



ASX Release

30 April 2025

Activities Report for the Quarter ended 31 March 2025

Key Highlights

- **Cash receipts** – \$2.37m: Up 160% on pcp (Q3 FY24 \$1.45m).
- **Platform quarter** – March quarter laid the foundation with June forecast to be a strong quarter with record cash receipts from customers anticipated.
- **April 2025 month** cash receipts from customers were approximately \$1.5m.
- **Payment Volumes** – Total Payment Volumes (PV) of \$117m in Q3 FY25.
- **Cash and cash equivalent** – \$1.25m as at 31 March 2025.
- **Capricorn Loan Facility** – \$3m Loan Facility executed in April 2025.

Spenda Limited (**ASX:SPX**, “**Spenda**” or “**the Company**”), an innovative software company with an integrated set of capabilities that enable trading networks to buy, sell, and pay more efficiently, is pleased to release its Quarterly Activities and Cash Flow report for the quarter ended 31 March 2025 (“**Q3 FY25**”).

The Company started 2025 strongly, with a key focus on:

- derisking and recapitalizing the business with the sale of the invoice finance loan book;
- continued roll out of the existing contracts (Capricorn’s SwiftStatement and Carpet Court SOE) and increasing our supply capacity;
- addition of new revenue channels; and
- optimizing operating costs following several one costs impacting the quarter

These activities enabled the Company to end the quarter with \$2.37m cash receipts (a decrease of 35% on the December quarter but YoY growth of 160%) and **FY25 YTD cash receipts of ~\$7.86m**.

The revenue decline was expected as the Company derisked its business with the sale of invoice finance loan book (- \$250k rev) and cyclical post-Christmas decrease in payments volume.

Q3 activities have been critical in enabling the Company to forecast record quarterly cash receipts expected in June quarter. This forecast is underpinned by a strong April 2025 cash receipts from customers of approximately \$1.5m received. Based on existing performance for April, the Company expects to receive cash receipts of customers in Q4 FY25 of approximately \$4m, which if achieved, would take FY25 cash receipts to approximately \$12m, being approximately 120% annual growth from FY24. The Company expects to continue to build on its revenues during CY2025.



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A summary of the Company's cashflow performance comparing YTD FY25 v YTD FY24 is as follows:

	YTD FY25	YTD FY24	% Change
Cash Receipts	~\$7.86m	\$3.57m	+120%
Cost of Sales	~\$1.57m	\$1.27k	+24%
Operating Costs	\$10.15m	\$7.9m	+28%
Monthly Cash Burn (avg)	\$420k*	\$624k	-33%

*The monthly cash burn rose as revenue decreased (seasonality) and costs increased. Costs and margins continue to be predictable, with the average operating cost for the 9 months to FY March 2025 being ~\$1.1m per month inclusive of one off legal and compliance costs for the establishment of the AFSL, ISO 27001 certification and invoice finance loan book sale – totaling ~\$450k additional one-off costs for the quarter, including termination costs associated with the sale of the invoice finance loan book and associated payout of staff entitlements ~\$300k). Actual operating costs are normalized at ~\$1m per month.

Continued delivery on current projects is expected to close the current cashflow operating gap.

Quarter in Review

During the quarter the Company's sole focus was the sale and closeout of Asset Sale Agreement with Grapple Invoice Finance Fund Pty Ltd for the sale of the Company's invoice finance loan book via its subsidiary Spenda Cash Flow Pty Ltd ("**SCF**"), the entity servicing the Company's invoice finance loan book.

The sale resulted in Grapple acquiring SCFs assets for a total consideration of \$2m, on the following terms:

- On the completion date, Grapple to pay Spenda the sum of \$500,000 ("**initial consideration**"); and
- Grapple shall pay an additional consideration of \$1,500,000 ("**deferred consideration**") as follows:
 - 10 equal monthly instalments in the sum of \$75,000 commencing on 14 April 2025, and then on the 14th day of each calendar month thereafter; and
 - a sum of \$750,000 on or before 31 March 2026 ("**Balloon Payment**").
- The deferred consideration may be adjusted if any Customers leave or are terminated from the completion date to 28 February 2026.

The sale resulted in a reduction of ~\$50,000 p.m. in gross profit, the impact of which will be offset by cost reductions associated with the operations portfolio. Further, the sale of the loan book to Grapple resulted in the return of the Company's committed first loss capital of ~\$2.3m, a precondition requirement at the time of the establishment of the loan facility. Completion of the transaction occurred on 14 March 2025.

The Company and Grapple executed a referral agreement for an initial period of 24 months under which Grapple will pay the Company a referral commission equal to 100% of the Net Interest Margin ("**NIM**") for year 1 and 50% of the NIM for year 2, in respect of all deals successfully referred to Grapple by the Company from November 2024.

Additionally, as part of the sale of the loan book to Grapple, certain Spenda employees key to the ongoing management and servicing of the loan book as a going concern transferred across to Grapple on completion, resulting in a reduction of ~\$500k annually.





As a result of the sale, the Company incurred a break-fee (\$250,000) to the Company's credit provider for the early termination of the facility.

SwiftStatement Update

The *SwiftStatement* Member program with Capricorn, aimed at modernising the delivery and utilisation of Capricorn's Statement data, continues to roll out. The product is establishing a user base from a controlled sales effort in all regions of Australia. The quarter was focused on improving deployments, sales training, strategic refinement of the solution and increasing onboarding capacity.

The success of the initial pilot confirmed the market fit for *SwiftStatement* to the majority of Capricorn's member base and refinement to self-service onboarding (unassisted setup and implementation) has resulted in onboarding times being reduced to ~30 minutes. The recent release of the self-onboarding functionality has material scaling impact and has established an installation capacity of ~2000 jobs per week, with approximately 17% of customers requiring installation assistance.

The roll out has been at a slower pace than expected, with the Company receiving invaluable market feedback on product functionality with a strong advocacy from the existing user base.

In response the Company has:

- implemented additional features to accelerate adoption;
- developed new AI capabilities for invoice capture and processing with Fresh Supply Co; and
- refined the direct sales engagement with the Capricorn sales team.

These adjustments in market activities are expected to increase customer acquisition rates and adoption of *SwiftStatement*. Currently the Company has ~1,100 leads with ~100 paying customers. The Company and Capricorn are working together to broaden adoption of the product amongst the membership based on wider feedback from the membership.

Carpet Court SoE Update

Q3 has been dedicated to critical collaboration with the first Carpet Court stores, the Head Office team and Spenda to round out the SOE product capabilities into a broad set of features that will enable most franchisees to digitise their operations and drive business efficiency.

The core offerings now combine:

- Customer, Supplier and Inventory Management
- Quote, Invoicing and Payment services;
- Inline procurement (supplier ordering)
- Accounting Payable and Receivable Management

With this feature set the Company has now expanded its engagement with a broader cross section of the Carpet Court store base with planned implementations over Q4 through to the end of the year.





Fresh Supply Co Update

The Company and Fresh Supply Co have worked closely on several AI technology components that we expect to jointly commercialise within Swift Statement, Spenda AP and AR. We expect that these services will be highly complementary to our joint commercial future.

AirPlus Update

The virtual card program continues to produce high margin revenues for Spenda. The Company anticipates making further announcements around the provision of virtual card services now that it has completed the prerequisite step of selling the invoice finance book.

ISO Certification

The Company successfully achieved the ISO 27001 accreditation to enable us to broaden the scope of core services. This was achieved whilst maintaining SOC 2 and PCI compliance.

By Implementing ISO 27001 the Company has significantly enhanced its security posture, reducing the risk of breaches and data loss, with this enabling us to build trust with larger strategic customers, partners, and other stakeholders by demonstrating our commitment to security.

The Company views ISO 27001 certification as a valuable asset for attracting business and demonstrating a commitment to security in a highly competitive market.

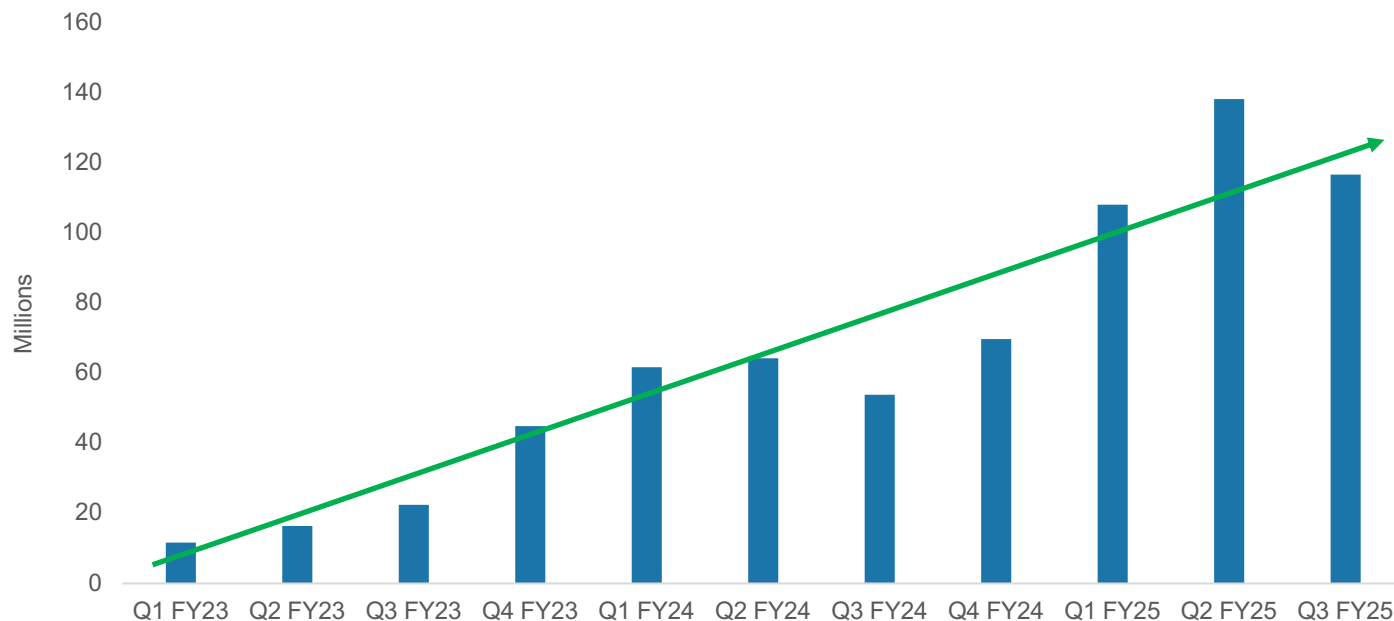
Building a strong foundation for long-term sustainable revenue

All programs of work are tracking to plan, with the key highlights being:

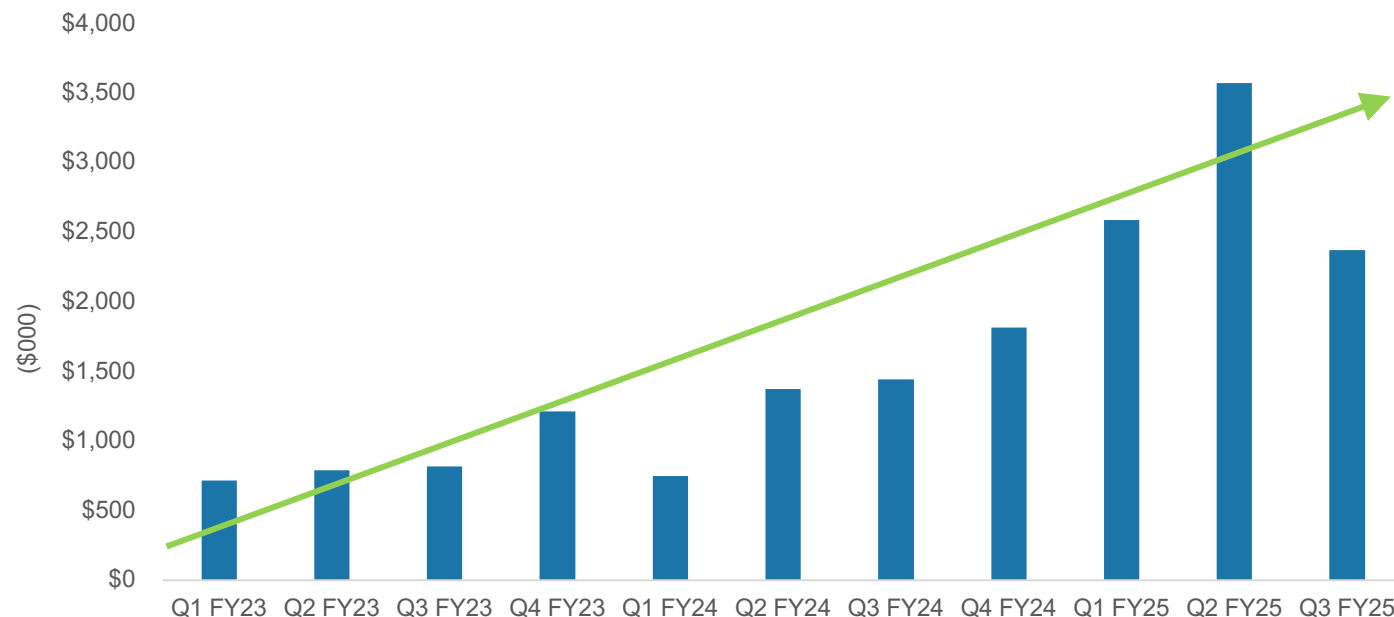
- Continued customisation of Carpet Court SOE to finalise a commercial release v1.0 by Q4 FY2025; and
- Continued scaling of our finance and payments products, including SpendaAR, SpendaAP and Payment Widget with corresponding SaaS Software Licensing fees.



Payment Volumes: Total PV in Q2 FY25 of \$117m, up 116% on pcp (Q3 FY24 - \$54m).



Financial position: Cash receipts from customers for the quarter were \$2.37m, up 160% on pcp (Q2 FY24) down 35% qoq.



The Company had a cash and cash equivalents position of \$1.25m as of 31 March 2025.



The operating expenditure for the March 2025 quarter is summarised as follows:

Category	Q2 FY25 (\$'000)	Q1 FY25 (\$'000)	Mvmt (+ / -) %
Product manufacturing and operating costs	1,182	882	+34%
Advertising and marketing	14	21	-33
Staff costs	1,333	2,094	-36%
Administration and corporate costs	995	1,037	-4%

Table 1: Summary of operating expenditure

Costs for the quarter were higher due to transaction costs associated with the sale of the invoice finance loan book and payout of entitlements to staff exited as a result of the sale and one off legal and compliance costs for the establishment of the AFSL, ISO 27001 certification – totaling ~\$450k additional one-off costs for the quarter.

Corporate

Subsequent to the quarters end, Non-Executive Directors Mr Andrew Kernan and Mr David Laird resigned from the Board of the Company.

The Company announced that it executed a \$3M term loan facility (the “**Working Capital Facility**” or “**facility**”) with Capricorn Society Limited (“**Lender**”).

The key terms of the facility are:

- **\$3M Term Facility** – 3-year term, 2 year capitalized and straight line repayment in year 3.
- **Flexible drawdown** – the Company can drawdown the facility in increments of \$500k.
- **Security** – Facility is secured by a general charge over specific IP related to Capricorn.

Related party transactions

The Company made payments totalling \$146k to the Company’s Directors (including the Managing Director), which included director’s salaries, fees and superannuation.

Key operational activities in the June quarter (Q4 FY25)

In the quarter ahead, the Company will continue to focus on:

- Delivering its target for record quarter cash receipts from customers;
- Implementing SwiftStatement program changes that enable us to accelerate adoption in the remainder of 2025;
- Collaborate with Carpet Court to accelerate the implementation of the SOE program.
- Continued expansion of Virtual card product (delivered through Spenda’s Accounts Payable software) and via API to improve overall margins and the scalability of payment flow;
- Achievement of Limepay’ acquisition milestone 3;



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Managing Director, Adrian Floate said:

"The business is performing well with triple digit annual growth in cash receipts and strong, growing diversified income streams. I couldn't ask for more from the team, who have performed well. This quarter should see us take a leap forward as we aim to post a record quarter for cash receipts from customers based on strong performance in the month of April."

- ENDS -



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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.

For more information, see <https://investors.spenda.co>

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

Investor Enquiries

Please email: investors@spenda.co



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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Spenda Limited

ABN

67 099 084 143

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,377	7,873
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(1,182)	(2,375)
(c) advertising and marketing	(14)	(95)
(d) leased assets	-	-
(e) staff costs	(1,333)	(4,917)
(f) administration and corporate costs	(996)	(2,780)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	20	69
1.5 Interest and other costs of finance paid	(395)	(1,264)
1.6 Income taxes paid	(6)	(24)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	(350)	(1)
1.9 Net cash used in operating activities	(1,179)	(3,496)

Note to support item 1.8

Monies relate to restricted cash merchant funds received/(paid) for the quarter.

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	(23)
	(d) investments	-	(318)
	(e) intellectual property	(982)	(779)
	(f) other non-current assets	-	(2)
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	500	500
2.3	Net Cash flows from loans to other entities	(4,267)	(4,556)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide detail if material)	-	211
2.6	Net cash from investing activities	(4,749)	(4,967)

Note to support item 2.2 (f)

The company received \$500,000 in relation to sale proceeds from disposal of Spendax Cash Flow Trust¹.

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	(128)
3.8	Dividends paid	-	-
3.9	Other (Listed Option entitlement issue)	-	-
3.10	Net cash from financing activities	-	(128)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	7,174	9,837
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,179)	(3,496)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(4,749)	(4,967)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(128)
4.5	Effect of movement in exchange rates on cash held	1	-
4.6	Cash and cash equivalents at end of period	1,245	1,245

5.	Reconciliation of cash and cash equivalent	Current quarter	Previous quarter
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	\$A'000	\$A'000
5.1	Bank balances	1,245	7,174
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,245	7,174

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	146
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p>Item 6.1 relates to payments to directors, including director's remuneration and director's superannuation.</p>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,179)
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,245
8.3	Unused finance facilities available at quarter end (item 7.5)	
8.4	Total available funding (item 8.2 + item 8.3)	1,248
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	1
<p><i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i></p>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	<p>No.</p> <p>The Company recorded cash receipts from customers of approximately \$1.5 million April 2025 and expects a material increase in cash receipts from customers in the June quarter.</p>	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	<p>As announced in April 2025, the Company has secured a \$3 million funding facility. An additional \$2.3 million from debt finance customers is payable to the Company following the sale of the loan book to Grapple, these funds are expected to be received over the coming quarters.</p>	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	<p>Yes, for the reasons detailed above.</p>	
<p><i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i></p>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30/4/25

Authorised by: Adrian Floate
CEO

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.