



DECEMBER 2020

CIRRALTO

15 MINUTE OVERVIEW



LEGAL DISCLAIMER

NATURE OF THIS DOCUMENT

This presentation has been prepared by Cirralto Limited (Company). The information is based on publicly available information, internally developed data and other sources. By receiving this presentation, you acknowledge and represent to the Company that you have read, understood and accepted the terms of this disclaimer. It is the responsibility of all recipients of this presentation to obtain all necessary approvals to receive this presentation and receipt of this presentation will be taken by the Company to constitute a representation and warranty that all relevant approvals have been obtained. This presentation is a visual aid and is not intended to be read as a stand alone document. The material contains selected and abbreviated summary information about the Company and its subsidiaries and their activities current as at the date of this presentation. The material is of general background and does not purport to be complete. The Company is not responsible for providing updated information and assumes no responsibility to do so.

NOT AN OFFER

This presentation is for information purposes only and does not purport to be all inclusive or to contain all information about the Company or any of the assets, current or future, of the Company. This presentation does not comprise a prospectus, product disclosure statement or other offering document under Australian law (and will not be lodged with ASIC) or any other law. This presentation also does not constitute or form part of any invitation, offer for sale or subscription or any solicitation for any offer to buy or subscribe for any securities in any jurisdiction nor shall they or any part of them form the basis of or be relied upon in connection therewith or act as any inducement to enter into any contract or commitment with respect to securities. This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. This presentation and its contents must not be distributed, transmitted or viewed by any person in the United States or any jurisdiction where the distribution, transmission or viewing of this document would be unlawful under the securities or other laws of that or any other jurisdiction.

NOT INVESTMENT ADVICE

To the maximum extent permitted by law, the information contained in this presentation is given without any liability whatsoever being accepted by the Company or any of its related bodies corporate or their respective directors, officers, partners, employees, advisors and agents. This presentation is not investment or financial product advice (nor tax, accounting or legal advice) and its contents are not intended to be used for the basis of making an investment decision. No representation or warranty, express or implied, is made as to the accuracy, completeness or thoroughness of the information, whether as to the past or future. Recipients of this presentation should carefully consider whether the company is an appropriate investment for them in light of their personal circumstances, including their financial and taxation position. This presentation does not take into account the individual investment objectives, financial situation and particular needs of each recipient of this presentation. Therefore recipients of this presentation may wish to seek independent financial and taxation advice before making any decision in respect of this presentation. Neither the Company nor any of its related bodies corporate is licensed to provide financial product advice in respect of the Company's securities or any other financial products.

FORWARD LOOKING STATEMENTS

Statements and material contained in this presentation, particularly those regarding possible or assumed future performance or potential growth of the Company, industry growth or other trends are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties and are based on the assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management of the Company believes to be relevant. Although management believes that the assumptions made by the Company and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking information. Readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

DISCLAIMER

No representation or warranty, express or implied, is made by the Company that the material contained in this presentation will be achieved or prove to be correct. Except for statutory liability which cannot be excluded, each of the Company, its directors, officers, employees, advisers and agents expressly disclaims any responsibility for the accuracy, fairness, sufficiency or completeness of the material contained in this presentation, or any opinions or beliefs contained in this presentation, and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission there from. To the maximum extent permitted by the law, the Company disclaims any obligation to update or keep current the information contained in this presentation or to correct any inaccuracy or omission which may become apparent, or to furnish any person with any further information. Any opinions expressed in the presentation are subject to change without notice.

MONETARY VALUES

Unless otherwise states, all dollar values are expressed in Australian Dollars (A\$). The information in this presentation remains subject to change without notice.

GLOSSARY

UNDERSTANDING THE NUMBERS IN THIS PRESENTATION

Total Monthly Customer Addressable B2B Payments Market - This presentation references a the size of the Cirralto Customer market as \$225m per month. This number is determined by summing the total of all Licensee invoices issued and sent or processed to their customers via our software system. Note this does not represent the value of payments we are processing but instead the existing Cirralto customer network that is directly upgradable from a SaaS style engagement to a merchant engagement. That is, a customer that is using our current SaaS products (POS, Stock, Supply Chain Management, Procurement, Service and Inventory Management tools) who could be converted to also running their payments through our platform.

Average Revenue Per User ("ARPU") - is calculated by summing Cirralto's total revenue and dividing this by total licensees on the last trading day of each month.

Australian B2B Payments Market - Total Australian B2B payments market as defined by industry research.

Cash Receipts from customers - equals the total cash funds received by the Company from Cirralto customers (licensees) as cleared funds.

Customer - the term 'customer' or 'licensee' are used interchangeably.

Customer Growth - is defined as the total Licensees at the end of a current month subtract the total licensees at the end of the prior month divided by the total licensees at the end of the prior month.

Digital Payments - are defined as payments where terminals are not involved.

Processed customer payments - Value of customer payments processed through our payments software. Cirralto's typical merchant fee on customer payments processed is 1.5%.

SaaS Engagement - SaaS or Software as a Service is a month to month or fixed subscription license for software.

SaaS - Software as a Service.



CIRRALTO LIMITED (ASX: CRO) IS A TRANSACTION SERVICES BUSINESS SUPPLYING INDUSTRIES WITH A BROAD RANGE OF B2B PAYMENT SERVICES, DIGITAL TRADING SOFTWARE AND INTEGRATION SOLUTIONS.

WE DELIVER A FULLY INTEGRATED DIGITAL PAYMENT AND BUSINESS SOFTWARE SOLUTION THAT ENABLES BUSINESSES TO TRANSFORM WITH EASE, ERROR-FREE DIGITAL EFFICIENCY. WE'RE ON A MISSION TO FUNDAMENTALLY CHANGE THE WAY PEOPLE DO BUSINESS BY IMPLEMENTING DIGITAL TOOLS THAT STREAMLINE BUSINESS PROCESSES, IMPROVE EFFICIENCY AND PAYMENT PRACTICES, SO BUSINESSES CAN TRADE FASTER AND GET PAID QUICKER.

01

COMPANY OVERVIEW



BUSINESS OVERVIEW

WHAT WE DO...

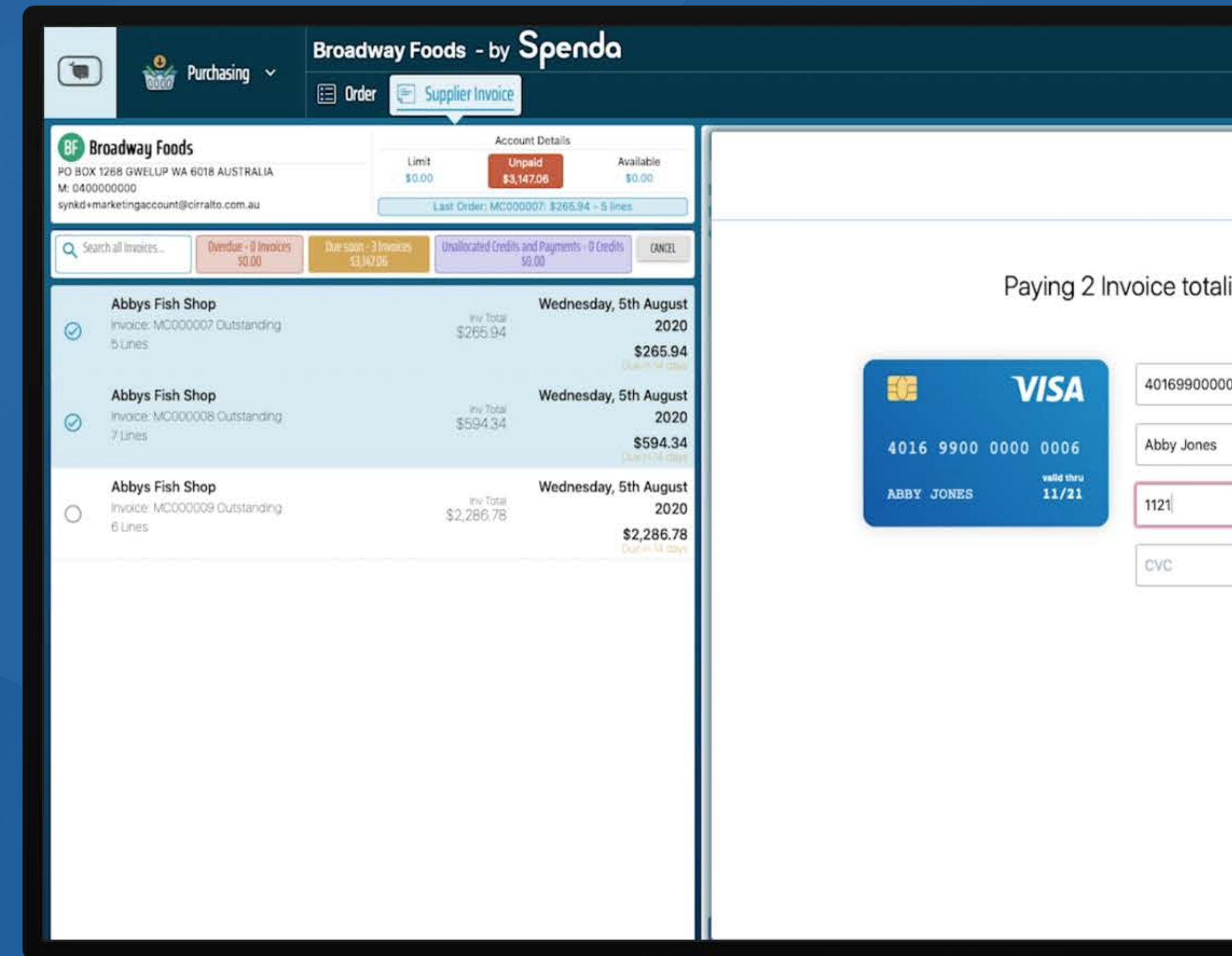
Cirralto is a Business Payments Service Provider. We deliver collaborative commerce solutions to our customers that enable them to get paid what they are owed, on time.

Cirralto's payments systems solves the inefficiencies between buyers and sellers when they create, share, record and pay invoices more than 1 Billion times per annum.

These business inefficiencies significantly contribute to 53% of invoices in Australia being paid late, with 20% of invoices paid to the wrong account and another 20% for the wrong amount.*

COMPETITIVE ADVANTAGE

- Our software enables our Customers and their Customers to do business better.
- We enable multiple invoices to be paid in a single transaction.
- We enable the payer and payee to integrate the remittance transactions and keep the accounts payable ledger of the seller in sync with the accounts receivable ledgers of their customers.
- We broaden our customers payment collection options and improve customer cashflow.
- We align the objectives of our customers finance and sales teams.
- \$100B Australian B2B payments market*



COMPANY SNAPSHOT

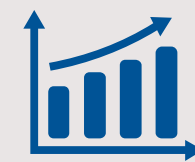
Transaction services business supplying industries with a broad range of B2B payments services, digital trading software and integration solutions. CRO specialises in helping businesses collaborate their products, orders, invoicing and payments with each other.

Core products are Spenda and Synk'd.



GROWTH VISION

To fundamentally change the way businesses transact by delivering software solutions that enable data sharing and collaboration without error.



STRONG GROWTH MOMENTUM

- \$225m* monthly **Total Monthly Customer Addressable B2B Payments Market** in June, up 35% from ~\$150m in April 2020 due to COVID-19.
- **396% increase in average revenue per user (ARPU)** from April to August 2020 across 2.5k licensees.
- **126% growth in cash quarterly cash receipts from customers (between March to September Qtr's).**

Note: Revenue declined from \$670,732 in FY2019 to \$341,332 in FY2020. The company's payments platform was launched in April 2020.



POSITIVE TRANSFORMATION

- Proposed acquisition of Appstablishment SaaS, which enables small and large businesses to share data across B2B and B2C channels, complementing CRO's existing tech portfolio.
- To deliver in excess of **\$1.5m R&D grants in FY21, and reduction in duplicated overheads.**
- January 2021 - merger anticipated to be operational, new pro-forma financial data and balance sheet.



STRONG GROWTH OUTLOOK

- **42% Customer growth**, in November 2020.
- **Australian B2B Payments Market grew 10.8% in August 2020 (from July 2020)**, making the addressable market in Australia worth more than \$100b in merchant payments*.

*<https://www.xero.com/small-business-insights/wp-content/uploads/2019/06/xsbi-report-paying-the-price.pdf>



STRONG FINANCIAL POSITION

- **Strong balance sheet:** Debt funding facilities repaid following completion of capital raising in August 2020. Cash balance of \$4.3m at 7 December 2020.
- **Growing cash receipts:** September 2020 quarter cash receipts from customers \$154K, up from \$118K in June quarter 2020 and up from \$68k in March quarter 2020.

* See Glossary

STOCK OVERVIEW

SINCE JANUARY 1, 2020, CRO HAS OUTPERFORMED THE ASX SMALL INDUSTRIALS BY 293%

MARKET DATA

ASX CODE	CRO
Ordinary shares	1.69bn
Market capitalisation	\$71m
Cash on hand (as of 7 December 2020)	\$4.3m
Listed on ASX	29 May 2002
Last price (7 December 2020)	\$0.038
52 week high	\$0.06
52 week low	\$0.002
Average daily volume (November 2020)	~12m
GICS classification	Software & Services

MAJOR SHAREHOLDERS

Rare Air Nominees Pty Ltd	2.53%
Keiran Slee	1.80%
Citicorp Nominees Pty Limited	1.44%
Adrian Floate	0.98%
DC & PC Holdings Pty Ltd	0.91%
Baga River Pty Ltd	0.88%

Table data, as at 7 December, 2020

SHARE PRICE PERFORMANCE



Graph data, as at Market Close 07 December, 2020

B2B PAYMENT PROFILE

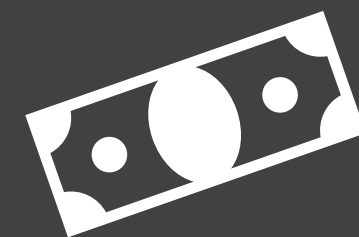
WHAT DO OUR CUSTOMERS PROCESS TODAY

It is pleasing to see that our customers are bouncing back from the economic effects of Covid-19.



Increase in Average Revenue
Per User (2.5k licenses)

April 2020 - August 2020



\$2.2B

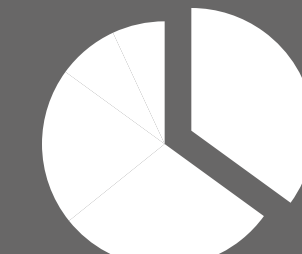
Total Transactions Processed
by our software

March 2020 - December 2020 see Glossary Total
Customer Addressable B2B Payments Market



\$225M

Total Monthly Customer
Addressable B2B Payments
Market*

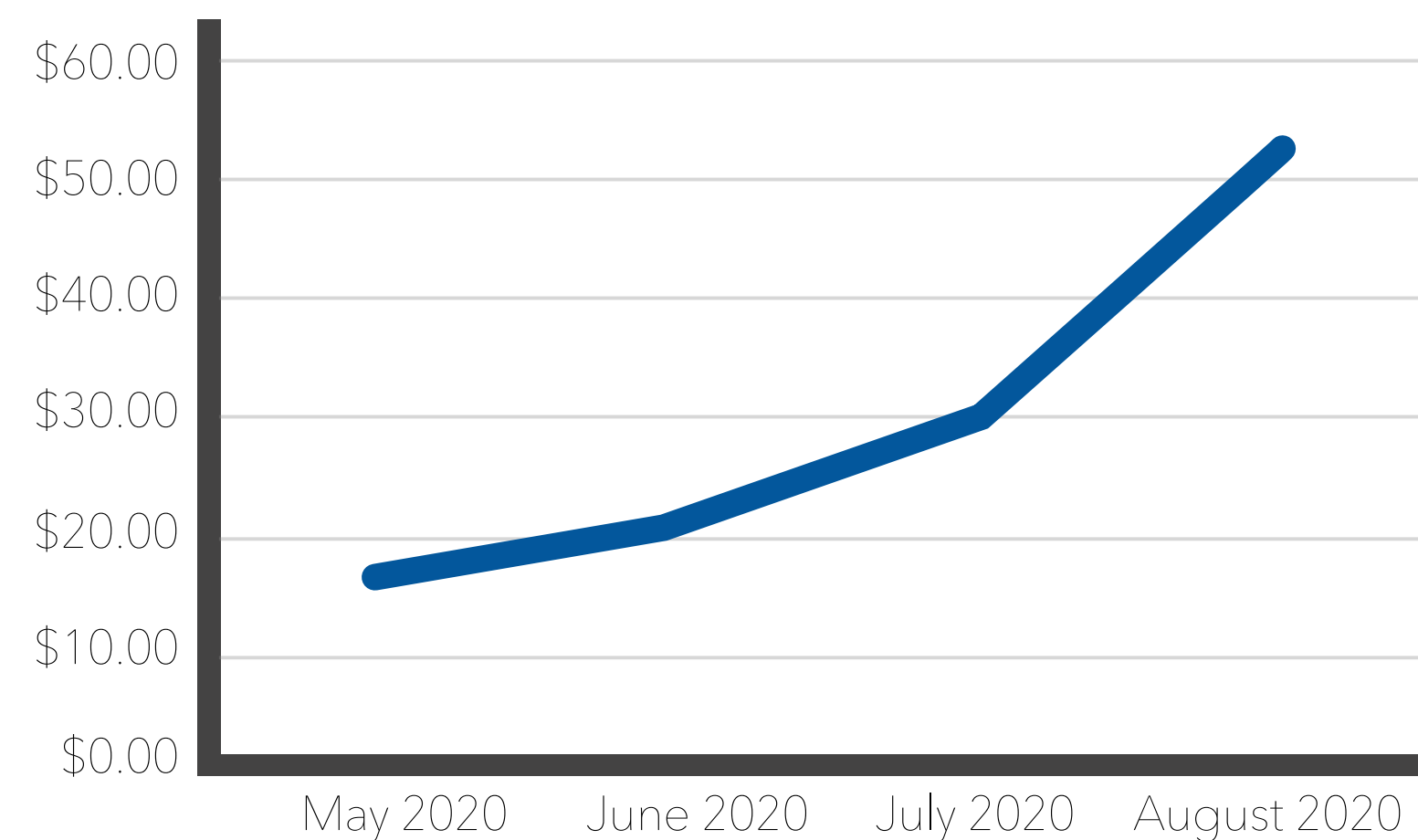


42%

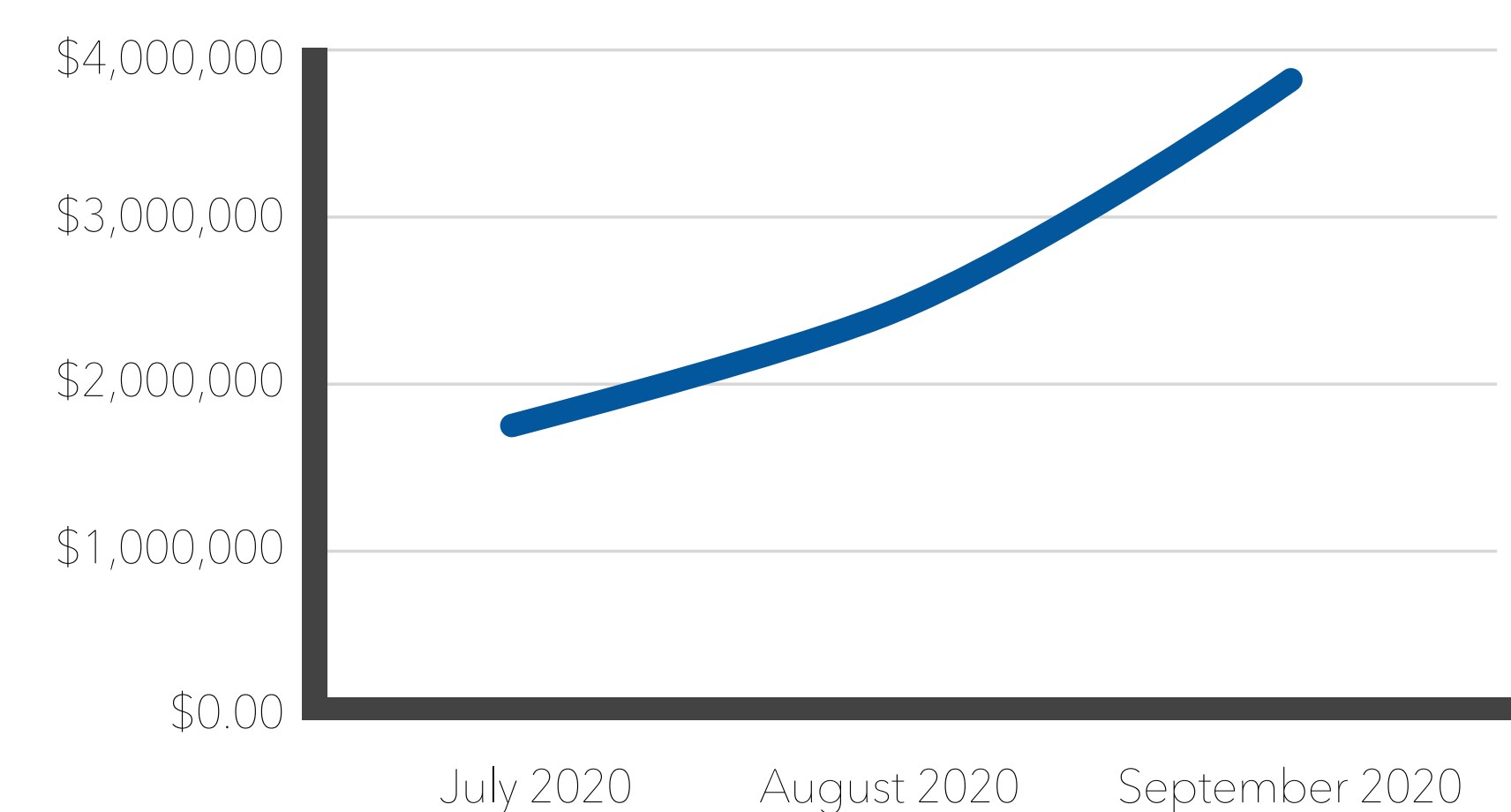
Customer Growth*

October 2020 - November 2020

AVERAGE REVENUE PER USER*



PROCESSED CUSTOMER PAYMENTS* (ACTUAL)



* See Glossary

02

THE BPSP AGREEMENT



COMMERCIAL IMPACT OF THE BPSP

CIRRALTO SIGNS BPSP AGREEMENT WITH FISERV AND VISA

Cirralto Limited (ASX: CRO or the Company) is pleased to announce that it has entered into a Business Payments Service Provider ("BPSP") agreement with Fiserv and Visa International Limited ("Visa", NYSE:V), in which Fiserv will serve as the exclusive merchant acquirer for Cirralto.

The BPSP agreement incorporates a strategic merchant rate that will increase Cirralto's margins on digital payments* by up to 40%.

- Specifies Cirralto as the Merchant of Record on payment transaction.
- Cirralto will utilise A\$500,000 in capital as security deposits for the BPSP capital requirements.
- Streamlined merchant payment process / onboarding, reducing onboarding times by 50%.
- Full merchant funding control requiring Cirralto to settle funds into merchant accounts via EFT within 3 business days of cardholder transactions.
- Business model enhancements.
- Improved bank statement notation control and customer reconciliation automation.
- Complements the existing agreement with Fiserv



* See Glossary

BUSINESS MODEL ENHANCEMENTS

With the BPSP, Cirralto will bring to market an integrated eInvoicing, ePayment and financing services that will bring liquidity and drive cash flow for buyers and sellers.

With applications across multiple industries, this integrated set of services will enable Cirralto to not only utilise the strengths of its SaaS platform in the acquisition and retention of the customer but monetise the offer like a Fintech with multiple scenarios for deriving income.

As the merchant of record, Cirralto is in control of disbursing Customer payments to Merchants via its open banking payments services.

These open banking services also enable account to account transfers or traditional EFT's and the ability for the Customer to utilise their bank account as their preferred payment method.



HOW BUSINESSES CURRENTLY PAY EACH OTHER

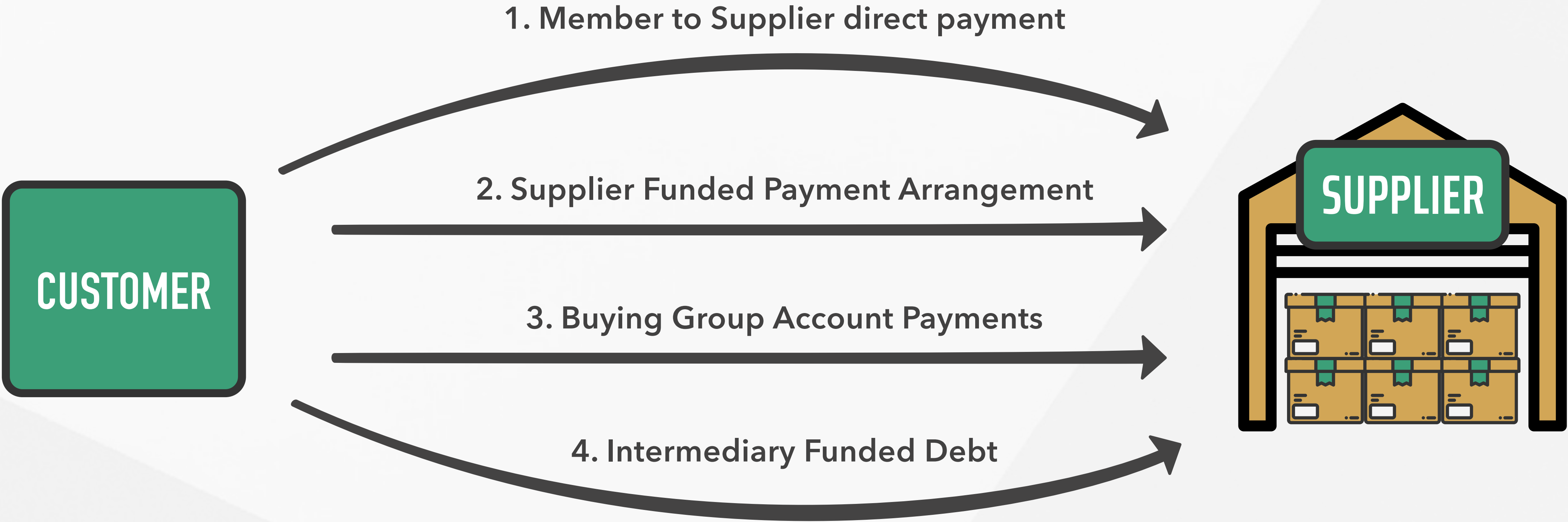
INEFFICIENCIES IN B2B PAYMENTS

- At present, Customers are required to pay their Suppliers statement at the end of each month or a set number of days from the invoice date. Often these payment dates are viewed as a "guide" by the customer, with 53% of invoices paid outside of terms*.
- At times these strict payment terms can create or force customer purchases outside of a Supplier's network to attract extended terms, resulting in lost revenue for the business if Customers are able to source more favourable terms elsewhere.
- Today, B2B payments are accessed as a discrete service and only integrate partially for either the payer or the payee but never both players simultaneously.
- Traditionally these payments are made directly between the customer and supplier using billing platforms like BPay, ABA based EFT transfer via internet banking and direct merchant credit card facilities.
- Each of these attracts fees and charges from the processor but none simplify the process end-to-end making the lives of all parties simpler.

*<https://www.xero.com/small-business-insights/wp-content/uploads/2019/06/xsbi-report-paying-the-price.pdf>

CHANGING CUSTOMER TO SUPPLIER PAYMENTS (B2B)

CUSTOMER TO SUPPLIER PAYMENT METHODS



Payment Option Costs and Average Credit Days

Member to Supplier Direct Account - 90 Days - Supplier Cost of Funds

Supplier Funded Arrangements - 120 Day - Supplier Cost of Funds

Intermediary Funding - 1 Day at 8% fee with fully automated payment.

Member still discharges the debt and increases its margin

FUNDING OPPORTUNITIES

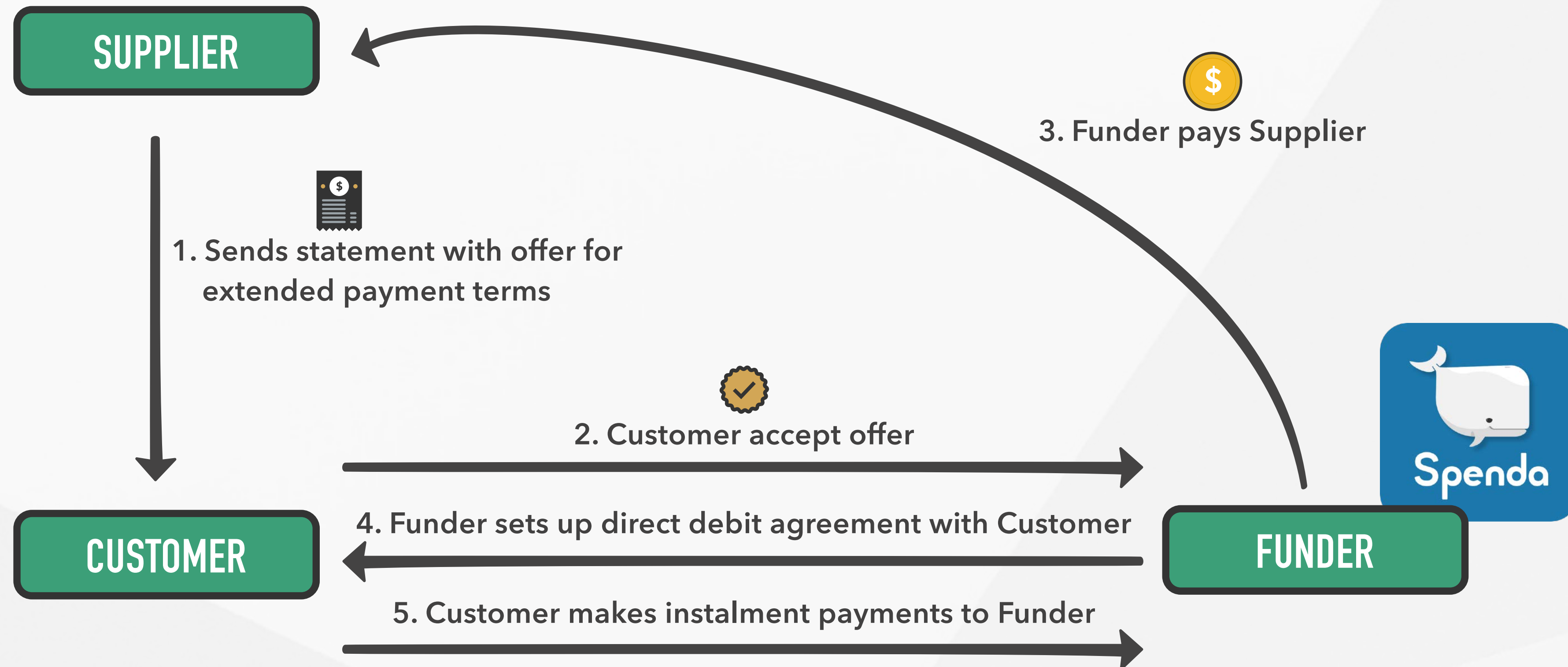
CUSTOMER FUNDING ARRANGEMENTS

The BPSP agreement also provides an opportunity to interpose a funding partnership into the Customer to Supplier payment cycle and create an extended Supplier facility for any Customer who elects to utilise this option.

Under this approach, Suppliers would:

- 01 Receive full payment of the Customers purchases from the funder and therefore drive their internal cash flow;
- 02 Be able to offer extended terms to their Customers and preserve the Customer's ability to use their account with the full knowledge that they will not be placed on stop credit if they enter into an instalment arrangement; and
- 03 Utilise the Spendia system to automate the setup of the pay by instalment collection process from the Customer, so that reconciliation and collections are seamless.

INTENT TO PAY FRAMEWORK WITH FUNDING

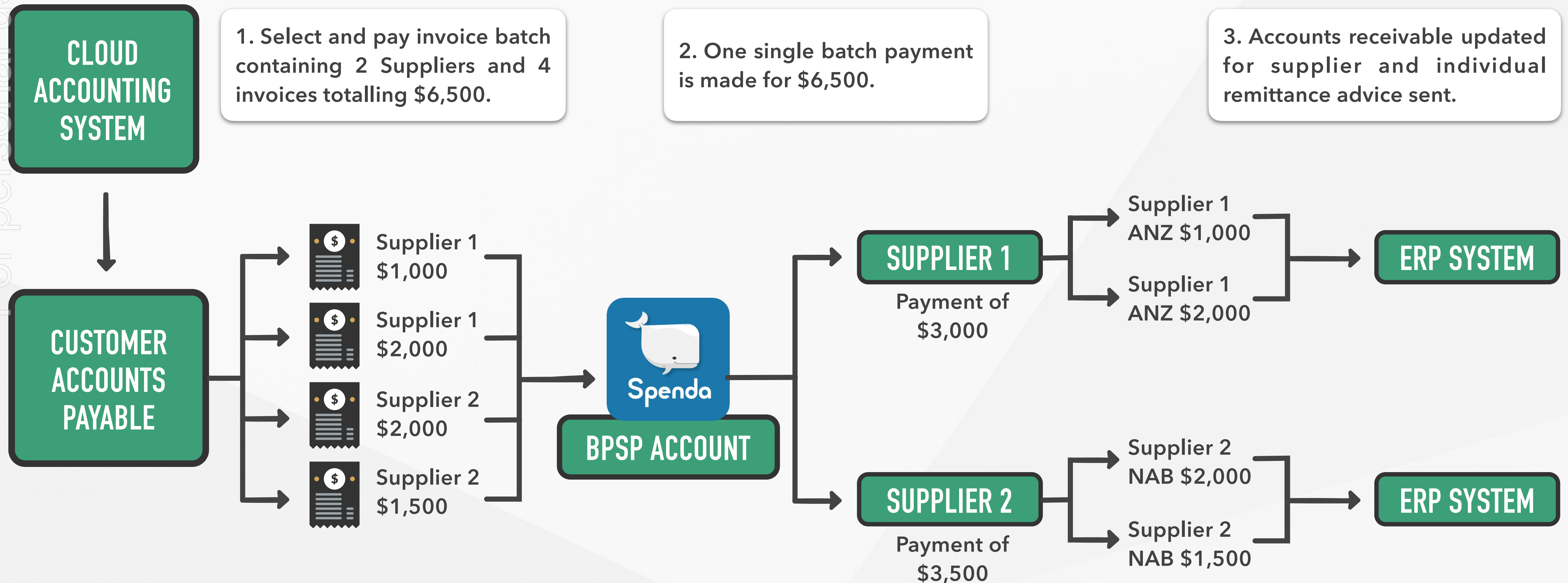


BATCH PAYMENT WORKFLOW

1. Select and pay invoice batch containing 2 Suppliers and 4 invoices totalling \$6,500.

2. One single batch payment is made for \$6,500.

3. Accounts receivable updated for supplier and individual remittance advice sent.



CUSTOMER BENEFITS

TRUE DIGITAL COLLABORATION

- **Customers can pay their suppliers via credit card even if they don't accept credit card payments** - Business Customers can use their Visa or MasterCard card (including personal cards) to pay their entire accounts receivable using Spendu, funds are then distributed to the suppliers bank via the Open Banking network.
- **Enabling payment via cards for all suppliers** - Small and medium businesses can shape their cash flow and take advantage of the 55 interest-free days available on most cards plus any Credit Card Reward points schemes.
- **Faster and simpler reconciliation of batch payments** - Customer batch payments are allocated and posted directly to their accounts payable ledger.
- **Payment passport** - Centralised tokenization means that Customers can manage their supplier payment methods from a single point. If your credit card changes or you wish to add another you have only one place to update for all of your suppliers.

SUPPLIER BENEFITS

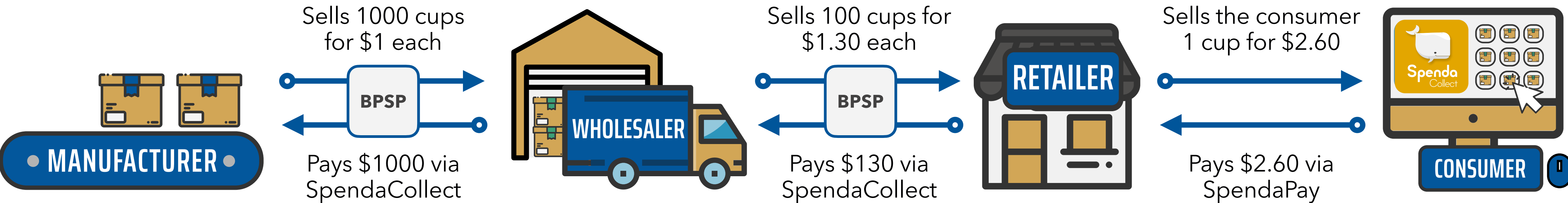
TRUE DIGITAL COLLABORATION

- **Removal of merchant statement reconciliation** - by itemising fund deposits and annotating the bank statement for all invoice receipts processed via the SpendaCollect payment service, suppliers can quickly reconcile merchants payments via bank feeds or traditional methods.
- **Faster Onboarding** - using our open banking integration, Spenda can automate and accelerate the AML and KYC onboarding process allowing buyers and suppliers to connect and process payments within 48 hours.
- **Automated Payments** - leveraging the BPSP will also allow Cirralto to take automatic payments which process as soon as a purchase invoice becomes overdue. Suppliers can also incentivise customers to enable auto payments by offering a customisable percentage discount which is automatically calculated and applied to the trading relationship.
- **Intent to Pay Framework** - An intent to pay framework allows customers to set a scheduled payment plan with their suppliers to settle debt. Customers arrangements which are sent to the supplier providing certainty around their intentions to pay.
- **Workflow Payments** - Workflow payments allow a business to get paid for products and services at the point the job is complete, or a delivery made, with verified customer payment details. With this infrastructure, friction is removed from the payment process and certainty is created in debt recovery for the seller.

For personal use only

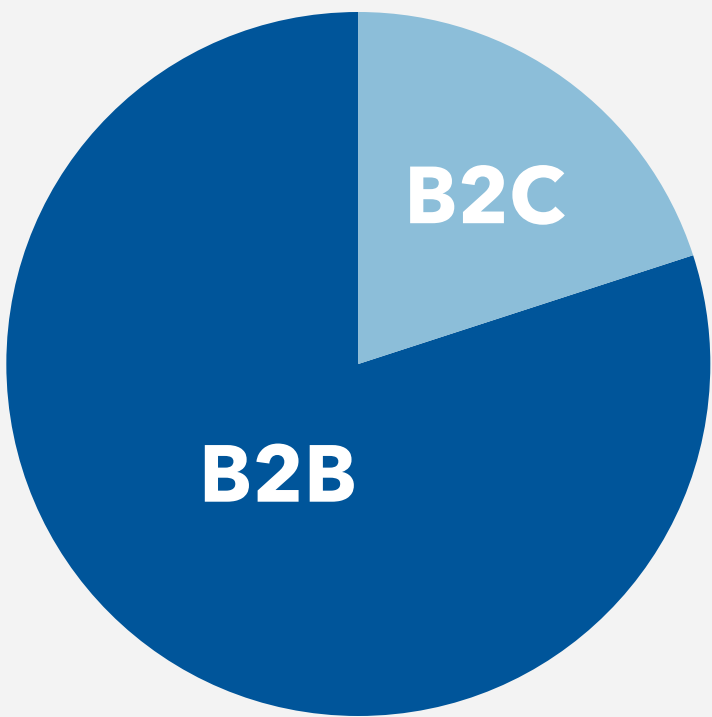
HOW WE MAKE MONEY

WE ARE A VALUE CHAIN PAYMENTS PROVIDER



CIRRALTO'S TYPICAL MERCHANT FEE IS 1.5% OF EVERY PAYMENT MADE BETWEEN THE PLAYERS

Consumer to Retailer	=	\$0.039
Retailer to Wholesaler	=	\$1.96
Wholesaler to Manufacturer	=	\$15.00

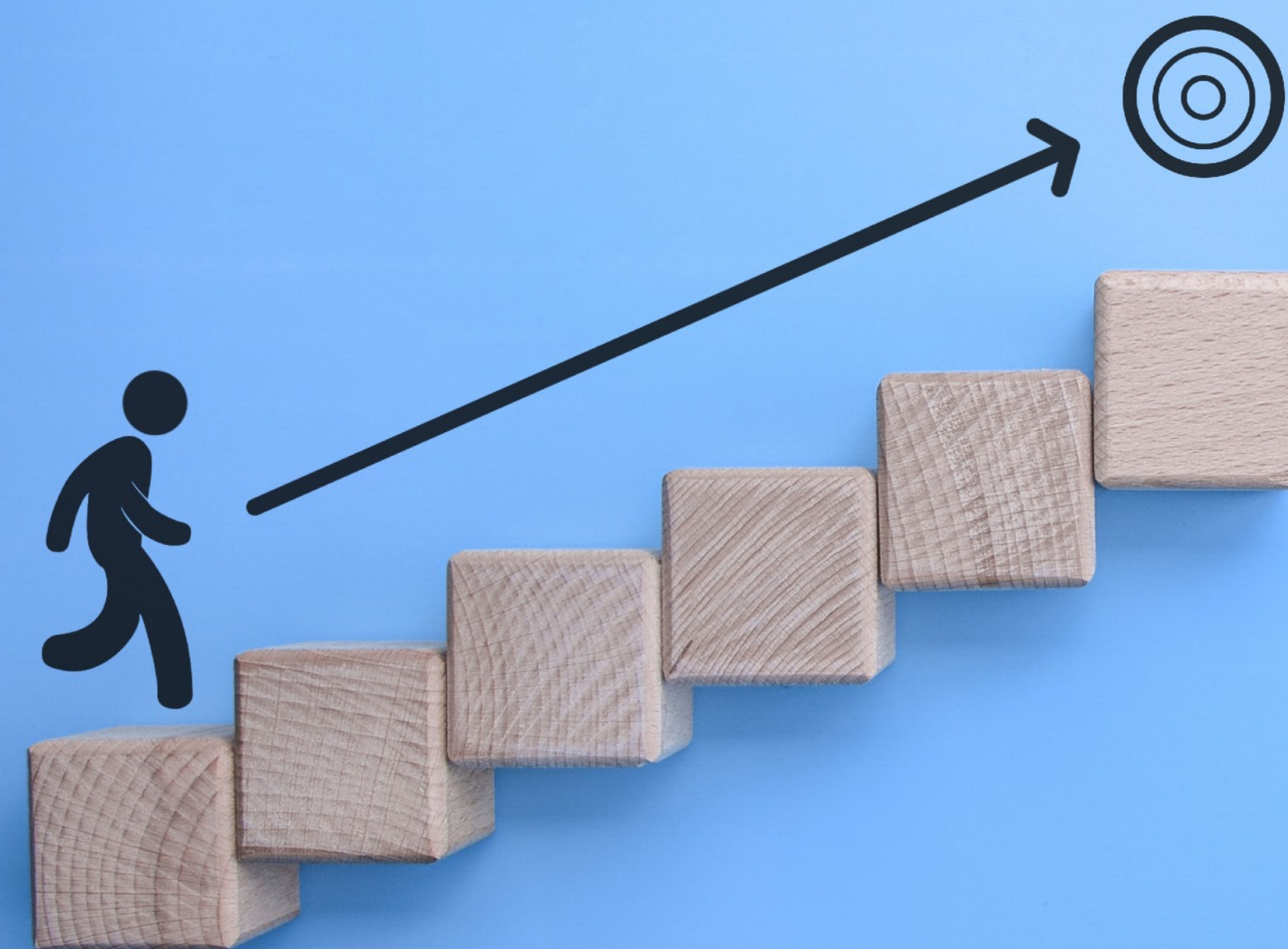


B2B DIGITAL PAYMENTS ARE ESTIMATED TO BE WORTH \$100BN ANNUALLY* IN AUSTRALIA

*<https://www.xero.com/small-business-insights/wp-content/uploads/2019/06/xsbi-report-paying-the-price.pdf>

03

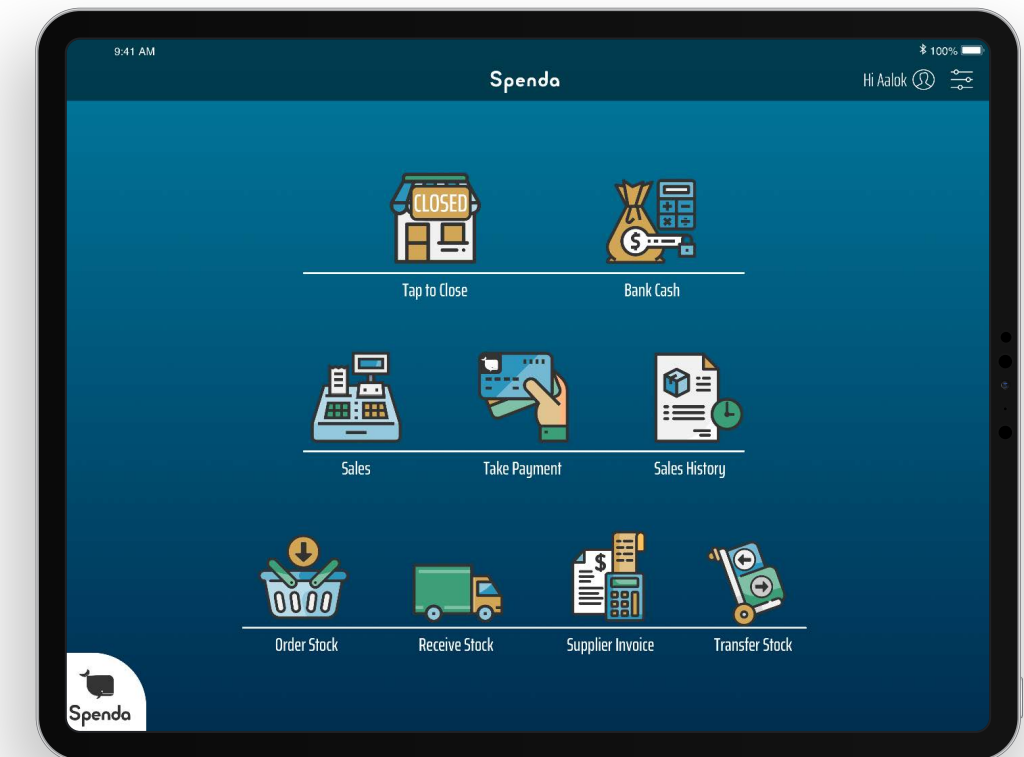
THE OPPORTUNITY



OUR COMPETITIVE ADVANTAGE

SAAS + PAYMENTS COMBINED

- Our payment solutions is horizontal in application, enabling us to focus on direct growth in recurring revenue from a broad cross-section of industries.
- While the payments space has a lot of players, most are focusing on the same slice of the market. The payment technology we have created allows us to focus on the B2B market which has very few advanced payment competitors.
- Given the diversity in both capability and industry application, the Company is being disciplined in its market approach with a clear focus on distributors in verticals with retailing customers that are a direct fit for our POS + eCommerce + payments bundles.
- Because our business model focuses on the revenue derived from our payment technology we can give all our software away for free whenever a business moves their payments to our platform.
- This creates a unique position in market and allows us to push the "Free with Payments" message to customers.



OUR PRODUCT SUITE

APPS DESIGNED TO STAND ALONE OR CONNECT TO FORM A COMPLETE ERA SYSTEM



Our cloud-based Point of Sale system allows businesses to quickly process a transaction while offering them complete access to an impressive data set.



A fully integrated payment solution that enables customers to make payments to any supplier via credit card or bank account.



An integrated Inventory Management solution that empowers businesses to view, track and control their products across multiple warehouses in real-time.



SpendaService is a customisable Field Service Management tool that allows businesses to control their entire internal operations from one location.



SpendaBuy is a procurement tool that automates the purchasing process and allows businesses to send purchase orders directly to their suppliers.



Complete business-to-business management software. Control sales and orders 24/7 with a simple, personalised user-experience and fast financial integration.



SpendaCollect is the crown in our payments stack and enables any business to collect debt from any customer.



Spenda-eCom provides your business with a highly functional online sales portal for customers to purchase goods and services.

Authorised by the Board of Directors



Registered Office
Suite 103, Level 1
2 Queen Street
Melbourne, VIC 3000

1300 682 108

shareholders@cirralto.com.au

cirralto.com.au

