

ASX release

23 June 2022

Way2VAT receives funding grant to support research & development and initial commercialisation of Smart Spend Debit Mastercard

Key highlights:

- NIS 1.5 million (approximately A\$625,000) funding grant to support research & development for initial marketing and commercialisation of the Smart Spend Debit Mastercard. The grant is part of a total A\$2.1M Way2Vat budgeted project.
- Provided by the Israeli Innovation Authority (IIA), the grant will reimburse costs incurred by Way2VAT on a quarterly basis during the grant term from March 2022 to February 2023
- First instalment due in July 2022.
- Grant is expected to be repaid to the IAA over the next few years from 2024 as a percentage of royalties from future revenues generated by the outputs of Way2VAT's products based on the technology backed by the grant.
- Way2VAT is able to apply for an additional grant in 2023 based on the current approved plan.

Global leader in automated VAT/GST claim and return solutions, Way2VAT (**ASX:W2V**) (**Way2VAT** or the **Company**), has received a funding grant for NIS 1.5 million (approximately A\$625,000) to support research & development and initial marketing and commercialisation of the Smart Spend Debit Mastercard.

Provided by the Israeli Innovation Authority (IIA), the grant will reimburse costs incurred by the Company on a quarterly basis during the grant term from March 2022 to February 2023. The first instalment is due in July 2022.

The IIA is an independent publicly funded agency that provides tools and funding platforms to help companies address the dynamic and changing needs of international innovation ecosystems.

The grant is based on an approved budget plan of NIS 5 million (approximately A\$2.1 million) for research & development and marketing provided by Way2VAT and examined by the IIA with regard to the Smart Spending Debit Mastercard Card. The IIA also allows for Way2VAT to apply for an additional grant in 2023 based on the current approved plan.

The grant will expedite adoption of the recently launched Smart Spend Debit Mastercard, a world-first in partnership with Railsbank, that fully automates VAT/GST returns from end-to-end for the SMB and Enterprise market. The card uses several fully automated processes based on the Company's proprietary development in the fields of Artificial Intelligence (AI), computer vision and Natural Language Processing (NLP). The Company envisages it will soon include behavioural prediction and other advanced analytics and alerts capability.

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WAY2VAT Global VAT Refunds

Way2VAT CEO and Founder Amos Simantov said, “The Israeli Innovation Authority grant approval is an important acknowledgment of Way2VAT’s product platform innovation and capability and its product-market fit. Previously the office of the Chief Scientist in Israel’s Ministry of Economy, the Israeli Innovation Authority is the support arm of the Israeli government that provides R&D and incentive programs to help innovative projects.

“The committee was impressed with the card’s ability to allow companies to submit spend receipts and capture invoices through Way2VAT’s proprietary technology platform, providing an end-to-end process from receipt capture to payment automatically analyses, reconciles, sorts and submits documentation to foreign tax authorities, and improve compliance, visibility and transparency for all parties.

“The grant was received from the distinguished committee after an in-depth examination of Way2VAT’s proprietary technology and commercial feasibility. The grant will assist us in further advanced product feature development and in managing cash-flow during this initial rollout phase.”

The grant is expected to be repaid to the IAA over the next few years from 2024 as a percentage of royalties from future revenues generated by the outputs of Way2VAT’s products based on the technology backed by the grant.

This announcement was authorised for release to the ASX by the Board of Way2VAT.

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About Way2VAT

Way2VAT is a global leader in automated VAT/GST claim and return solutions in over 40 countries and over 20 languages, serving hundreds of enterprise businesses worldwide. Owns and operates a patented artificial intelligence technology that powers the world’s first fully automated, end-to-end VAT reclaim platform.

Established in 2014, Way2VAT is headquartered in Tel Aviv with offices in the United Kingdom, the United States, and Romania and has over 55 employees.

Used by more than 220 enterprise companies including Amdocs, EY Israel, MasterCard, eToro, Kimberly-Clark, Hitachi ABB, Mobileye Intel, RB, Willis Towers, Siemens-Israel, Daily Mail Group, Sage, Falck, Boston Red Sox, and Foot Locker Europe with customer retention over 97%. www.way2vat.com

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