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ASX:SPX

Q1 FY25 Business Update Investor Webinar

8 November 2024

Spenda Limited (The Company)

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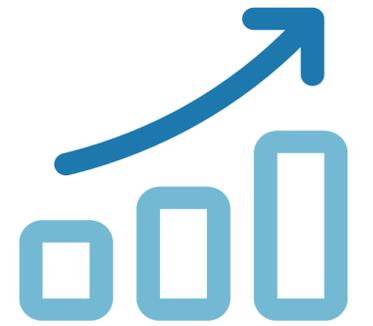
- Risks associated with reliance on key personnel;
- Financial health of Spenda and its related cash flows; general industry and market conditions and growth rates; legislative and regulatory developments;
- General economic conditions and levels of economic activity;
- Global financial conditions;
- Financing risks;
- Degree of competition in the industry;
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All references to currency are in AUD unless otherwise specified.

Key Highlights in Q1 FY25



- ✓ Record Q1 cash receipts from customers of \$1.92m, up 157% on pcp and up 6% qoq
- ✓ Limepay acquisition completed on September 20, 2024
- ✓ Payment volumes of \$74m up 20% on pcp, excluding \$34m processed by subsidiary Limepay
- ✓ Limepay's PV for Q1 FY25 was \$40m, generating revenue of \$664k
- ✓ Lessn payment processing agreement to add \$50m pa payment volume
- ✓ SwiftStatement launch to generate \$1.4m license fee and targeting \$18m in ARR by September 2025



UNIQUE CUSTOMER VALUE PROPOSITION

Spenda is **an innovative software company with an integrated set of capabilities that enable trading networks to buy, sell and pay more efficiently.**

Re-defining Invoicing

B2B trading is often hampered by inefficiencies that stem from disconnected systems and manual processes.

These challenges include:

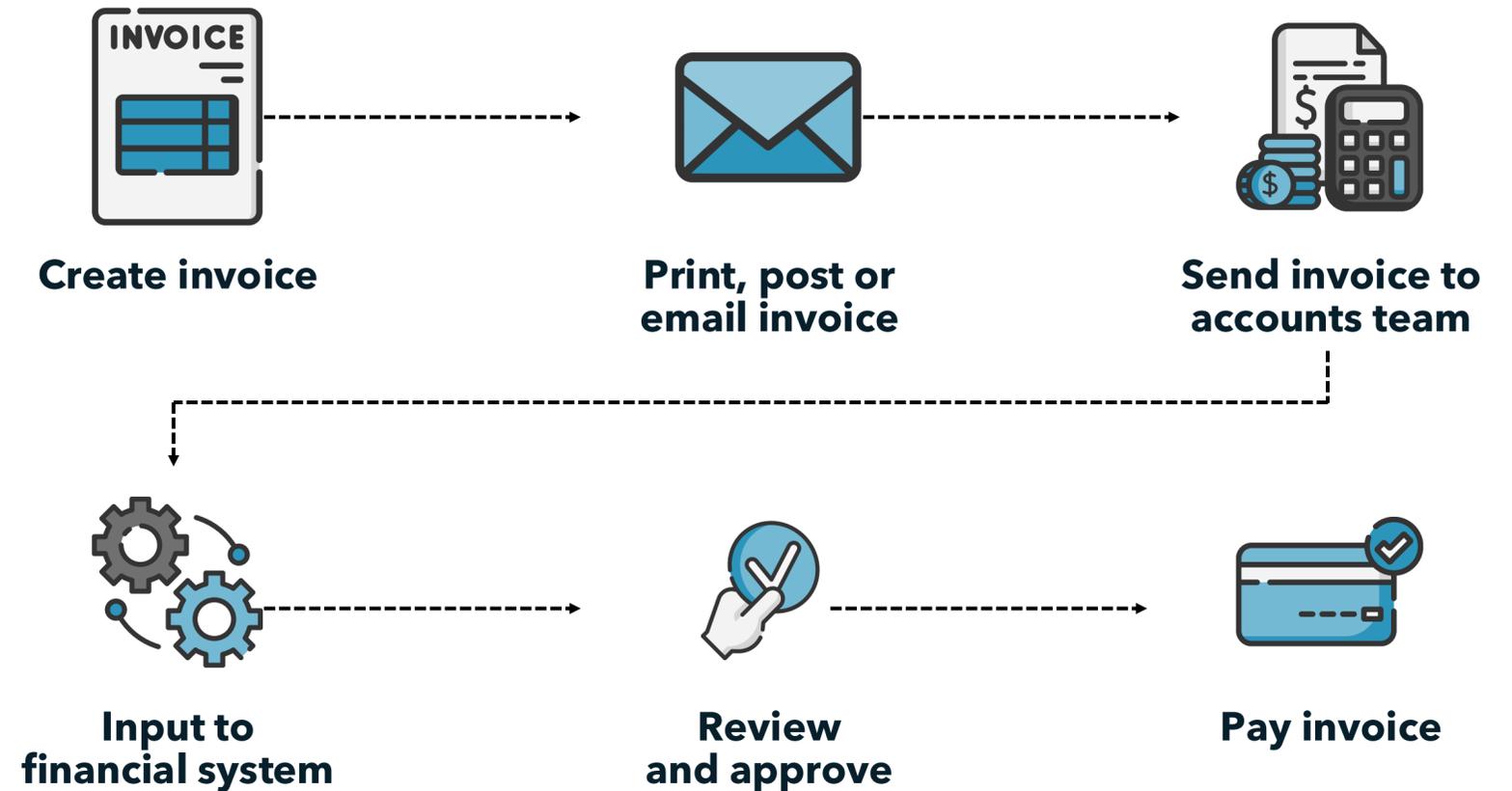
- inventory mismanagement
- slow and error-prone financial reporting
- cumbersome payment processes

These inefficiencies result in:

- increased operational costs,
- delayed payments, and
- financial discrepancies,

Resulting in lengthy reconciliation processes that lead to slower cash flow and higher administrative costs.

In traditional invoicing, the process of creating invoices and receiving payments can be lengthy and often it looks like this:



1. Create the invoice
2. Print and post it (or send via email)
3. Buyer receives and sends it to their accounts team
4. Accounts team inputs invoice into financial system
5. The invoice is reviewed and approved
6. The invoice is paid

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SwiftStatement - Transactions re-imagined

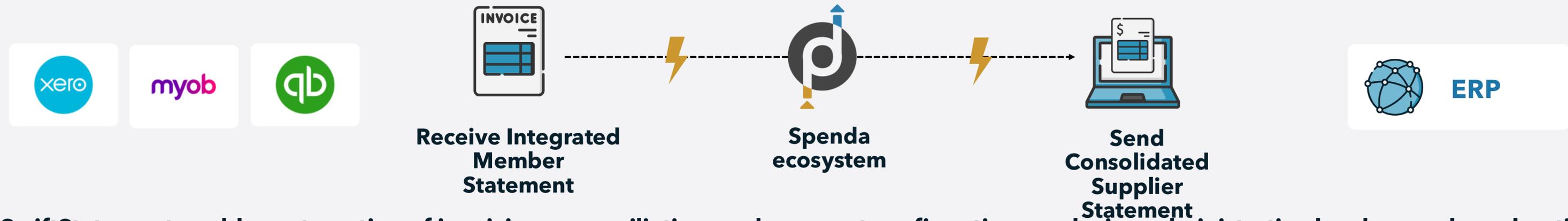


SwiftStatement provides a comprehensive approach to supply chain productivity that optimises invoice delivery and accounts reconciliation through robust financial integration, overlaid with embedded payment solutions.

Digital: Automated sending and receiving of invoices directly between Capricorn and its Member network via the Spenda platform eliminates manual data entry and minimizes errors.

Integration: Embedded into SwiftStatement is robust financial integration that reduces reconciliation administrative overhead by up to 10 hours.

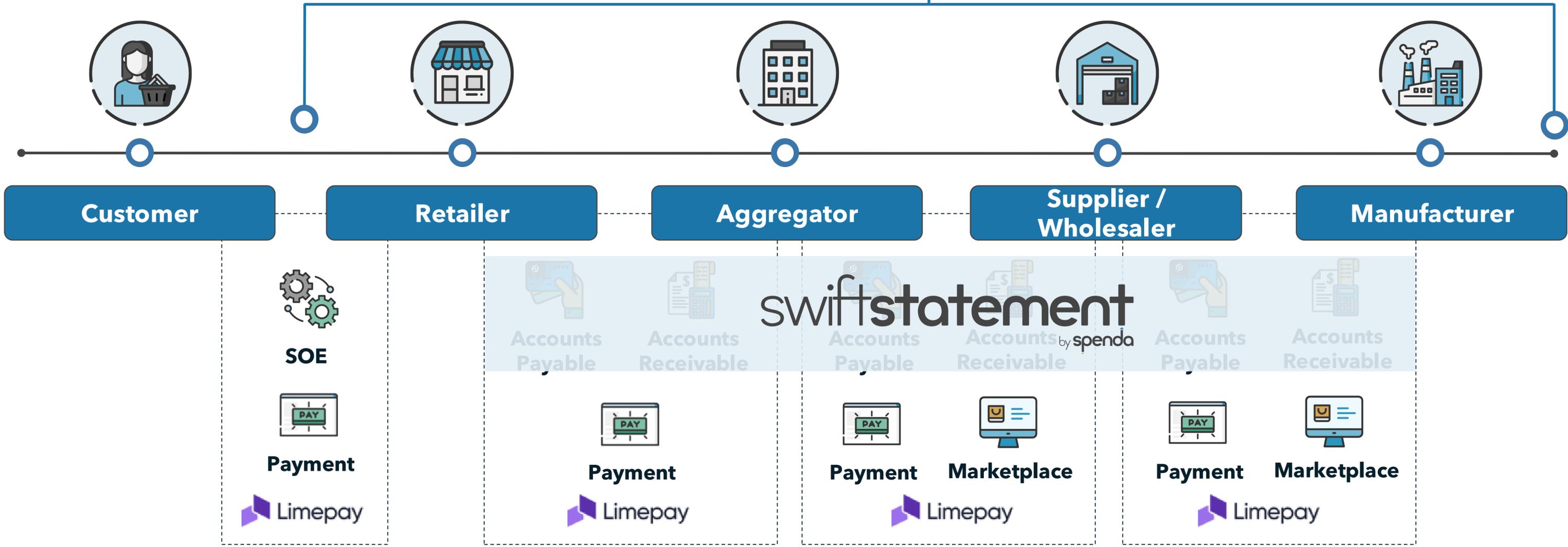
Payments: Once finalised, embedded payment solutions will facilitate seamless payment processing. This includes support for various payment methods, ensuring that payments are handled efficiently and securely.



SwiftStatement enables automation of invoicing, reconciliation, and payment confirmations, reducing administrative burdens and accelerating cash flow.

Spenda's products throughout the supply chain or network

Aggregated B2B Marketplace



- Preacquisition, LimePay derived the bulk of its revenue from online B2C payment processing.
- Post acquisition, we have integrated the Limepay capabilities to improve and scale Spenda's overall payments capabilities across the value chain.
- SwiftStatement is AR & AP Collaboration. It ensures the buyer and seller are on the same financial page.

SwiftStatement makes payments sticky.

This allows us to displace incumbent vendors.

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SwiftStatement - Target SaaS Revenue impact

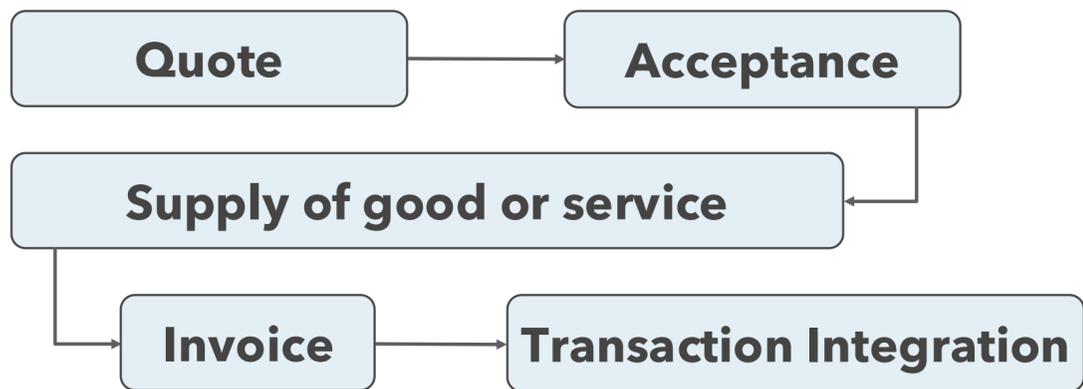
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	Membership +30,000	10%	25%	50%	75%	90%
Assumption	Charging \$99/month	3,000	7,500	15,000	22,500	27,000
Member Income (pm)	\$99			Target Sep 2025		
Annual Income / Member	\$1,188.00					
Potential Income	\$35,640,000	\$3,564,000	\$8,910,000	\$17,820,000	\$26,730,000	\$32,076,000
DSD (Cohort 1) SaaS Fee	\$100,000/pm			\$1,200,000		
Total				\$19,020,000		

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Spenda + Limepay

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Limepay



- ✓ **Superior Sales and Distribution**
We have networks of customers ready to utilise the Lime capabilities
- ✓ **Access to Debt**
Lime can utilise Spenda finance facilities
- ✓ **Resources**
Highly skilled payments team



- ✓ **Software Capabilities**
That are ready to ship
- ✓ **Quick Wins**
Cross pollination of products through customer base

Solution

Spenda's financial integration capabilities highlight how our software not only enhances supply chain productivity, but also modernises financial processes through automation and seamless transaction handling.

Benefits



Operational Efficiency:

Reduce operational costs by up to 15% and improve delivery times by 20% through optimized supply chain management.



Financial Accuracy:

Minimize errors and streamline financial reporting by integrating real-time supply chain data with accounting platforms.



Enhanced Cash Flow:

Speed up payment processing and improve cash flow with our integrated payment solutions and automated invoicing.



Comprehensive Oversight:

Achieve a complete view of both supply chain and financial performance, leading to better decision-making and strategic planning.



Reduced Administrative Costs:

Lower administrative overhead and increase productivity through automated financial processes, eInvoicing, and efficient payment handling.

Layering revenue streams

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Implementation

Implementation and set up fees



SaaS

Subscription fee-based model, with tiered pricing plans based on the size and needs of the business



Transaction processing

Transaction processing revenue from customer payments processed through our network



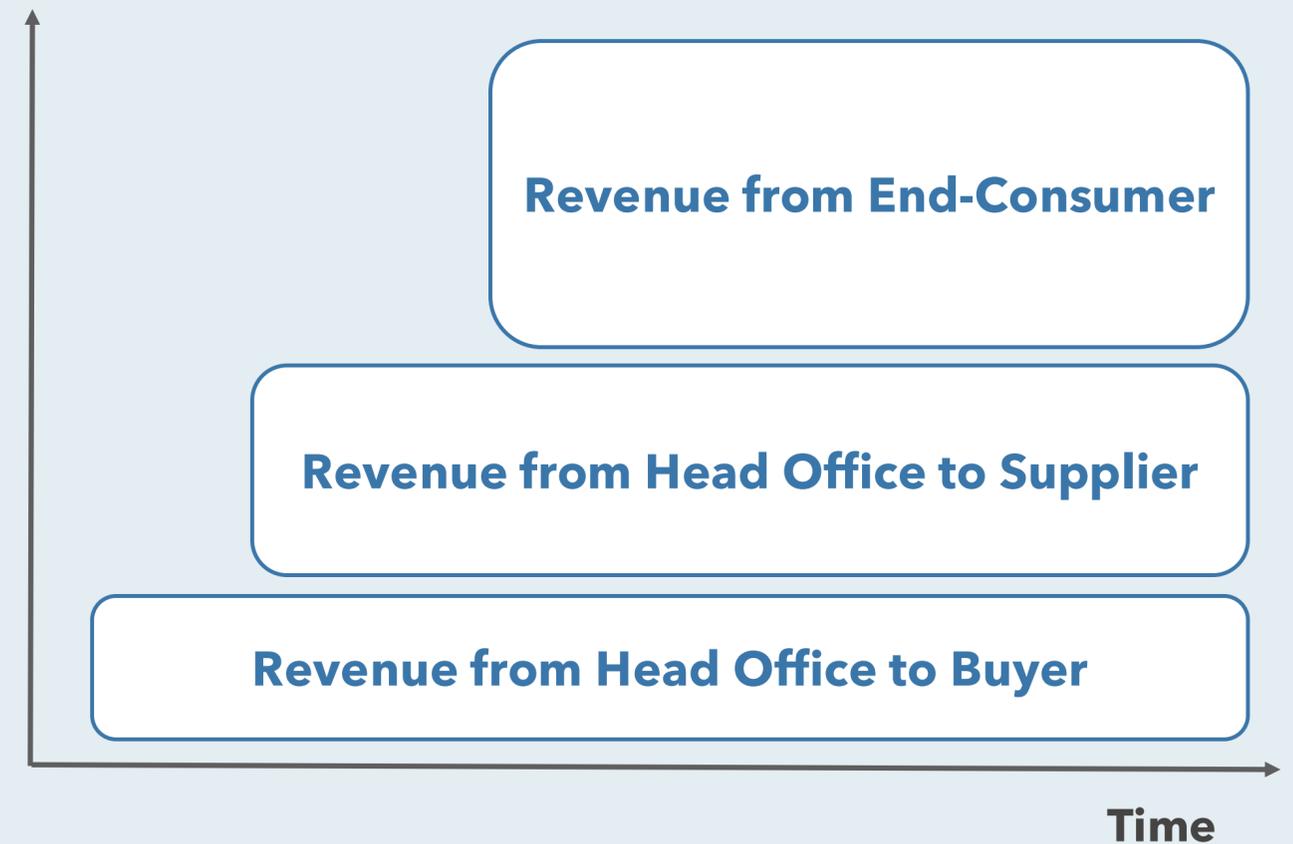
Finance

Embedded credit / finance payment options

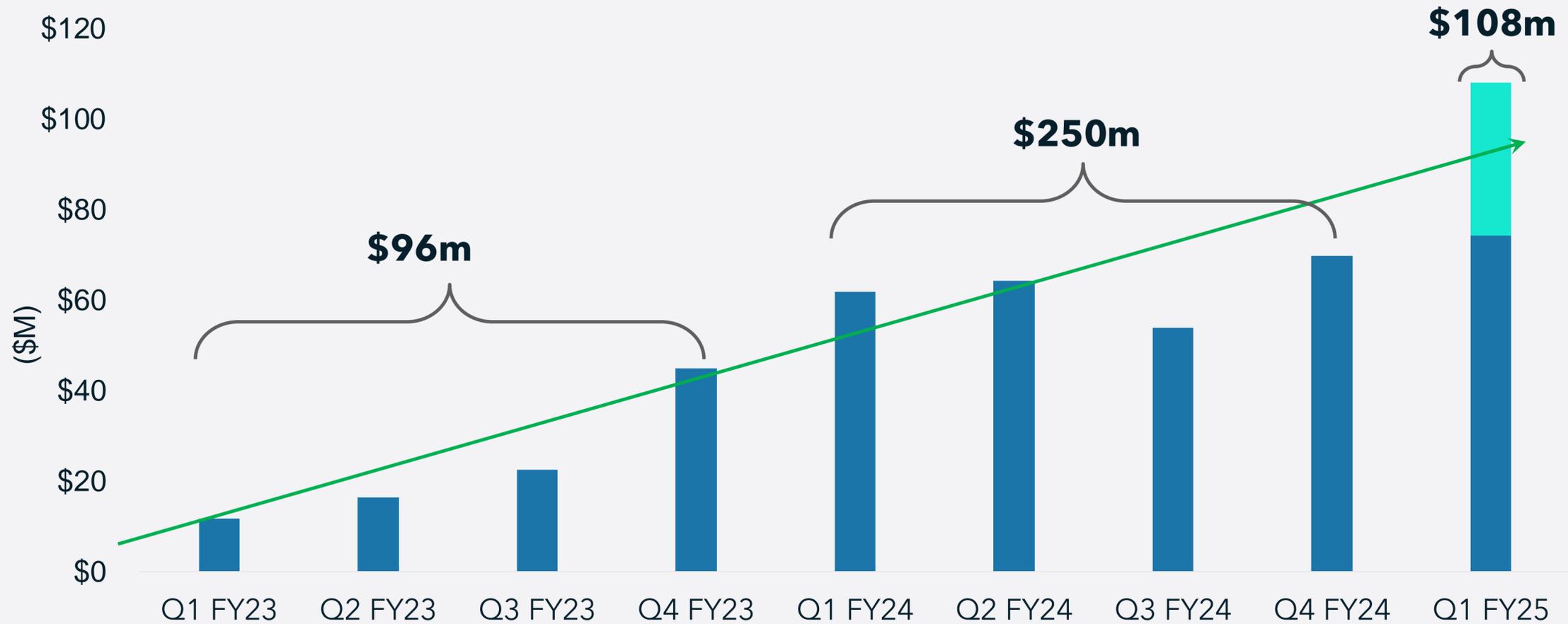
Further penetration across the supply chain for each client

- Start with Head Office and payment flows to and from the buyer network
- Expand payment solutions to supplier network for early payment discounts
- Install POS terminals at retail transaction (either in-store or online) to capture payment flow from end-consumers
- The payment flow from end-consumers would generally be the largest component in a supply chain and grow over time

Layered revenue potential across the supply chain



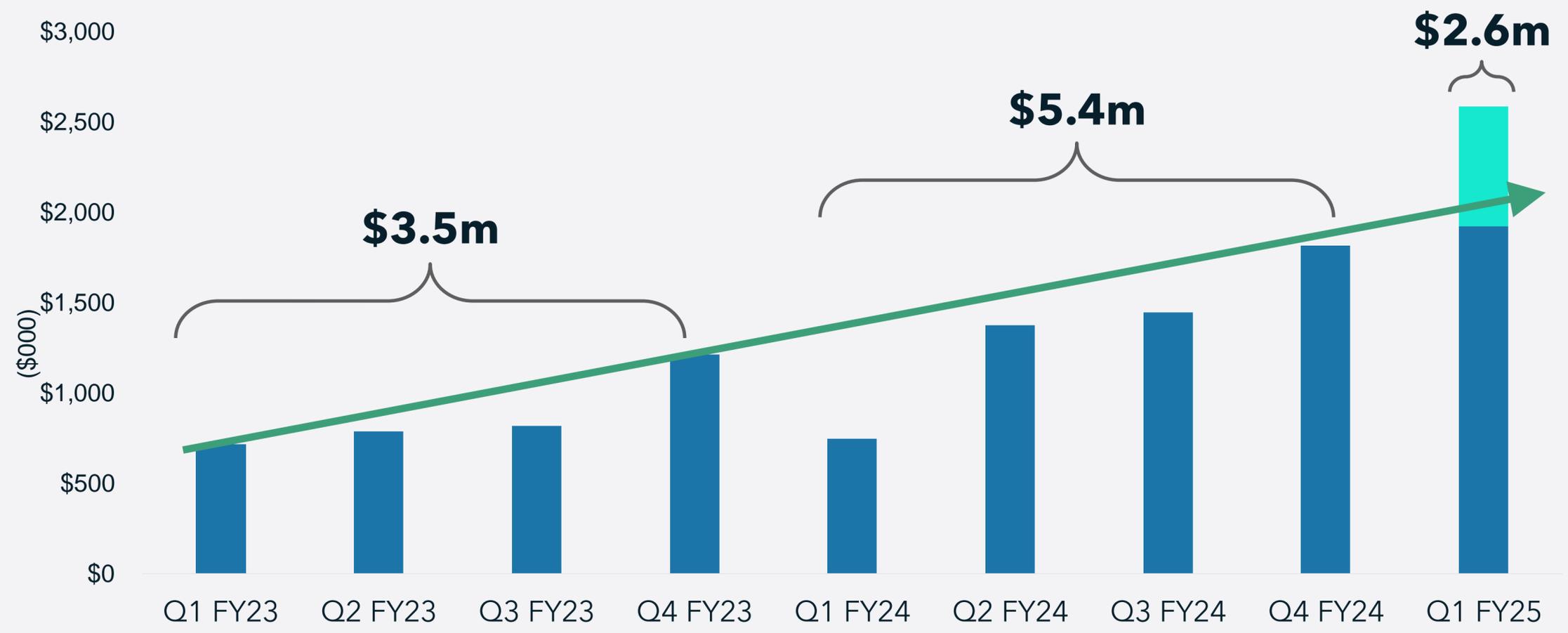
Consistent quarterly growth in payments volume on Spenda platform



- Payment volume on Spenda's platform was up 20% on pcp, from \$61m in Q1 FY23
- Total payment flow is expected to continue growing in FY25 with Limepay PV of \$40m in Q1 FY25 (green)

If we do nothing and maintain just our current business, we will grow pay flow by 60%

Consistent growth in cash receipts

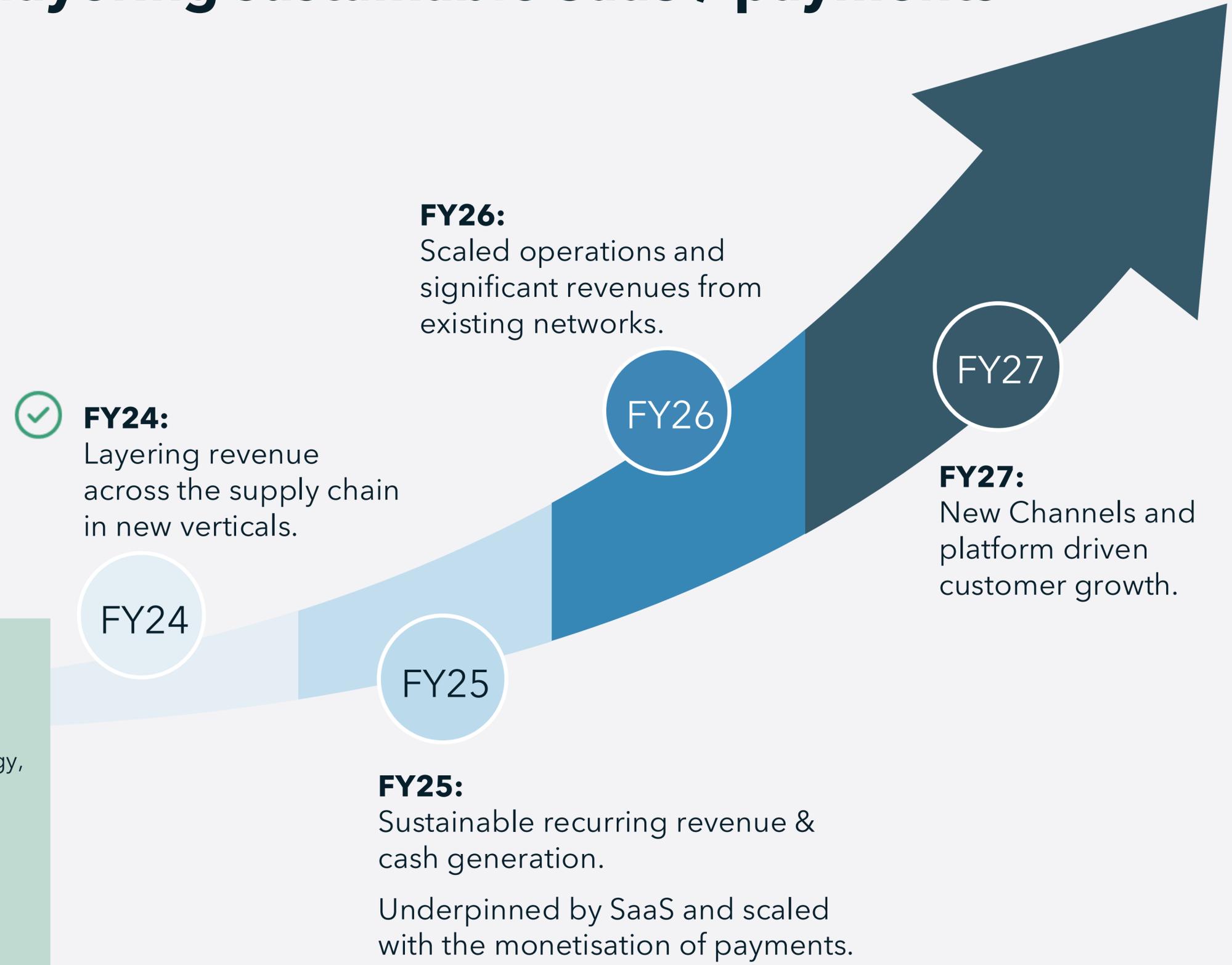


- Cash receipts was up 157% on pcp, from \$750k in Q1 FY24
- Total cash receipts in Q1 FY25 \$1.92m (including Limepay - \$2.6m)

With the Limepay acquisition, if you annualise the Spenda Q1 result, we will see 100% growth
With LMI and DSD revenues starting, annual revenue growth will be a minimum of 175%

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FY25 layering sustainable SaaS / payments ARR



Acquisitions



Customers & Partnerships



Upcoming operational milestones in H1 FY25

■ Delivering the SOE solution for the Carpet Court store network

- The rollout of the SOE is expected to start in 1H FY25
- This will enable Carpet Court stores to manage their quote-to-install payment flow and scale up of consumer payment services

■ Integrate Limepay and onboard customers

- Integrate Limepay into transaction flow at customer payment event

☑ Commercial launch of Capricorn DSD project

- 3rd milestone payment relates to the onboarding of the first cohort of suppliers, expected Q1 FY25
- Commencement of \$100k per month SaaS software licensing fee

☑ Continued roll out of Spenda AP bundled with AirPlus facilities

☑ SwiftStatement launch and scaling

☑ Growth trend to continue in FY25

- Maximise revenue opportunities across group customers

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Thank you.

Authorised by the Managing Director



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