



Accountability

I find the difference between expectations of accountability at a corporate versus political level quite odd; indeed, diametrically opposed.

The qualifications to hold office in a publicly listed corporation are so heavily scrutinised yet politicians seen to evade the same level of surgical dissection and public judgement.

Take the recently departed Optus Chief Executive Officer, Kelly Bayer Rosmarin. The Optus network went down for 12 hours, which was terrible for users, obviously. In that time, she's endured a Senate inquiry interrogation, been publicly vilified, had her employment benefits reduced and is now gone.

But these politicians, they have more front than Myers. Deny, deny, deny, and rarely if ever are held to account. Here in Victoria, we've just endured the world champion of obfuscation, errors and denial, hell it became an artform and in a perverted sense, impressive.

In politics there are practically no background checks, and if they occur are largely ignored regardless of past misdemeanours, and when the inevitable self-interested decisions or blunders from their lofty positions of power occur, as a population we seem to just universally shrug our shoulders, grumble and move on.

But with the corporate leaders, we vie for blood, and expect swift and decisive action.

One might say that business is for grown ups and politics is the home of unsuccessful business people, but that doesn't cut it. That just means the system, us, we allow or even encourage the wrong people to run the country from council through to the Prime Minister.

At the end of the day, they work for us, but not until they push to the very edge of absurdity, do we hold them to account. The stereotypical Australian laid back attitude and that 'she'll be right' indifference got us here, its time for a change of attitude or future generations will be the ultimate victims of our apathy.

IODM Ltd (IOD)

Yesterday, IOD released an updated investor presentation to the market.

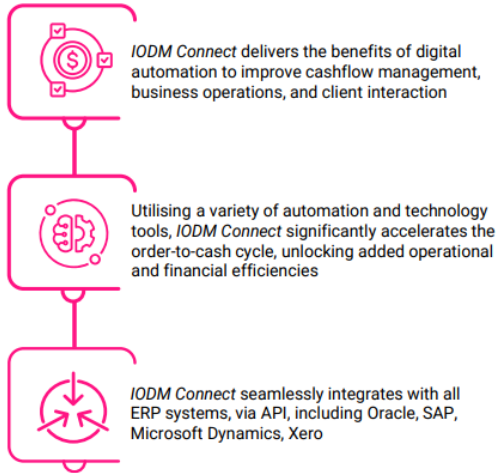
I've been sining the virtues of this business and why I expect it to be an extremely successful company for nigh on 2 years and although the share price performance has proven underwhelming, the growth trajectory and stranglehold over the industries they target is undeniable.

Firstly, what are they.

- Initially, IOD was able to solve the problem of slow/non-paying customers in Australian based business. Anything from legal firms to councils. Their receivables management system was extremely successful in reducing the customer payment cycle from being multiple cycles late to punctual receipt of funds in a surprisingly short space of time.
- As demand for IOD's services continued to grow, and the SaaS technology was being utilised by an increasingly large number of businesses, the technology 'evolved into a complete working capital communication platform". It embeds itself into the vendor and customer's infrastructure and becomes an essential part of their accounts receivable and payments platform.
- Due to the highly automated nature of the technology, the low cost of operations and small staffing requirements, IOD's scalability across multiple industries looks imminent.
- After signing an agreement to work with Western Union (Convera) in June 2021, IOD built its presence in the UK education industry, ensuring international student cross border payments were handled efficiently and seamlessly.

IODM Connect – Overview

Complete working capital communications solution



Additional benefits:

- ✓ **Elimination of manual processes**
- ✓ **Productivity gains** – including release in working capital
- ✓ **Single-Sign-On (SSO) dashboard** – managing all processes, administration, divisions and jurisdictions, including multi-lingual and currency
- ✓ **Enhanced communications** – regular communications through robotic process automation (RPA), in terms – to manage clients working capital cycles, payment plans as well as upselling & sales delivery
- ✓ **Ability to manage complex receivables** – efficient process to manage high-volume, complicated transactions, including cash allocation and reconciliation functionality
- ✓ **Operational cost offsets** – recurring opex benefits, via transition of full-time employees and holding costs
- ✓ **Cost efficiencies** – potentially resulting in beneficial re-structure of accounts receivable teams
- ✓ **Scalable** – seamless ability to incorporate additional systems, divisions, jurisdictions or acquisitions



- The next chart describes how the business works in a simple 1–8-point cycle

IODM Connect – Illustration

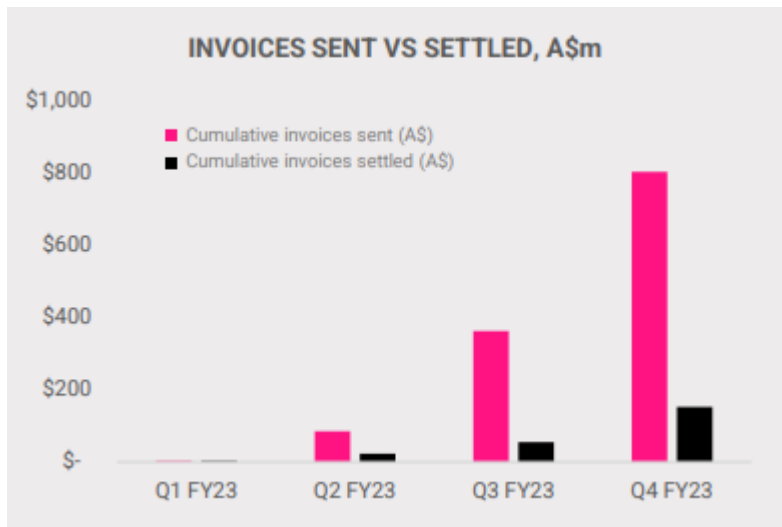
Highly-automated, end-to-end solution – from order to cash, through to allocation process



- **Billing:** IOD can tailor its service depending upon geographies, industry and preferred billing methodology. Billing is currently collected as revenue share with platform providers and licensing arrangements with key distribution groups.
- **Partnerships:** Current partnerships include agreements with Convera (US\$175b turnover, with 30k customers in 140 different currencies) and Corpay (US\$63b in FX traded, with 25k customers in 145 currencies) and will grow over coming years.
- **UK Education:** 25% of the 2.7m students attending one of the 285 UK education institutions are international, representing the core target for IOD in this sector. Six are live with another

10 institutions being onboarded. IOD collects an average 30 basis points margin on invoices settled.

- **There are AUD\$850m invoices outstanding.** Payment must be made prior to graduation.



- Alongside the recurring revenue the company already receives, and excluding any new business wins from here, in broad numbers; \$1.6m in revenue plus + \$2.5m= \$4.1m which should see the company profitable once invoices are settled but growing with a bullet.



Have a good weekend,

Ben and the team.

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