



GLOBAL VAT/GST REFUNDS

Business update

May 2024



FY23 financial highlights



\$3.1M

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



\$23.7M

Record transaction
volume up 11% on pcp
(FY22: \$21.3m)



78.6%

Gross margin
(FY22: 77%)

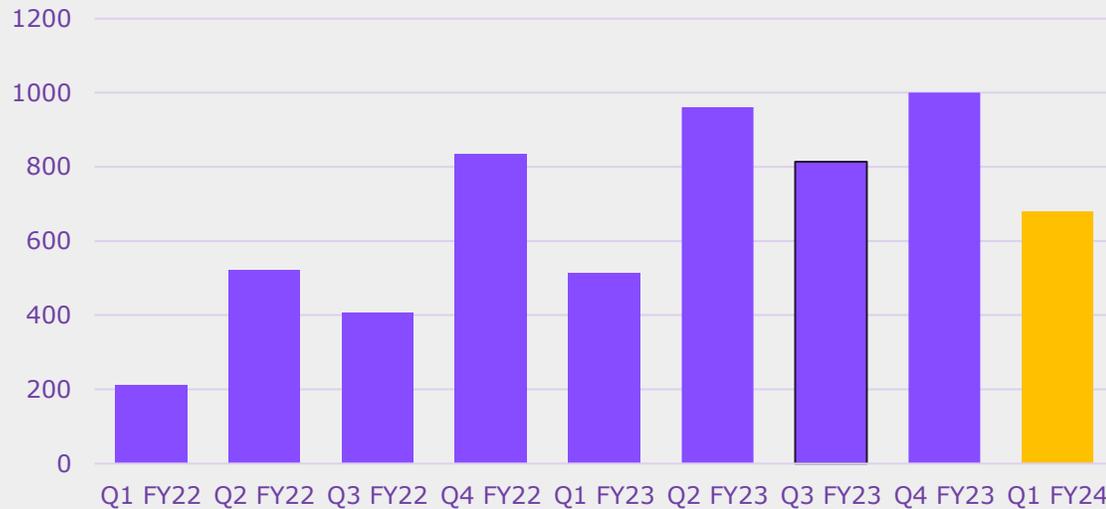


\$3.57M

Trade receivables
(as at 31/12/23)

Q1, a record start to FY24*

Quarterly Revenue (A\$k)



Enterprise clients ~365 at end of Q1

- Revenue of \$680K, up 32% on pcp – Q1 traditionally lowest quarter of year given seasonality of client reclaim submissions.
- Transaction volume of \$4.1M, up 84% on pcp.
- Cash receipts of \$934k, up 83% on pcp.
- Accounts receivable on client VAT claims already submitted to tax authorities of \$3.3 million.
- Launch of new AI-AP Compliance product and receiving positive feedback on pilot with two key clients.
- Entered Australian enterprise market with first new Australian multinational industrial client.
- Secured \$5.5 million (before costs) of funding in April.

Growth momentum continues in Q2

- ✓ **Growing enterprise clients**
Continued signing new clients* in April and May, including one of the world's largest recruitment companies, offering Way2VAT's VAT/GST claim and returns solution to over 40,000 employees in more than 4,500 offices.
- ✓ **Pipeline**
24 potential deals*, with clients in several industries across Europe, with at least **80% conversion probability**, with total W2V revenue or ACV (annual contract value) of **~A\$3.2M**, if converted and onboarded.
- ✓ **Expanding business development and sales team**
Top VAT specialist for the compliance team in London with more than 25 years' experience. New head of sales in London office. New senior sales representative in Spain.
- ✓ **New AI-driven automated auditing product pilots underway**
A pilot with two key clients, with **10 potential clients** in the immediate launch pipeline.
- ✓ **Continued benefits from integration of acquisitions and efficiency of operations**
Improving integration with **SAP Concur**, the world T&E leader for enterprises, with an automatic API being created for use across W2V's entire client base.

**The materiality of any individual client signed will be dependant on the VAT reclaim data that is received from the client after onboarding.*

AI-AP Compliance – preparing for launch after successful pilot

Pilot results

- Piloted new AI-AP Compliance product with two key clients, including a NASDAQ-listed telecom provider with a global footprint.
- Pilots on track to finish in Q2.
- AI-AP Compliance product delivering 90% success rate on test invoices.
- Key learning: clients providing key feedback on content for reports and dashboards.

Launch

- Launching AI-AP Compliance in Q3.
- W2V expects to process an additional 50k invoices for the telecoms provider across three European markets subsequent to the Pilot.
- 10 additional potential clients in initial pipeline.
- New provisional patent for the AI-AP product will be submitted in Q2 FY24 in the USA.
- AI-AP Compliance will be regularly refined and updated to meet evolving tax regulations and client needs.

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. With its superior technology, Way2VAT is well placed to take advantage of this trend and is actively networking across Europe.

Evaluating **three** different opportunities in Europe.

Questions

