WAY2VAT
Global VAT Refunds

19 June 2023

2023 AGM – Chairman's Address and CEO Presentation

Global leader in automated VAT/GST claim and return solutions, Way2VAT (**ASX:W2V**), today will be holding its 2023 Annual General Meeting at 3:00pm (AEST) as a virtual meeting.

A copy of the Chairman's address to the 2023 Annual General Meeting and the CEO presentation are attached to this release.

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

ENDS

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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, Russia and Romania and has over 50 employees.

Used by more than 180 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.

CHAIRMAN'S ADDRESS
Way2VAT Ltd ANNUAL GENERAL MEETING 2023
19 June 2023

On behalf of the Chairman Mr Adoram Ga'ash, I will now provide the Chairman Address.

2022 was a consolidating year for Way2VAT. A year in which we have set ourselves up for a transformational 2023.

While Amos will cover the operational detail shortly, 2022 saw Way2VAT's rate of transaction volume, revenue and cash receipts continue to accelerate. This is a trend that has continued into 2023.

Just as importantly, our margins continue to improve due to the increasing ratio of foreign travel and expense claims in the total submissions which attract a higher commission rate for Way2VAT as opposed to domestic accounts payable. Business travel and operations are returning to pre-COVID levels, which is reducing lag times between clients completing transactions, tax authorities processing claims, and Way2VAT receiving our refunds and commissions that appear on our accounts as cash receipts.

In 2022 we expanded to now offer a full suite of products for VAT reclaim (domestic and foreign), travel and expense and accounts payable, as well as a combined Smart Spend Debit Mastercard.

Our portfolio of multinational enterprise clients is 310-strong, and includes companies like Nestle, Sony, TikTok, BASF, Duracell, Pizza Hut and Playmobil to name a few.

Our acquisition of Spanish company DevoluIVA in Q4 2022 enabled us to enter a new market, with Spain having a different VAT structure to most countries in Europe. This bought immediate dividends and we are already seeing substantial growth in Spain through the expanded product suite, contributing significant transaction volume and revenues, and broadening our presence in the European market.

These efforts in 2022 and a very busy first half of the 2023 year have set the company up for a transformational period as it enters its next stage of development and expedites our pathway to profitability. We now have a sufficient runway and a clear strategy which will enable us to harness the growth of the business and its increasing transaction volumes, margins and revenues.

Our recent $3.5 million cap raise will allow us to accelerate sales in key growth areas. Significantly, Thorney Investment Group, has become the company's largest shareholder, exemplifying their belief in W2VAT's superior AI technology and potential to dominate the VAT reclaim services industry across many jurisdictions.

The company continues to refine its infrastructure on AWS cloud that will support platform scalability and quick rollout of new features such as integration, AI-powered authentication and back-end development.

We will build on the momentum of the last year to continue to grow, including examining acquisition possibilities, should it make financial sense to do so. We expect consolidation of the VAT sector, particularly in Europe, and our superior technology allows us to take advantage of this.

The achievements we have seen in 2022 and in early 2023 would not have been possible without the hard work and dedication of our Founder and CEO Amos Simantov and the entire team. I'd like to thank them all for their loyalty, commitment and outstanding effort.

Finally, I would like to thank you, our shareholders, for your continued support in the first full year of our life as a listed entity. In what was another year marked by COVID-19, we have accelerated growth, and added significant new partnerships and contracts in key markets.

The next 12 months are shaping up to be a very exciting time for Way2VAT.

We are energised by the progress of the Company, and the Board is confident it is well positioned to play a leading role in the payments and VAT/ GST reclaim industry.

Global VAT Refunds

Amos Simantov, CEO

Annual General Meeting

19 June 2023

W2V is the world's only fintech company that automates global VAT/GST reclaims through AI-powered image processing

- **Data science excellence:** State-of-the-art data methodologies unlock insights from vast amounts of financial data.

- **VAT optimization module:** Intelligent algorithms streamline the VAT reclaim process helping unlock cost savings.

- **Anomaly detection**: Identify irregularities and deviations within financial datasets, enabling early fraudulent activities.

- **Language detection**: Effective communication and comprehension across multiple languages.

- **Duplicate detection**: Identify and eliminate duplicate transactions, reducing errors and ensuring data accuracy.

- **Expense type and vendor detection**: Automate different expense types and vendors, streamlining financial processes and improving efficiency.

See Appendix for more information about our AI technology platform

Only VAT/GST reclaim processing platform operating across 40 countries in 20 languages

8-27% VAT/GST Rates

Australia		Austria		Belgium		Bulgaria		Bahrain		Cyprus	
Croatia		Canada		C. Republic		Dubai		Denmark		Estonia	
Finland		France		Germany		Greece		Hungary		Iceland	
Ireland		Italy		Japan		Latvia		Lithuania		Luxembourg	
Malta		Netherlands		New Zealand		Norway		Poland		Portugal	
Romania		Saudi Arabia		Serbia		Slovakia		Slovenia		South Korea	
Spain		Sweden		Switzerland		Taiwan		UK			

310 enterprise customers and growing

Business model

The process

Client completes transaction leading to "Gross transaction volume"

Tax authorities process claims

W2V receives commission and recorded as "Cash receipt"

Claims submitted to tax authorities and recognised as "Revenue"*

Refund received by W2V and passed to client

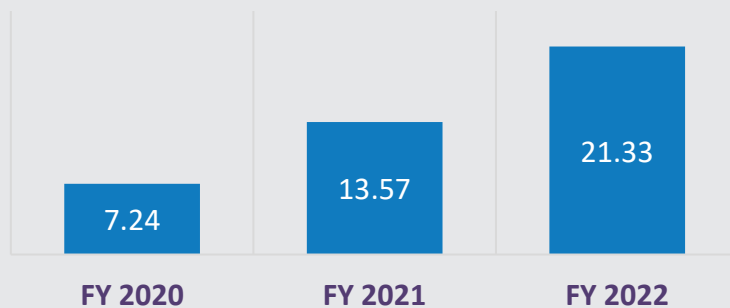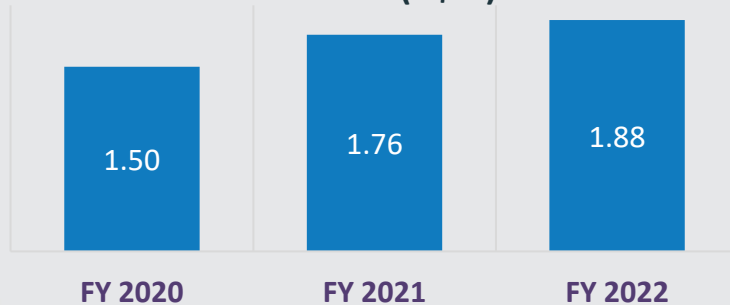*Revenue-to-cash latency is reducing back towards pre-Covid levels*

FY22 Financial snapshot

Annual transaction volume (A$m)

- FY 2020: 7.24
- FY 2021: 13.57
- FY 2022: 21.33

Revenue (A$m)

- FY 2020: 1.50
- FY 2021: 1.76
- FY 2022: 1.88

$1.9M
Net Revenue in 2022 +7% on pcp +11% before currency adjustment*

77%
Gross Profit Margin

57%
Increase in Transaction Volume to $21.33M

$2.5M
Trade Receivables (as at 31/12/22)

* Operational currency in Euro: FY22 Revenue €1.23m up 10.9% on FY21 €1.12million

FY23 transformation

- Harnessing capital raise

- Strong backing from Thorney Investment Group

- Growth strategy

- Inorganic growth

Capital raise expedites pathway to profitability

$3.544 million capital raise

- ✓ Funds raised will accelerate sales execution and revenue growth for product suite on VAT reclaim
- ✓ Funds SmartSpend Debit Mastercard initiatives
- ✓ Supports investment to further develop and maintain proprietary AI technology
- ✓ Funds general working capital

New substantial shareholder, Thorney Investments

"We have supported Way2Vat since pre-IPO funding and remain with a strong belief that the company has superior AI-powered VAT-reclaim technology. We expect Way2Vat to continue to win market share in what is an enormous addressable market for their services."

Alex Waislitz, Thorney Investment Group

- ✓ Conversion to equity of loan funds and sub-underwriting of rights issue has led to Thorney Investment Group currently owning 22.91% of the company
- ✓ This will be diluted to 18.77% after placement shares are issued
- ✓ Thorney has a right to nominate a board member

Four strategies will power growth

1. Grow VAT sales through European enterprise hubs: UK and Spain

2. Spain growth harnessing DevoluIVA partners

3. Integrating product suite and Smart Spend Debit Mastercard

4. Opportunities exist for future acquisition in Europe

1. Grow VAT sales through European enterprise hubs: New client wins UK, Spain and Israel

- ✓ Enterprise clients have grown to 310 (now including DevoluIVA)
  - ✓ New enterprise clients in Spain
    - ➢ Global top-15 pharmaceutical company, with potential to be a top 5 client in Spain
    - ✓ One of Spain's largest home security companies
  - ✓ BDO UK client referrals
    - ✓ Way2VAT is now receiving referrals from UK accounting firm BDO into select international enterprise clients
  - ✓ PGIM (formerly Prudential Investment Management)
    - ✓ UK-based global asset management company
  - ✓ ICL Group
    - ✓ Israel-based global specialty minerals and chemicals company
- ✓ Recent enterprise client wins will contribute new revenue sources in 2H as they are onboarded

2. Spain growth harnessing DevoluIVA partners

- ✓ Acquisition completed Sept 2022
- ✓ DevoluIVA offers a wide-range of expense management solutions including digitisation, corporate expenses and automatic recovery of domestic VAT in Spain
- ✓ All operational functions being moved to Romania to improve efficiency
- ✓ Have halved the onboarding process time for new clients
- ✓ Sales pipeline and recent wins supports significant revenue growth potential in 2023
  - ✓ increasing VAT recovery for new and existing clients
  - ✓ broadening the product suite through integration with Way2VAT technology platform

3. Integrating product suite and Smart Spend Debit Mastercard

Saas Revenue Model

Subscriptions fee via user & admin license fee

Interchange fees

Percentage of successful local & foreign VAT Reclaim
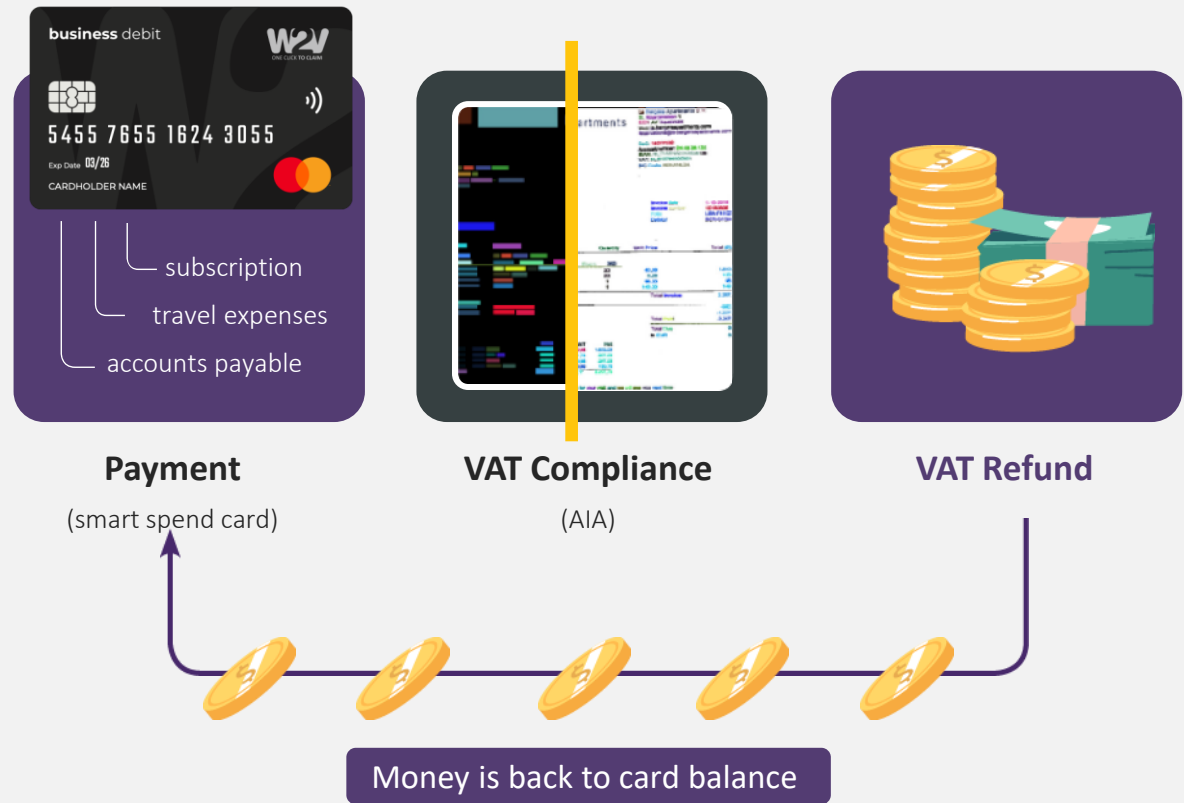
Initial Focused / Cross industry

Aviation

Security

Automotive

Technology

business debit

5455 7655 1624 3055

Exp Date 03/26

CARDHOLDER NAME

subscription

travel expenses

accounts payable

Payment

(smart spend card)

VAT Compliance

(AIA)

VAT Refund

Money is back to card balance

4. Opportunities exist for future acquisition in Europe

✓ Many competitors have outdated technology and manual processes and are struggling to rebound from the challenging COVID period.

✓ Way2VAT believes consolidation of the sector, particularly in Europe, is inevitable. Way2VAT, with its superior technology, is well placed to take advantage of this trend.

✓ Opportunities exist for Way2VAT to acquire complementary businesses at an appropriate time when it makes financial sense for the company, as evidenced by our acquisition of DevoluIVA.

2H FY23 Outlook

- ✓ 2H FY23 set for strong growth
  - ➤ Seasonally, Way2VAT performs better in the second half due to various tax deadlines and financial year-ends in most EU jurisdictions
  - ➤ Irrespective of seasonality, transaction volume is trending upwards off an increasing client base

- ✓ A strong sales pipeline should contribute to accelerating enterprise client growth, particularly in Spain and UK

- ✓ Continued Gross Profit Margin improvement due to change in the mix of higher-margin foreign VAT compared to accounts payable post-COVID

Appendix: Revisiting Way2Vat's AI technology and superior market offering

ABSTRACT

Way2Vat is a Fintech company that offers its clients a VAT and GST reclaim and compliance solution and service via its proprietary AI-patented platform.

The Company was established with the aim of enabling clients to avoid dealing with cumbersome foreign VAT and GST reclaim processes and submit VAT and GST reclaims in numerous territories and multiple languages without dealing with invoices and expense-related data.

We stand out in the market by bringing cutting-edge solutions to the financial industry, with an impressive track record of AI innovation and several registered patents in the field. At the heart of this innovative system is our Automatic Invoice Analyzer (AIA), a powerful tool that effortlessly processes invoice images in various languages, even those that are hard to read.

By seamlessly converting these images into accurate data, Way2Vat streamlines the completion of VAT and GST reclaim forms for submission to the respective tax authorities, all with minimal human intervention

This advanced technology has established Way2Vat's position as a leader in the Tax-Tech ecosystem, offering a truly unique value proposition.

Our solution is continuously evolving and improving through the implementation of learning loop practices, leveraging insights gained from processing millions of expenses.

As a result, our clients benefit from a solution that stays at the forefront of the industry, delivering unparalleled results.

Our solution is specifically designed to the VAT-focused needs of our clients, ensuring maximum reclaim optimization. It covers all types of expenses, regardless of size or geographic location. Maximizing the potential fulfillment of VAT returns contributes directly to the top-line revenue. Moreover, the solution drives operational efficiency and enhances overall quality, positively impacting the company's bottom-line.

Way2Vat's commitment to cutting-edge technology, comprehensive coverage, and exceptional results sets us apart as the preferred choice for businesses seeking to streamline their VAT and GST reclaim processes. Join us today and experience the transformative power of our advanced solution.

KEY FEATURES

DATA SCIENCE EXCELLENCE:
Way2Vat employs state-of-the-art data science methodologies to unlock valuable insights from vast amounts of financial data. Leveraging sophisticated algorithms, our solutions ensure accurate analysis and enable data-driven decision-making.

VAT OPTIMIZATION MODULE:
Our innovative VAT optimization module empowers businesses to maximize VAT reclaims by automating the identification and recovery of eligible VAT expenses. By leveraging intelligent algorithms, Way2Vat streamlines the VAT reclaim process and helps businesses unlock substantial cost savings.

ANOMALY DETECTION:
Our AI-driven anomaly detection algorithms swiftly identify irregularities and deviations within financial datasets, enabling early detection of fraudulent activities and enhancing risk management strategies. Language Detection: Way2Vat language detection capabilities provide a seamless multilingual experience, enabling effective communication and comprehension across diverse language barriers.

DUPLICATE DETECTION:
With Way2Vat's advanced duplicate detection algorithms, organizations can efficiently identify and eliminate duplicate transactions, reducing errors and ensuring data accuracy.

EXPENSE TYPE DETECTION AND VENDOR DETECTION:
Our AI-powered expense type and vendor detection capabilities automate the categorization and identification of different expense types and vendors, streamlining financial processes and improving efficiency.
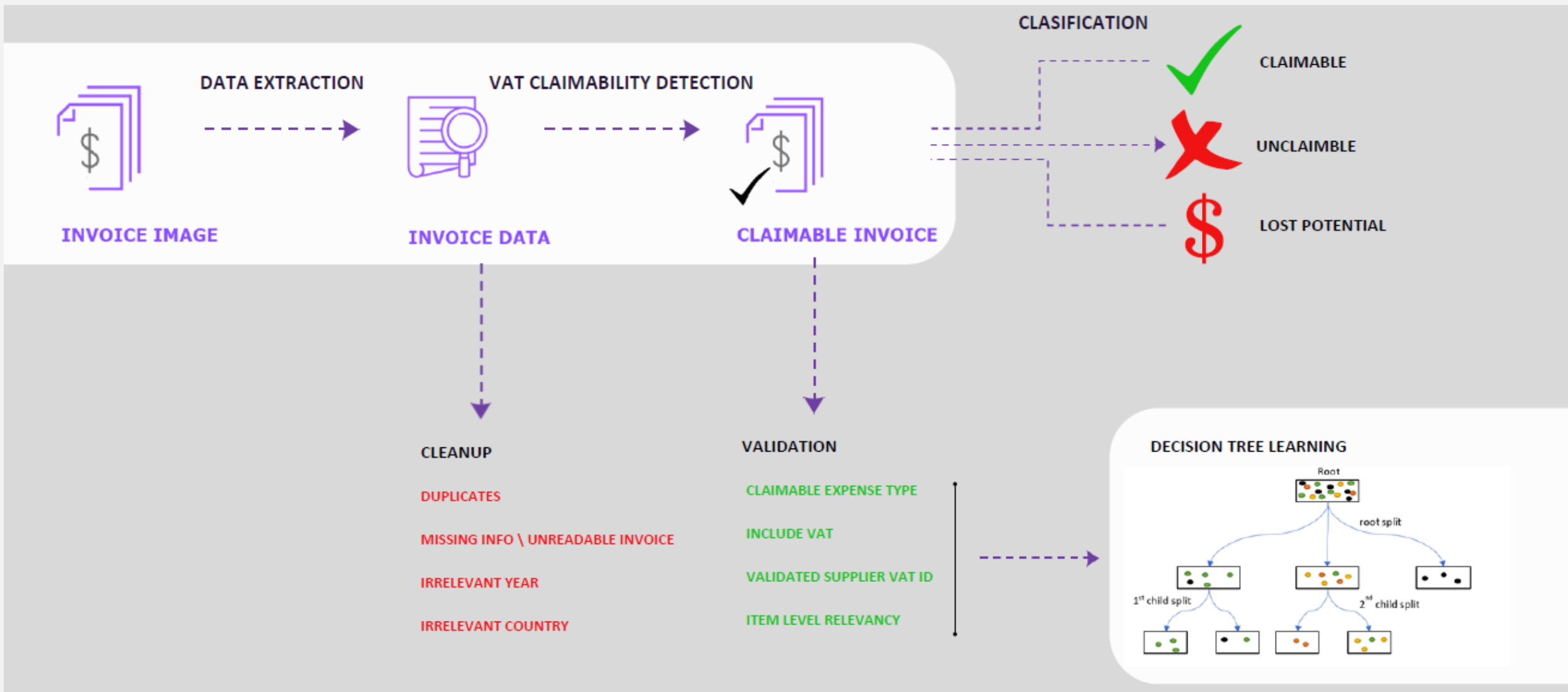
EXAMPLE GIVEN: IMAGE-TO-LINE DATA MATCHING

Use case of data-matching that previously required human time and precision was replaced by a much faster AI technology and with the highest level of accuracy.

As a service provider for high-verity clients, Way2Vat is extremely flexible in receiving and processing even the most complicated formats. It is common that expense data will be received in the form of an exported text file with expenses data, along with a set of expense images that are missing any record linkage with the data file.

Correlating the Image-Line pairs involved in the past tidies manual work to enable further processing. By introducing a data-matching model, this operation can now be more efficiently and accurately performed automatically with uncompromising results.

EXPENSES

#	Amount	Currency	Date	Country	Expense type
1	150	Euro	1/1/2020	Germany	Meal
2	1500	GBP	1/1/2020	UK	Hotel
3	25	Euro	1/1/2020	Germany	Taxi
....					

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IMAGES

=

AIA_GUESS_1	AIA_GUESS_2	AIA_GUESS_3	AIA_GUESS_4	AIA_GUESS_5
Image1.jpg	Image2.jpg	Image3.jpg	Image4.jpg	Image5.jpg
Image1.jpg	Image2.jpg	Image3.jpg	Image4.jpg	Image5.jpg
Image1.jpg	Image2.jpg	Image3.jpg	Image4.jpg	Image5.jpg
....				

MAIN FEATURES

COMPUTER VISION:
Leveraging cutting-edge computer vision techniques, Way2Vat empowers businesses with automated image and video analysis, unlocking valuable insights from visual data.

DEEP LEARNING AND NEURONAL VISUAL-LINGUISTIC MECHANISM:
Way2Vat utilizes deep learning algorithms and a unique neuronal visual-linguistic mechanism to enable advanced image and text understanding, enabling a new level of comprehension and context-aware decision-making.

NATURAL LANGUAGE PROCESSING (NLP):
NLP capabilities enable the extraction and interpretation of valuable insights from unstructured text data, revolutionizing document analysis, sentiment analysis, and client feedback processing.

VISUAL NOISE REMOVAL:
Our powerful visual noise removal technology enhances the quality and clarity of visual data, enabling better analysis and decision-making in areas such as image recognition and video processing.

Thank You

W2V

ONE CLICK **TO CLAIM**