

For personal use only



FEBRUARY 2021

CIRRALTO



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

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.

BPA - Business Payment Aggregator agreement . Announced on 14 December 2020 - Cirralto signs a BPA Agreement with Fiserv and MasterCard.

BPSP - Business Payment Solution Provider agreement. Announced on 07 December 2020 - Cirralto Enters into a Business Payment Solution Agreement with Fiserv and Visa.

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

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

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.

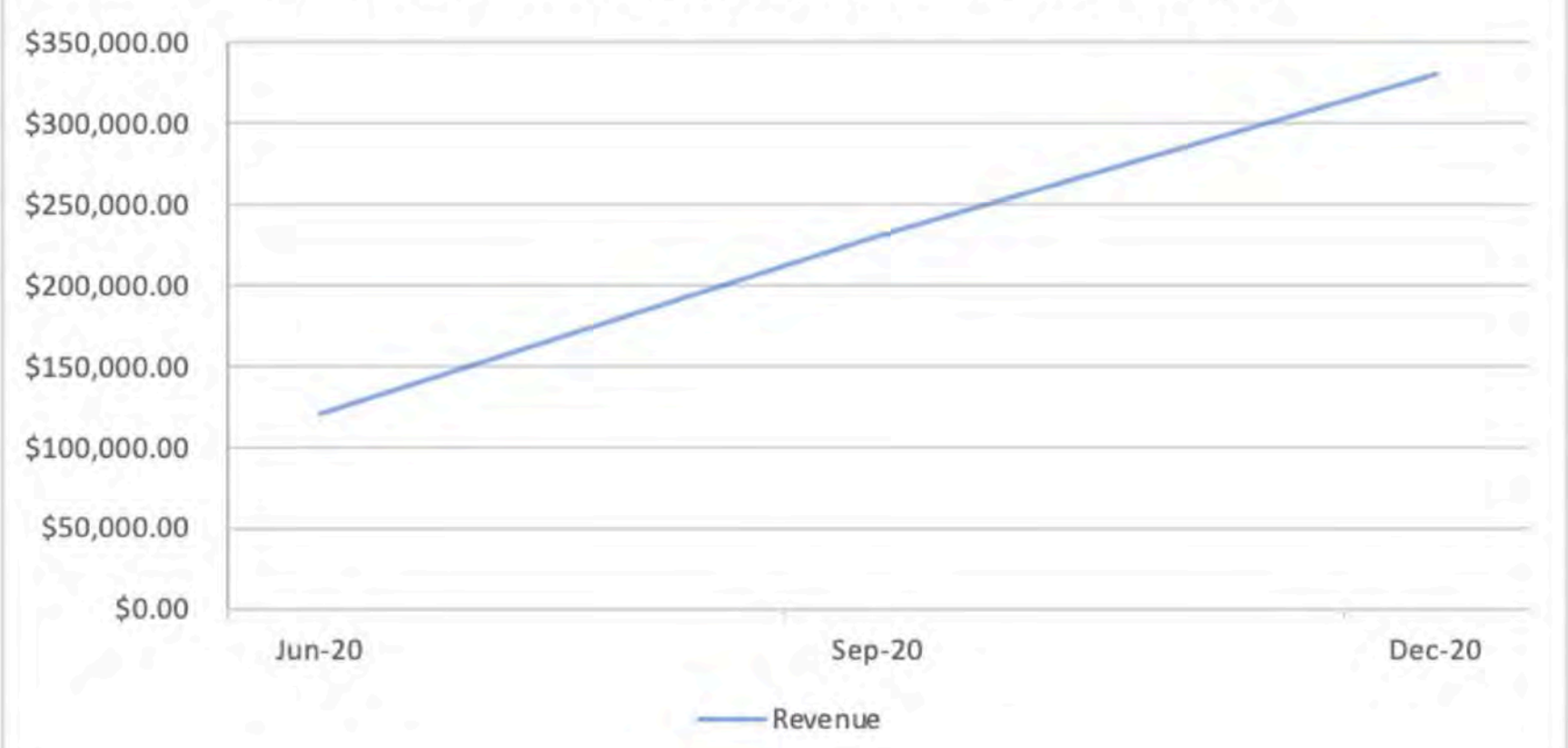
01

QUARTERLY RESULTS

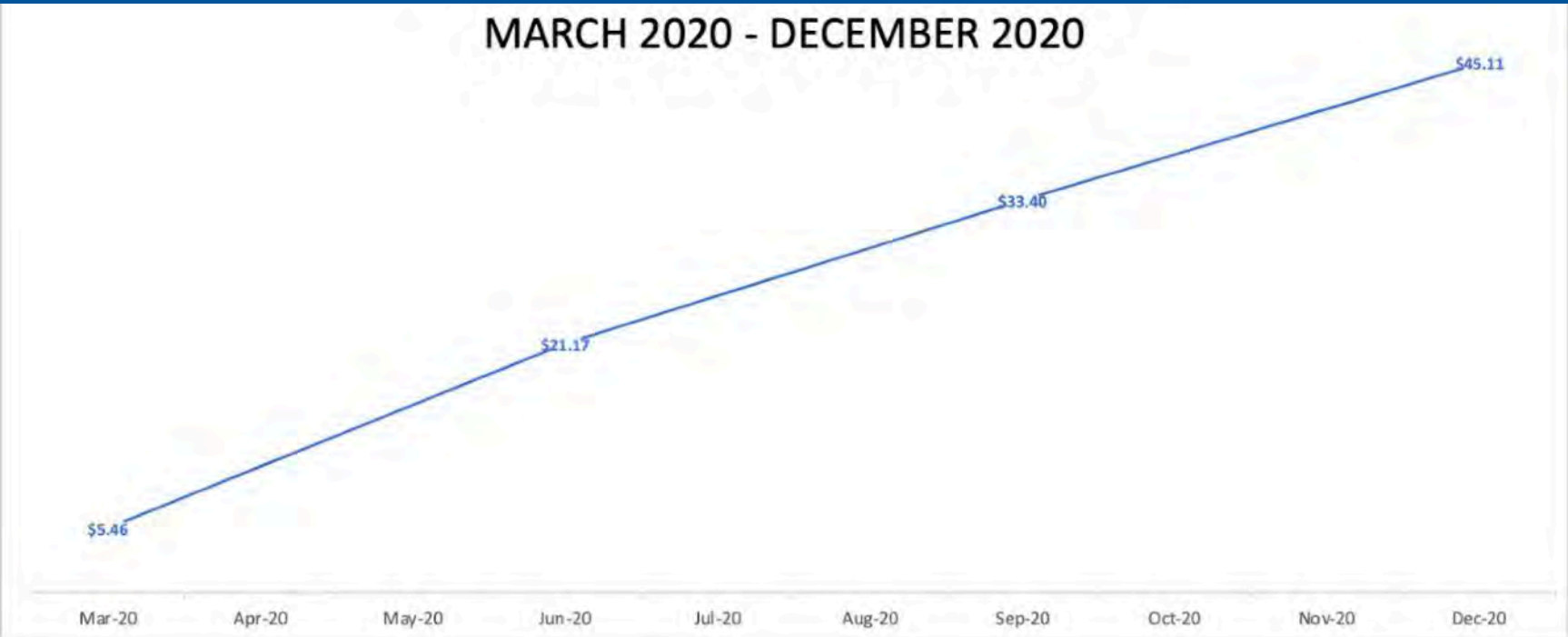


QTR REVENUE AND SHARE PRICE PERFORMANCE

CRO QUARTERLY UNAUDITED REVENUE GROWTH



CRO 2020 ARPU GROWTH

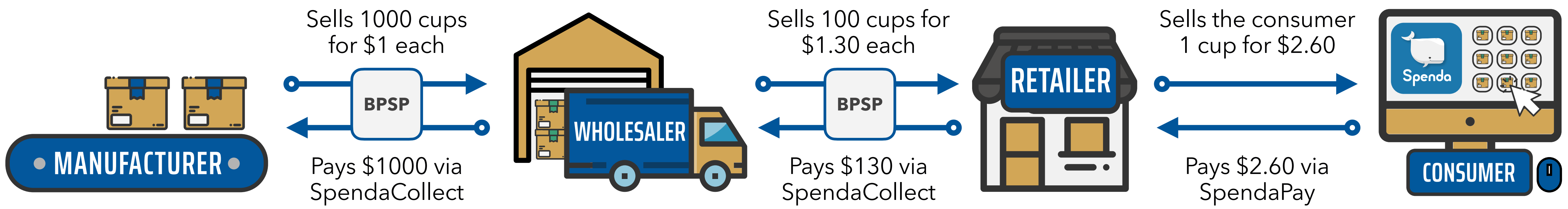


SHARE PRICE PERFORMANCE



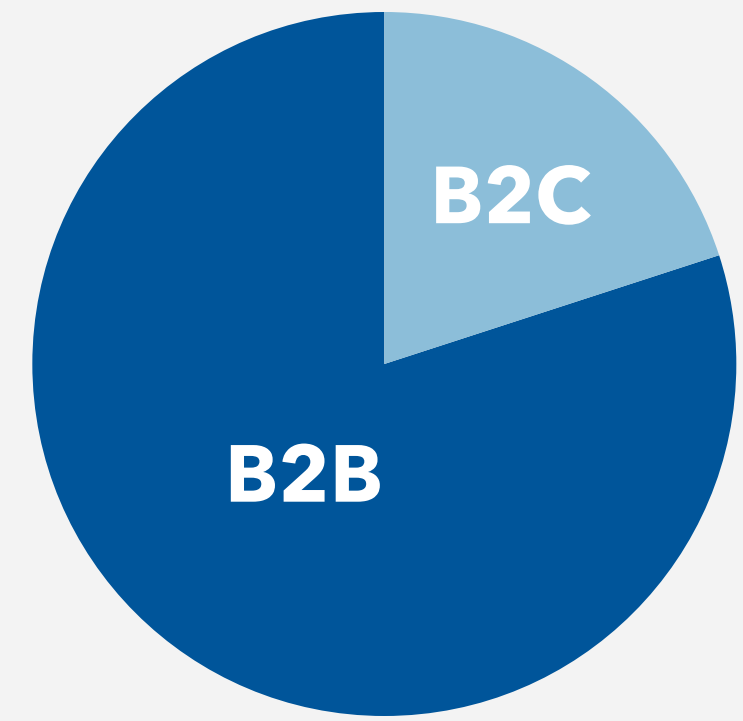
HOW WE MAKE MONEY

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



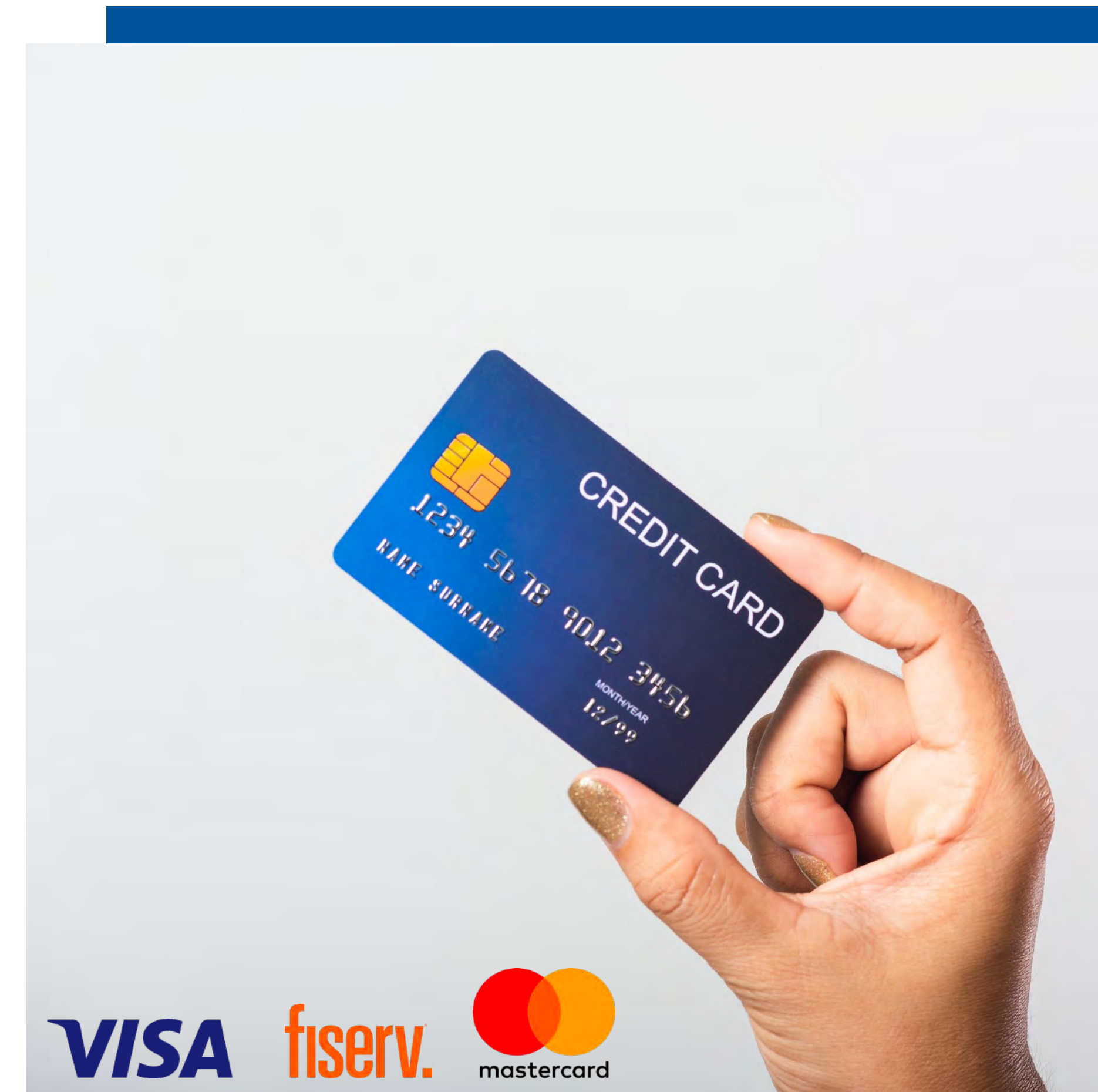
B2B DIGITAL PAYMENTS ARE ESTIMATED TO BE WORTH \$100BN ANNUALLY* IN AUSTRALIA

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

COMMERCIAL IMPACT OF THE BPSP/BPA

CIRRALTO SIGNS BPSP/BPA AGREEMENT WITH FISERV AND VISA AND MASTERCARD

- Incorporates a strategic merchant rate with will increase Cirralto's margins on digital payments by up to 40%.
- Increase ARPU immediately due to this increase in margin.
- Changes how we authenticate the user relationship so that we can onboard users faster.
- Allows the Company to acquire customers more efficiently.
- Brings more business through the card networks by allowing;
 - Batch payments
 - True collaboration on accounts receivables and accounts payable between two businesses
 - Improving settlement times with improved bill presentment.



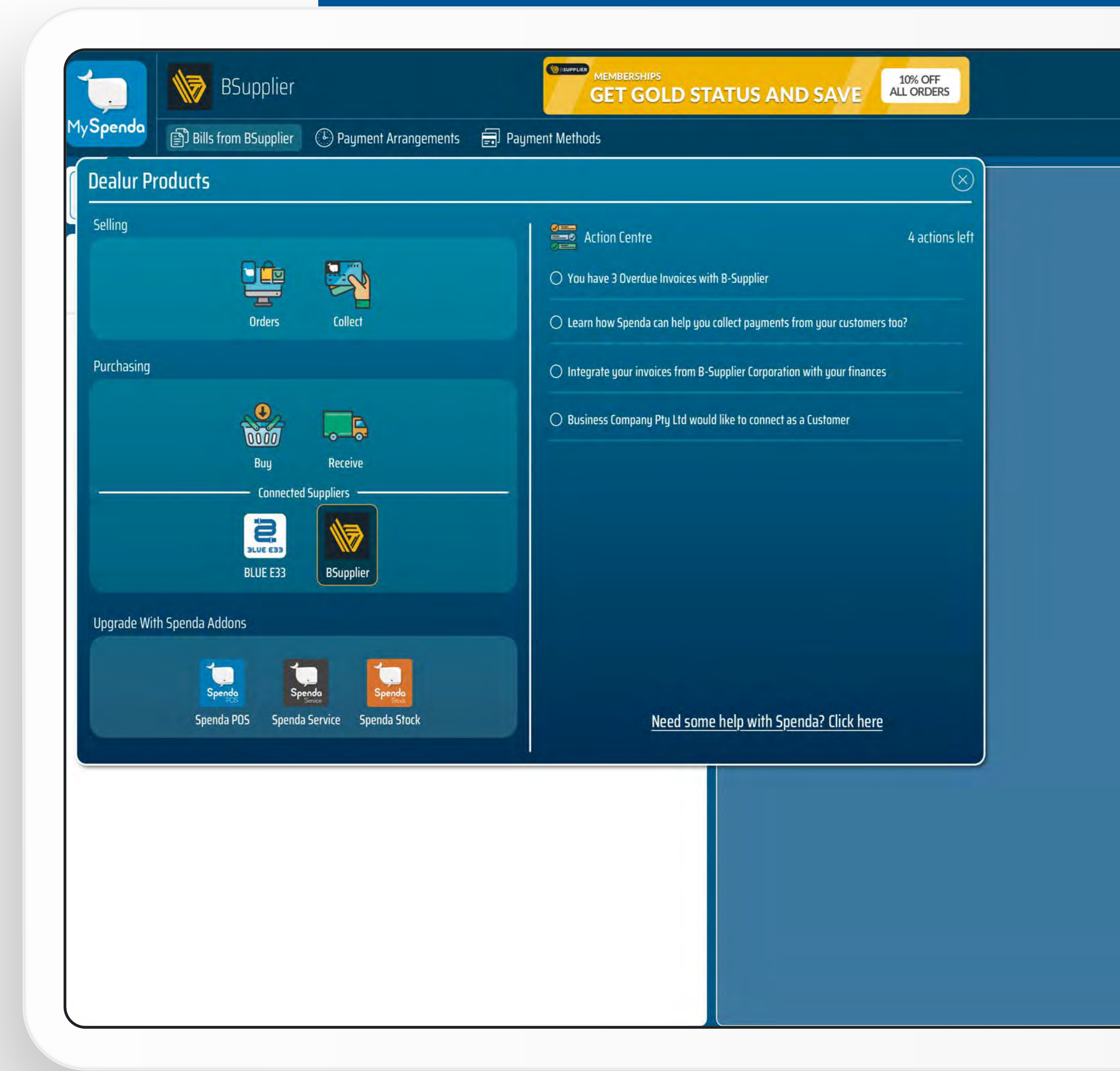
IMPROVED BILL PRESENTMENT

A POWERFUL NEW INTERFACE FOR B2B AND B2C BUSINESSES

- Better bill presentment options (choose to view and pay a single or all invoices in one place).
- Flexible payment options allowing customers to pay via credit card or bank transfer, and save the payment preference.
- Pay multiple invoices in one transaction.
- Faster payment settlement.
- Lower payment processing fees (1% up to 75 cents for bank transfers and 1.5% with no cap on card payments).
- Fewer errors with data collected and integrated automatically across systems.

04

INTRODUCING MYSPENDA



MYSPENDA



WHERE WE GO FROM HERE

WHAT TO EXPECT IN THE QUARTER



FEBRUARY

- Test the BPSP and BPA services and process at least \$1m in transactions by value through the platform using a variety of customer scenarios to confirm end-to-end system performance and scaling.
- Advance our relationships with the global card schemes.

MARCH

- Complete the acquisition of Appstablishment.
- Launch the BPSP / BPA services through the Spenda payments platform with the following Customer solutions;
 - Payment driven Bill Presentment & invoicing
 - Pay-By-Link
- Continue customer and ARPU growth from previous quarters.

APRIL

- Launch the Spenda Quote-to-Pay services.
- Look at new acquisition opportunities.

05

Q&A'S



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



SUPPLEMENTARY INFORMATION

COMPANY OVERVIEW	13
OUR PRODUCTS	15
TODAYS PAYMENT PROBLEM	16
SOLVING BUSINESS PAIN POINTS	18

02

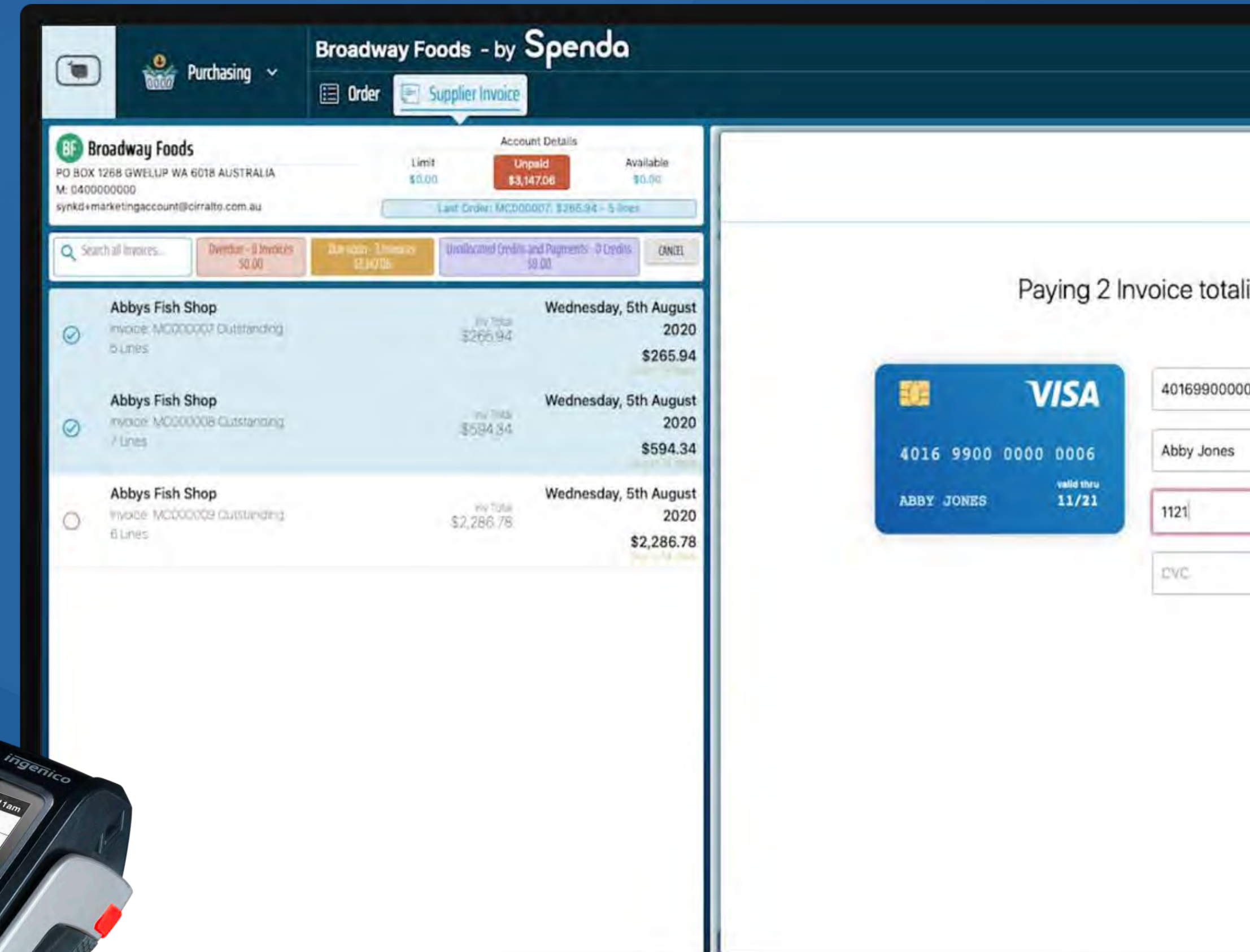
COMPANY OVERVIEW



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.
- Our payments systems solves the inefficiencies between buyers and sellers when they create, share, record and pay invoices.

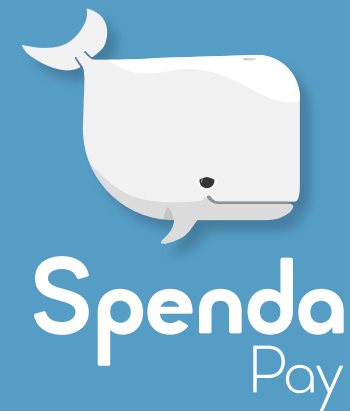


OUR PRODUCT SUITE

APPS DESIGNED TO STAND ALONE OR CONNECT TO FORM A COMPLETE EPA 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.

03

TODAYS BUSINESS PAYMENT PROBLEM

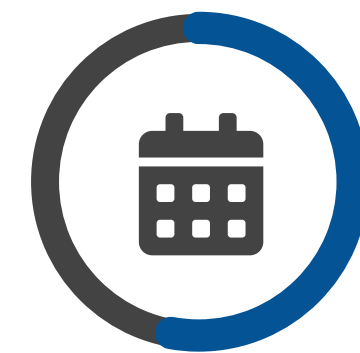


B2B PAYMENTS NOW

HOW BUSINESSES CURRENTLY PAY EACH OTHER

- Today, B2B payments only integrate partially for either the payer or the payee but never both players simultaneously.
- Payments are generally made manually and administered 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.
- Late or incorrect payments impact overall business growth.
 - SMEs spend an average of 12 days per year chasing late payments*
 - Late payments create cash flow issues

Did you know



53%

of all invoices are *paid late*.



20%

are the *wrong amount entirely*.



20%

are paid to the *wrong account*.

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

<https://www.marshallfreeman.com.au/blog/how-long-do-you-have-to-recover-debts/#:~:text=The%20Ombudsman's%20office%20also%20estimates,you%20have%20to%20recover%20debts%3F>

SOLVING BUSINESS PAIN POINTS

For personal use only



SYSTEMS

- Isolated systems
- Manual data entry



PROCESSES

Inefficient business processes waste time and money



PAYMENT OPTIONS

- B2B payments as a discreet service
- No or partial integration



LATE PAYMENTS AND CASHFLOW

- Cashflow is the leading cause of business failure
- Late payments and uncertainty in debt recovery significantly contribute to cash flow problems in SMEs.