



OVANTI LIMITED (ASX: OVT)

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30 April 2025

Company Announcements Office
Australian Securities Exchange

ACTIVITIES REPORT FOR THE QUARTER ENDED 31 MARCH 2025

Ovanti Limited (“OVT” or the “**Company**”) provides its quarterly activities report for the period ended 31 March 2025.

OPERATIONS UPDATE:

BNPL USA MARKET UPDATE – STRATEGIC AND MANAGEMENT CHANGES (INCLUDING CEO AND OVT DIRECTOR CHANGES TO SUPPORT BNPL MARKET ENTRY PLAN)

On 26 February 2025, OVT announced that Simon Keast had been replaced as CEO of OVT. Stepping into the role, on an interim basis pending the appointment of a new CEO is Mr Daler Fayziev (Executive Chairman of OVT).

On 10 April 2025 the full US BNPL Market Entry Plan was released to the market. The new CEO will be expected to execute on this plan with an emphasis to expedite merchant acquisitions as the Company has previously announced to the market. As part of the Company’s efforts to streamline BNPL operations to ensure resources are optimised towards merchant acquisitions, Greg Woszczalski retired effective immediately on 14 April 2025 as a Non-executive Director of OVT. The composition of the Board now consists of Directors who are focused on BNPL operations and have the available time to oversee USA operations on the relevant US time zones (including all States of the United States and their respective time zones which OVT intends to operate in – for example East Coast and West Coast time zones which during business hours can significantly vary to Australia).

The new CEO the Company is in the process of recruiting will be a designated CEO of the BNPL division specifically, therefore the ability for the Board composition moving forward to consist of members who can operate on the US time zone is critical as the US CEO will be a US citizen,

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based full-time in the US, reporting to the Executive Chairman of OVT Mr Daler Fayziev and the Board of OVT. Leading candidates so far include former Senior Executives directly from the BNPL industry (such as Sezzle) and from BNPL and payments more generally with a merchant acquisition focused skillset and strong awareness of the USA market (such as PayPal). The Company is determined to make the upcoming CEO hire a success and a long-term proposition. Therefore, the Company continues to make a significant investment of time on due diligence in order to settle on the appropriate candidate who has the skillset and vision to strategically align with the Board's vision for growth of the BNPL business.

LICENSING AGREEMENT BETWEEN OVT AND BNPLPay PROTOCOL FOR FUNDING OF OVT'S USA BNPL EXPANSION (ACCESS TO DEBT FUNDING AND REVENUE SHARE FROM ENTIRE PROTOCOL)

On 12 March 2025, OVT announced it had secured a licensing agreement with BNPLPay Protocol (<https://bnplpay.io>), a blockchain-based lending platform tailored for the BNPL sector. BNPLPay Protocol is a decentralized finance (**DeFi**) network that connects stablecoin investors (lenders) with BNPL providers (borrowers), enabling BNPL companies to access funding more efficiently.

Under the terms of the License Agreement, Ovanti gains access to BNPLPay's lending platform for its ongoing debt funding needs on a preferential basis for 20 years. In return, Ovanti will play a key role in the BNPLPay ecosystem and benefit from a significant 50% share of the protocol's revenues pursuant to the terms of the License Agreement. This long-term agreement positions Ovanti as both a featured user and a partner of BNPLPay Protocol, forging a deep alignment between the two companies.

License Agreement Highlights:

- **Strategic Partnership:** Ovanti Limited (ASX: OVT) has signed a License Agreement with BNPLPay Protocol, providing preferential access to **decentralized debt funding** for its Buy Now, Pay Later (BNPL) operations.
- **Lower-Cost Capital:** The BNPLPay Protocol funding comes with **no first-loss capital requirement** and interest rates **significantly below traditional financing sources**, reducing Ovanti's cost of capital.
- **Revenue Share:** Ovanti will receive **50% of BNPLPay Protocol's revenue**, creating a long-term recurring income stream and aligning Ovanti with the platform's growth.

- **Strengthened Funding Position:** This partnership **directly addresses Ovanti's debt funding challenges**, securing a stable, low-cost capital source to support the Company's expansion and improve margins without additional risk.
- **The License Agreement is Critical to OVT's USA Market Entry Plans:** the transaction is critical to OVT's expansion plans in the USA market.
- OVT interim-CEO and Executive Chairman Mr Daler Fayziev highlights the agreement as a **strategic solution** offering **superior financing terms** compared to traditional banks and non-crypto lenders, significantly bolstering Ovanti's funding strategy.

Preferential Access to Low-Cost Funding

A core benefit of the BNPLPay partnership is **access to competitively priced debt capital** that is markedly cheaper than traditional funding channels BNPLPay's decentralized lending model allows Ovanti to draw on a pool of stablecoin-backed lenders at interest rates around *several percentage points lower* than those charged by banks or other non-crypto financiers (at least 30 to 40% cheaper than traditional finance funding sources). This significant reduction in interest expense directly improves Ovanti's cost of funds and is expected to **enhance profit margins** on its BNPL offerings, as less revenue will be consumed by financing costs.

Crucially, **no first-loss capital is required from Ovanti** to utilise the BNPLPay Protocol's funding. In typical traditional lending facilities or securitised funding arrangements, BNPL providers must contribute a "first-loss" reserve or equity buffer to cover initial credit defaults, which ties up capital and adds risk to the borrower. BNPLPay Protocol's innovative design eliminates this requirement: independent stakers within the decentralized network provide the first-loss collateral, **meaning Ovanti does not need to set aside its own capital to cover loan defaults**. This feature materially lowers Ovanti's risk exposure and frees up cash that would otherwise be locked as reserve, allowing the Company to allocate more resources toward growth initiatives. In summary, the BNPLPay Protocol's funding facility offers **lower interest rates with minimized risk**, delivering a uniquely favourable financing solution for Ovanti.

50% Revenue Share from the entire BNPLPay Protocol for 20 years

Beyond the funding advantages, Ovanti has secured a **substantial, ongoing revenue interest** in the BNPLPay Protocol for 20 years. Under the License Agreement, Ovanti is entitled to **50% of all revenue generated by the BNPLPay Protocol**. This means that as BNPLPay facilitates lending transactions and earns fees or interest spreads, half of those earnings will accrue to Ovanti

on an ongoing basis. This **revenue share** is a transformative addition to Ovanti's business model: it creates a new, recurring income stream that is independent of Ovanti's direct BNPL lending activities. Every time the BNPLPay ecosystem grows or processes more volume, Ovanti stands to benefit financially.

This arrangement effectively makes Ovanti a co-beneficiary of BNPLPay's success, aligning the long-term interests of both parties. By sharing half of BNPLPay's revenue, Ovanti is not only reducing its financing costs but also **participating in the upside** of a growing fintech platform. This unique revenue-sharing model is expected to **diversify Ovanti's income** and boost its overall earnings profile over time, without adding operational overhead.

Consideration paid for License Agreement

The financial consideration for the License Agreement, which entitles OVT to 50% of the BNPLPay Protocol's revenue for 20 years, is AUD \$2,393,383. OVT has funded this transaction through conducting a placement of 235,000,000 shares at \$0.00655 per share to sophisticated investors to raise approximately AUD \$1,539,250 (with a capital raise fee of 6% + GST payable to lead manager Clee Capital Pty Ltd and the issue of 70,000,000 broker options to Clee Capital that are exercisable at \$0.013 subject to shareholder approval) and the issue of 135,000,000 shares at \$0.00655 per share to the BNPLPay Protocol Foundation worth AUD \$884,250. The Company has utilised its ASX Listing Rule 7.1 and 7.1A capacity in order to issue the shares to complete the transaction. Therefore, the total new shares issued pursuant to this transaction are 370,000,000.

Ovanti's Executive Chairman and interim CEO, **Mr. Daler Fayziev**, welcomed the BNPLPay Protocol agreement as a pivotal development for the Company's future.

Mr Fayziev commented at the time of the announcement on 12 March 2025: *"This agreement is a **timely and strategic solution** to our long-standing debt funding challenges. Traditional banks and non-crypto lenders have historically offered financing on less favourable terms – often at high interest rates and with onerous requirements like first-loss. By contrast, BNPLPay Protocol provides us with a **much more affordable capital source** and does so **without the need for any first-loss contribution** from our side. These superior financing terms **strengthen our ability to grow** the business and allow us to focus on serving our customers, rather than worrying about the cost or constraints of funding. We view this partnership as a **significant milestone for Ovanti** – it not only secures low-cost funding for our BNPL operations but also lets us share in the success of the BNPLPay Protocol through a revenue stream. We're excited to move forward with the*

BNPLPay Protocol License Agreement and believe this collaboration will greatly benefit our shareholders and BNPL customers alike.”

iSentric (OVT's WHOLLY OWNED SUBSIDIARY) OPERATIONS UPDATE

OVT is pleased to provide the following update regarding its wholly-owned, non-BNPL related subsidiary iSentric Sdn Bhd ("iSentric").

During the period, iSentric came to terms to terminate the CIMB agreement to focus on servicing other banking clients and exploring new verticals Artificial Intelligence (AI). In building on its highly successful digital customer engagement solutions, iSentric announced its Grow Asean Transformation (GREAT) roadmap, marking a game-changing expansion to offer transformative AI-driven solutions focused on Financial Services, Smart Government and Omnichannel Customer Engagement for enterprises across ASEAN.

In the ASEAN region, the Artificial Intelligence market is experiencing significant growth. This growth is driven by the increasing adoption of AI technologies in various industries, such as finance, healthcare, and government-related industries.

iSentric is pleased to announce it is currently delivering on a new digital transformation project in Cambodia, showcasing its ability to deliver digital transformation to the financial services sector across ASEAN borders.

iSentric is also in an exploratory stage to expand AI and digital services into Indonesia and Philippines, both markets with enormous potential for enterprise AI and digital transformation.

Embarking on iSentric's GREAT initiative will enable iSentric to achieve these objectives:

- i) Innovate an enterprise-ready product stack
- ii) De-risk from a B2C and single market entity
- iii) Expand revenue streams and profitability

IDSB Sale Update

As announced to the market on 1 April 2025, the Company continues to progress with the process of selling its interest in IDSB. The sale will be finalised once IDSB obtains final sign off from the Malaysian commercial bank funding the transaction. On 1 April 2025, the Company announced revised terms for the transaction which would involve the Company retaining a 5.25% interest in IDSB. Despite this, the Company does still remain open to the prospect of selling the entire interest to IDSB on identical terms to the sale of the 15.75% interest. The Company's view is that during the sale process (the time that has elapsed to date) the value of IDSB has increased (meaning, it

is the Company's position that IDSB is receiving a favourable deal to buy back OVT's shares in IDSB). Therefore, the Company is pressing IDSB for a timely completion. If the sale of the interest of 21% (or 15.75%) to IDSB does not occur soon, the Company is of the opinion the interest in IDSB can be sold regardless to alternate parties, on identical or superior commercial terms (considering the increase in dividend received and value of the IDSB business in the past 12 months). In the event there is not timely completion by IDSB before the new BNPL CEO starts their employment, the Company intends to engage Clee Capital to sell the interest for no less than AUD\$15,000,000.

Despite this, the Company maintains the expectation that the IDSB sale is to complete in line with the appointment of the new BNPL US division CEO. In the event the sale has not completed in such a timeframe, the Company shall not tolerate any delays or restrictions on the CEO of the BNPL division performing their role. Therefore, the Company shall seek to pursue other avenues to realise the sale of the interest (to other parties on identical or superior commercial terms). Clee Capital shall be engaged on a non-exclusive basis, meaning if any other broker or party wishes to facilitate the sale of the IDSB interest for in excess of AUD\$15,000,000 they are welcome to present these offers directly to the Company in the event the sale of the IDSB interest has not completed by the time the new BNPL US division CEO commences.

LITIGATION UPDATE

The trial for Suit 137 is fixed for 16th June 2025 to 20th June 2025 which is one of the primary claims against Kenneth Kuan. This proceedings are to seek recovery of RM 21,694,826.00 against Kenneth Kuan, Michelle Yong, Yong Yuen Nee, Aspire Project Management Sdn Bhd, Liew Jwo, Edward Tan Tee Tong and Wang Ern Wei.

CORPORATE

On 12 March 2025, the Company announced that it entered into a Licence Agreement with BNPLPay Protocol. The financial consideration for the Licence Agreement, which entitles OVT to 50% of the BNPLPay Protocol's revenue for 20 years, was \$2,393,383. OVT funded the transaction through conducting a placement of 235,000,000 shares at \$0.0655 per shares to raise approximately \$1,539,250 and the issue of 135,000,000 shares at \$0.00655 per share to the BNPL Protocol Foundation worth \$884,250. For further information, refer to the ASX Release dated 12 March 2025.

Subsequent to the end of the quarter, on 10 April 2025, the Company announced a pro-rata non-renounceable 1 for 2 entitlement offer of fully paid ordinary shares to raise approximately \$5,403,095 (before expenses) ("Offer"):

- The issue price of \$0.004 per new share represents a 20% discount to the closing share price of \$0.005 on 9 April 2025, being the last trading day before the announcement of the Offer.
- The Closing Date of the Offer is on Friday 2 May 2025 at 5:00pm AEST.
- For further information, refer to the ASX Release and the Prospectus released on 10 April 2025 and the Supplementary Prospectus released on 23 April 2025.

Subsequent to the end of the quarter, the Company repaid the loans associated with 800,000 convertible notes with clear funds. The loan agreements and convertible note agreements associated with these convertible notes were announced on 8 April 2024. The Company repaid \$944,000 (being \$800,000 and \$144,000 of interests) to the convertible notes holders.

Per the Appendix 4C, the Company's cash position as at 31 March 2025 was \$1,617,000. Total operating cash flow for the quarter was (\$3,948,000). Payments to related parties during the quarter amounted to \$249,000 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 provide 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 March 2025

Consolidated statement of cash flows	Current quarter \$AU'000	Year to date (9 months) \$AU'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,154	3,933
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(3,457)	(6,413)
(c) advertising and marketing	(114)	(278)
(d) leased assets		
(e) staff costs	(260)	(424)
(f) administration and corporate costs	(1,256)	(4,753)
1.3 Dividends received (see note 3)		
1.4 Interest received	6	6
1.5 Interest and other costs of finance paid		(1)
1.6 Income taxes paid	(22)	(22)
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(3,948)	(7,951)
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 (9 months) \$AU'000
	(e) intellectual property	(1,509)	(1,509)
	(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)	253	944
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(1,256)	(565)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,539	10,769
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	(130)	(783)
3.5	Proceeds from borrowings		100
3.6	Repayment of borrowings		(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	1,409	9,636

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,418	472
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,948)	(7,951)

Consolidated statement of cash flows		Current quarter \$AU'000	Year to date (9 months) \$AU'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,256)	(565)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,409	9,636
4.5	Effect of movement in exchange rates on cash held	(6)	25
4.6	Cash and cash equivalents at end of period	1,617	1,617

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	511	768
5.2	Call deposits	1,106	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)	1,617	5,418

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	249
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 \$148K plus fees for other services, including rent and consulting of \$141K.</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)	(3,948)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,617
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	1,617
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	0.41
<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: Yes, until such time as the BNPL business model launches in the USA and is revenue producing.	
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: The entity has conducted a Rights Issue to raise capital and expects proceeds from the sale of its shareholding in IDSB.	
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: Yes, inflows from sale of IDSB and the Rights Issue.	
<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.

Date:30 April 2025.....

Authorised by:The Company Secretary.....
(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.