



Halo Technologies Holdings Limited
ACN 645 531 219
Level 12, 225 George Street
Sydney NSW 2000

ASX Announcement

Friday, 31 January 2025

HALO Technologies Holdings Ltd (ASX: HAL) ('HALO' or 'The Company'), is pleased to submit its Appendix 4C Cash flow report for both the current quarter ended 31 December 2024 and year to date (YTD) 31 December 2024, along with the following financial and operational update.

Highlights

- \$6.75 million capital raise commenced on 23 September 2024.
- Strong growth in operating revenue, up 45.5% to \$18.7 million as at 31st December 2024 YTD versus 31st December 2023 YTD, driven by strong growth in Funds Under Management (FUM).
- Continued growth in brokerage revenue of 89.0% to \$15.21 million as at 31st December 2024 YTD versus 31st December 2023 YTD.
- Strategic investment in offshore expansion on track.

Capital raise initiative

On 23 September 2024, HALO commenced a capital raising of \$6.75 million via the issue to sophisticated and professional investors of convertible notes with an interest rate of 12% per annum and a maturity period of 60 months. The capital raising has been well received we already raised \$3.6 million till 31st January 2025. The funds will be used for working capital and to continue to fund the establishment of the business of Halo's UK subsidiary, Halo Invest.

Strong growth in Funds Under Management

Over the period, HALO has continued to invest in progressing its growth strategy in a disciplined and proactive manner. The focus remains on client acquisition, generating growth in FUM and fostering innovation. **Average Funds Under Management** (FUM) for full year 2024 rose by 48.8% to \$425.5 million compared to the pcg (prior corresponding period).

Financial Results

HALO's growth in FUM over the past year has resulted in significant growth in operating revenue of 45.5% to \$18.7 million as at 31 December 2024 YTD, compared with the pcg.

Brokerage revenue in the period was up 89.0% to \$15.21 million compared with the pcg.

Total revenue and other income (gross revenue) increased by 33.7% to \$19.0 million over the pcq.

Total operating expenses of \$16.3 million as at 31 December 2024 YTD were impacted by the continued investment in the UK operations of \$5.5 million.

Intercompany costs of \$3,739k for the quarter ended 31 December 2024 (refer to Appendix 4C – item 6.1 below) includes \$3,073k trading costs (or cost of sales mainly on brokerage revenue) paid to Atlantic Pacific Securities Pty Limited ('APS') - a director related entity of Matthew Roberts, and Australian Stock Report Pty Ltd ('ASR') - a director related entity of Matthew Roberts and George Paxton.

Overseas growth strategy on track

HALO Invest was formally launched in the United Kingdom in December 2023, led by Douglas Boyce, an experienced finance executive within the UK financial services industry. The HALO Global Equity Research platform (HALO's traditional subscription model) commenced a pilot period on the 4 November 2024. This product is now live in the UK. Marketing of the product is to commence in early February 2025. The HALO Wealth Management Platform is planned for release over coming months focussing on Advisor and D2C (Direct-To-Consumer) auto-investing in model portfolios of Listed Securities (ETFs and Equities) and Unlisted Products (Managed Funds).

It is expected that Halo Invest will onboard its first wealth management clients within the next 6 months. Trading integrations are well advanced as are specific client account and advisor functionality required in the UK to enable platform FUM growth.

Outlook

HALO continues to show strong growth in funds under management and brokerage revenue. Going forward, HALO will continue its strategic initiatives to grow its B2B network and subscriber base in Australia and to invest in the growth of HALO Invest as it launches its business activities in the UK.

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About HALO

HALO Technologies is an online global equities research and trade execution software solution provider that brings sophisticated institutional-grade analytical frameworks and market insights to everyday investors. HALO includes two integrated offerings in HALO Global, designed for 'hands on' investors who want professional grade tools without the cost, and HALO Trading which offers global trade execution capability and ready-made themed investment portfolios that are ideal for 'low touch' investors, 'values based' investors and Self-Managed Superannuation Funds. For further information, please visit: www.halo-technologies.com/

Appendix 4C

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

Name of entity

Halo Technologies Holdings Ltd

ABN

ABN 73 645 531 219

Quarter ended ("current quarter")

31st December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (twelve months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	4,813	20,513
1.2 Payments for		
(a) research and development	(327)	(1,309)
(b) trading costs	(3,073)	(13,441)
(c) advertising and marketing	(265)	(947)
(d) leased assets	-	-
(e) staff costs	(1,611)	(5,629)
(f) administration and corporate costs	(2,310)	(6,708)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	86	236
1.5 Interest and other costs of finance paid	(14)	(16)
1.6 Income taxes paid	(233)	(233)
1.7 Government grants and tax incentives	1,002	1,423
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,932)	(6,111)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (twelve months) \$A'000
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	Payment for Intangible Assets	(383)	(1,564)
2.6	Net cash from / (used in) investing activities	(383)	(1,564)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	3,011	3,011
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	41	(7)
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Repayment of Loan given to Domacom)	300	300
3.10	Net cash from / (used in) financing activities	3,352	3,304

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,196	8,536
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,932)	(6,111)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(383)	(1,564)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (twelve months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,351	3,304
4.5	Effect of movement in exchange rates on cash held	113	181
4.6	Cash and cash equivalents at end of period	4,346	4,346

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	4,346	3,196
5.2	Call deposits	-	-
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)	4,346	3,196

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	(3,739)
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>		
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 \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-
7.2	Credit standby arrangements	-
7.3	Other	-
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.	
	HALO initiated a process of raising \$6.75 million in capital through the issuance of convertible notes with an interest rate of 12% per annum and a maturity period of 60 months on 23 September 2024. This capital raising is exclusively open to exempt investors. HALO has already raised \$3.01m until 31 December 2024.	

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,932)
8.2	Cash and cash equivalents at quarter end (item 4.6)	4,346
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	4,346
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	2.25
<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?	
	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?	
	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?

N/A

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.

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:31 January 2025.....

Authorised by:By the Board.....

(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 – e.g. 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.