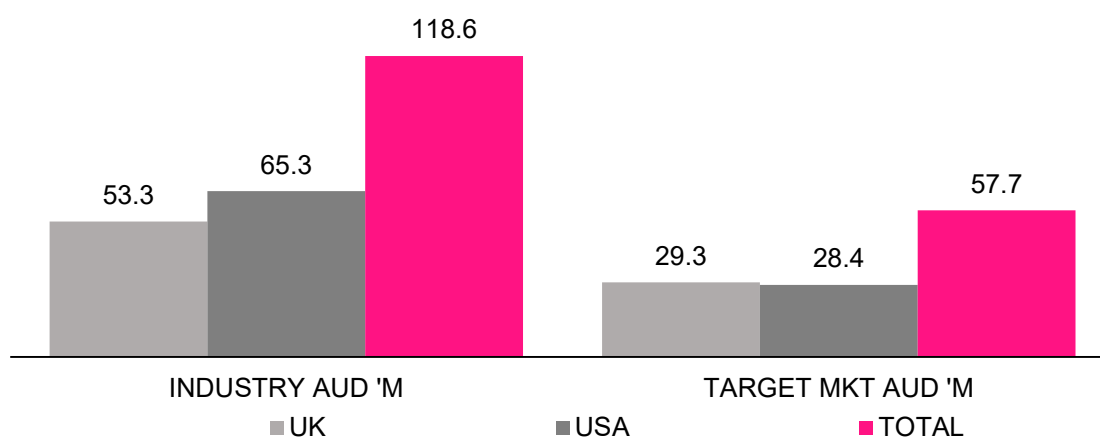
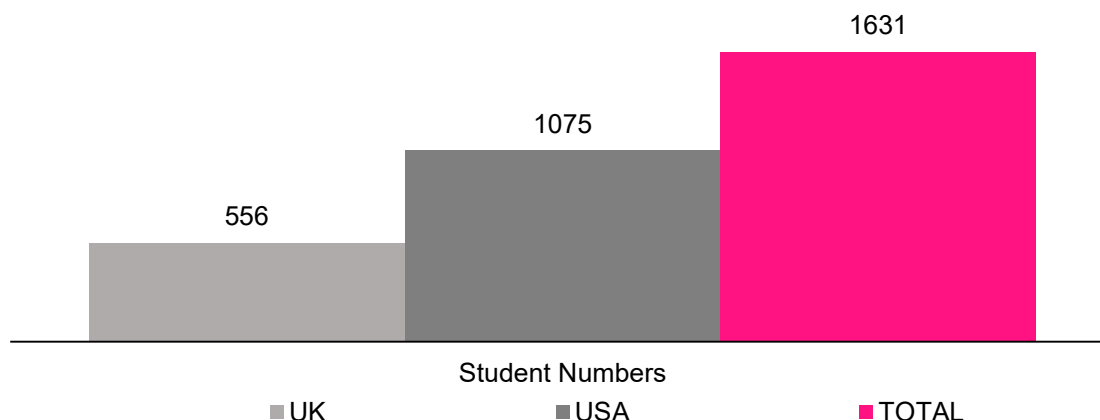


Figure 2: Student Numbers '000 (UK & USA)



IODM CEO, Mark Reilly said, *“With this announcement, IODM has now proven that the long-term positioning of the AR Solution has a seat at the global table and with a very detailed sales strategy in a specific target market, the company is set to benefit from all the hard work. The focus will continue to be marketing this solution not just in Education but replicating it through Healthcare and other related industries in the short term and demonstrates efficacy of the WUBS partnership.”*

**Source: Hesa, educationdata.org, WUBS, IRESS AUD/USD 0.7584:STG/AUD 1.8301*

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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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This announcement is authorised by IODM’s Board of Directors