

GLOBAL VAT/GST REFUNDS

1H24 results and business update

29 August 2024



— The world's only fintech company automating global VAT reclaim processing through image processing and AI

LON
TLV
BCN

Every month

1M invoices recovered
automatically

Market potential

\$20B

Enterprise clients

375+



How we add value – ability to retrospectively administer several years of claims

CASE STUDY

- New large multinational NASDAQ-listed technology client with a current market cap over US\$30 billion.
- Expected to be a long-term relationship
- Initial work with this client is processing VAT reclaims relating to older accounts payable (AP) invoices plus travel & expense (T&E) receipts that need to be processed before various tax jurisdiction cut off deadlines at the end of September and December.
- At this stage Way2VAT is unable to quantify revenue projections associated with this new client, but these are not expected to be material in the first year as client data is steadily gathered and assessed.

How we add value – ability to easily expand to meet growing client operations in different jurisdictions

CASE STUDY

- Large international water treatment and chemical company
- Way2VAT client since 2022
- Way2VAT currently provides T&E and AP services to 33 company entities across 20 different jurisdictions
- Proven track record in generating substantial reclaims
- The client has increased the use of the Way2VAT product suite to cover a further 75 additional entities across dozens of additional countries
- Exceptional example of strengthening enterprise client relationships

How we add value – ability to accurately and quickly process VAT reclaims across the globe

CASE STUDY

- One of the largest multinational recruitment companies in the world
- More than 40,000 employees across 4,500 offices
- Way2VAT were able to produce more accurate reports and in a faster timescale than their previous provider, utilising our AIA technology.
- With thousands of invoices being processed through their AP system W2V were able to make this process easier processing bulk data.
- Way2VAT also uncovered unclaimed VAT from previous years which the client was unaware of, and has boosted their returns.

Financials

1H24 Financial Highlights

1H24 Cash Flow



1H24 financial highlights



\$1.74M

Net revenue in 1H24
+27% on pcp



\$1.3M

Gross Profit in 1H24
+45% on pcp



75%

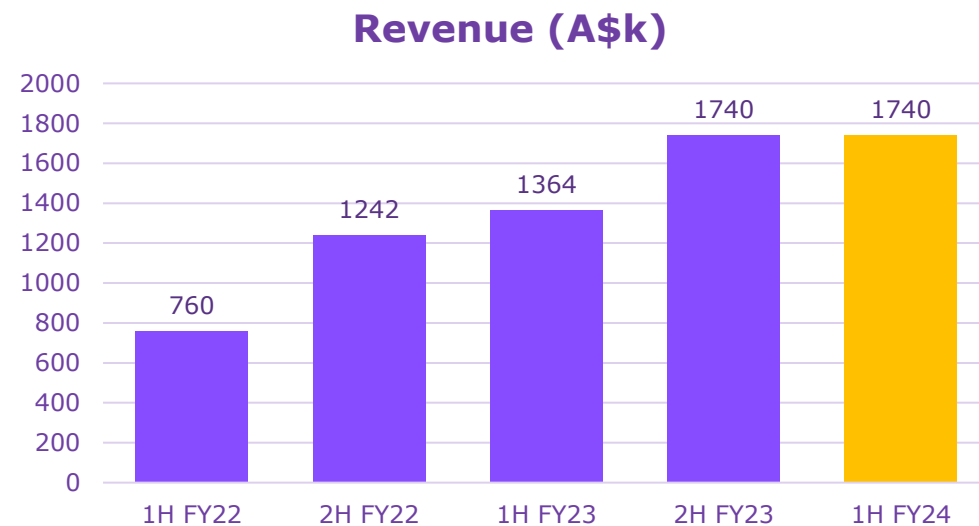
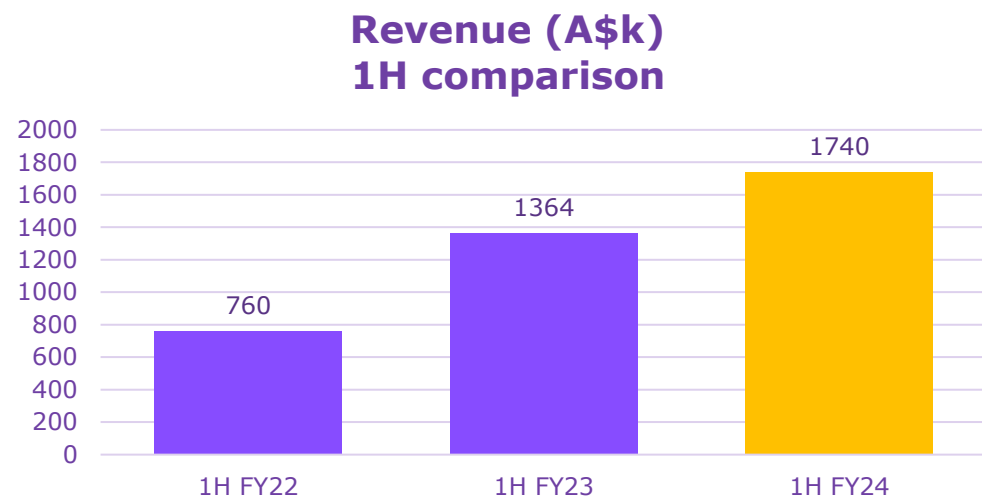
Gross margin
+ 9bps on pcp



\$3.4M

Trade receivables
(as at 30/6/24)

Accelerating revenue run rate



Operational expense management to harness growth

- 1H24 operating expenses \$4.68 million, up 22% on pcp (1H23: \$3.84 million)
- Mainly due to:
 - Updating the provision and recording of expenses (a non-cash item) in connection with key research and development grant expenses.
 - Marketing increases for a growing sales team and their initiatives to support the business, one-off recruitment costs.
 - Various non-cash items recorded in general and administrative expenses.

2H24 Outlook

- Seasonally, Way2VAT revenue performs better in the second half due to various tax deadlines and financial year-ends in most EU jurisdictions
- Irrespective of seasonality, transaction volume and revenue is trending upwards off an increasing client base using the broader suite of products in more jurisdictions
- APAI Compliance entering commercial phase
- Currently evaluating acquisition opportunities in Europe
- Strong sales pipeline should contribute to accelerating enterprise client growth, particularly in Europe and Australia
- Continued Gross Margin improvement due to change in the mix of higher-margin foreign VAT compared to accounts payable post-COVID



Questions

