



OVANTI LIMITED (ASX: OVT)

(ACN 091 192 871)

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31 January 2025

Company Announcements Office
Australian Securities Exchange

ACTIVITIES REPORT FOR THE QUARTER ENDED 31 DECEMBER 2024

Ovanti Limited (“OVT” or the “Company”) provides its quarterly activities report for the period ended 31 December 2024.

OPERATIONS UPDATE:

BNPL – USA MARKET ENTRY

On 17 October 2024, OVT announced to the market the appointment of Simon Keast and Key Performance Indicators (**KPIs**) pertaining to his appointment. Mr Keast is the former US CFO of ZIP who joined OVT as the Chief Executive Officer with a focus on OVT’s BNPL business and plans to enter the USA BNPL market in calendar year 2025.

A critical KPI in Mr Keast’s employment contract which was announced to the market on 17 October 2024 was to prepare a strategic report to the OVT Board for the Company’s 2025 entry into the USA BNPL market (the “**Report**”):

KPI Criteria	Timeframe	Indicative incentive payable
Formulate a strategy and present it to the Board and obtain their approval which encompasses: • agreement on BNPL product strategy for existing Asian operations and USA expansion; • operations strategy review of iSentric and other existing business units and investments.	Within 3 months of commencement of employment	\$25,000

Pursuant to the KPIs set for Mr Keast, the Board can confirm during the quarter Mr Keast worked on preparing this Report and made numerous key executive hires in order to assist in the preparation of this Report. Further, Mr Keast consulted very senior ex-colleagues for their input in the preparation of this Report. In the upcoming quarter, the Company anticipates announcing the formation of an advisory board of highly respected leading BNPL industry figures to oversee the Company's USA expansion.

In strict accordance with the announcement of 17 October 2024, Mr Keast has been instructed by the Board to prepare his Report in order to meet the following KPIs:

KPI Criteria	Timeframe	Indicative incentive payable
Establishment of the Company's BNPL offering in USA including opening of an office and building the technological and legal framework required to commence BNPL transactions in the USA.	Within 12 months	\$75,000
Commencement of first BNPL transactions in USA and grow BNPL customers to \$10m TTV as validated by the Company's auditor or from audit reviewed financial reports or 10,000 customers.	Within 18 months	\$75,000
In the USA market grow BNPL customers to \$50m TTV as validated by the Company's auditor or from audit reviewed financial reports or 50,000 customers.	Within 18 months	\$100,000
In the USA market grow BNPL customers to \$100m TTV as validated by the Company's auditor or from audit reviewed financial reports or 100,000 customers.	Within 24 months	\$100,000
In the USA market grow BNPL customers to \$200m TTV as validated by the Company's auditor or from audit reviewed financial reports.	Within 36 months	\$100,000
In the USA market grow BNPL customers to \$500m TTV as validated by the Company's auditor or from audit reviewed financial reports.	Within 36 months	\$100,000
Secure a multi-year partnership with an American retailer with turnover in excess of USD \$200,000,000 per annum. The agreement with the retailer must make the Company's BNPL offering the retailer's number one selection (meaning	Within 12 months	\$25,000

preferred/featured BNPL offering at the retailer's check-out / point of sale above all other BNPL offerings).		
Secure a multi-year partnership with an American retailer with turnover in excess of USD \$500,000,000 per annum. The agreement with the retailer must make the Company's BNPL offering the retailer's number top three selection (meaning preferred/featured BNPL offering at the retailer's check-out / point of sale).	Within 24 months	\$25,000
Establish and commence BNPL operations and turnover within at least 3 states of the USA and based on TTV be a top 5 BNPL provider in at least one state of the USA.	Within 24 months	\$25,000

The Board of OVT provided ongoing oversight of the progress of this Report during the quarter and approved key executive hires upon recommendation of Mr Keast. These key executive appointments include the Chief Revenue Officer, Chief Credit Risk Officer and numerous advisors including CIO/CTO, Treasury and EAS.

Post quarter-end, on 28 January 2025, Mr Keast presented his final Report to the Board of OVT. The Board of OVT is currently conducting a review of this extensive Report and is due to meet again to provide their input to Mr Keast and the executive team. OVT shall then have the Company lawyers conduct a legal review of the Report in order to progress it to final sign-off and ASX market release. The Report contains highly sensitive commercial matters integral to the strategic plans of the Company to aggressively enter the USA BNPL market. These matters include the competitive advantages OVT sees itself having in the market. The Board in conducting their review of the Report must engage legal advice in order to sanitise this Report for ASX release and redact highly sensitive strategic items from the view of competitors.

The Board is pleased to confirm that the Report presented to it by Mr Keast delivers on all stated KPIs from the ASX announcement of 17 October 2024. Specifically, in all areas the KPIs have been fully satisfied and numerous KPIs have been exceeded.

iSentric (OVT's WHOLLY OWNED SUBSIDIARY) OPERATIONS UPDATE

During the quarter the Mobile Banking Division performing strongly and experiencing a growth trend with record transaction event volumes for July and December exceeding the previous record highs achieved during Q1 FY24. A significant portion of this growth is attributed to

notifications and marketing messages distributed to the mobile devices of our banking sector clients' customers.

Increased transaction activity during the quarter has predominantly been driven by the existing client base. Clients have both re-routed regular traffic from other aggregators and awarded iSentric several special projects involving SMS notifications.

CORPORATE

On 10 December 2024, OVT completed a AUD \$6 million placement, before costs, which resulted in the issue of 300,000,000 ordinary shares at \$0.02 per share to fund the expansion of the Company's US team; legal, licensing and compliance costs; marketing and merchant acquisition; technology and platform development; working capital and offer costs. The placement shares were issued on 19 December 2024. Additionally, the Company continues to anticipate the receipt of circa AUD \$14,300,000 from the sale of IDSB.

During the quarter, the Company appointed EAS Advisors to assist with the USA BNPL expansion plans. The Company now utilises the EAS offices in New York, USA as OVT's corporate registered office in the USA. The Company intends to open further offices in numerous States of the US during the course of 2025 in line with the market entry strategy.

On 20 December 2024 the Company announced to the market the appointment of Mr Richard Gordon as Non-Executive Director.

Per the Appendix 4C, the Company's cash position as at 31 December 2024 was \$5,418,000. Total operating cash flow for the quarter was (\$2,368,000). Payments to related parties during the quarter amounted to \$299,000 consisting of director and consulting fees.

The release of this announcement was authorised by the Company Secretary of Ovanti Limited.

ENDS

About Ovanti Limited (ASX:OVT):

Ovanti Limited (ASX:OVT) provides fintech and digital commerce software solutions and services that enable its institutional customers to securely authenticate end-user customers and process banking, purchase and payment transactions. The Company's core technology platform enables large customer communities to connect to end user customers using any mobile device and integrate mobile technology throughout their existing business and customer product offerings. The Company's business divisions consist of Mobile Banking and Digital Payments which service leading banks in Malaysia and large telcos and corporates in Malaysia & Indonesia. Ovanti also works with telecommunication network providers to provided mobile OTT (over-the-top) services that leverage their subscriber base to build active communities. In addition to the Malaysian operations, the Company is expanding operations for buy now, pay later services (BNPL) into the United States of America (USA). The Company's technology solutions and expertise across fintech and digital commerce solutions and services, including years of servicing numerous large banking clients, give it distinct advantages as it enters the USA market.

Appendix 4C

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

Name of entity

Ovanti Limited

ABN

11 091 192 871

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current quarter \$AU'000	Year to date (6 months) \$AU'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,108	2,778
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(1,399)	(2,956)
(c) advertising and marketing	(48)	(162)
(d) leased assets		
(e) staff costs	(87)	(164)
(f) administration and corporate costs	(1,941)	(3,497)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(2,368)	(4,002)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		

Consolidated statement of cash flows		Current quarter \$AU'000	Year to date (6 months) \$AU'000
	(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)	363	691
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	363	691

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	7,895	9,230
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 or convertible debt securities	(504)	(653)
3.5	Proceeds from borrowings	100	100
3.6	Repayment of borrowings	(450)	(450)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	7,041	8,227

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	368	472
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,368)	(4,002)

Consolidated statement of cash flows		Current quarter \$AU'000	Year to date (6 months) \$AU'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	363	691
4.4	Net cash from / (used in) financing activities (item 3.10 above)	7,041	8,227
4.5	Effect of movement in exchange rates on cash held	14	30
4.6	Cash and cash equivalents at end of period	5,418	5,418

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 \$AU'000	Previous quarter \$AU'000
5.1	Bank balances	768	368
5.2	Call deposits	4,650	
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,418	368

6.	Payments to related parties of the entity and their associates	Current quarter \$AU'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	299
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<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> <i>6.1 Includes payment of wages and salaries, directors' fees totalling \$101K plus fees for other services, including rent and consulting of \$198K.</i>		

7. Financing facilities <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>	Total facility amount at quarter end \$AU'000	Amount drawn at quarter end \$AU'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
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.		

8. Estimated cash available for future operating activities	\$AU'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(2,368)
8.2 Cash and cash equivalents at quarter end (item 4.6)	5,418
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	5,418
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	2.29
<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 N/A	
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: N/A	
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?	
Answer: N/A	
<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 January 2025

Date:

The Board of Ovanti 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.