

cirralto

INVESTOR PRESENTATION

MAY 2021

LEGAL DISCLAIMER

NATURE OF THIS DOCUMENT

This presentation has been prepared by Cirralto Limited (Company). The information is based on publicly available information, internally developed data and other sources. By receiving this presentation, you acknowledge and represent to the Company that you have read, understood and accepted the terms of this disclaimer. It is the responsibility of all recipients of this presentation to obtain all necessary approvals to receive this presentation and receipt of this presentation will be taken by the Company to constitute a representation and warranty that all relevant approvals have been obtained. This presentation is a visual aid and is not intended to be read as a stand alone document. The material contains selected and abbreviated summary information about the Company and its subsidiaries and their activities current as at the date of this presentation. The material is of general background and does not purport to be complete. The Company is not responsible for providing updated information and assumes no responsibility to do so.

NOT AN OFFER

This presentation is for information purposes only and does not purport to be all inclusive or to contain all information about the Company or any of the assets, current or future, of the Company. This presentation does not comprise a prospectus, product disclosure statement or other offering document under Australian law (and will not be lodged with ASIC) or any other law. This presentation also does not constitute or form part of any invitation, offer for sale or subscription or any solicitation for any offer to buy or subscribe for any securities in any jurisdiction nor shall they or any part of them form the basis of or be relied upon in connection therewith or act as any inducement to enter into any contract or commitment with respect to securities. This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. This presentation and its contents must not be distributed, transmitted or viewed by any person in the United States or any jurisdiction where the distribution, transmission or viewing of this document would be unlawful under the securities or other laws of that or any other jurisdiction.

NOT INVESTMENT ADVICE

To the maximum extent permitted by law, the information contained in this presentation is given without any liability whatsoever being accepted by the Company or any of its related bodies corporate or their respective directors, officers, partners, employees, advisors and agents. This presentation is not investment or financial product advice (nor tax, accounting or legal advice) and its contents are not intended to be used for the basis of making an investment decision. No representation or warranty, express or implied, is made as to the accuracy, completeness or thoroughness of the information, whether as to the past or future. Recipients of this presentation should carefully consider whether the company is an appropriate investment for them in light of their personal circumstances, including their financial and taxation position. This presentation does not take into account the individual investment objectives, financial situation and particular needs of each recipient of this presentation. Therefore recipients of this presentation may wish to seek independent financial and taxation advice before making any decision in respect of this presentation. Neither the Company nor any of its related bodies corporate is licensed to provide financial product advice in respect of the Company's securities or any other financial products.

FORWARD LOOKING STATEMENTS

Statements and material contained in this presentation, particularly those regarding possible or assumed future performance or potential growth of the Company, industry growth or other trends are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties and are based on the assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management of the Company believes to be relevant. Although management believes that the assumptions made by the Company and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking information. Readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

DISCLAIMER

No representation or warranty, express or implied, is made by the Company that the material contained in this presentation will be achieved or prove to be correct. Except for statutory liability which cannot be excluded, each of the Company, its directors, officers, employees, advisers and agents expressly disclaims any responsibility for the accuracy, fairness, sufficiency or completeness of the material contained in this presentation, or any opinions or beliefs contained in this presentation, and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission there from. To the maximum extent permitted by the law, the Company disclaims any obligation to update or keep current the information contained in this presentation or to correct any inaccuracy or omission which may become apparent, or to furnish any person with any further information. Any opinions expressed in the presentation are subject to change without notice.

MONETARY VALUES

Unless otherwise states, all dollar values are expressed in Australian Dollars (A$). The information in this presentation remains subject to change without notice.



DELIVERING A FULLY INTEGRATED DIGITAL PAYMENT AND BUSINESS SOFTWARE SOLUTION

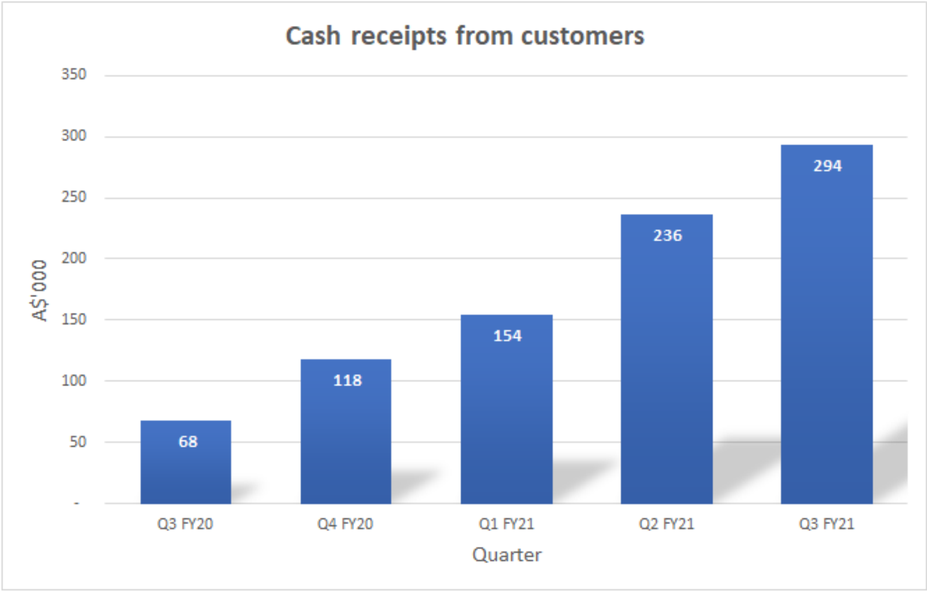
THAT ENABLES

BUSINESSES TO TRANSFORM WITH FAST, ERROR-FREE DIGITAL EFFICIENCY.

RESULT HIGHLIGHTS - Q3 FY21

Following a transformational year in 2020, Cirralto has continued to build on this foundation in Q3 FY21 and the Company is now in a strong financial position, debt free, and at the beginning of what it anticipates to be an exciting period of sustainable revenue growth.

- $294k in cash receipts from customers for the quarter
- Successful completion of $18m Placement
- $3.3m cash proceeds received from the exercise of options
- $23.8m available cash as at 31 March 2021



Note: Cash receipts exclude any BPSP/BPA payments revenue

↑25%
Total cash receipts from customers

↑12.5%
Customer Growth

↑18%
Merchant Turnover

Comparable period Q2 FY21

UPCOMING GENERAL MEETING

- General meeting of shareholders is scheduled to be held at:

  the Celtic Club, 48 Ord Street, West Perth, Western Australia on Thursday, 20 May 2021 at 11:00am (AWST).
- The Notice of Meeting can be viewed and downloaded from the website link below:

  http://web.automic.com.au/er/public/api/documents/CRO?fileName=CRO_NOM_EGM_20_May_2021.pdf
- If you are not able to attend the meeting you can submit a proxy voting instruction by 11am AWST, Tuesday, 18 May 2021.

WHAT THE PROPOSED MERGER MEANS FOR CIRRALTO



- Cirralto will acquire 100 per cent of Appstablishment Software Group Pty Ltd.
- The acquisition includes all software assets developed by Appstablishment, which includes the Spenda software ecosystem.
- Cirralto will have alignment in its technology stack which is a critical step in further transforming Cirralto into a portfolio stock.
- The IP alignment extinguishes the current licensing agreement and in doing so removes a significant variable cost ($2.4m* for the year ending FY2020) that both adversely effects margins and our ability to set our own pricing rules.
- The acquisition will clear up all ambiguity in branding and our go to market strategy.

*Refer to 30 June Annual Report

SPENDA AND INVIGO

- In April Cirralto signed a strategic loan funding arrangement with Invigo Pty Ltd to unlock B2B payment and point of activity learning opportunities.
- The arrangement sees Cirralto provide a fully secured $2m strategic loan to Invigo to extend strategic commercial funding programs, unlock multiple commercial payment and point-of-activity leading opportunities.
- The funding enables Invigo to leverage its existing capital structure and provide additional lending to existing and new customers.

ADD LENDING UNLOCKS NEW MARKETS & DELIVERS THREE REVENUE SOURCES

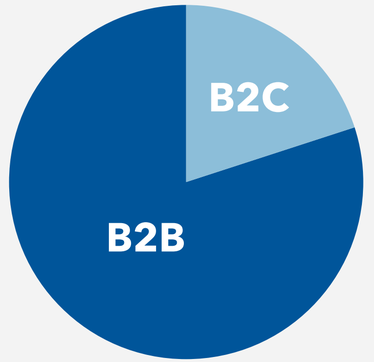
- Additionally, the loan funding provides the necessary seed funding to support the deployment by Invigo of Business-to-Business Buy-Now, Pay-Later and Pay by Instalment products (using Cirralto's SpendaCollect product) across a pilot customer base with several retailers and manufacturers and their connected trading partners.
- There is substantial opportunity to expand the roll out of point of activity debt in the Cirralto revenue and product portfolio.



SUCCESSFUL BUSINESS PAYMENTS LAUNCH

BPSP / BPA IMPLEMENTATIONS ARE NOW COMPLETE

- The SpendaCollect, SpendaPay and Spenda POS products are all enabled to use the BPSP / BPA Services.
- The improved functionality will allow the Company to onboard more customers in a shorter time at 40% increased margin.
- The efficiency gains from this launch will provide a platform for growth that will allow us to increase our supply capacity to meet demand while also providing the foundation from which we will launch many new services.

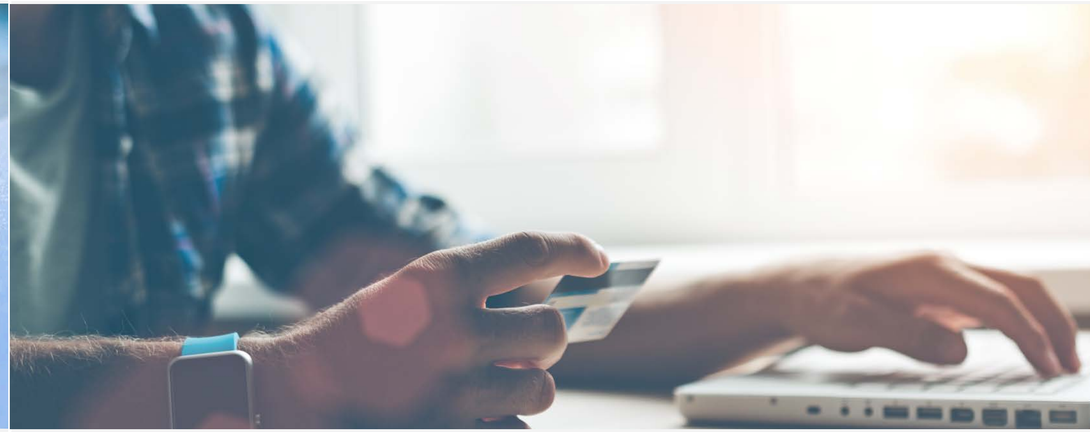


B2B DIGITAL PAYMENTS ARE ESTIMATED TO BE WORTH $100BN ANNUALLY* IN AUSTRALIA

*https://www.xero.com/small-business-insights/wp-content/uploads/2019/06/xsbi-report-paying-the-price.pdf

NEW PAYMENT PRODUCT OFFERINGS





BUY-NOW, PAY-LATER SERVICES AT THE POINT-OF-ACTIVITY

Under the Partnering Agreement with Fintech lender, Invigo Pty Ltd (**Invigo**), the Company has brought to market the concept of Business Buy-Now, Pay-Later (**BNPL**) services, at the point of activity.

This will essentially enable retailers to purchase from their suppliers with extended credit terms at the 'point of activity' being the point of purchase. These services allow businesses to better manage their own cash flow and provide payment flexibility to the supply chain.

The Company is delivering this capability using the SpendaCollect product as a foundation upon which the payment technology is used to administer, approve and collect the debt.

QUOTE-TO-PAY

Designed to connect a pay by link service and enable customers to action payment to a business when they accept a quote, book a job or receive your request without ever surrendering their card information.

The system generates a link which is sent to a customer that prompts them to enter their credit card information, removing the need to provide sensitive details over the phone.

Application in many markets with a focus on specialist retailers where custom builds are required and the service industry.

These features will be available through the BPSP / BPA agreements

NEW PAYMENT PRODUCT OFFERINGS



WORKFLOW PAYMENTS

Workflow payments are designed to specifically target the issue of late payments in business.

It represents a new approach to B2B payments that provides greater security and delivers instant payment when a job is completed or when a pre-set status is met, such as the end of payment terms, removing the need to chase payments.



PAY-BY-LINK

Pay-by-link is a secure payment method that removes the need for customers to provide their credit card details to a third party.

Businesses are able to provide their customers a link via either email or text message, that they can use to make payment.



INTENT TO PAY FRAMEWORK

An intent to pay framework allows buyers and sellers to enter into payment plans so that both parties can better predict their cash flow and create certainty in debt recovery.

These features will be available through the BPSP / BPA agreements

WHERE WE GO FROM HERE

WHAT TO EXPECT IN THE COMING MONTHS

MAY

- Launch the BPSP / BPA services through the Spenda payments platform.
- Subject to shareholder approval, complete the acquisition of Appstablishment.
- Review Invigo agreements and new deals where Pay Now and Pay Later Supply Chain finance have direct application.
- Continue platform refinements and software testing through pilot in key markets.

JUNE

- Execute integration plan for Cirralto and Appstablishment.
- Complete evaluation of new acquisition targets.
- Spenda Payment Services updates.
- Review current pilot implementations and, subject to continuing success, begin commercial rollout planning.
- Continue customer and ARPU growth from previous quarters.

JULY

Commence aggressive commercial expansion of Spenda Payment services with a focus on collaboration between:

- Consumers and Retailers:
  - Quote to Pay and Pay By Link services; and
  - POS, eCommerce and Payments bundles.
- Retailers and Wholesalers / Distributors:
  - SpendaCollect and Supply Chain Finance at the Point of Activity.

GLOSSARY

Average Revenue Per User (“ARPU”) - is calculated by summing Cirralto's total revenue and dividing this by total licensees on the last trading day of each month.

Australian B2B Payments Market - Total Australian B2B payments market as defined by industry research.

BPA - Business Payment Aggregator agreement . Announced on 14 December 2020 - Cirralto signs a BPA Agreement with Fiserv and MasterCard.

BPSP - Business Payment Solution Provider agreement. Announced on 7 December 2020 - Cirralto Enters into a Business Payment Solution Agreement with Fiserv and Visa.

Customer - the term ‘customer' or ‘licensee' are used interchangeably.

Merchant Turnover - Merchant turnover is the total sales made by a business in a given period.

SaaS Engagement - SaaS or Software as a Service is a month to month or fixed subscription license for software.

SaaS - Software as a Service.

Authorised by the Board of Directors



Registered Office
Suite 103, Level 1
2 Queen Street
Melbourne, VIC 3000

1300 682 108

investors@cirralto.com.au

cirralto.com.au