

Stakk achieves significant milestones as part of its Embedded Finance strategy during Q2

- [Stakk](#) completed the acquisition of US based R-DBX during the quarter, which generated **\$1.6m** in revenue, and was cashflow positive (unaudited) in the 2024 calendar year.
- Stakk now serves some of the leading **Fintechs, Banks and Credit Unions** in the U.S with its **Embedded Finance** solutions.
- The Company secured a **\$1.0m** in working capital facility via a convertible loan agreement from strategic U.S. fintech investor **Relentless Fintech Partners, Inc**, thus ensuring Stakk has adequate available capital for its immediate growth objectives.
- [Stakk](#) has a promising pipeline of well-known **brands** in the U.S. and Australian markets, and anticipates closing a number of those in Q3.
- Stakk changed its name from Dough Limited to **Stakk Limited** in support of its expanded **B2B growth initiatives**.

Sydney, 31 January 2025 - **Stakk Ltd (ASX:SKK)** is pleased to provide an update on its Q2 activities, in which it successfully completed the acquisition of U.S. B2B **Embedded Banking** services business Radical DBX, Inc.

The acquisition of R-DBX (which is being rebranded to **Stakk Technologies, Inc.**), provides the Company with a suite of established client contracts in the U.S. market that are generating an annual recurring stream of income for the group, which in the calendar year of 2024 generated **\$1.6m** in revenue (unaudited). The Company continued to build out its new customer sales pipeline in Q2, with a focus on rolling out its **Embedded Finance** solutions. More details of which will be presented to investors in due course.

Concurrent with the acquisition of R-DBX, the Company also secured access to a **\$1m** working capital facility from Relentless Fintech Partners, Inc. to meet and support its immediate growth objectives.

Business activities

Noting that the Company only closed the acquisition of R-DBX on December 28, 2024 (and therefore having limited impact on our Q2 numbers herein), the Company collected \$18k (Previous Qtr (Q1): \$45k) in cash receipts for the quarter from consumers transacting via the Dough App. The drop in collections was as a result of the Company shutting off new customer sign ups and a system outage and subsequent update in December causing a suspension in loan originations.

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Business activities expenditure totalled \$330k for the quarter (Q1: \$285k) consisting of research and development \$202k (Q1: \$152k), sales and marketing \$13k (Q2: \$27k), operating costs \$64k (Q1: \$23k) with the balance to administration \$29k (Q1: \$65k) and staff costs \$22k (Q1: \$17k). Additional R&D investment is being made to evolve and make the Company's **Embedded Finance** offering multi-tenanted. Sales and marketing continues to largely rely on internal efforts and owned channels. Operating costs were slightly up to due timing differences.

The aggregate amount of payments to related parties and their associates included in Q2 Cash flows from operating activities was nil as payments (director fees and salaries on commercial terms) to these parties were accrued.

–End–

About Stakk

[Stakk](#) is an award winning fintech company on a mission to enable businesses to smooth their cashflow through its Banking-as-a-Service platform technology, focused on Embedded Finance.

ASX release approved by the Board.

Appendix 4C

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

Name of entity

STAKK LIMITED

ABN

41 108 042 593

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	18	63
1.2 Payments for		
(a) research and development	(202)	(354)
(b) product manufacturing and operating costs	(64)	(87)
(c) advertising and marketing	(13)	(40)
(d) leased assets		-
(e) staff costs	(22)	(39)
(f) administration and corporate costs	(29)	(94)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	9
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	1,002	1,002
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	695	460
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	(33)	(93)
(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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	Other (cash from acquired subsidiary)	6	6
2.6	Net cash from / (used in) investing activities	(27)	(87)

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	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(5)	(5)
3.5	Proceeds from borrowings	150	577
3.6	Repayment of borrowings	(620)	(647)
3.7	Transaction costs related to loans and borrowings	(4)	(27)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(479)	(102)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	240	158
4.2	Net cash from / (used in) operating activities (item 1.9 above)	695	460
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(27)	(87)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(479)	(102)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	429	429

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	429	240
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)	429	240

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

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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

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

	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 (please specify)	1,290	1,290
7.4 Total financing facilities	-	-

7.5 **Unused financing facilities available at quarter end** 1,290

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.

On 28 March 2022, the Company announced that it had entered into an equity placement funding facility with an investment fund (the Funder). The facility is immediately available to be accessed utilising 35M shares issued to the Funder and was undrawn at 31 December 2024.

On 27 September 2024, the Company announced that it had entered into an agreement to acquire Radical DBX Inc. As part of this transaction, the Company would gain access to a convertible note facility to the value of USD\$650,000 (\$1,045,520 at reporting date). On 30 December 2024, the Company announced completion of the transaction and that the convertible note facility was now available for the Company to draw down. As at the 31 December 2024, the facility was undrawn.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	695
8.2 Cash and cash equivalents at quarter end (Item 4.6)	429
8.3 Unused finance facilities available at quarter end (Item 7.5)	1,290
8.4 Total available funding (Item 8.2 + Item 8.3)	1,719
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	N/A

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?

Answer: 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?

Answer: 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?

Answer: 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.

31 January 2025

Date:

By the Board

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.