

11 January 2022

**Online**
[www.registrydirect.com.au](http://www.registrydirect.com.au)
**Mail**

Registry Direct

PO Box 18366

Collins Street East VIC 8003

**Email**
[registry@registrydirect.com.au](mailto:registry@registrydirect.com.au)

## ASX Announcement

# QUARTERLY ACTIVITIES REPORT AND APPENDIX 4C

Below is a report on the key areas of activity and cash flow (Appendix 4C) of Registry Direct Limited (ASX: RD1) ("Registry Direct" or "the company") for the quarter ended 31 December 2021.

### Principal business activities

Registry Direct provides software and services to manage the registers of shares, units and other securities issued by listed, unlisted companies and trusts operating in Australia.

### Quarterly activity report

#### Highlights

- ✓ Receipts up 60% compared to same quarter last year.
- ✓ 48 new fee-paying registers added.
- ✓ Ongoing system development.
- ✓ \$1.4 million raised for Ordinary Shares at \$0.027 each. This was an 80% increase over the placement at \$0.015 in the previous quarter.

#### Revenue

	December-21 Quarter	December-20 Quarter	Change
Receipts from customers	\$286,000	\$178,000	up 60%
Net cash from / (used in) operating activities	(\$142,000)	(\$17,000)	down 735%

Registry Direct continued its positive growth trajectory, increasing receipts from customers to \$286,000. Compared to the previous corresponding period, the receipts were up 60%.

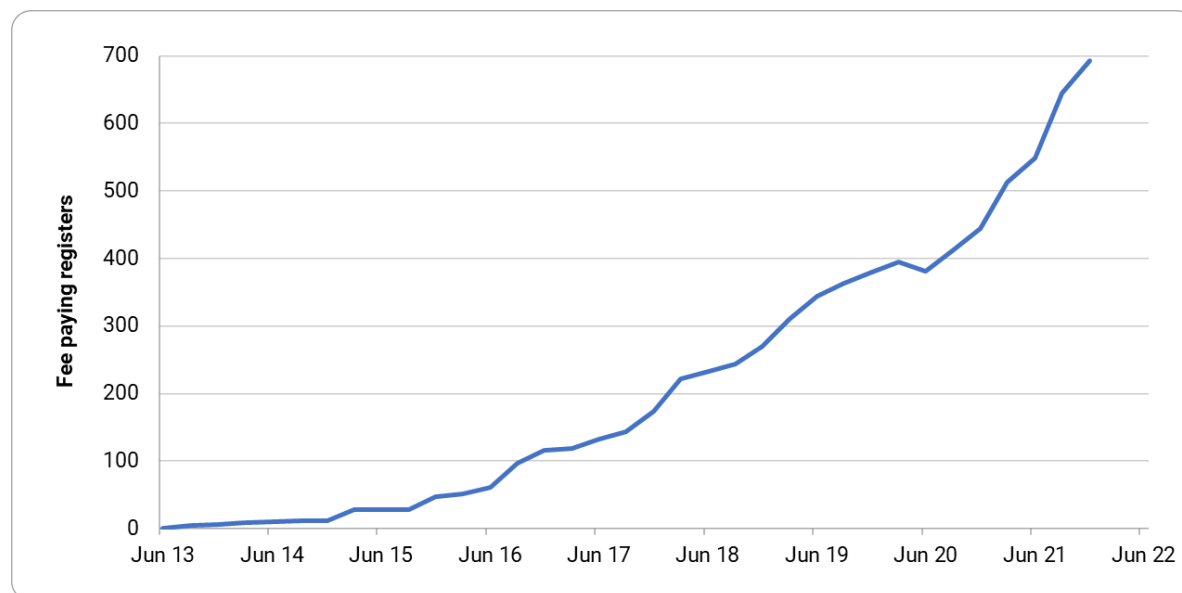
Net cash when compared to the previous corresponding period was lower due to increased expenses and reduced government subsidies. During the quarter, the company received a government R&D Tax incentive grant of \$256,000. This amount was included in "Cash flows from investment activity" section of the Appendix 4C report. In previous Appendix 4C reports, R&D tax incentive grants were included in the "Cash flows from operating activities" section.

For personal use only

## Sales

Registry Direct, over the December 2021 quarter, added a net 48 new fee-paying registers to its business. This continues the strong growth of previous quarters.

The following chart shows customer acquisition over time.



## Product development

Registry Direct is committed to continuing enhancing its leading-edge registry technology platform. Over the quarter upgrades and improvements were:

- ✓ **Multifactor authentication.** To provide enhanced security to our customers we implemented multifactor authentication for both issuer users and investor users. The multifactor recipe used for issuer users is token based and requires mandatory enrollment whereas the investor user recipe is a step-up style SMS based challenge and is only required for certain operations.
- ✓ **CHES replacement project.** The ASX in the process of replacing their current CHES system with a more modern pub/sub, blockchain backed alternative. Our major focus during this quarter has been on building out the integration into this new CHES replacement system to ensure our listed customers experience a smooth transition when the migration cutover takes place in 2022.
- ✓ **Miscellaneous product improvements.** Based on feedback from customers, a range of different product improvements were made, including: the ability to download holding statements in bulk as individual PDF files; a guided product tour for newly activated issuers which shows how to manage outbound communications; the ability to order securities in the CAP table and in holding statements; design improvements to share certificates; inclusion of an example data set to the investor import spreadsheet template.
- ✓ **Bug fixes.** Various bug fixes were made based on customer bug reports and feedback as well as proactive error detection.

### Expenditure

The table below provides a breakdown of the operating expenses of Registry Direct over the quarter ended 31 December 2021 and the previous three quarters.

Operating Expenses	Dec-21	Sep-21	Jun-21	Mar-21
Administration costs	\$70,715	\$142,387	\$126,603	\$74,318
Employee costs	\$407,275	\$389,384	\$386,636	\$351,126
Occupancy costs	\$2,788	\$18,400	\$10,160	\$1,670
Other Expenses	\$1,294	\$406	\$128	-\$1
<b>Total Operating Expenses</b>	<b>\$482,071</b>	<b>\$550,576</b>	<b>\$523,527</b>	<b>\$427,113</b>

Included within the total operating expenses were \$110,000 of related party expenses in the quarter ended 31 December 2021 as detailed in the attached Appendix 4C. All of the related party expenses were for director remuneration and salaries for parties associated with the directors. There were no other related party expenses.

### Capital Management

During the quarter, Registry Direct raised \$1,413,000 by way of a placement of Ordinary Shares at \$0.027 each.

Additionally, as previously announced each of Ian (Steuart) Roe and Scott Beeton, both directors of Registry Direct, invested \$100,000 for Ordinary Shares at \$0.015 each. These investments were subject to shareholder approval at the Registry Direct Annual General Meeting held on 28 October 2021.

These capital raisings further strengthen the balance sheet of the firm and will assist the business in implementing its organic and inorganic growth strategies.

### COVID-19 Pandemic

Lockdowns imposed due to the COVID-19 pandemic are presenting a number of logistical challenges to the growth of the business. The business continues to make online sales and meet the needs of customers but business development activities are still being constrained.

### Outlook

The board of Registry Direct is focused on driving shareholder value through growth. The firm's organic growth strategy is working as evidenced through successive year on year client and revenue growth. Additionally, the board continues to explore inorganic acquisition opportunities to further diversify and grow the business.

This announcement was authorised for release to the market by the board of Registry Direct Limited.

### For further information, please contact:



Mr Steuart Roe  
Managing Director  
enquiries@registrydirect.com.au



Ms Sophie Bradley  
Investor Relations Executive  
IR@reachmarkets.com.au

## Appendix 4C

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

## Name of entity

Registry Direct Limited

## ABN

## Quarter ended ("current quarter")

35 160 181 840

31 December 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	286	607
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	-
	(d) leased assets	-	-
	(e) staff costs (excluding capitalised IT salaries)	(306)	(532)
	(f) administration and corporate costs	(119)	(288)
1.3	Dividends received (see note 3)		
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(3)	(6)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (sundry income)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(142)</b>	<b>(218)</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(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)	-	-
2.5	Other (net of R&D refund and capitalised IT salaries / IT development costs)	162	76
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>162</b>	<b>76</b>

For personal use only

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,613	2,113
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(85)	(400)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(8)	(17)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(4)	(7)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,516</b>	<b>1,690</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,330	1,318
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(142)	(218)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	162	76
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,516	1,690

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,866</b>	<b>2,866</b>

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 \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,866	1,330
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,866</b>	<b>1,330</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	110
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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

Cash payments to the following:

- Executive and non-executive Director remuneration (including superannuation); and
- Associates salaries (including superannuation).

7.	<b>Financing facilities available</b> <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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	6	6
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total Financing Facilities</b>	6	6
7.5	Unused financing facilities available at quarter end		0

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.

Lender 1: Elantis Premium Funding Amount: \$6,025 Interest Rate: 7.52% p.a. Maturity Date: 31 May 2022 Unsecured Loan	Lender 2: n/a
---	---------------

8.	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (Item 1.9)	(142)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	2,866
8.3	Unused finance facilities available at quarter end (Item 7.5)	0
8.4	Total available funding (Item 8.2 + Item 8.3)	2,866
8.5	<b>Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	<b>20</b>



8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

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?

n/a

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?

n/a

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

n/a

#### 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: 11 January 2022

Authorised by: By the board

#### 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.

For personal use only