THE SPENDA PLATFORM

Integrated Applications, Payments and Non-Bank Lending platform

(Cirralto, ASX:CRO or the Company)



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WHO WE ARE

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CIRRALTO LIMITED HAS OVER 20 YEARS EXPERIENCE IN DELIVERING A BROAD RANGE OF B2B PAYMENT SERVICES, DIGITAL TRADING SOFTWARE AND INTEGRATED SOLUTIONS.

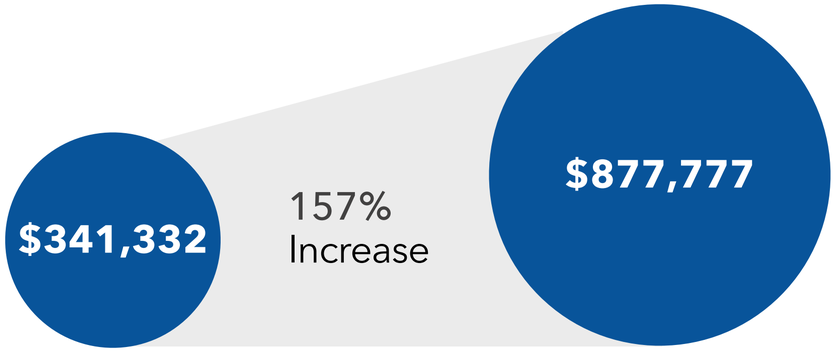
Cirralto's product suite delivers our customers an integrated digital business platform that manages transactions flow from quote to pay and on-demand lending. This enables us to create a network of connected businesses transacting up and down the supply chain.

Cirralto delivers a fully integrated digital payment and business software solution that enables businesses to transform with fast, error-free digital efficiency.

ASX:CRO

FINANCIAL SNAPSHOT

REVENUE



MARKET CAP (AU) & CASH POSITION

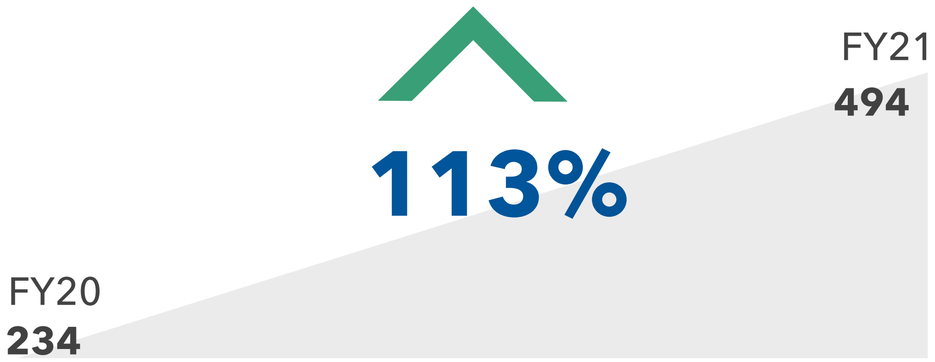
$223M*
Market Cap

$21M**
Cash on hand

Market cap is $223m (3,095,507,575 shares on issue at $0.072).

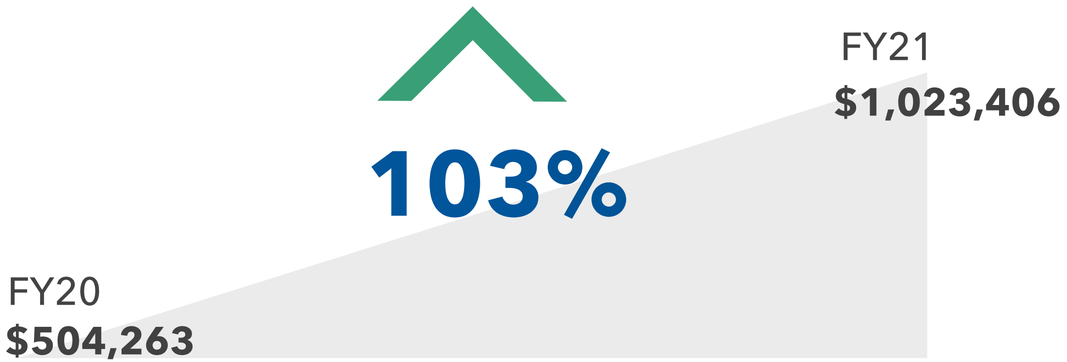
**Market cap is $223m (3,095,507,575 shares on issue at $0.072)*
***Closing cash on hand at year end was $21,385,017*

CUSTOMER GROWTH



Based on Spenda licensee growth.

CASH RECEIPT GROWTH



KEY ACHIEVEMENTS FY21

A TRANSFORMATIVE YEAR

A critical part of our journey this year was our transition from a pure Software as a Service (SaaS) business into a serious B2B payments player.

- **DEC 07** 2020 — BPSP Agreement with Fiserv and Visa
- **DEC 14** 2020 — BPA Agreement with Fiserv and Mastercard
- **FEB 22** 2021 — Software Release & BPSP/BPA Testing Update
- **MAR 09** 2021 — Business Payments Launch
- **APR 06** 2021 — Strategic Loan Funding Arrangement with Invigo
- **MAY 03** 2021 — Successful Commercial Roll Out of the Spenda Payment Suite

The Company also undertook key acquisitions to boost core business capabilities.

- **JUN 04** 2021 — Cirralto Completes Acquisition of Appstablishment
- **JUL 05** 2021 — Binding Share Sale Agreement to Acquire Invigo
- **JUL 26** 2021 — Cirralto Completes Acquisition of Invigo

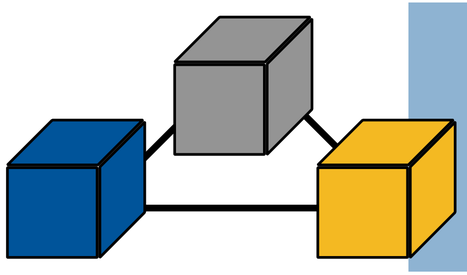
Key Agreements:

- **JUL 07** 2021 — Cirralto Signs Referral Agreement with Mastercard
- **JUL 08** 2021 — Cirralto Signs Referral Agreement with Fresh Supply Co



APPLICATIONS

- Point of Sale
- Inventory Management
- eCommerce
- Procurement
- Field Service Management



INTEGRATION



PAYMENTS

- Wholesale Services
- Retail Payment Services
- Consumer Payment Services



LENDING

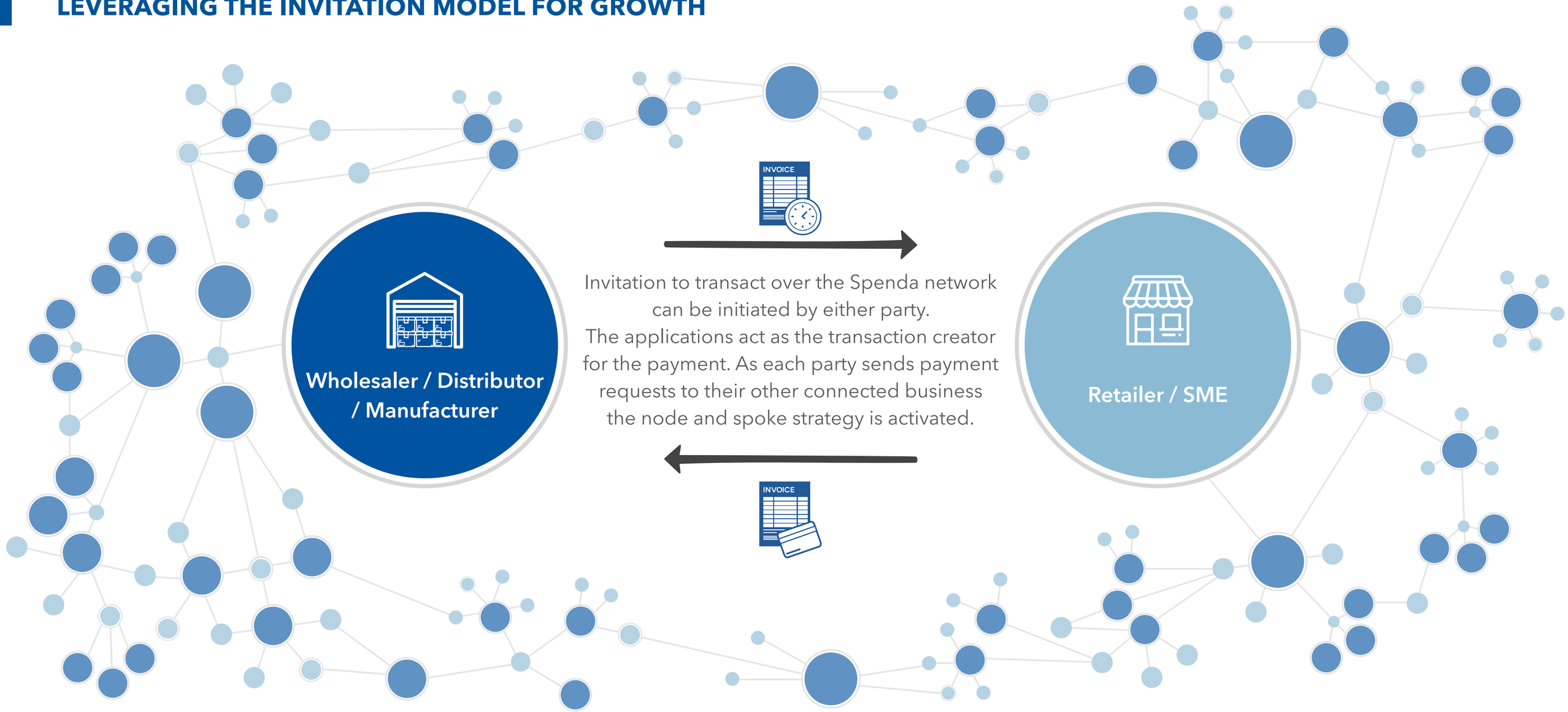
- On-Demand Lending
- Pay Later options
- Early Settlement Discounts
- Trade Finance

CIRRALTO'S PLATFORM

- The Spenda Product suite is a powerful industry agnostic software solution.
- We offer a fully integrated digital payment and business software solution.
- We support ledger-to-ledger visibility between any buyer and any seller.
- We deliver a reduction or elimination of hidden costs by using a single dataset.

NODE AND SPOKE STRATEGY

LEVERAGING THE INVITATION MODEL FOR GROWTH



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ENDING PAIN POINTS IN BUSINESS TRANSACTIONS

CURRENT PROCESSES ARE RESOURCE HEAVY AND TIME-CONSUMING TO MANAGE



LATE PAYMENTS

Business payments are typically **11.2 days late**[1], resulting in restricted cash flow.



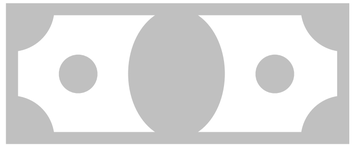
MANUAL PROCESSES

As many as **89 per cent** of Australian small businesses still issue paper or PDF-based invoices[2] when trading with business and retail businesses.



SECURITY RISK

Not only are paper-based invoices more expensive to process than e-invoices, it also leaves businesses open to error and an increased risk of fraud and cybersecurity breaches.



POOR CASH FLOW

Late payments often result in restricted cash flow for businesses, impacting their ability to pay their own bills on time, which is perpetuated throughout the entire supply chain.

1. Illion, Late Payments Australia: March quarter 2021, April 2021. URL: https://www.illion.com.au/australian-late-payments/download-march-2021-quarter/
2. MyBusiness, 'Age of paper invoices must end', business lobbyists urge, 29 December 2020. URL: https://www.mybusiness.com.au/tax-accounting/7837-age-of-paper-invoices-must-end-business-lobbyist-urge

BENEFITING FROM AN INTEGRATED SOLUTION

INCREASED EFFICIENCIES, FLEXIBLE PAYMENTS AND A BETTER EXPERIENCE

Automating and integrating business payment systems reduces the risk of human error and improves reconciliation and reporting accuracy. Businesses need this accuracy to meet their regular financial commitments, plan larger investments and be prepared to shift gears quickly if needed.

- Reduces friction between buyers and sellers.
- Improves data quality and record-keeping.
- Improved data security for all parties in the transaction.
- Reduces costs.
- Increases cash flow.


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ADDRESSABLE MARKETS

AUSTRALIA AS AN EXAMPLE

Number of Wholesalers and Manufacturers

167,754*

Number of Retailers

134,535*





Late payments to small businesses are worth approximately

$77 billion p/a**



71 per cent of business-to-business transactions occurring through trade credit in the APAC region***.

$1.3 trillion

of trade credit is offered across Australia each year.****



* *ABS Counts of Australian Businesses, including Entries and Exits, July 2016 - June 2020. Number of Retailers, Wholesalers and Distributors indicative of data from June 2020.*

** *https://parlinfo.aph.gov.au/parlInfo/download/legislation/ems/r6542_ems_5baa7c8d-5f15-46d3-85b6-99f9015460fa/upload_pdf/737715.pdf;fileType=application/pdf*

*** *https://atradius.com.au/reports/payment-practices-barometer-australia-2019.html#*

**** *https://www.getcapital.com.au/trade-credit-australia/*

MARKET FIT

THE OPPORTUNITY

- The Spenda Product suite is a powerful industry agnostic software solution.
- If you are a B2B player, Spenda is relevant.
- We are not just a payments company.
- We are not just a Software-as-a-Service (SaaS) company.
- **We are a fully integrated digital payment and business software solution.**
- We offer ease of integration into existing business systems.
- We support ledger-to-ledger visibility between any buyer and any seller.
- We deliver a reduction or elimination of hidden costs by using a single dataset.
- We offer the ability to reduce merchant fees.
- We deliver significant cost savings for our customers.



If a business is transacting with another business,

Spenda is relevant.

SEGMENT STRATEGY

	TECH	WHOLESALE, DISTRIBUTION, MANUFACTURING	BUYING GROUP & FRANCHISE	SME	AUTO	AGRI
Who	Vertically integrated marketplaces, virtual distributors and software companies that aggregate buyers and suppliers.	The 'Supply' segment of the value chain that provides product and services to other business for resale or value adding further up the value chain.	A collection of businesses operating in a common industry.	Retail and retail service providers offering a broad cross section of products to consumers.	Automotive repairers (retail service providers) and parts distributors.	Farmers, produce brokers, grocery retailers, hospitality venues and licensed premises.
Tech	Self developed, built in 3rd party platforms. Tech capable.	Some internal IT capability, using ERP products like Dynamics, SAP, JDE, MYOB Advance, Acumatica.	Internal tech tends to be strong, using ERP products at Node and SME products at Spoke. Striving to create SOE solutions & habitual engagement for members and suppliers.	Limited internal expertise, point and click users. Leverage SME accounting products (Xero, MYOB,, QBO). And associated add-on products.	Limited internal expertise, point and click users. Leverage SME accounting products (Xero, MYOB, QBO). And associated add-on products.	Broad cross section of ERP, proprietary and SME platforms
Route	Direct marketing, Digital lead generation.	Direct lead generation and Systems Integrator Partnering.	Direct and tactical marketing	Digital Acquisition, Tactical marketing, Self on-boarding and upgrades.	Tactical acquisition via buying group	Fresh Supply, Direct Tactical Marketing
Why	A desire to monetise customer spend and expand platform adoption with the addition of flexible payment options.	Improve sales outcomes, drive cash flow and reduce debt burden.	Create indispensable links with both Members and Suppliers that are driven by integration, payment flexibility and debt services.	Seeking access to lower costs of operations, time saving, improved access to working capital and cash flow solutions.	Like SME, seeking access to lower costs of operations, time saving, improved access to working capital and cash flow solutions.	Seeking opportunities grow business with more equitable access to debt services for inventory, supply and services.
Solution	Delivery of payment and financial services via easy integration and revenue sharing agreements. 1. PIBL & QTP via API 2. Pay Now / Pay Later checkout Widget 3. BNPL via API 4. DF via API 5. TF via API	Delivery of quote to pay and financial services via Spenda software stack 1. Spenda Desk / Spenda Mobile - PIBL & QTP 2. Spenda Collect 3. Spenda eCommerce 4. Spenda Marketplace 5. Integration Services	Delivery of branded payment and debt solutions that capture the control transaction flow. 1. Early settlement discount solutions 2. What label - Spenda Collect / Pay 3. White label Pay Now / Pay Later checkout Widget 4. Trade Finance 5. Payables Finance	Delivery of quote to pay and financial services to consumers and back into the supply chain. 1. POS, Service Mgt, eCommerce, Payments 2. Spenda Pay 3. Trade Finance 4. Integration Services	Delivery of quote to pay and financial services to consumers and back into the supply chain. 1. Service Mgt, PIBL, Booking Widget Payments 2. Spenda Pay 3. Payables Finance 4. Integration Services	Delivery of branded payment and debt solutions that capture the control transaction flow. 1. Early settlement discount solutions 2. Inventory Finance 3. Debtor Finance 4. Payables Finance
Upgrade Pathways	1. Upgrade buyers to retail product suite and offer SOE 2. Re-platform the current marketplace to Spenda	1. Upgrade buyer to SOE retail apps, payments, Spenda Pay & Debt services	1. Upgrade buyer to SOE retail apps, payments, broaden supplier definition (enable trade out of the vertical) payment services with debt via Spenda 2. Expense payments	1. Acquisition of the supply line (supplier invitation & upgrade to collect).	1. Acquisition of the supply line (supplier invitation & upgrade to collect).	1. Cross border trade & payment

SUPPLY CHAIN POSITIONING AND PROCUREMENT FLOW



Retail



Distribution



Manufacturers



Importer / Distributor



Foreign Manufacturer



Primary Producer



Farm Supply



Australian Producer



Produce Brokers



Foreign Importers

Early Settlement Negotiation Platform

SPENDA ECOSYSTEM

At the heart of the Spenda system is a multi tenanted data exchange platform capable for sharing inter-business transactions.

In our near term development, we will release capabilities to negotiate early settlement discounts between buyers and suppliers.

Our view is the ESD needs to be either:

- Buyer originated ESD via Spenda's payables management software SpendaPay
- Supplier originated ESD via Spenda's unpaid invoice management software SpendaCollect

Further to this the ESD opportunity can be driven by simply processing the early settlement transaction as the merchant on record, however our view is the greatest opportunity exists when the ESD is both processed and funded.



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FY21 FINANCIAL RESULTS

Revenue for the Group increased by 157%. These substantial increases were fuelled by website development services and the early-stage implementation of the Spenda products with various customers.

	FY21	FY20	Var.	Var. %
Total Revenue	877,777	341,332	536,455	157%
Average Revenue Per User	68.12	21.27	46.85	220%
Cash Receipts	1,023,406	504,263	519,143	103%
Net assets/(liabilities)	81,308,088	(2,494,271)	83,802,359	3360%

- During the year the Company raised circa $23.8 million (net of costs) through the issue of capital and $3.5 million was received from the exercise of listed and unlisted options.
- Operating costs (excluding impairments) have increased from the prior year, which is mainly attributable to an increase in employee related costs. During the year, the Company has bolstered its Executive and Management Team, as well as making a number of key employee appointments across sales, marketing and development as it positions itself and transitions from a pure R&D company to a revenue generative company.
- Closing cash on hand at year end was $21.3m following the utilisation of $4.2m for operating activities against collections of $1m and receipt of funds from placements and exercise of options of $27.3m (net of costs).

INCOME DIVERSIFICATION

LAYERED REVENUE MODEL DRIVES ARPU & CUSTOMER RETURN

Traditional Income Sources

- SaaS revenue
- Implementation revenue
- Training and Support revenue
- Hardware sales
- Terminal, eCommerce and Virtual Payment services

New Revenue Flows

- B2B Payment Income
  - Merchant on Record payment services (BPSP / BPA)
- On Demand Non-Bank Lending Services
  - B2B Buy Now Pay Later
  - B2B Sell Now Pay Later
  - Trade Finance
  - Debtor Finance
  - Early Settlement Discount Flows



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GROWTH OPPORTUNITIES

FUTURE FOCUS

As the Company rolls out its payment and non-bank lending services and digests its recent acquisitions, the Company is looking forward to executing upon key strategies to meet its growth opportunities.

Establishing debt capital facilities for non-lending purposes.

Further execution of the node & spoke strategy in tech, automotive, franchise and agriculture.

Identity-driven customer on-boarding.

Expansion of customer service and credit teams to support demand.

Consolidation of credit processes for payments and non-bank lending.

Assessing future potential acquisitions of assets, IP and customer bases to future leverage the Company's core business.

Completion of works to enable the delivery of commercial agreements under recently signed deals with Mastercard and Fresh Supply Co.

Leveraging strong relationships to explore the Australian export market.

ESTABLISHMENT OF A DEBT WAREHOUSE

FOR ON-LENDING PURPOSES

The Company is currently executing plans to establish a debt warehouse to support demand for its payment and non-bank lending services.

Key markets:

- Agribusiness
- Tech
- Cashflow / Trade Finance

The establishment of a debt warehouse will be a major enabler for future revenue as the Company unpacks its Spenda technologies in the market.



Approved by the Board of Directors



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SUPPLEMENTARY INFORMATION

A BUSINESS MODEL THAT PENETRATES THE SUPPLY CHAIN

CIRRALTO'S COMPETITIVE ADVANTAGE

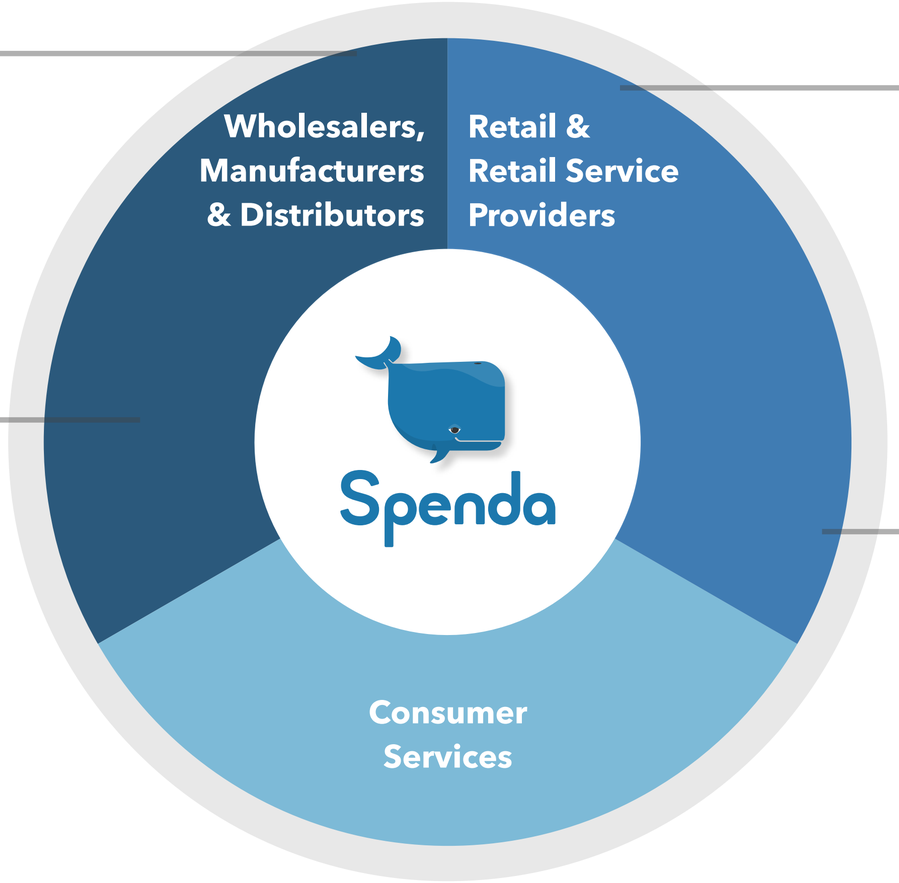
Payment Services

- Debt Collection
- Payment Flexibility
- Liquidity
- Unpaid Invoice Management

Software Services

- Collaborative Ordering
- Mobile Sales
- eCommerce
- Warehouse Management
- Integration as a service

The Spenda Solution



Payment Services

- Terminal
- Pay by Link
- Quote to Pay
- MOTO
- eCom Payments
- Invoice Payment
- Bill Management

Software Services

- Point of Sale
- Purchasing
- Warehouse Management
- Field Service Management
- eCommerce

Underpinned by our credit and risk framework and a strong integration platform

APPLICATIONS

TRANSACTION DRIVERS



Our software delivers smarter business communication and collaboration between buyers and sellers, and empower business owners to take control of their business.

- Point of Sale (POS)
- Procurement
- Warehouse Management
- Field Service Management
- eCommerce
- Bill Management Software
- Unpaid Invoice Management
- Debt Collection

INTEGRATION & SECURITY

TIME SAVERS



We ensure all our software solutions are designed, built and maintained to the highest security standards, that all transactions are legitimate and that our customers data is safe.

- AML / KYC compliant
- Two-step authentication (2SA)
- Double security testing
- External penetration and security testing

Our integration enables businesses to connect applications together to remove repetitious data entry and automate information exchange.

Current integrations:

- Xero
- QuickBooks Online
- MYOB AccountRight Live
- MYOB Advanced
- SAP Business One
- Neto
- WooCommerce
- Shopify

PAYMENTS

MOVING THE CASH



We offer a range of payments solutions designed to simplify and reduce operational and administrative burdens that lead to poor cash flow.

Payment Services:

- Buy now, Pay later for business
- Pay Invoice by Link
- Intent-to-pay framework
- Quote-to-Pay
- Pay now, pay later website widget
- Terminal Payments

NON-BANK LENDING

DRIVING BUSINESS CASHFLOW



We offer a range of a range of financial services to our customers that drive access to working capital:

- BNPL / SNPL
- Debt facilities through non-bank lending
- Debtor
- Payables Finance
- Trade Finance
- Inventory Finance
- Line of Credit

THE AGRI SECTOR AS AN EXAMPLE

Leveraging data to enable working capital, empowering farmers to increase their wealth and food production.

Program Insights:

Cirralto entered into a five year referral agreement with Mastercard and a seperate agreement with Fresh Supply Co to enable farmers to get paid when specific milestones are met in the paddock-to-plate supply chain, removing the need to chase late payments.

Combining Trade Finance services on top of Cirralto's established B2B Payment Solutions is an important tool for B2B transactions as it reduces the risk of non-payment and improves efficiency and cash flow for both buyer and seller.

Cirralto will integrate with Mastercard through their Provenance Blockchain solution to trigger irrevocable payments on good-to-pay invoices for standard commerce and inventory sourcing under Trade Finance and payment service licensing agreements.

Strategic Value:

Solving for:

- Leveraging on Mastercard provenance blockchain-enabled supply chain financing platform for **early payment** to farmers.
- Using **operational data** from Fresh Supply Co into Mastercard provenance to help lenders for **credit decisioning**.
- Building a **Digital Profile** for the farmers creating accessibility to credit.

Production:

- Mastercard Provenance
- Early payment via commercial card
- Card-blended financing

Pipeline:

- Cross border multi roll payments

Planned:

- Broadening the partnerships targeting cross border trade flows.
- Export aggregation service.