

ASX Release

27 March 2023

Non-Deal Roadshow – Singapore and Hong Kong

Spenda Limited (ASX: SPX, “Spenda” or “the Company”) is pleased to release an updated presentation to the market in advance of a non-deal roadshow in Singapore and Hong Kong.

Company representatives are conducting a non-deal roadshow in Singapore on the 28 March 2023 and Hong Kong on 29 and 30 March 2023. The accompanying presentation will be used during these meetings. The purpose of the roadshow is to increase awareness of the Company and its unique product offering to various parties in Singapore, Hong Kong, and more widely into Asia.

The Company intends to use this presentation as part of its broader Investor Relations plan to both improve shareholder communication and promote the Company’s unique value proposition.

- ENDS -

About Spenda

Spenda Limited (ASX: SPX) is a transaction services business supplying industries with a broad range of B2B payment services, digital trading software and integrated solutions. Our goal is to convert EFT payments to card payments utilising the BPSP engagement coupled with our payments collaboration framework. Our competitive advantages deliver customers end-to-end e-invoicing integration, rapid ordering, digital trust and automated reconciliation.

Spenda supplies its customers a recipe of integrated software to create a vertical market standard operating environment (SOE) that enables the effective and seamless transfer of data from multiple, disparate software systems in one standardised technology solution, such as SpendaRetail. Spenda has licensing agreements with third-party software vendors that enable it to provide integrated SOE solutions to its customers.



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For investors seeking information on the Company's activities that relate to marketing, customer events and other acknowledgement of customer activities, this information will be posted to the Company's news section of the website and on social media channels with the handle #getSpenda, active on Twitter, LinkedIn, Instagram and Facebook.

For more information, see <https://spenda.co/investor-centre/>

This announcement has been authorised by the Board.

Investor Enquiries

Please email: investors@spenda.co



Investor Presentation

Spenda Limited (the Company)
ASX:SPX

March 2023

ASX:SPX

Disclaimer

This presentation contains certain statements that may constitute forward looking information under applicable securities laws. All statements, other than those of historical fact, which address activities, events, outcomes, results, developments, performance or achievements that Spendia anticipates or expects may or will occur in the future (in whole or in part) should be considered forward looking information. In some cases, forward looking information is identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intent", "may", "plan", "predict", "project", "will", "would", and similar terms and phrases, including references to assumptions. Such information may involve, but is not limited to comments with respect to expectations, planned operations or future actions.

These forward looking statements are based on currently available information as of the date of this presentation but are subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those expressed or implied by such forward looking information. The forward looking information contained in this presentation is expressly qualified by this cautionary statement.

A number of risks, uncertainties and other factors could cause actual results to differ materially from the results discussed in the forward looking information, including but not limited to, the following:

- Risks associated with reliance on key personnel;
- Financial health of Spendia 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;
- Risks associated with the development of projects;
- Changes in employee relations; and control of costs and expenses.

The material in this presentation is general information about Spendia's activities current as at the date of the presentation. The presentation comprises information regarding Spendia that is given in summary form and does not purport to be complete. Nothing in this presentation should be construed as a recommendation by Spendia to purchase securities, or an offer for subscription or purchase of securities. Information in this presentation should not be considered advice and does not take into account the investment objectives, financial situation or needs of a particular investor. These matters should be considered with or without professional advice when deciding if an investment is appropriate.

Forward looking information reflects Spendia's current beliefs and is based on information currently available to Spendia and on assumptions it believes to be reasonable. The forward looking information is made as of the date of this presentation. Prospective investors should not read forward looking information as guarantees of future performance or results and should not place undue reliance on forward looking information. Nothing in this presentation is, or should be relied upon as, a promise or representation as to the future.

All references to currency are in AUD unless otherwise specified.

A next generation integrated payment and lending platform

- Experienced Board and Executive Leadership Team, with diverse skillsets in the key areas of software integration, payments and lending.
- Horizontal **payments** and **lending** solutions, relevant to any business who needs to make or receive a payment.
- We charge a percentage of fees whenever we process a payment or lend, plus a recurring subscription fee for our software and integration services.

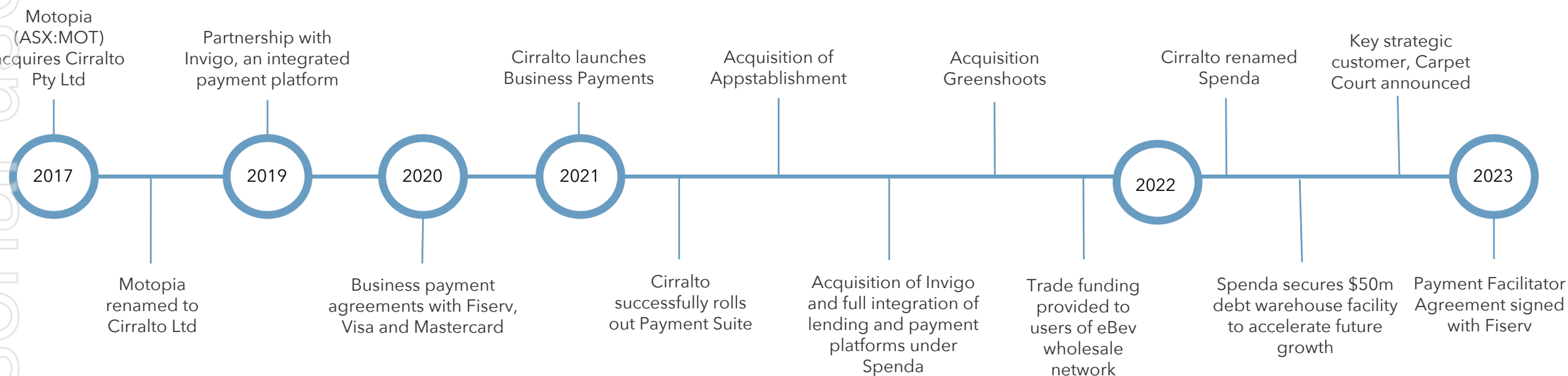


Achievements to date: laying the foundations

Activity	Rationale
Acquisition of Appstablishment Software Group Pty Ltd	Direct ownership of key proprietary software (commonly referred to as the Spenda Product suite) and Intellectual Property. Bolster Payments expertise and capabilities
Acquisition of Invigo Pty Ltd	Bolster Lending expertise and capabilities, including an established loan book and established client base
Acquisition of Greenshoots Technology Pty Ltd	Acquire e-Commerce software platform and related Intellectual Property. Bolster depth in Development team
The acquisitions undertaken and consolidation of the four synergistic businesses into a single enlarged entity, positions the Company to offer a novel blend of services to businesses that incorporate Payments, SaaS and Non-Bank Lending	
Establishment of debt warehouse facility	To provide capital to accelerate its ongoing business growth
Signing Payment Facilitator Agreement with First Data Merchant Services Australia Pty Ltd	Reduction in Spenda's acquiring costs which translates into an increase in the Company's NET payment margins, and an improvement to the Customer onboarding experience
Release of Spenda Wallet as a companion app to Spenda's Accounts Payable product	Delivering significant improvements in the Accounts Payable processing time for businesses, improving payment security and unlocking more payment options for businesses
Rollout of Spenda Platform to key strategic customers	Scale revenue through the rollout of the Spenda Platform to customers, including Carpet Court as announced in Dec 2022

History

Spenda started out as a pure Software as a Service (SaaS) business and has evolved into a B2B and B2C fintech player offering a suite of supply chain software, payment and lending solutions.



Business Problems

Business Digitization

- SME business spend roughly 520 hours per year on manual accounting and administrative tasks.¹
- It costs three times more to process a paper or PDF invoice when compared to an e-invoice.²
- More than 53% of B2B receivables in Australia are paid late.³
- Businesses spend 74% more time and resources on traditional invoicing and payment practices.⁴

Poor Cash Flow

- 76% of small businesses expect cash flow crisis before FY24.⁵
- Around 5 to 7 stakeholders usually approve payment before an invoice is processed.⁶

We solve it through a recipe of:

Software

- A fully integrated platform that provides a secure system to transact at any point in the supply chain.
- Ledger-to-ledger integration capabilities automatically reconciling transactions into the respective ledgers of the Buyer and Seller.
- Enables full automation of payments and eInvoicing saving time and money on these functions.

Lending

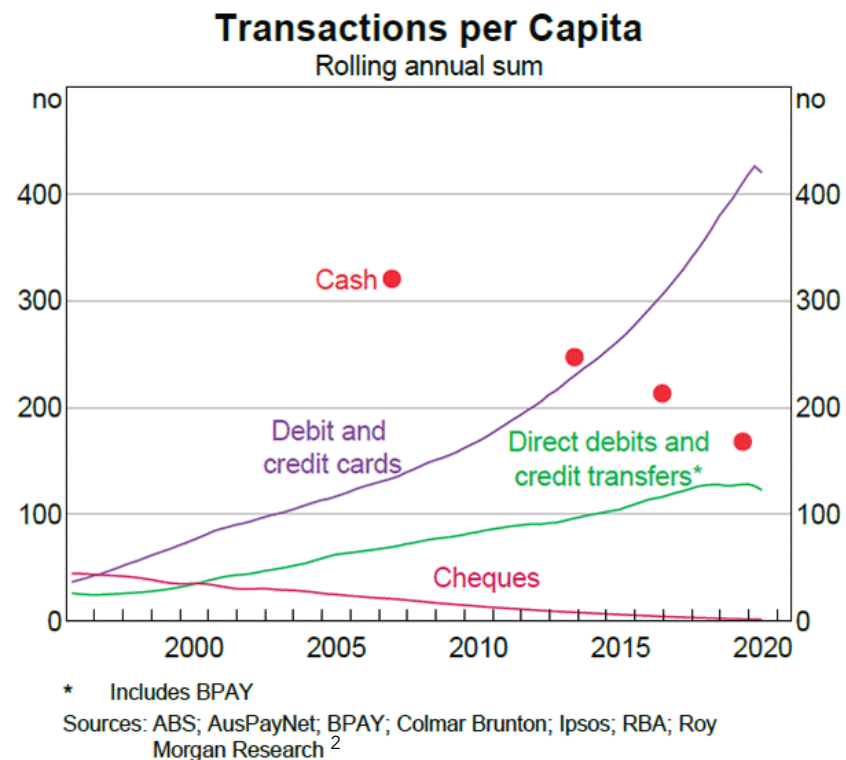
- Financial services and non-bank lending on-demand.

Payments

- Scalable and secure payment solutions.
- Eftpos, Debit, Credit Card, Account to Account.
- eCommerce payment widget.
- Pay-by-link technology.

Macro Drivers

- COVID spurred a rapid automation and digitisation of B2B payments systems.
- Existing platforms lack ledger-to-ledger integration and data entry automation. Spenda's product suite reduces costly errors and improves efficiency.
- Increasing fintech adoption by SMEs and desire to move from legacy systems has created a growing addressable market.
- Tighter capital requirements and other post GFC regulatory changes impacting major banks has allowed significant development of the non-bank finance market.
- Unique dataset from the Spenda platform allows for targeted non-bank lending and trade finance offers to be delivered to customers to further drive revenue growth.
- 65 per cent of Australian credit managers said they were tightening collections in 2022, compared to 53 per cent in 2021¹



Competitive Advantage

- Giving businesses a real-time view of cash inflows and outflows.
- Providing cost-saving benefits that automate tasks and take the burden out of chasing late payments, sending quotes and invoices, and collecting payments.
- Strengthening cash flow for both trading partners.

Seller Benefits

- Faster flow of funds (delivered through our payment infrastructure)
- Improved liquidity with instant payment options (delivered through access to capital)
- Improved business efficiency (delivered through our SaaS – predominantly Accounts Receivable)



Buyer Benefits

- Improved payment flexibility (delivered through our payment infrastructure)
- Improved cash flow with access to point-of-activity lending (delivered through access to capital)
- Improved business efficiency (delivered through our SaaS – predominantly Accounts Payable)



Competitors mainly operate in a narrow segment, either offering SaaS, Payments or Lending. Spenda offers a holistic solution that incorporates payments services and lending solutions in a single platform - we don't just provide capital, process payments or provide business software, we have monetized the whole supply-chain, managing the complete sales cycle and the series of events that occur before and after a transaction.

The Spenda Solution

Our ability to fund across a value chain and provide liquidity at layers from retail to primary production is our competitive advantage.



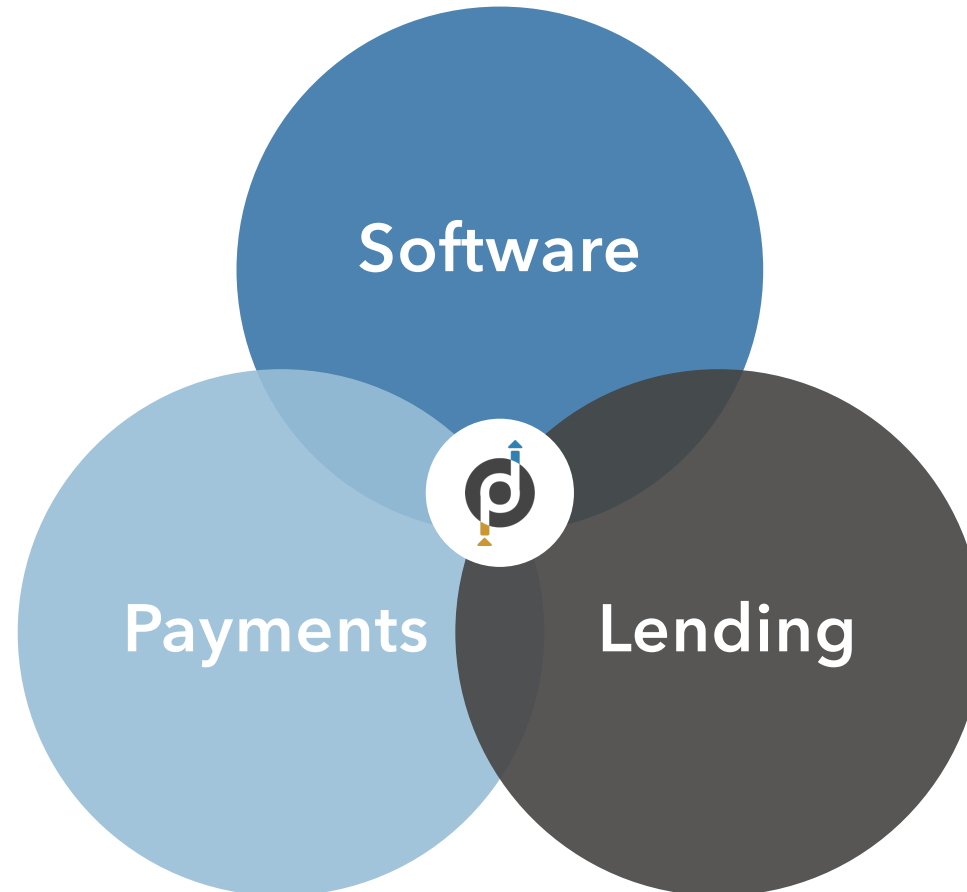
Spenda Platform

Enables businesses to transact with fast, error-free digital efficiency and to boost cash flow across the entire supply chain.



Payments

Spenda has transformed the business from a pure software subscription model to a transactional fee-based SaaS business that allows the company gain a greater share of customer transaction values at both B2B and B2C levels



Software

Spenda operates a SaaS model for licensing of the components of the Spenda platform. Businesses have several ways to take up the service with the ability to choose which modules will be turned on.

Lending

Utilising the ledger-to-ledger dataset provided by these transactions, Spenda has a clear view of its customers' underlying cashflows allowing Spenda to offer on-demand lending, early settlement discounts and trade finance for further revenue growth.

Market Potential

Australia

- Spenda's software is industry agnostic, however, to demonstrate one segments market potential, these statistics consider the number of Franchises in Australia which flows onto the Case Study example and revenue matrix on the following slides.⁶



1,100
Franchisors



65,000
Franchise Units

Market size of \$174 billion in 2023⁷

Asia Pacific

- Leveraging the Mastercard relationship to enter the Asia Pacific region through food security and Australian produce exporters.
- The APAC region experienced the highest growth in B2B payments in 2020, driven by an increased adoption of virtual credit and debit cards across businesses.¹
- B2B payments has a forecast Compound Annual Growth Rate of 11.6% from 2021 to 2028 – the fastest in the world.¹
- Yet, 52% of B2B invoices continue to be paid late.⁴
- Contactless payments increase by 60% throughout COVID-19.⁵

Global



Globally, the B2B payment market is projected to reach
\$1.91 trillion
by 2028.¹



Global virtual card transaction value is projected to reach
\$6.8 trillion
by 2026.²

2 out of 3

businesses prefer implementing a single integrated payments solution instead of several fragmented solutions.³

Case Study - Supply Chain Players

Spenda's fully integrated software platform is industry agnostic, however, this example considers a Franchise Group and demonstrates the Company's Node to Spoke strategy.



SPOKES

NODE

SPOKES

Supply chain players

End Consumer

Stores (Franchisee)

Head Office (Franchisor)

Suppliers

Example numbers

10,000 Consumers

200 Stores

1 Franchisor

75 Suppliers

Indicative payment flow volumes

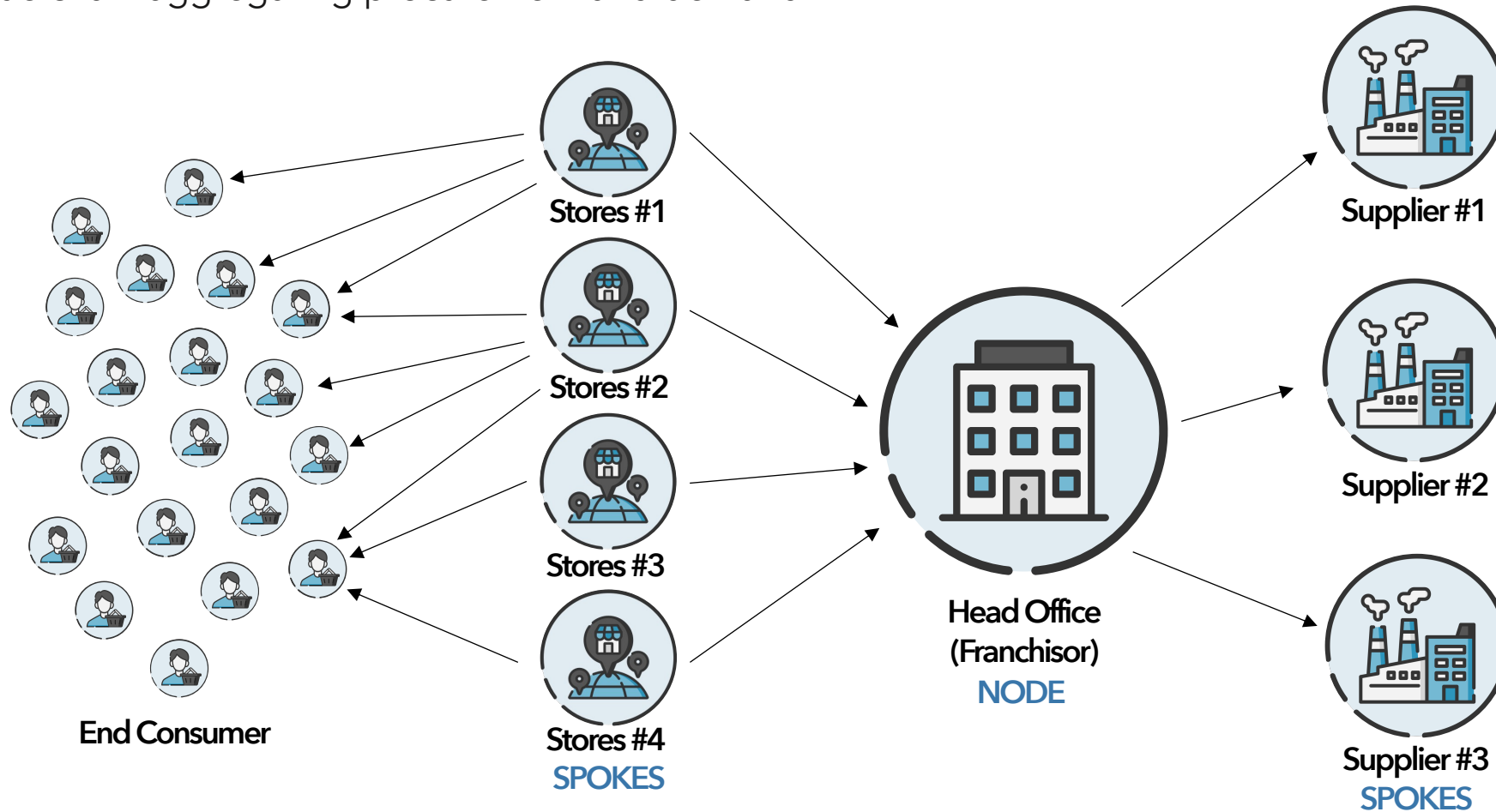
\$40m per/month
in payments from End
Consumers to Stores

\$21m per/month
in payments from Stores
to Head Office

\$20m per/month
in payments from Head
Office to Suppliers

Case Study - Node to Spoke Strategy

Spenda are pursuing a 'Node to Spoke' strategy, focusing on the acquisition of conduit partner (i.e. Franchisor) who sit in the value chain aggregating procurement and demand.



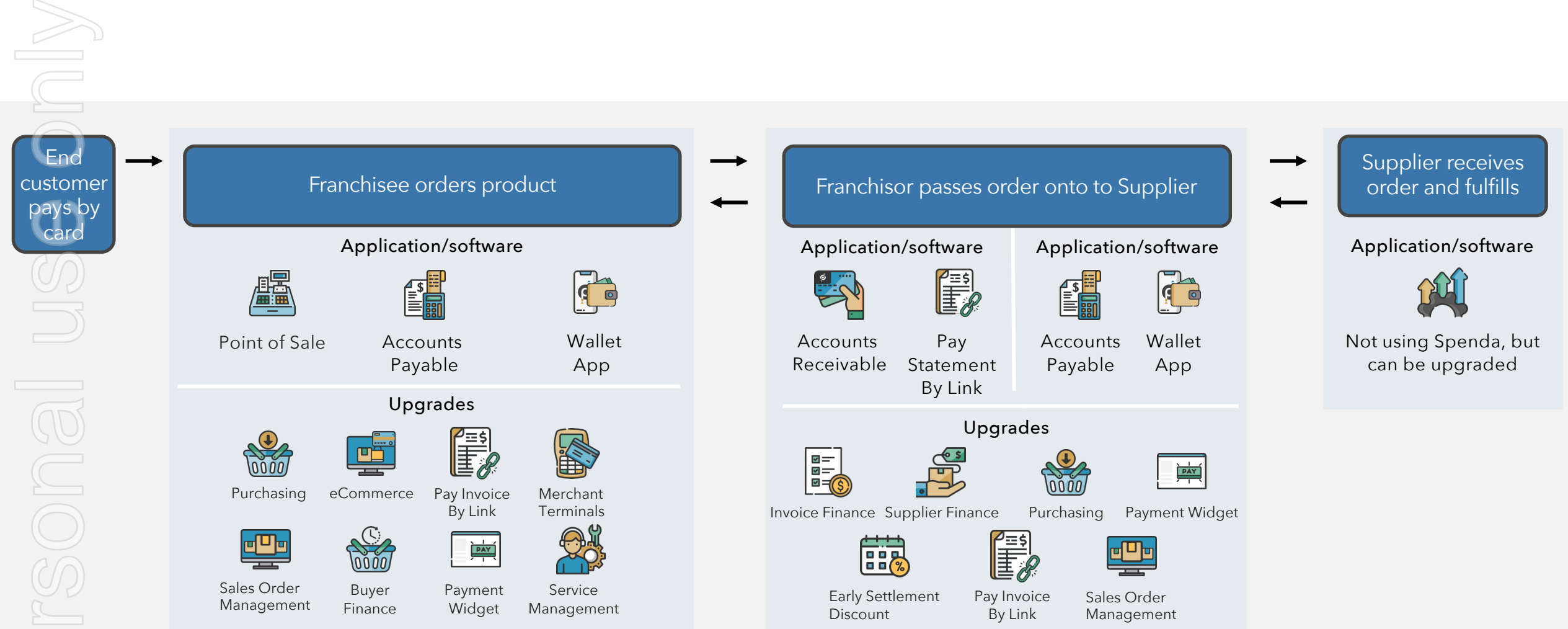
Case Study - Revenue Matrix

We charge a percentage of fees whenever we process a payment or lend, plus a fixed fee for our integration and software services.

Opportunity	Transaction Flow	Product used	Revenue Stream					
			SaaS fees		Payments		Lending	
1	Store payments to Head Office	Spenda Accounts Receivable	✓	Fixed monthly fee	✓	EFT - fixed fee per invoice processed Card - % of payment	✗	N/A
2	Extended credit to the Stores on payments to Head Office	Buyer Finance	✗	N/A	✗	N/A	✓	<ul style="list-style-type: none"> Offering extended credit on invoices paid to HO Revolving Working Capital Facility Repaid by instalments
3	Purchases made by the End Consumer at the Store	Spenda Point of Sale Merchant terminals	✓	Fixed monthly fee	✓	Card - % of payment	✗	N/A
4	Head Office payments to their Suppliers	Spenda Accounts Payable	✓	Fixed monthly fee	✓	EFT - fixed fee per invoice processed Card - % of payment	✗	N/A
5	Early Settlement Discounts offered to Suppliers by the Head Office	Early Settlement Discount	✗	N/A	✗	N/A	✓	<ul style="list-style-type: none"> Spenda credit used to pay Supplier early to obtain an Early Settlement Discount

Case Study - Value Chain Benefits

Spenda's broad range of products and services offers multiple upsell to the Node and Spokes to further drive selling, payments and lending to the next layer in the supply chain.



Financial Highlights (HY FY23)

Twelve quarters of consistent growth have created a platform for the business to scale.

\$1.5m

Cash Receipts from Customers
Up 49% from HY FY22



\$1.3m

Revenue from ordinary activities
Up 43% from HY FY22



\$4.3m

Cash and cash equivalents

\$13.4m

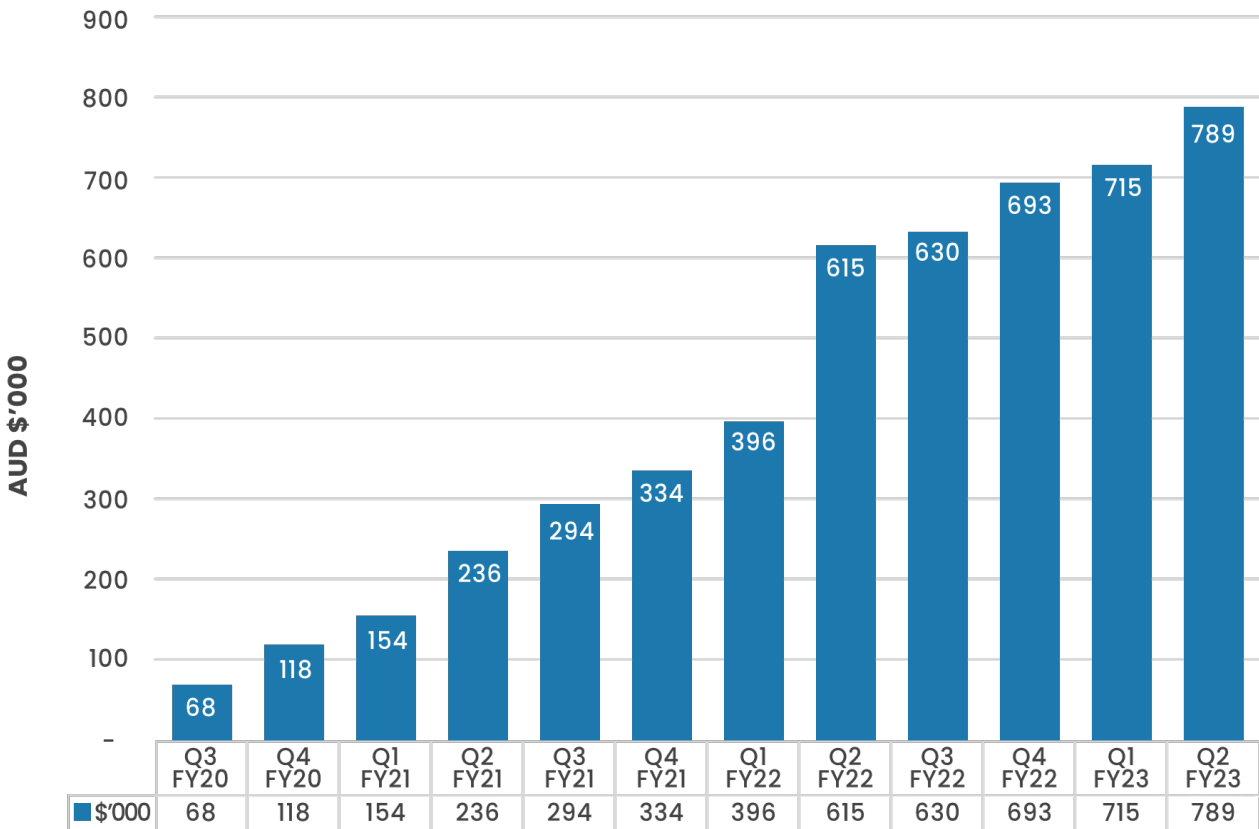
Loan Portfolio (gross)

\$9.0m

Funds drawn from debt facility

\$4.4m

Loan Portfolio (net)



Cash Receipts from Customers by Quarter

The Company is at a true inflection point and has a very focused growth strategy that is designed to move the Company towards cashflow positivity.

The Company's primary focus is to scale revenue through the deployment of its services to new and existing customers with key strategic focus on;

- Continuing to implement the software, payment and lending recipes that we have been delivering to customers in our recent history.
- Unlocking new revenue streams including export finance and cross border payments from Australia's Agriculture and Mining industries.
- Continuing to deliver revenue growth in both payment volumes and drawing further funds from the debt warehouse to deploy to customers.



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Authorised by the Board



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Supplementary Information

Board and Executive Leadership Team

Board



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Non-Executive Chairman

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Non-Executive Director

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Capital Structure and Share Performance

Capital Structure

Share Price (16-Mar-2023)	A\$/sh	0.012
Shares on issue	m	3,263
Market Capitalisation	A\$m	39.2
Cash (31-Dec-2022)	A\$m	(4.3)
Debt (31-Dec-2022)	A\$m	9.0
Enterprise Value	A\$m	43.9

Historical Share Price and Trading Volumes

