



ASX release

28 February 2023

Way2VAT's post-COVID transaction volume doubles to A\$21.33million

FY22 Highlights (all figures have been translated from USD to \$A):

- Transaction volume A\$21.33 million, up 57% on pcp (FY21: A\$13.57 million)
- Reported Revenue of A\$1.88 million, up 7% on pcp (FY21: A\$1.76million) with operational revenue of €\$1.24 million, before adjusting for currency, up 11% on pcp (FY21: €\$1.12 million)
- Enterprise clients increased 25% from 200 to 250 during the year, including TikTok, BASF Spain, Duracell, Playmobil, Artsana, and Pizza Hut Spain
- SMB clients increased 29% from 700 to 900 during the year, through indirect sales with strong technology and accounting partnerships with Xero, Zoho, WebExpense, Sage, Circula ,Allocate and DevoluIVA
- Raised A\$2.49 million via a private and oversubscribed share placements to accelerate growth opportunities, with strong support from sophisticated, institutional and cornerstone investors
- Cash balance of A\$1.52 million at 31 December 2022

Global fintech leader in automated VAT claim and return solutions, Way2VAT Ltd (**ASX:W2V**, **Way2VAT** or the **Company**), today announced its full-year financial results for the 12 months ended 31 December 2022 (FY22).

Commenting on the Company's achievements in FY22, Way2VAT Founder & CEO, Amos Simantov, said:

"As the year progressed, we began to see the return of foreign travel to pre-pandemic levels, boosting our overall growth and enabling us to attract new enterprise clients and in new sectors. Also, the time needed by government tax authorities to process our claims is starting to reduce, after reaching nearly 15 months during the COVID period.

"This accelerating momentum saw gross transaction value to FY22, increasing by 57% to A\$21.33 million on the prior year. Importantly, the gross transaction value is a leading indicator of revenues we expect to receive.

"Our acquisition of Spanish company DevoluIVA has enabled us to enter a new market, with the Spain market having a different VAT structure to most countries in Europe. This transaction is in line with our strategy to expand into new markets via acquisitions. Encouragingly we are already seeing substantial growth in Spain, contributing significant transaction volume and revenues, and widening our presence in the global market.

“After launching the world’s first spending card automating VAT/GST returns for the SMB and Enterprise market in April 2022, we moved from the pilot stage to production and now generating revenue. This focus on unique products along with strategic acquisitions has added two new revenue streams, and we will continue to invest in and develop these initiatives.”

“Capital from our well supported share placements is being used to scale the marketing capability of our broadening suite of products, the rollout of the Smart Spend Debit Mastercard and to continue to optimise the patented technology platform.”

Financial Highlights

FY22 gross transaction value increased to \$21.22 million, up 57% (FY21: \$13.57 million), attributable to the increasing transaction volume and increasing value claims, underpinned by the return of the international travel of our customers during the year.



Operational Revenue, before adjusting for currency, was up 11% to €1.24 million, reflecting underlying growth, especially in the second half of the year. Reported revenue, after adjusting for currency (AUD), increased 7% to \$1.88 million on pcp (FY21: \$1.76 million).

Operational Highlights

A\$2.49 million placements to accelerate growth opportunities for expanding product suite

During FY22 Way2VAT raised A\$2.49 million before costs via strongly supported private and oversubscribed share placements with new and existing institutional and sophisticated investors joining the register. Funds raised are being used for the continued rollout of Smart Spend Debit MasterCard, accelerated sales and marketing campaigns, and adding new features to the patented technology platform.

Enterprise and SMB clients

In FY2022, Way2VAT secured major multinational clients increasing the enterprise client count to 250, a 25% increase over 12 months. Significant clients included TikTok, Playmobil, BASF Spain, Pizza Hut Spain, Duracell and Artsana.

Additionally, Way2VAT increased its SMB clients to 900 in FY2022, a 29% on the prior year, through its successful IT and accounting partnership with six key partners Xero, Zoho, WebExpense, Sage, Circula, Allocate and DevoluIVA . The smooth integration with existing and new partnerships enables Way2VAT to grow and strengthen its position as an automated VAT/ GST recovery solution provider.



DevoluIVA integration with Way2VAT

In the last quarter Way2VAT completed the acquisition of DevoluIVA, Spain's first fully digital solution for corporate expense and VAT recovery. DevoluIVA's revenue and expenses earned post-acquisition are included in FY2022 results.

DevoluIVA provides automated management of corporate expenses and automatic recovery of domestic VAT services through over 35,000 merchants via their platform. The recently acquired firm has also signed a new major Spanish enterprise client, Grupo Constant, Spain's largest provider of outsourcing and temporary employment, with over 30 offices located across Spain, Portugal, and the Czech Republic.

Integration of DevoluIVA has progressed as planned with the consolidation of support functions now largely complete and the sales teams are now coordinating new business development opportunities.

Outlook

Way2VAT Founder & CEO, Amos Simantov, said: "This year we expect to see the positive trends among foreign travellers to continue, driving strong transaction volumes and revenue growth. This combined with improvements in the time it takes tax authorities to process tax refunds, will see strong cash flow generation. As a result of these drivers, we believe we are on track to reach cash flow breakeven during 2024.

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

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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 2016, Way2VAT is headquartered in Tel Aviv with offices in the United Kingdom, Spain and Romania and has over 60 employees. Used by more than 250 enterprise companies including TikTok, Pizza Hut Spain, BASF Spain, Playmobil, Foot Locker Europe, Ariston Group, Artsana Group, MasterCard, eToro, Hitachi ABB, Aviva, Amdocs, EY Israel, Mobileye Intel, Willis Towers, Siemens-Israel, Daily Mail Group, Sage and Falck. www.way2vat.com