



ASX Release

19 August 2024

Limepay enters into two year exclusivity agreement with Lessn to process all Payments Volume

Key Highlights:

- **Minimum B2B Payment Volume:** Limepay has executed an agreement to process Lessn's entire payments volumes, currently ~\$50m per annum, using Limepay's payment gateway.
- **Annual Recurring Revenue ("ARR") potential:** Based on Lessn's current payment volumes, once deployed Limepay expects to generate minimum revenue of ~\$1m per annum.
- **Delivery of Limepay's Platform-on-Record ("PoR") solution:** Limepay will supply its white labelled payments technology to enable Lessn to scale its accounts payable business.

Spenda Limited (**ASX:SPX**, "**Spenda**" or "**the Company**"), an innovative software company providing payment solutions across supply chains and trading networks, is pleased to announce that its acquiree company, Limepay Pty Ltd ("**Limepay**") has executed a Master Services Agreement ("**Agreement**") with HospoPay Pty Limited ("**Lessn**") to acquire and process its entire payment volume, utilizing Limepay's transaction processing gateway.

The Agreement will see Lessn implement Limepay's white labelled payment widget product, to enable payment services on Lessn's platform. This Agreement will result in an immediate increase to Limepay's current payment volumes by ~40% to ~\$167m per annum, further underpinning Spenda's strategic rationale in the acquisition of the Limepay business.

Lessn have secured several contracts that are enabling them to forecast strong growth. This anticipated growth is the catalyst and the need to move to Limepay and for this partnership to deliver far stronger ARR to the Company, following the proposed acquisition of Limepay.

The delivery of the Lessn agreement cements ~40% growth in Limepay's ARR, with mid revenue growth from the partnership anticipated to be far greater.

Based on the Agreement, payment volumes are expected to switch to Limepay on or around 15 October 2024, providing the parties adequate lead time to integrate their respective technologies and migrate existing payment services.



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David Grossman Founder of Lessn said,

"Lessn searched the entire market for the right payment's processor and we have been lucky to find a fabulous partner in Limepay / Spenda, who meet all our business objectives and have made the entire negotiation and due diligence process a pleasure. With the commencement of a major customer in October, we expect our payments volume to increase ~ 550% from our current volume and it was business critical for us to select a partner that could support our rapid growth with minimal disruption to our business operations. The alignment commercially and culturally is strong, and few partnerships tick this many mutual goals."

Managing Director Adrian Floate commented,

"This is an exciting day for everyone involved. The Limepay technology is expanding Spenda's addressable market and the Lessn agreement brings on a new partner who is growing rapidly. I have been privy to their growth plans and I am looking forward to supporting the program to accelerate our joint growth."

Disclaimer

As at the date of this announcement, the Company has not completed the acquisition of Limepay. Completion of the acquisition is still subject to a number of conditions precedent, including approval of Spenda shareholders. Subject to the satisfaction of the conditions precedent's, Spenda expects to complete the acquisition of Limepay on or around 17 September 2024. There is no guarantee the acquisition will be completed.

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About Spenda

Spenda Limited (ASX:SPX) is an integrated business platform that enables businesses across the supply chain to sell better and get paid faster. Spenda is both a software solutions provider and a payment processor, delivering the essential infrastructure to streamline processes before, during and after the payment event.

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 combines five vendors into one solution with end-to-end software integration as well as ledger-to-ledger integration to improve operational efficiency for all trading parties in the supply chain.

Spenda captures transactions and payments through the value chain, generating layered revenue streams from SaaS, both B2B and B2C payments and B2B supply chain finance. 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.

About Limepay

Limepay, established in 2019, is trusted by over 200 businesses to provide payment process and embedded finance services. Limepay provides a robust and scalable cloud-based platform comprising a portfolio of software tools to enable corporates and financial institutions to provide white-labeled embedded finance solutions to their customers. These include a suite of leading payment technologies to fuel business growth, encompassing payment acceptance, instalment options, lending, working capital, marketplace solutions and SaaS offerings.

Limepay Pty Ltd rebranded in 2022 and trades as April Solutions.

About Lessn

Faster, Smarter Business Payments – Lessn is an Accounts Payables, Automation & Reconciliation solution that allows SMEs, Bookkeepers and Finance Teams to eliminate ABA files and use their Amex, Visa & Mastercard or Bank-2-Bank, to claim rewards on their business expenses.

Lessn Increases Security, Enables Automation and Maximises Rewards on Accounts Payables.

HospoPay Pty Limited rebranded in July 2023 and now trades as Lessn.



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This announcement has been authorised by Adrian Floate, Managing Director.

Investor Enquiries

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