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ASX release

23 September 2025

Way2VAT accelerates growth with RBC VAT Limited acquisition and $4.1 million placement

All dollar amounts are in Australian dollars unless otherwise indicated

HIGHLIGHTS

- **Binding share purchase agreement to acquire 100% of the issued capital of RBC VAT Limited**
- **RBC VAT Limited is a premier quality international VAT advisory and VAT compliance specialist**
- **The acquisition is earnings accretive from day 1 and will add a pro forma FY25 of approximately $3 million of revenue and $875,000 of EBITDA (annual figures)**
- **RBC VAT is being acquired for £2 million (approximately $4 million) cash spread across 2 years which represents an FY25 revenue pro forma multiple of 1.4x and 4.6x pro forma FY25 EBITDA**
- **The transaction is subject to the satisfaction of certain conditions precedent and is anticipated to complete on or around 30 September 2025**
- **Firm commitments secured to raise $4.1 million at $0.008 per share, equal to the last traded price**

Global leader in automated VAT claim and return solutions, Way2VAT Ltd (ASX:W2V) (**Company** or **Way2VAT**) is pleased to advise that it has entered into a share purchase agreement (**Agreement**) to acquire 100% of the issued capital of RBC VAT Limited (company number 04517938), a company registered in the United Kingdom (**RBC VAT**) (**Acquisition**). The Company is also pleased to announce a capital raising via a placement of fully paid shares in the Company (**Shares**) to raise $4.1m (before costs) at $0.008 per Share (**Placement**).

Way2VAT CEO and Founder, Amos Simantov, said, "*I am pleased to share exciting news. As part of Way2Vat's ongoing four-pillar growth strategy, we have successfully acquired RBC VAT, a company based in London, UK. The Acquisition is a significant milestone for us, as it directly supports our third pillar focused on VAT compliance and consultancy services. We have been working toward this goal for the last 6 months, and it's a key part of our roll-up strategy. This is the second company we have acquired, and we intend to continue pursuing similar acquisitions to further strengthen our offerings. In addition to our inorganic growth through acquisitions, we remain committed to driving 40-50% year on year organic growth from our new and existing client base.*"

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"There are significant upsell and cross-sell opportunities that exist between Way2VAT's and RBC VAT's client bases across the US, UK and EU in VAT advisory and automated processing with RBC VAT contributing in-house consulting capabilities and a substantial global customer base of 70-80 clients that will see the combined entity's client numbers globally exceed 500. We expect that this earnings accretive transaction will accelerate Way2VAT's path to achieving a positive P&L during Q4 2025 and its aim to achieving cash-flow positivity during 2026, subject to timely collections from government tax authorities."

"The industry we operate in throughout Europe is fragmented and will throw up further acquisition opportunities for Way2VAT where we can combine our market leading technology platform with profitable client led businesses to grow Way2VAT further."

"Further, we are delighted with the strong support shown by new and existing investors, including our largest investor Thorney Investment Group. This is a clear endorsement of Way2VAT's growth vision globally which combines a strong organic growth outlook with growth by acquisition."

RBC VAT Background

RBC VAT was founded in 2003 by Robert Bevan, his 2 sons Ryan and Gareth joined in 2009 and 2015 respectfully and have grown the business to its current scale adding top in house VAT experts with extensive experience in UK and European VAT regulations covering clients in the USA, APAC and Europe.

RBC VAT specialises in providing multi-national companies with business-led VAT advice and supports international businesses with their European commercial operations. RBC VAT's expertise include:

- Providing multi-national companies with global business-led VAT advice
- Advising international businesses on transactions, supply chains and VAT planning in their European in-bound activities
- Supporting international businesses with their European VAT compliance filings
- Providing bespoke VAT training courses

The Acquisition will provide Way2VAT with new opportunities for growth. Further, additional expertise and resources from RBC VAT combined with W2V's unique technology, such as W2V's APAI product, will benefit existing and future clients.

Shareholders are advised that, for the financial year ending on 31 August 2025, RBC VAT achieved $3 million in revenue and $875,000 in EBITDA.

Terms of Acquisition

Way2VAT will acquire 100% of the issued capital of Bevan and Bevan Limited (**Bevan and Bevan**) from Messrs Gareth Bevan and Ryan Bevan. Bevan and Bevan holds 100% of the issued capital of RBC VAT.

The total consideration for the Acquisition under the Agreement is as follows:

- £1,000,000 (approximately $2,000,000) to be paid in cash on completion of the Acquisition (Initial Consideration);

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- £880,000 (approximately $1,760,000) to be paid in cash 12 months following completion of the Acquisition and subject only to Mr Ryan Bevan's continued employment with RBC VAT; and
- £120,000 (approximately $240,000) to be paid in cash 24 months following completion of the Acquisition and subject only to Mr Ryan Bevan's continued employment with RBC VAT.

The Acquisition is anticipated to complete on or about 30 September 2025.

Completion of the Acquisition is subject to a number of conditions precedent most of which are administrative in nature and also includes a condition precedent of there being no material adverse effect on RBC VAT (being a change in or effect on the business of RBC VAT) prior to completion.

The Agreement also contains customary terms for agreements of this nature, including in relation to representations and warranties.

The Company intends to use the proceeds raised from the Placement and Debt Facility (described below) to fund the Initial Consideration and to support the growing business until its cash break-even point.

Placement

The Company has received firm commitments to raise $4.1m (before costs) via the issue of 512,500,000 new Shares pursuant to the Placement (**Placement Shares**). The Placement will be conducted in two tranches as follows:

- Tranche 1 will raise $3,395,000 through the issue of 424,375,000 Placement Shares at $0.008 per share, to be issued under the Company's existing placement capacity pursuant to Listing Rule 7.1 and 7.1A; and
- Tranche 2 to raise $705,000 through the issue of 88,125,000 Placement Shares at an issue price of $0.008 per share. Tranche 2 will be subject to shareholder approval at an upcoming Extraordinary General Meeting (EGM) of the Company to be held in early November 2025.

The Placement was strongly supported by new and existing professional, sophisticated, and institutional investors. The issue price of $0.008 per Placement Share represents the same price per Share at the last closing price on Thursday, 18 September 2025 and a 2% discount to the 15-day VWAP.

Settlement of the Placement Shares issued under Tranche 1 of the Placement is expected to occur on Thursday, 25 September 2025, with quotation and trading anticipated to commence on Friday, 26 September 2025.

The Placement Shares will, upon their issue, rank equally with existing Shares.

The funds raised from the Placement will be used to fund the Initial Consideration and for working capital purposes.

PAC Partners Securities Pty Ltd acted as Lead Manager to the Placement and will receive a fee of up to 6% of the gross proceeds raised, along with one option for every six Placement Shares issued under the Placement (being up to a limit of 75,000,000 Options). The Options will have an exercise price of $0.0104 (being a 30% premium to the placement price) and will expire in three years from the date of issue. Options to be issued to the Lead Manager will be subject to the Company obtaining shareholder approval at the EGM.

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Debt Facility

In connection with the Acquisition, the Company advises that it has entered into a debt facility with Bank Hapoalim (**Debt Facility**) on the following terms:

- Amount: £500,000 (approximately $1,000,000)
- Term of the loan: 18 months
- Interest rate: Israeli Prime Rate + 4.5% (currently 10.5%)
- Security: the loan will be secured against the shares of RBC VAT (to be acquired under the Acquisition)

Funds drawn down under the Debt Facility will be utilised to fund the Initial Consideration.

This announcement has been authorised for release by the Board of Directors of the Company.

ENDS

For more information, please contact:

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About Way2VAT

Way2VAT is a global fintech leader in automated VAT/GST claim and return solutions in over in 40 countries and in over 20 languages, serving hundreds of enterprise businesses worldwide. Way2VAT 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 80 employees.

It is used by approximately 414 global enterprise companies.

www.way2vat.com