



GLOBAL VAT/GST REFUNDS

AI Technology-Driven Solution

Capital Raising Presentation – February 2024



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Investment highlights and growth strategy



Executive summary

Company overview	<ul style="list-style-type: none">• Established in 2016, Way2VAT (W2V:ASX) is a global fintech company headquartered in Tel Aviv with offices in the United Kingdom, Spain and Romania.• Way2VAT owns and operates a patented artificial intelligence technology that powers the world’s first fully automated, end-to-end VAT/GST reclaim platform.• The company operates in over in 40 countries across 20 languages, servicing more than 345 global enterprise companies worldwide.
Operational and financial highlights	<ul style="list-style-type: none">• In FY23, W2V achieved record transaction volume of \$23.7 million, up 11% on pcp (FY22: \$21.33 million) and record revenue of \$3.1 million, up 64% on pcp (FY22: A\$1.88 million) including a \$1 million revenue milestone achieved Q4 FY23.• Enterprise clients increased 38% from 250 to 345, including Eli Lilly, Nestlé Spain, Camper, Serveo, Sony Spain, SecuritasDirect, PGIM, Globalia Handling, Marine Harvest ASA, Lion Television and Lime Pictures.• Raised \$4.04 million via a combined rights issue and oversubscribed share placement to execute growth opportunities and accelerate the pathway to profitability, with strong support from sophisticated, institutional and cornerstone investors• Received an R&D funding loan of \$412k (€250k) from the Spanish Innovation Authority to support new product line technologies in T&E (travel and expense) claim automation.• Cash balance of \$711k at 31 December 2023, and accounts receivable balance of \$3.57 million on client VAT claims mostly already submitted to tax authorities.• New patent by US patent office granted for unique Image-2-Line solution fully automating VAT reclaim submissions based on W2V’s proprietary AI technology.
Equity raising overview	<ul style="list-style-type: none">• Way2VAT is raising approximately \$4.25m via a Placement and \$1.0m via Share Purchase Plan at an offer price of \$0.022. Shares will be offered under the Placement with two (2) free attaching Options for every three (3) New Shares issued. The attaching options are intended to be listed on the ASX (subject to the Company satisfying ASX quotation requirements) with an exercise price of 0.033 and will expire on 28 February 2026.• Proceeds from the Capital Raise will be used for working capital purposes and accelerate recent company initiatives undertaken to expedite the pathway to profitability.

Investment highlights

Growth opportunity in a large addressable international market

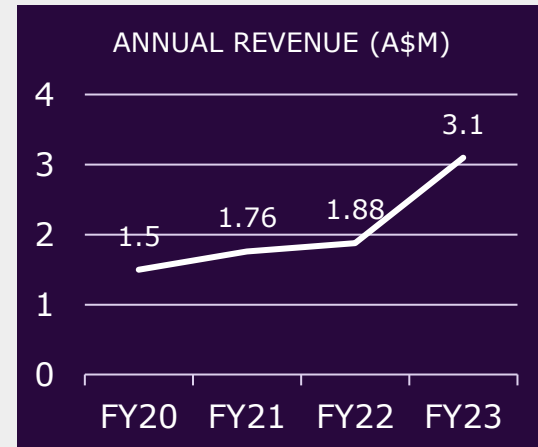
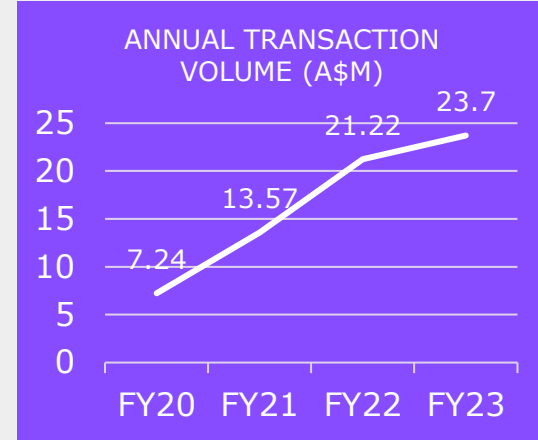
- VAT/GST is a consumption tax levied on goods and services in numerous countries around the world and accounts for ~30% of all tax collected in OECD countries.
- There are approximately 170 countries currently operating a VAT/GST system, with ~40 of these allowing reclaim.
- Importantly for W2V, the opportunity for global VAT/GST reclaims and services is extremely vast – with an estimate ~US\$20-30 billion of VAT left unclaimed each year.
- W2V currently serves 345 enterprise (1000+ FTEs), including many of the world’s household names (EY, Aviva, Mastercard, Tiktok etc), demonstrating genuine institutional demand for its products

IP protected AI software provides scalable growth potential with a strong existing contracted revenue base

- W2V’s core intellectual property asset is its W2V Platform, which is protected by the granting of five patents in the USA, one in Israel and a further pending in the USA.

Experienced management team executing on high-growth strategy

- Strong experienced leadership team with a track record of scaling businesses and maintaining fiscal discipline.
- Building on intellectual property through evolving product technology to maintain competitive advantage.
- Strong platform to drive vertical integration opportunities and boost margins.



FY23 financial highlights*



\$3.1M

Record revenue up
64% on pcp
(FY22: \$1.88m)



\$23.7M

Record transaction
volume up 11% on pcp
(FY22: \$21.33m)



78.6%

Gross margin
(FY22: 77%)



\$3.57M

Trade receivables
(as at 31/12/23)

* Unaudited

Growth strategy



Building on strong momentum

Clear strategy to differentiate through IP protected AI technology to address a global market of unclaimed VAT/GST valued at \$20 billion per year



Meeting unmet market needs with new AI compliance technology through expanded product suite

Targeting existing clients and new strong pipeline in the UK and Europe.



Growth opportunities via acquisitions

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. With its superior technology, Way2VAT is well placed to take advantage of this trend.

Competitive
advantage



— Increase VAT/GST recovery with WAY2VAT AI-technology



- ✓ End-to-end fully optimized, automated VAT/GST reclaim solution
- ✓ Patented AI technology
- ✓ Proven solution, simple digital integration
- ✓ More money for your bottom line

An automated Global VAT/GST refund solution using image processing and artificial intelligence



Global
VAT/GST



Local
VAT/GST



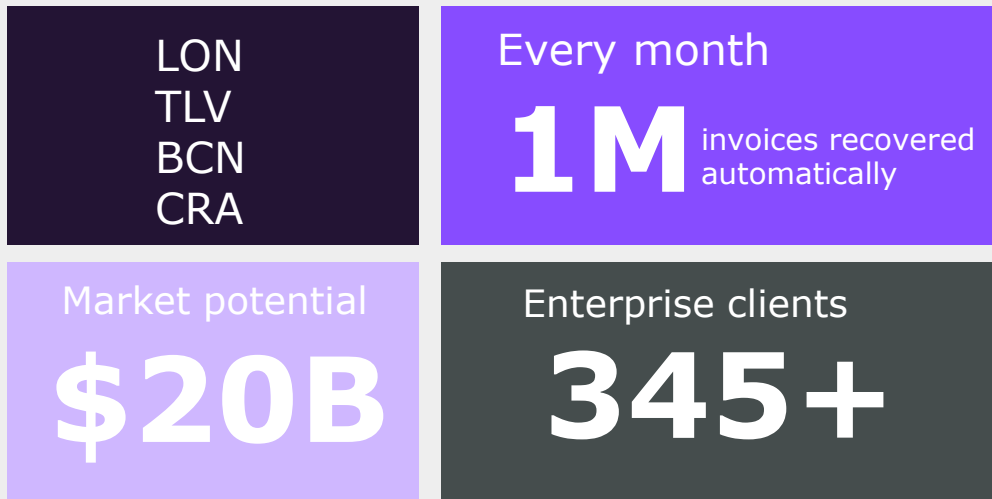
AP(suppliers)
VAT/GST

AIA

Automatic Invoice Analysis

- Extracting relevant fields and items for VAT/GST refund claims using leading image processing technology

World's only fintech company automating global VAT/GST
reclaim processing through image processing and AI

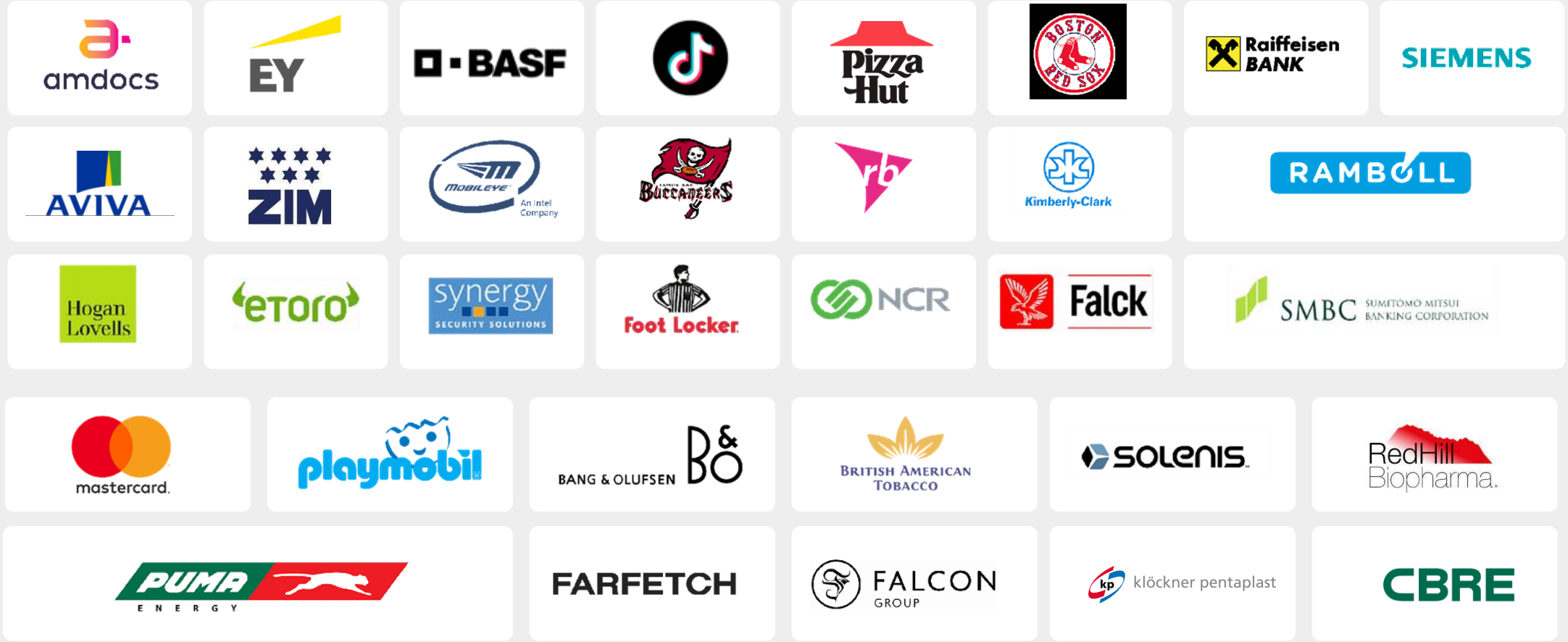


Reclaiming in 40 countries, 20 languages

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

VAT/GST Rate 8%-27%

345+ enterprise customers and growing



— New significant global enterprise clients in 2023



Pharmaceuticals



Food production



Shoes



Electronics



Movie production



Financial advisory



Seafood



Tourism



Home security



Internet services



Television production

While none of these individual new contracts are material in their own right, the smooth integration with existing and new partnerships enables Way2VAT to grow and strengthen its position as an automated VAT/ GST recovery solution provider.

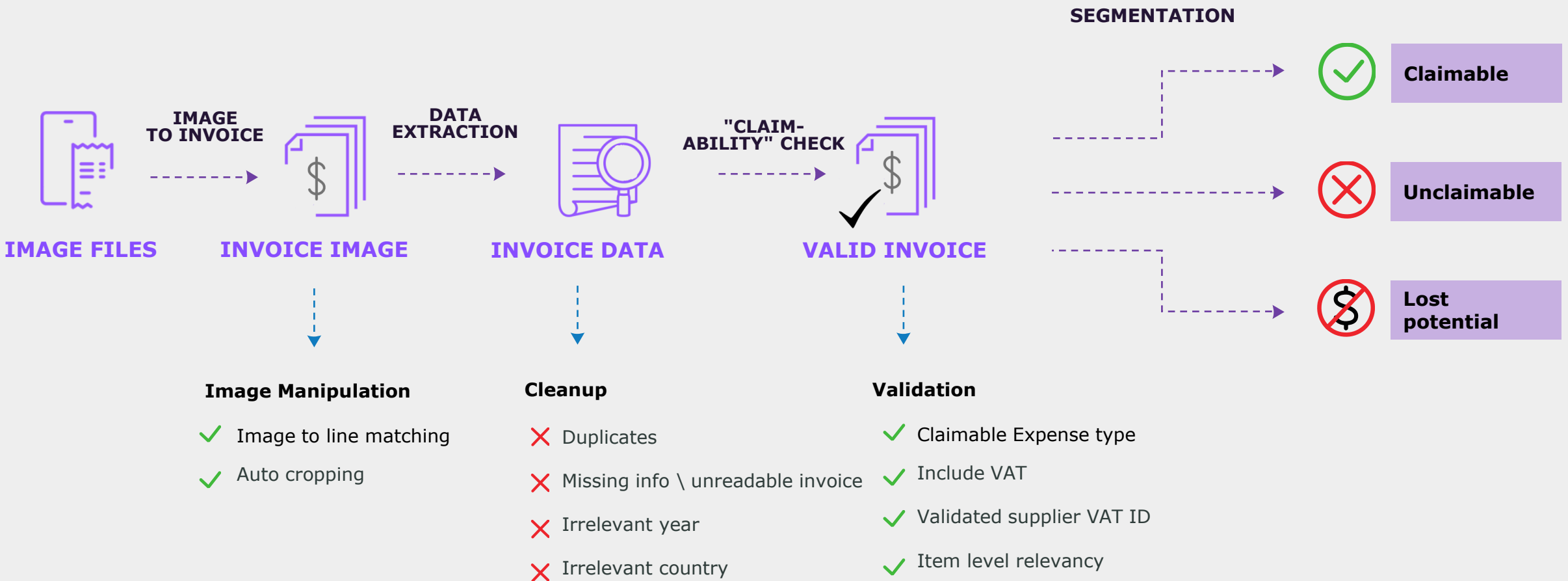
Technology Overview



Six patents, based on AI tech providing protection for 20 years

Innovation Title	Reference No.	Country	Status	Filing Date	App. No.	Issue dates	Patent Numbers
System and methods of an expense management system based upon business document analysis	WY20064-1-IL	IL	Registered	29-Mar-18	258472	01-jul-20	10019740
	WY20064-1-US	US	Registered	16-jul-17	15/544,008	07-jul-18	10,019,740
	WY20064-C-US	US	Granted	30-dec-18	17/565,500	13-Jun-23	11,676,185
Systems and methods for neuronal visual - linguistic data retrieval from an imaged document	WY20064-2-US	US	Registered	02-oct-19	16/500,102	02-Mar-21	10,936,863
	WY20064-2B-US	US	Granted	28-Dec-20	17/134,597	16-jun-23	11,676,411
Systems and methods for document image analysis with cardinal graph convolutional networks	WY20064-3-US	US	Registered	30-Nov-20	17/059,482	01-feb-22	11,238,277

Advanced AI capabilities for VAT/GST recovery



Advanced AI capabilities for VAT/GST recovery

An automated analysis of VAT/GST in all types of invoices



VAT/GST 'claimability' detection

- Intelligent scanning detects whether the information is a claimable receipt or not
- VAT/GST ID validation
- Using visual-linguistic analysis of the images
- Apply machine learning and patented algorithm

Mr. Gadi Sharoni
Po Box 81
Kibbutz-Beit-Kama 8532588
Internal Use

INVOICE

Company Name : Ner Corporation
Guest Name : Mr. Gadi Sharoni
Folio No : 176537
Page No : 1 of 1

Arrival : 22-JAN-17
Departure : 23-JAN-17
Room No : 0522
Reservation No : 31601666
DIG No. : 331972016

Green Place Amsterdam Innk, 22-JAN-17 by NER/NERM, VAT number: NL833679118B01, EoR number: 51184873

Date	Description	Charge	Credit
22-JAN-17	Misc. 21% 184198	Eur 10.00	
22-JAN-17	Accommodation - Package	Eur 110.30	
22-JAN-17	Restaurant 101 Promotion B/Fast mk	Eur 19.00	
22-JAN-17	City Tax	Eur 5.20	
23-JAN-17	American Express		Eur 144.50
		Total	Eur 144.50
		Balance	Eur 0.00

	Vat Amount	Tax Amount	Gross Amount
VAT Deductible 6%	104.06	6.24	110.30
VAT Deductible 21%	0.00	0.00	0.00
VAT Non Deductible 6%	17.00	1.08	18.08
VAT Non Deductible 21%	8.20	1.74	9.94
City Tax		5.20	5.20
Non VAT Includ		0.00	0.00
Total incl. vat			144.50

Transaction ID : 34549417 Credit Card # : XXXXXXXXXXXX1600 Amount : 144.50 EUR
Approval Code : A17 Expiry Date : XXXX Exchange Rate :
Approval Amt : 144.50 Final amount:
Capture Method : Manual Transaction currency

Signature _____

GREEN PLACE AMSTERDAM - SOUTH
T: +31 (0)20 504 36 86 F: +31 (0)20 504 36 80 E: info.amsterdam@ng.com W: www.greenplace.com/amsterdam
A: George Gerhartlaan 33, 1052 MP, Amsterdam, The Netherlands

You hotel is owned by Green Hotel Europe B.V. and managed by IGC Management (International) B.V.
The uniform conditions of the Dutch Federation of Inns and Restaurants which are registered with the district court in The Hague
Apply (AAN) to: American Express, Account number NL833679118B01, EoR number: 51184873, Bank: Rabobank (Netherlands)
Approved: (Federation of Commerce Hotels), VAT no. NL 833679118B01

Red Lion
Coventry
CV2 2EY

ZA70850-POS-04
Harry 08 Feb 2017 20:43

Table: 33 Acc No: 6688
A4

1	8oz Ramp Steak	=	8.99
2	Prty Ub Pm A1 C	=	6.50
1	8oz Ramp Steak	=	8.99
	Dbl Ub 8oz Stk	=	4.00
	Dbl Ub 8oz Stk	=	4.00
1	Eber Inns Pale	=	3.05
1	Rev.JamesGolden	=	3.25
1	25ml	=	3.20
	Laphroaig 10YO	=	3.20
	ENB Monday Cask Club	=	-3.14

Product Group Summary
Food And Drink 39.14

20% VAT Net 32.62
20% VAT 6.52
20% VAT Total 39.14

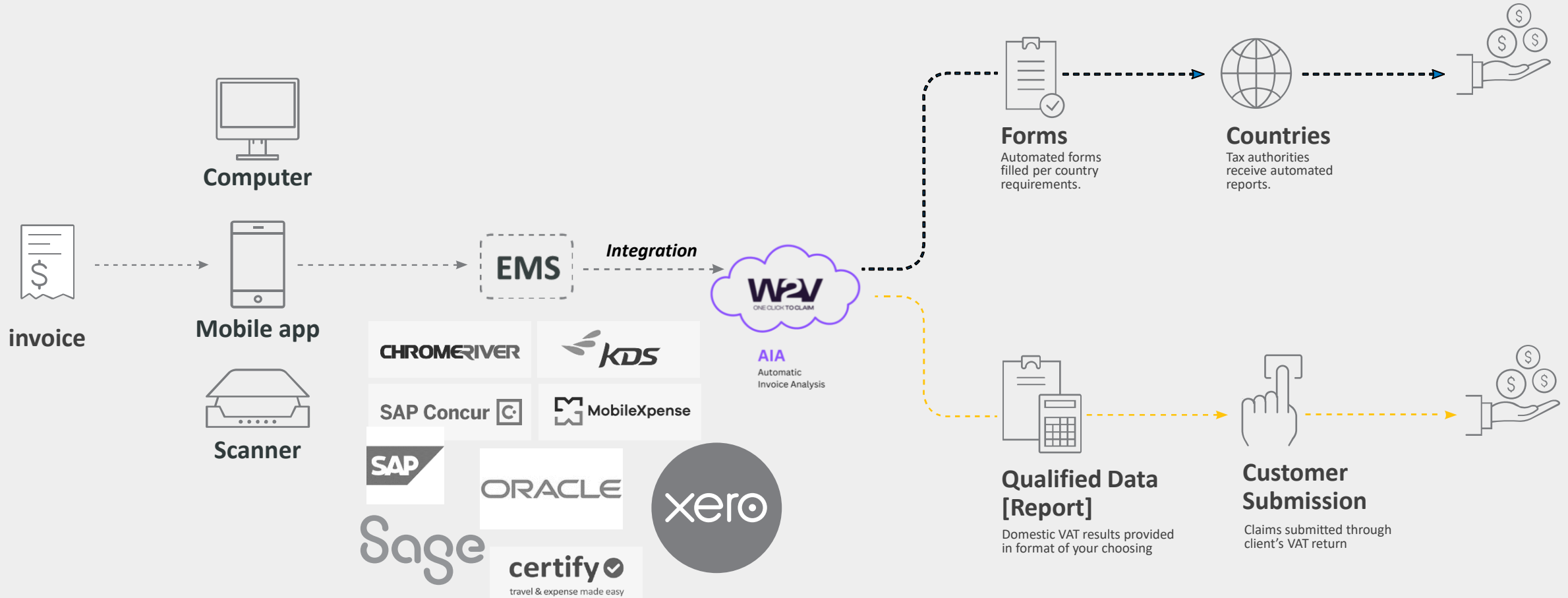
Total £39.14
£20 -£20.00
Receipt no. 29/2808

Balance £19.14

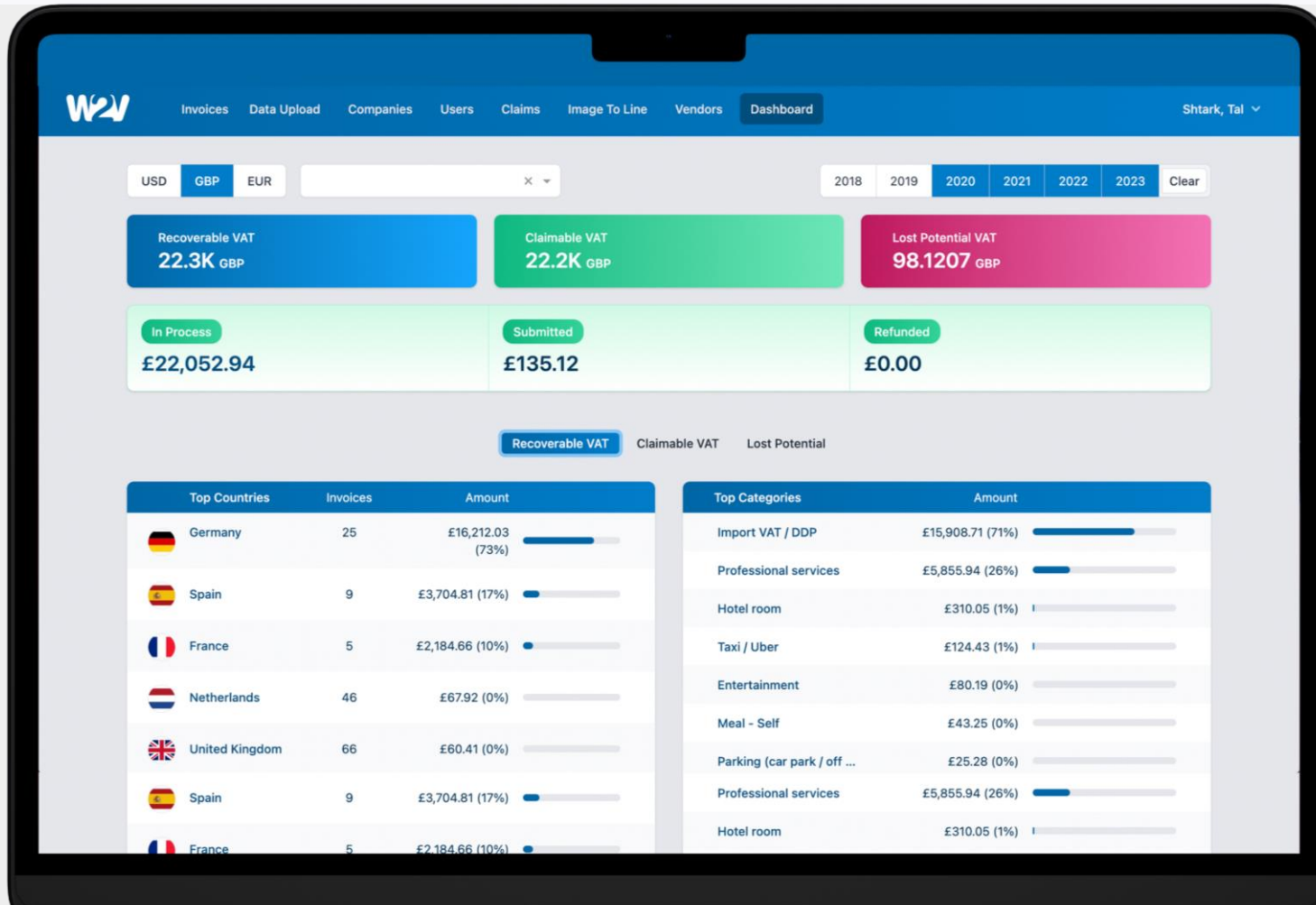
Payment Receipt
Card Pay NTA £19.14
20% VAT included £3.18
Receipt no. 29/2809
153 895

Thank you for visiting us* today
We'd love to hear what you thought of:
tell us: eber.inns.co.uk
Tel: 02472 612108
VAT 232 153 895

Integration with your expense platform

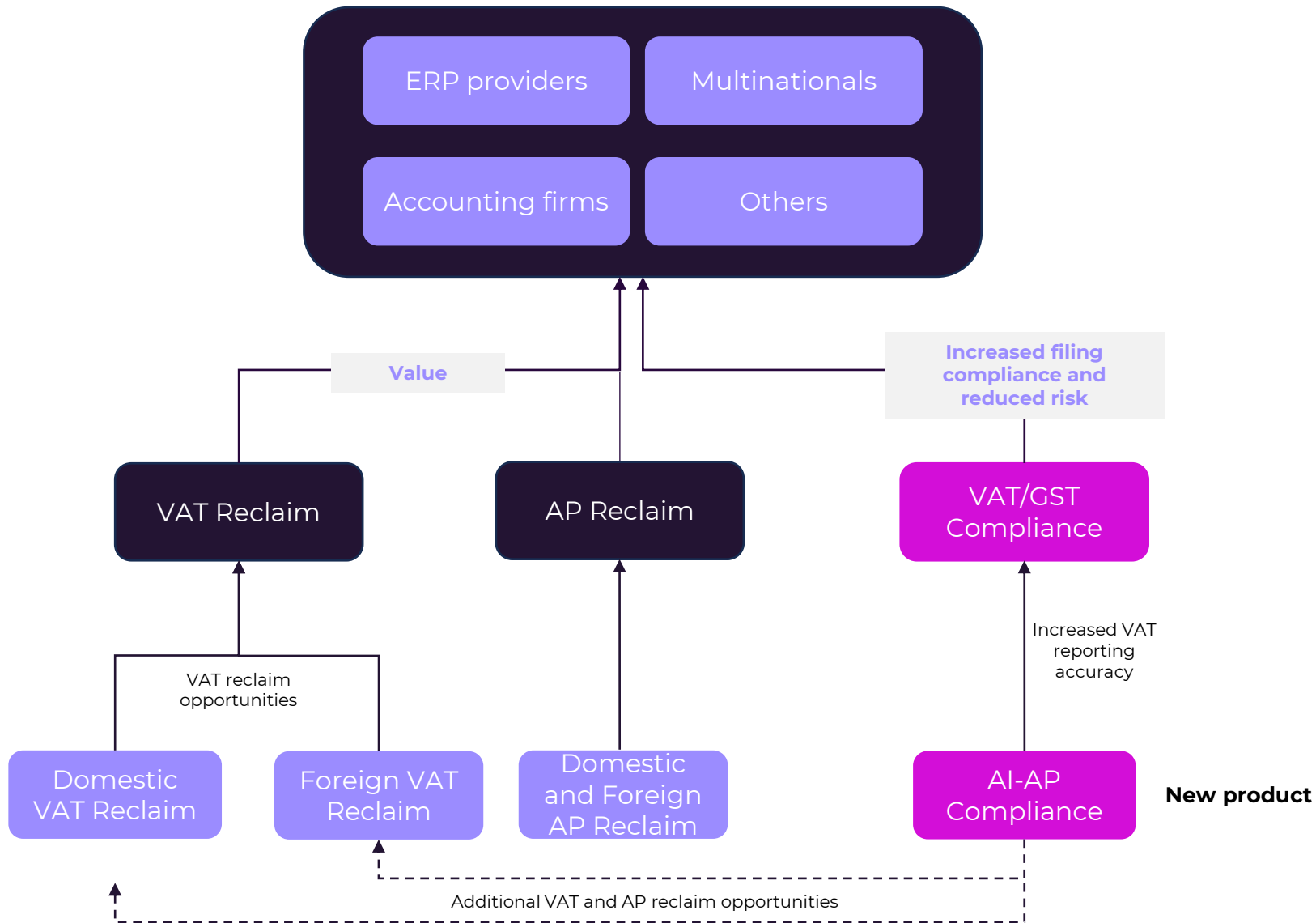


Visibility and control dashboard



- Multi-year platform providing visibility across all historic invoices.
- Multi-currency across all clients' operating jurisdictions.
- Multi-lingual in all languages the client operates in.
- Expenses easily segmented into business units and countries.
- Provides 'lost potential' which shows invoices currently not being repaid due to auditing or compliance issues.

Way2VAT updated product suite



Our world-first AI-driven automated auditing product

AI-AP Compliance
(invoice VAT/GST tax compliance validation technology)

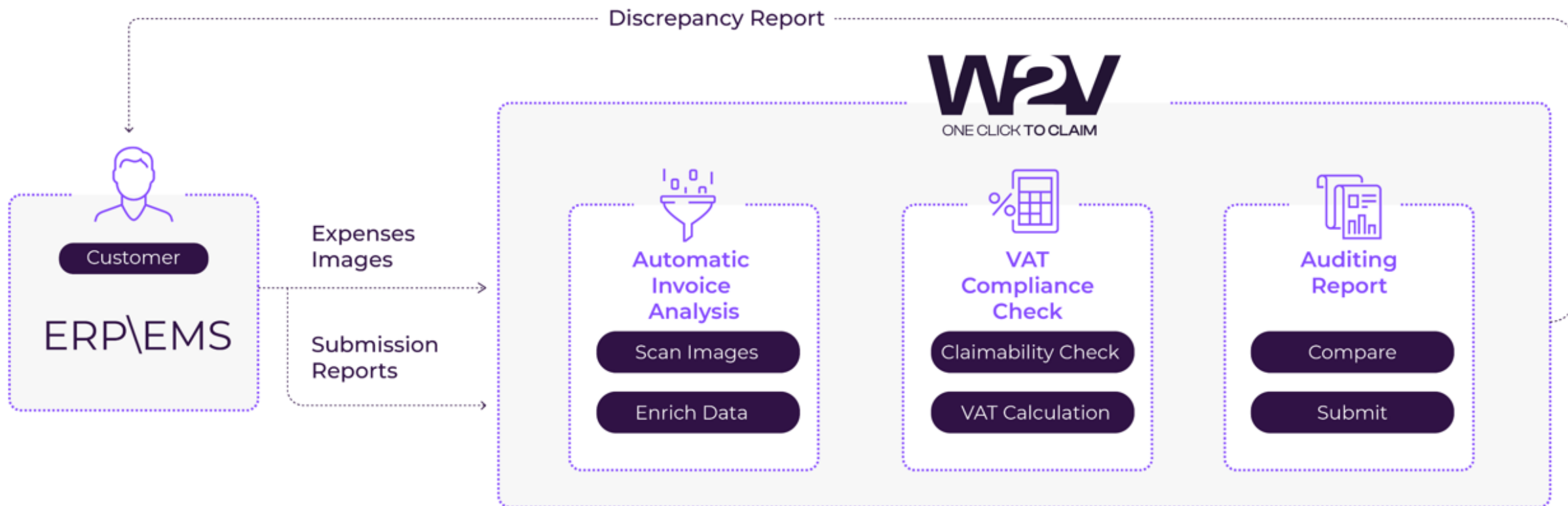
Increased compliance and reduced risk
(thanks to AI-AP Compliance's invoice validation)

Additional VAT/GST and AP reclaim opportunities
(through the extended scope of AI-AP Compliance's analysis)

AI-AP Compliance overview



AI-AP Compliance – what it does



AI-AP Compliance - what it checks for

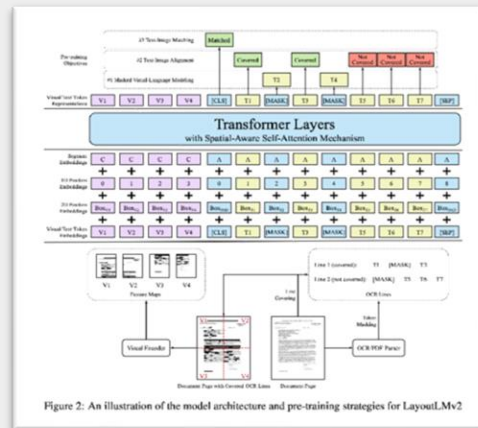
- Lack of VAT invoices or other evidence
- Invoices not paid after more than six months
- VAT/GST on deposits/advance payments
- Claiming VAT/GST twice
- Recovering VAT/GST incorrectly
- VAT/GST on business entertainment
- Import VAT/GST
- Reverse charge
- Motor vehicle expenses
- Supplies of staff
- Zero-rating of export of goods
- Foreign VAT/GST

AI-AP Compliance – how it works

Information extraction using advanced architecture and pre-training method for document understanding

Information extraction and enrichment checks several items including

AI checks multiple items across each invoice



Labeling, training and optimization

Invoice V Receipt Classifier

VAT Calculation

Item breakdown

Vendor Identification

Language detection


Image Cropping

Image 2 Line Matching



Customisable client reports

W2V Compliance Report
COMPLIANCE For the period: 01/10/2023 – 31/12/2023



Issued For:
THE Company LTD.
Piccadilly Circus, London W1J 9HP, United Kingdom
Contact person: John Smith
johns@thecompany.com (+44 343 222 1234)

Details of Registration

Country	Registration Name	Registration Number	Registration Period	
			From	To
United Kingdom	THE Company - UK	123456789	15/07/2017	
France	THE Company	987654321	23/11/2021	22/11/2023

VAT Calculations (Summary)

Total Purchase	VAT Rate	Input VAT
£260,000	20%	£52,000
£80,000	5%	£4,000

VAT Transactions List (Summary)

Inv#	Date	Type	Country	Amount	VAT Amount	Compliant	Reason	Severity
1	01/02/2023	Consultation	UK	£1,300.90	£260.30	Invalid	Exceeds report period	High
2	05/10/2023	Legal	FR	€2,080.00	€400.90	Invalid	Wrong Refund Country	Critical
3	12/10/2023	Marketing	UK	£5,500.50	£860.23	Valid		
4	17/10/2023	Equipment	UK	£890.20	£40.50	Valid		
5	26/10/2023	IT Services	UK	£23,000.00	£4800.00	Valid		
6	08/11/2023	Furniture	UK	£6,900.00	£600.87	Valid		
7	19/11/2023	Office	UK	£52,120.40	£10,468.19	Valid		

Learn more at www.way2vat.com | Contact us at info@way2vat.com

Key benefits



Completeness

Unlike manual auditing, which is random or selective, our automated checks provide full coverage on each transaction.



Speed

Manual review is time-consuming while automation generates section able output quickly, allowing plenty of time to respond.



Cost-effective

The automated VAT/GST review process is more efficient, leading to pricing that is unparalleled and exceptional value vs. cost.



Verification

Verifying proper submission of AP expenses to tax authorities, checking for the most common mistakes.



Accuracy

Identifying wrongly submitted expenses, pinpointing errors, and providing information about the required action. Ensure that your business accounts for the reverse charge correctly.



Foreign VAT/GST

Handles all cross-border VAT/GST regulations on any directive

Equity raising overview



Equity raising overview

Way2VAT is raising approximately A\$5.25m via Placement and SPP expected to accelerate recent company initiatives undertaken to expedite the pathway to profitability

Placement	<ul style="list-style-type: none"> Placement to raise approximately A\$4.25m comprising of: <ul style="list-style-type: none"> Placement of new fully paid ordinary shares ("New Shares") to sophisticated and professional investors to raise approximately A\$2.1m in accordance with the Company's existing placement capacity under ASX LR 7.1 and 7.1A ("Tranche 1 Placement"); and A Placement to new and existing shareholders of approximately A\$2.2m which will be subject to shareholder approval at the EGM ("Tranche 2 Placement"). Approximately 193.2 million new fully paid ordinary shares in W2V ("New Shares") to be issued under the Placement, representing approximately 29.6% of W2V current shares on issue.
Offer Price	<ul style="list-style-type: none"> New Shares issued under the Placement will be issued at a price of A\$0.022 per new share ("Offer Price"), representing a: <ul style="list-style-type: none"> – 18.5% discount to the last close price on 23 February 2024 of \$0.0270 – 18.4% discount to 30 trading day VWAP of \$0.0269
Share Purchase Plan	<ul style="list-style-type: none"> The Company intends to offer eligible shareholders the opportunity to participate in a Share Purchase Plan ("SPP") and apply for up to A\$30,000 of New Shares, raising a total of up to A\$1.0m. The SPP will be offered at A\$0.022 per New Share, being the Offer Price paid under the Placement and will be subject to shareholder approval at the EGM.
Attaching Options	<ul style="list-style-type: none"> Shares will be offered under the Placement and SPP with two (2) free attaching option for every three (3) New Shares issued ("Attaching Options"). <ul style="list-style-type: none"> – The Attaching Options are intended to be listed on the ASX (subject to the Company satisfying ASX quotation requirements) with an exercise price of \$0.033 and will expire on 28 February 2026. The Attaching Options will be offered under a transaction-specific prospectus and the issue of the Options will be conditional on shareholder approval at the EGM and the Options meeting the ASX's quotation conditions.
Conversion of Convertible Notes	<ul style="list-style-type: none"> On 31 January 2024, the Company announced it had received firm commitments to raise A\$1.1m via the issue of Convertible notes to certain key shareholders. In conjunction with the Placement, these Convertible Notes will convert to ordinary shares in W2V at a 20% discount to the Offer Price, subject to obtaining the relevant shareholder approvals.
Ranking	<ul style="list-style-type: none"> All new shares issued under the Offer will rank equally with existing W2V shares from the date of issue.
Lead Manager	<ul style="list-style-type: none"> Bell Potter Securities Limited ("Bell Potter") is acting as Sole Lead Manager to the capital raise.

Use of funds and pro forma cash

USE OF FUNDS	A\$M
Working Capital	\$4.85
Transaction Costs	\$0.40
Total Capital Raised	\$5.25

PRO-FORMA CASH	A\$M
Cash Balance ¹	\$0.70
Convertible Notes ²	\$1.10
Capital Raising ³	\$5.25
Pro Forma Cash Balance⁴	\$7.05

¹ Cash balance as at 31 December 2023

² Proceeds from convertible notes (before costs) as announced on 31 January 2024

³ Assumes fully subscribed SPP of A\$1m and before transaction costs

⁴ Does not take into account any proceeds of exercising of options over the next two years



Offer timetable

Indicative capital raising timetable ¹	Date (AEDT)
Trading Halt	Monday, 26th February 2024
Record Date for SPP	7.00pm Tuesday, 27th February 2024
Capital Raising announced and trading halt lifted	Wednesday, 28th February 2024
Settlement of the Tranche 1 Placement	Tuesday, 5th March 2024
Allotment of Tranche 1 Placement Shares	Wednesday, 6th March 2024
SPP opens	Friday, 15th March 2024
SPP closes	Monday, 8th April 2024
EGM to approve conversion of Convertible Notes, Tranche 2 Placement Shares, SPP Shares, Attaching Options and SPP Closes	Monday, 8th April 2024
Settlement of the Tranche 2 Placement	Friday, 12th April 2024
Allotment of Tranche 2 Placement Shares and Issue of Attaching Options and Conversion of Convertible Notes	Monday, 15th April 2024

¹ The timetable is indicative only and subject to change by the Company and Lead Manager, subject to the Corporations Act and other applicable laws

Key risks

Future Capital Needs and Additional Funding

At present, Way2VAT is not operating on a cash flow positive basis, meaning it is reliant on raising additional funds from investors to continue to fund its operations and development of its platform. Way2VAT intends to continue to spend significant funds to develop its platform, expand its sales and marketing and grow its operations as well as meet the compliance obligations, resulting in further net losses in the future.

The Directors consider that the Placement and the SPP will provide Way2VAT with sufficient capital to continue to operate as a going concern and progress and grow its operations. However, Way2VAT may require additional funding in the future to finance ongoing operations and realise its growth strategy. The future capital requirements of Way2VAT (both in respect to timing and quantum) will depend on many factors, including whether Way2VAT can grow existing revenues and achieve its business strategy/plan.

No assurances can be given that Way2VAT will be able to raise additional funding and Way2VAT's ability to obtain additional funding will depend on investor demand, its performance and reputation, market conditions and other factors. Way2VAT may seek to raise further funds through equity or debt financing or other means. Failure to obtain sufficient financing for Way2VAT's activities and business may have a material adverse effect on Way2VAT's business and its financial condition and performance. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable. If Way2VAT continues to incur losses in the future, the net losses and negative cash flows may have an adverse effect on shareholder equity and Way2VAT 's working capital.

Loss of client relationships

The success of Way2VAT's business will depend on its continued relationships with its existing clients. There can be no guarantee that these relationships will continue or, if they do continue, that these relationships will continue to be successful.

There is a risk that Way2VAT may lose its clients for a variety of reasons including a failure to successfully reclaim VAT, meet key contractual or commercial requirements, and/or customers shifting to in-house solutions or competitor service providers.

Although Way2VAT does not currently depend on any one customer for its revenue, the Way2VAT business is still at a relatively early stage and client revenue is not as diversified as it might be for a more mature business. The loss of even a small number of Way2VAT's clients may materially and adversely impact Way2VAT's revenue, and increase marketing expenses to sign up new clients to replace those lost. Depending on the reason for the loss of a clients, it may also have a negative impact on Way2VAT's reputation with other clients.

There is also a risk that new agreements formed with clients in the future may be less favourable to Way2VAT, including in relation to commission and other key terms, due to unanticipated changes in the market in which Way2VAT operates.

Failure to increase reclaim volumes, number of clients or establish its brand

Way2VAT considers that establishing, expanding and maintaining the Way2VAT brand is important to growing its client base. Failure to expand in this way may materially and adversely impact Way2VAT's ability to achieve economies of scale and to optimise its systems, and may therefore adversely impact Way2VAT's ability to achieve future profitability.

Way2VAT's growth strategy may also include the introduction of new services or technologies. There is

a risk that expansion initiatives may result in additional costs and risks, or may not deliver the outcomes intended. Way2VAT's strategy depends on increasingly expanding the number clients, which may not eventuate as hoped.

Compliance with laws, treaties, regulations and industry compliance standards

Way2VAT is subject to a range of legal and industry compliance requirements that are constantly changing. This includes taxation laws and treaties, privacy laws, anti-money laundering procedures, data protection laws and contractual conditions, including:

- the European Union Sixth Council Directive;
- the Refund Directive (2008/09/EC);
- the 13th EU VAT Directive; and
- EU GDPR regulation.

In addition, there is potential that Way2VAT may become subject to additional legal or regulatory requirements if its business, operations, strategy or geographic reach expand in the future. This may potentially include the requirement to register as a tax agent and/or representative or other licensing or regulatory requirements or similar limitations on the conduct of business.

There is a risk that additional or changed legal, regulatory or licensing requirements, and industry compliance standards, may make it unviable or uneconomic for Way2VAT to continue to operate in certain jurisdiction, or to expand in accordance with its strategy. This may materially and adversely impact Way2VAT's revenue and ability to achieve profitability, including by preventing its business from reaching a sufficient scale.

There is also a risk that if Way2VAT fails to comply with these laws, regulations and industry compliance standards, this may result in significantly increased compliance costs, cessation of certain business activities or the ability to conduct business, litigation or regulatory enquiry or investigation and significant reputational damage.

Risks of an Israeli company

Way2VAT is incorporated in Israel and its development and research and development facilities are based in Israel. Accordingly, political, economic and military conditions in Israel and the surrounding region, and national, company, consumer and other boycotts, may directly affect Way2VAT's business. Any hostilities involving Israel, or the interruption or curtailment of trade within Israel or between Israel and its trading partners, or the mandatory military service obligations of Israeli citizens (including Way2VAT's Israeli-based Directors and key management and scientific personnel) could materially and adversely affect Way2VAT's business and make it more difficult for Way2VAT to raise capital.

Furthermore, several countries, principally in the Middle East, restrict business with Israel and Israeli companies, and additional countries may impose restrictions on doing business with Israel and Israeli companies whether as a result of hostilities or otherwise. In addition, there have been increased efforts by activists to cause companies and consumers to boycott Israeli goods based on Israeli government policies. Such actions, particularly if they become more widespread, may have an adverse impact on Way2VAT's ability to sell its products, its business operations and financial performance.



Key risks

Reliance on tax agents and representatives

Way2VAT's business and operations is largely dependent on various third parties, including its tax agents, representatives, legal advisers and consultants. Way2VAT relies heavily on its tax agents, representatives and consultants in each jurisdiction that it operates in for taxation and VAT and GST reclaim knowledge and there is a risk that its tax agents, representatives, legal advisers and consultants are inadequate.

Although Way2VAT has implemented internal measures to reduce its reliance on its tax agents and representatives and expanded its in-house know how, including via the engagement of employees with extensive VAT compliance backgrounds. The loss of the services of any of its third party representatives, including due to insolvency, loss of key licences, certifications or permits or any other reason, and the inability of Way2VAT to find adequate replacements on a timely basis, or at all, could have a material effect on Way2VAT's business, financial condition, operations and prospects.

Failure to achieve its growth strategy

The success of Way2VAT's business is dependent on the achievement of its growth strategy, including (but not limited to), expanding its geographical reach in the enterprise market and further developing the SMB solution. If Way2VAT is unable to enter into future arrangements to expand its geographical reach or develop these solutions, this may materially and adversely impact Way2VAT's financial performance, reputation and ability to achieve future profitability.

Failures or disruptions to its platform and third party providers

Way2VAT depends on the performance, reliability and availability of its technology system, third party software providers, including the integration with expense management systems, and cloud based platform providers to achieve its business strategy and growth.

There is a risk that these systems may fail to perform as expected or be adversely impacted by a number of factors, some of which may be outside the control of Way2VAT, including damage, equipment faults, power failure, fire, natural disasters, computer viruses, and external malicious interventions such as hacking or denial-of-service attacks. Events of that nature may cause part or all of Way2VAT's technology system and/or the communication networks used by Way2VAT to become unavailable. Way2VAT's operational processes and contingency plans may not adequately address every potential event. This may disrupt transaction flow and adversely impact Way2VAT's financial performance and reputation.

There is a risk that repeated failures to keep Way2VAT's technology available may result in clients cancelling their contracts with Way2VAT. This may materially and adversely impact Way2VAT's financial performance, including a reduction in revenue and an increase in the costs associated with servicing clients through the disruption, as well as negatively impacting Way2VAT's reputation.

Way2VAT may suffer reputational damage

Maintaining the strength of Way2VAT's reputation is important to retaining and increasing its client base, maintaining its relationships with its partners and other service providers and successfully implementing Way2VAT's business strategy. There is a risk that unforeseen issues or events may adversely impact Way2VAT's reputation. This may adversely impact Way2VAT's future growth and its ability to achieve profitability.

Way2VAT's reputation is also closely linked to its ability to successfully reclaim VAT for its clients. There is a risk that Way2VAT's actions and the actions of Way2VAT's agents and representatives may

adversely impact Way2VAT's reputation. Any factors that diminish Way2VAT's reputation could result in clients or other parties ceasing to do business with Way2VAT, impede its ability to successfully provide the its VAT and GST reclaim service, negatively affect its future business strategy and materially and adversely impact Way2VAT's financial position and performance.

Global conflicts

The current evolving conflict between Ukraine and Russia and Israel and Palestine (**Ukraine and Gaza Conflicts**) is impacting global economic markets. The nature and extent of the effect of the Ukraine and Gaza Conflicts on the performance of Way2VAT remains unknown. Way2VAT's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the Ukraine and Gaza Conflicts. The Directors are continuing to closely monitor the potential secondary and tertiary macroeconomic impacts of the unfolding events, including the potential of cyber activity impacting governments and businesses.

Further, any governmental or industry measures taken in response to the Ukraine and Gaza Conflicts, including limitations on travel and changes to import/export restrictions and arrangements involving the relevant countries may adversely impact Way2VAT's operations and are likely to be beyond the control of Way2VAT. Way2VAT is monitoring the situation closely and considers the impact of the Ukraine and Gaza Conflicts on Way2VAT's business and financial performance to, at this stage, be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.

Loss of key management personnel

Way2VAT is largely dependent on the performance of its management team and certain highly qualified employees, including data scientists, engineers and other research and development personnel, sales personnel and Way2VAT's continuing ability to attract and retain such employees.

The unplanned loss of the services of any of the Directors or members of senior management could materially and adversely affect the business of Way2VAT until a suitable successor can be found. There are limited persons with the requisite competencies to serve in these positions, and Way2VAT cannot provide any assurance that Way2VAT would be able to locate or employ such qualified personnel in a timely manner, on terms acceptable to Way2VAT or at all. The inability to attract and retain key and other highly qualified personnel could have a material adverse effect on the business, financial condition, results of operations and prospects of the business.

Competitors and new market entrants

There is a risk that new entrants in the market which may disrupt Way2VAT's business and existing market share. Existing competitors as well as new competitors entering the industry, may engage in aggressive client acquisition campaigns, develop superior technology offerings or consolidate with other entities to deliver enhanced scale benefits. Such competitive pressures may materially erode Way2VAT's market share and revenue, and may materially and adversely impact Way2VAT's revenue and profitability.

A general increase in competition may also require Way2VAT to increase marketing expenditure or offer lower fees to clients, which would decrease profitability even if Way2VAT's market share does not decrease.



Key risks

Employee recruitment risk and retention

Way2VAT's ability to effectively execute its growth strategy depends upon the performance and expertise of its staff. Way2VAT relies on experienced managerial and highly qualified technical staff to develop and operate its technology and to direct operational staff to manage the operational, sales, compliance and other functions of its business. There is a risk that Way2VAT may not be able to attract and retain key staff or be able to find effective replacements in a timely manner. The loss of staff, or any delay in their replacement, could impact Way2VAT's ability to operate its business and achieve its growth strategies including through the development of new systems and technology.

There is a risk that Way2VAT may not be able to recruit suitably qualified and talented staff in a time frame that meets the growth objectives of Way2VAT. This may result in delays in the integration of new systems, development of technology and general business expansion, which may adversely impact Way2VAT's revenue and future profitability.

There is also a risk that Way2VAT will be unable to retain existing staff, or recruit new staff, on terms of retention that are as attractive to Way2VAT as past agreements. This would adversely impact employment costs and profitability.

Activities of fraudulent parties

Way2VAT is exposed to risks imposed by fraudulent conduct, including the risks associated with inaccurate information being provided by clients. Although Way2VAT has put in place multiple checks and balances, including an automated and manual compliance systems, there is a risk that Way2VAT may be unsuccessful in defeating fraud attempts, resulting in inaccurate information being provided to the tax authorities.

Fraudulent activity may result in Way2VAT suffering losses due to fraud, a materially adverse impact to Way2VAT's reputation and bearing certain costs to rectify and safeguard business operations and Way2VAT's systems against fraudulent activity.

Protection and ownership of technology and intellectual property

The business of Way2VAT depends on its ability to commercially exploit its technology and intellectual property, including the automatic invoice analyzer technology, its technological systems and data processing algorithms. Way2VAT relies on laws relating to trade secrets, copyright and trademarks to assist in protecting its proprietary rights. However, there is a risk that unauthorised use or copying of Way2VAT's software, data, specialised technology or platforms will occur. In addition, there is a risk that the validity, ownership or authorised use of intellectual property relevant to Way2VAT's business may be successfully challenged by third parties. This could involve significant expense and potentially the inability to use the intellectual property in question, and if an alternative cost-effective solution were not available, it may materially adversely impact Way2VAT's financial position and performance. Such disputes may also temporarily adversely impact Way2VAT's ability to integrate new systems which may adversely impact Way2VAT's revenue and profitability.

There is also a risk that Way2VAT will be unable to register or otherwise protect new intellectual property it develops in the future, or which is developed on its behalf by contractors. In addition, competitors may be able to work around any of the intellectual property rights used by Way2VAT, or independently develop technologies or competing products or services that are not protected

by Way2VAT's intellectual property rights. Way2VAT's competitors may then be able to offer identical or very similar services or services that are otherwise competitive against those provided by Way2VAT, which could adversely affect Way2VAT's business.

W2V technology may be superseded by other technology or changes in business practice

Way2VAT participates in a competitive environment. Information technology systems are continuing to develop and are subject to rapid change, while business practices continue to evolve. Way2VAT's success will in part depend on its ability to offer services and systems that remain current with the continuing changes in technology, evolving industry standards and changing consumer preferences. There is a risk that Way2VAT will not be successful in addressing these developments in a timely manner, or that expenses will be greater than expected. In addition, there is a risk that new products or technologies (or alternative systems) developed by third parties will supersede Way2VAT's technology. This may materially and adversely impact Way2VAT's revenue and profitability.

Government regulation and legal requirements

Way2VAT is subject to the taxation laws in each respective jurisdiction that it operates and anti-money laundering/counter terrorism financing legislation in relation to clients. Outside of this Way2VAT is not currently subject to any other specific laws or regulations other than the laws and regulations applicable to business generally. There is a risk that a number of laws and regulations may be adopted with respect to Way2VAT's operations covering issues such as user privacy, pricing, intellectual property rights and information security which could limit the proposed scope of activities of Way2VAT.

Reliance on internet

Way2VAT will depend on the ability of its clients to access the internet. Should access to the internet be disrupted or restricted, usage of Way2VAT's services may be adversely impacted.

Exposure to potential security breaches and data protection issues

Through the ordinary course of business, Way2VAT collects a wide range of confidential information. Cyber-attacks may compromise or breach the technology platform used by Way2VAT to protect confidential information.

There is a risk that the measures taken by Way2VAT may not be sufficient to detect or prevent unauthorised access to, or disclosure of, such confidential information. Any data security breaches or Way2VAT's failure to protect confidential information could result in the loss of information integrity, or breaches of Way2VAT's obligations under applicable laws or agreements, each of which may materially adversely impact Way2VAT's financial performance and reputation.

Risk of litigation, claims and disputes

Way2VAT may be subject to litigation and other claims and disputes in the course of its business, including contractual disputes, employment disputes, indemnity claims, and occupational and personal claims. Even if Way2VAT is ultimately successful, there is a risk that such litigation, claims and disputes could materially and adversely impact Way2VAT's operating and financial performance due to the cost of settling such claims, and affect Way2VAT's reputation.

Foreign selling restrictions

This document does not constitute an offer of New Shares and Attaching Options of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares and Attaching Options may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this document may not be distributed, and the New Shares and Attaching Options may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares and Options has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares and Attaching Options that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares and Attaching Options may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Israel

The New Shares and Attaching Options have not been registered, and no prospectus will be issued, under the Israeli Securities Law, 1968 (the "Securities Law"). Accordingly, the New Shares and Attaching Options will only be offered and sold in Israel pursuant to private placement exemptions, namely to no more than 35 offerees who fall within a category of sophisticated investor as described in the First Addendum of the Securities Law.

Neither this document nor any activities related to the Offer shall be deemed to be the provision of investment advice. If any recipient of this document is not the intended recipient, such recipient should promptly return this document to the Company. This document has not been reviewed or approved by the Israeli Securities Authority in any way.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares and Attaching Options are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This document and any other materials relating to the New Shares and Attaching Options have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares and Attaching Options, may not be issued, circulated or distributed, nor may such securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

This document has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares and Attaching Options being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New Shares or Attaching Options. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Thailand

This document is not intended to be an offer, sale or invitation (directly or indirectly) for subscription or purchase of securities to the public in Thailand. This document has not been registered as a prospectus and registration statement with the Office of the Securities and Exchange Commission of Thailand. Accordingly, this document and any other document relating to the offer, sale or invitation for subscription or purchase, of the New Shares and the Options may not be circulated or distributed, nor may the securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public of Thailand.

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