

ASX Release

27 December 2023

Spenda partners with eBev to offer integrated payments solutions across the hospitality supply chain

Key Highlights

- **Integrated payments solutions across the supply chain:** eBev is a software provider with a platform that enables licensed premises to order alcoholic beverages from eBev's approved catalogue. Spenda and eBev will offer unique integrated payments solutions across the eBev marketplace, which includes stakeholders across the hospitality supply chain.
- **First phase of rollout to 100 initial clients:** This agreement outlines the first phase of the commercial rollout of the integrated payments solutions to 100 initial clients over three months.
- **Multiple revenue streams:** Spenda will generate revenue from SaaS fees, B2C payment fees from retailer POS terminals, as well as B2B card-blended finance revenue, enabled by AirPlus, across the supply chain. Conditional upon successful rollout of the first phase, Spenda expects to earn annualised revenue of \$800k.
- **Significant revenue potential:** eBev has over 2,500 licensed premises (buyers) purchasing through its platform with over \$13.6 billion in B2C and B2B payments through the end to end ecosystem annually. Upon completion of the full commercial rollout, Spenda expects to generate a blended net revenue margin of 2-4% across the eBev marketplace on transactions that utilise Spenda's payments solutions.
- **Scale up in 2H FY24 and FY25:** The first phase of the rollout to 100 eBev customers is expected to start in early 2024 and take three months. Following the successful completion of the first phase, Spenda expects to scale its integrated solution to eBev's broader client base in 2H FY24 and FY25.

Spenda Limited (**ASX: SPX**, "**Spenda**" or "**the Company**"), an innovative software company providing electronic payment solutions across a supply chain or trading networks, is pleased to announce that it has entered into a binding Memorandum of Understanding (MOU) with eBev Pty Ltd ("eBev"), to provide integrated payments solutions across the eBev marketplace, which encapsulates the entire supply chain from the distributor, to licensed premises and through to the end-consumer.



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eBev.com (eBev) is a software provider with a platform that enables licensed premises to order alcoholic beverages from eBev's approved catalogue. eBev has over 2,500 licensed premises (buyers) purchasing through its platform on a regular basis. eBev has a catalogue of approximately 70,000 products from 12,000 beverage producers and 800 distributors. eBev's ecosystem and its customers' process \$13.6 billion in B2B and B2C transactions annually.

Spenda will integrate its Pay-Statement-By-Link (PSBL) and Accounts Payable (AP) payments solutions into the eBev platform across the hospitality supply chain. eBev and Spenda will supply licensed premises with merchant services that enable them to take B2C payments via both physical and virtual terminals, as well as e-invoicing services and payment services. In addition, licensed premises will, subject to credit approval, have access to card-blended finance (trade) accounts using Spenda's lending and card blended finance, which will enable them to purchase goods from the eBev platform on standard statement terms, via the Spenda Pay-Statement-By-Link product.

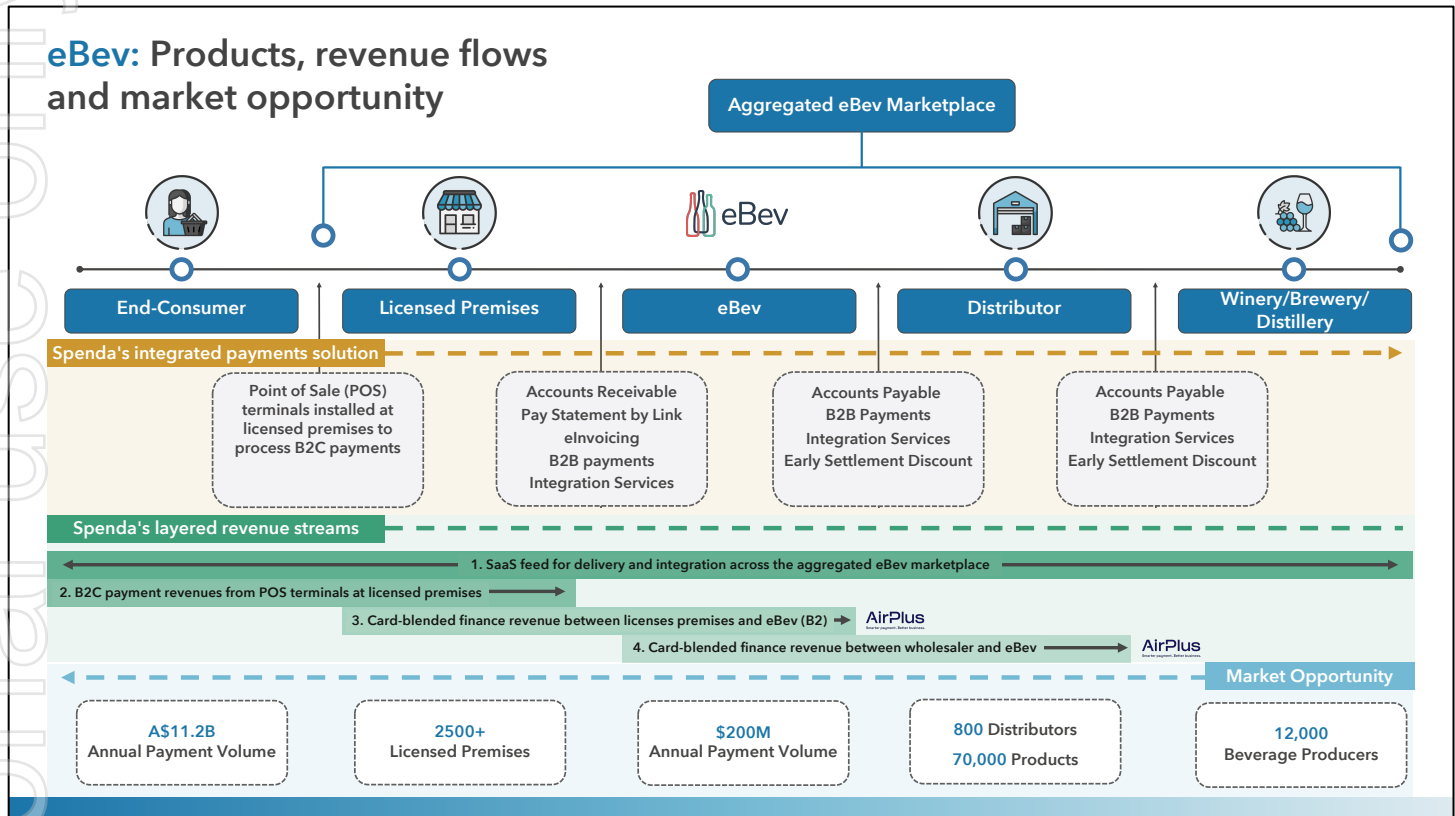
Spenda, through with its partner AirPlus (see ASX announcement on 8 November 2023), will provide extended terms of trade to eBev customers through the provision of pre-approved virtual Mastercards (card-blended trade finance). Card-blended trade finance is complementary to the Company's current debt funding structure and constitutes a new lending service embedded on the eBev platform, which does not require first loss capital, thus enabling Spenda to scale rapidly into larger facilities, cross-border opportunities and the delivery of international services.

The diagram below shows the multiple revenue streams expected in the partnership with eBev:

1. SaaS fees for delivery and integration across the aggregated eBev marketplace;
2. B2C payment revenues from POS terminals at the retailer;
3. Card blended finance revenue between retailer and eBev (B2B payments); and
4. Card blended finance revenue between supplier/wholesaler and eBev, including early settlement discounts (B2B payments).



eBev: Products, revenue flows and market opportunity



The integrated payments solutions will be rolled out in two commercial phases.

- In the first phase of the rollout, commencing Q2 FY24, both parties will roll out B2C payment services up to 100 customers. This is expected to generate approximately around \$800k in annualised revenue. In addition, card-blended finance facilities of up to \$50k will be rolled out to up to 100 customers with additional revenue streams yet to be determined.
- In the second phase of the rollout, commencing in Q4 FY24, the service will be scaled and more broadly offered to all stakeholders in the eBev marketplace.

Upon completion of the full commercial rollout, Spenda expects to generate a blended net revenue margin of 2-4% across the eBev ecosystem on transactions that utilise Spenda's payments solutions.



Ian Harris, CEO of eBev, said: *"In these more challenging economic difficult times, businesses look for ways to save time, money and manage their cashflow. This partnership with Spenda enables eBev to continue evolving our offering to the eBev marketplace. Spenda has been a critical partner in our growth over the last two years and building a deeper partnership will be key to delivering ongoing value to our customers."*

Spenda Managing Director Adrian Floate added: *"Expanding this partnership with eBev reflects further market validation of our unique payments solution across distributed networks in different industry verticals. Our solutions are well suited to the hospitality industry which has an integrated network of buyers and sellers through the supply chain. eBev has done a fantastic job of growing its merchant base and ordering volumes. This partnership with eBev, in addition to recent agreements with Carpet Court, AgriChain and Capricorn demonstrates our ability to keep layering recurring revenue streams."*

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About Spenda

Spenda Limited (ASX:SPX) offers a unique payments solution to remove friction across a closed loop and decentralised marketplace, such as franchise networks, member organisations or agricultural supply chain networks. Spenda's payments solution has three components - Software, Payments & Lending - and enables end-to-end e-invoicing integration, rapid ordering, digital trust and automated reconciliation.

Spenda creates an industry standard operating environment (SOE) that enables the effective and seamless transfer of data from multiple, disparate software systems in one standardised technology solution. Spenda's ability to analyse and understand payment flows throughout these networks enables the Company to offer customised financing solutions to clients, in order to improve their working capital efficiency and cash utilisation throughout their operations.

For more information, see <https://investors.spenda.co/>

About eBev.com

eBev is transforming the way licensed venues, such as restaurants, hotels, bars, independent retailers and their suppliers, manage their beverage transactions by creating a unified digital community of buyers and sellers operating in transparency with eBev clearing funds between the parties. eBev's beverage marketplace supports over \$200 million of annualised orders and offers over 70,000 products from over 800 suppliers all together in one easy to use platform with over 260 of those suppliers available on a single eBev account.



For more information, see <https://www.eBev.com/>

This announcement has been authorised by the Board.

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