



2020 Annual General Meeting

Milan
30 July 2021



Team introductions

Board of Directors



Susanne Chishti
Senior independent
non-executive director



Enrico Camerinelli
Independent non-
executive director



David Bull
Non-executive director



Alessandro Zamboni
Chief Executive Officer



Tom James*
TradeFlow Capital – Chief
Investment Officer and
Chief Executive Officer



John Collis*
TradeFlow Capital –
Chief Risk Officer

* To be appointed following the AGM

Senior Management team



**Amy
Benning**
Chief Financial
Officer



Stuart Nelson
Group Chief Operating
Officer and Company
Secretary



**Alice
Buxton**
Chief People
Officer

Agenda

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Independent Chair's Introduction and
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Chief Financial Officer

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Chief Executive Officer

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Live Q&A

01

Independent Chair's Introduction and AGM Resolutions

Independent Chair's Introduction and AGM Resolutions

Susanne Chishti

- **The purpose of the AGM is to consider and, if thought fit, pass the Resolutions via advance proxy vote.**
 - Supply@ME Capital PLC (**the Company**) will further give an overview of 2020 activities, financial results and a strategic overview.
- **The Resolutions, and results, are as follows:**

Resolution	Type	In Favour	Against	Chairman's Discretion	Withheld
1. To receive the Annual Report and Accounts of the Company for the financial year ended 31 December 2020, together with the Directors' Report, Strategic Report and Auditors' Report on those accounts	Ordinary	1,552,177,522	317,419	0	20,799,709
2. To approve the Directors' Remuneration Report for the financial year ended 31 December 2020	Ordinary	1,548,791,446	1,878,237	0	22,624,967
3. To approve the Directors' Remuneration Policy	Ordinary	1,543,570,215	4,220,221	0	25,504,214
4. To reappoint Crowe U.K. LLP as auditors of the Company	Ordinary	1,547,561,008	367,419	0	25,366,223

Independent Chair's Introduction and AGM Resolutions

Susanne Chishti

Resolution	Type	In Favour	Against	Chairman's Discretion	Withheld
5. To authorise the Directors to determine the amount of the auditors' remuneration.	Ordinary	1,550,574,594	2,545,347	0	20,174,709
6. To re-elect Mr. Enrico Camerinelli as a Non-executive Director of the Company.	Ordinary	1,524,720,489	1,123,372	0	47,450,789
7. To authorise the Directors to allot and issue Ordinary Shares.	Ordinary	1,477,692,891	95,375,525	7,291	218,943
8. To dis-apply statutory pre-emption provisions to enable the Directors in certain circumstances to allot Ordinary Shares for cash other than on a pre-emptive basis.	Special	1,457,359,582	112,118,834	7,291	3,808,943
9. To adopt new articles of the Company.	Special	1,498,816,303	73,662,113	7,291	808,943

Independent Chair's Overview

Susanne Chishti

- This Annual General Meeting (AGM) will further cover **the material events of the Company's activities in the year to 31 December 2020**, and subsequent developments to date.
 - The period to 31 December 2020 represents the Company's **first period of trading** since the successful acquisition, via a reverse takeover, of Supply@ME S.r.l. together with a successful **Placing and Main Market Listing on the London Stock Exchange** on 23 March 2020.
 - These were both **key milestones** that will enable the Company to develop and fulfil its ambition to become a leading platform for inventory monetisation
- The Company's purpose is to be the **leading FinTech inventory monetisation business**, enabling companies to **optimise their working capital cycle** through the release of inventory capital in a time and price efficient manner.
- The Company's immediate strategy of creating a **highly scalable global business** is built on three key objectives:
 - delivering a unique facility, **via a digitised route**, attracting and on-boarding its customers;
 - developing a cutting-edge technology Platform that **efficiently manages the Inventory Monetisation process**, and
 - implementing a **repeatable, multi-channel funding strategy** to diversify and scale-up its Inventory Funder investor base, allowing the asset management industry to diversify its portfolio by virtue of a real new asset class.

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Chief Financial Officer Overview

Chief Financial Officer

Amy Benning: Overview

- In **March 2020** the Group was created by way of a **reverse acquisition** by Abal Group Plc of the entire issued share capital of Supply@ME S.r.l. On completion of the reverse acquisition:
 - Abal Group Plc cancelled its admission to trading on AIM;
 - the Company raised £2,240,000 gross (2019: £Nil), £1,615,000 net from the issue of **new ordinary shares** by way of a Placing;
 - the Company was admitted to the **Official List as a Main Market company**, standard segment, trading on the London Stock Exchange; and
 - the Company changed its name to **Supply@ME Capital plc**.
- Following the reverse acquisition, the Group has **transformed successfully** from the previously listed cash shell, with the Group being focused on the following during the period:
 - continuing to develop its **innovative inventory monetisation platform** including a Shariah version of the Platform;
 - origination and due diligence activities with respect to the portfolio of **client companies**; and
 - origination and structuring activities with respect to the **inventory funding programmes**.

Chief Financial Officer

Amy Benning: Change of Accounting Date

- **Change of accounting date / temporary suspension and subsequent re-instatement of trading**
 - On 19 January 2021, the Company **changed its Accounting Reference Date** from 30 September to 31 December.
 - The Board **proactively made this decision** in order to align the accounting reference date of the Company with that of its current and likely future subsidiaries, significantly **streamlining the financial reporting process** in the future.
 - The decision was made in accordance with company law (and following a precedent set by Aston Martin), however due to a technical breach of DTR rule 2.0 (reporting timetable) the Company's shares were temporarily suspended from trading on 21 January 2021. The subsequent restoration process was managed directly with the Financial Conduct Authority during February, and trading in the Company's shares resumed on 9 March 2021.
- As a result of the change in accounting date, and production of the two sets of additional historical accounts. The impact of this on the 2020 financial statements is that these include the results of the new SYME Group and are **completely segregated from the previous Abal business.**
- The comparative figures, and any results prior to the reverse acquisition, included in the 2020 financial statements, represent that of Supply@ME S.r.l, the deemed acquired under IFRS.

Chief Financial Officer

Amy Benning: Consolidated Results

- **Consolidated Results**

- Revenues in the year were £1,147,000 (2019: £4,000). The loss before tax and the exceptional cost of listing (£1,376,000) described below was £1,443,000 (2019: loss £687,000).
- Total comprehensive loss for the year was £2,962,000 (2019: loss £551,000) and loss per share was 0.01 pence (2019: 0.00). At the year end, net liabilities were £452,000 (2019: net liabilities £557,000) and cash balances were £552,000 (2019: £143,000).
- **Revenues** for the year were predominately earned by **charges for the due diligence services** conducted on potential client companies.
 - **In addition to these revenues**, to date the Group has received **payments in advance** of £1,131,000 (2019: £634,000) from potential client companies relating to due diligence services. The Group's performance obligation relating to these payments in advance will not be completed until such point as the clients inventory is monetised. As a result, IFRS 15 requires these amount to be held on the balance sheet as within accruals and deferred income until such time that the Group's performance obligation is complete.
- The **exceptional cost of listing** of £1,376,000 (2019: nil) represents the cost of Supply@ME S.r.l. (as the **deemed acquirer**) buying a controlling interest in the shares of the Abal Grop plc at the time of the transaction, adjusted by the working capital. Under IFRS and due to the nature of the transaction, this was expensed in the year.

Chief Financial Officer

Amy Benning: Consolidated Results

– Accounting for the Reverse Takeover (RTO)

- This presented a very complex accounting challenge, the full details of which can be found in note 3 to the Group's consolidated financial statement.
 - The underlying principle to this accounting was that **Supply@ME S.r.l. reversed into the shell of Abal Group plc** (which became **Supply Me Capital plc**) **in order to gain a public company listing.**
 - As such, this action had to be costed, with the cost passed through the Income Statement. All other required accounting movements went directly through specific balance sheet reserves.
- During the year the Group **capitalised the development costs of the Platform** of £1,027,000 (2019: £132,000). The total carrying value of the Group's intangible assets as at 31 December 2020 was £1,236,000 (2019: 390,000). This reflects the continued focus during the year on **creating an operational Platform (made of technology, methodologies, accounting advice and innovative legal contracts)** that is now ready to implement the Group's first monetisation transaction.

Chief Financial Officer

Amy Benning: Going concern

- The financial statements have been prepared on a **going concern basis** based on the forecast cashflows for the next 12 months.
- These forecasts have been prepared using the **directors best estimates**, however the Company is still in its start-up phase and as such there is **uncertainty within the forecasts**.
- In particular:
 - The **ability to acquire inventory** is reliant on funding for securitisation being received. At the date of the publishing of the Annual Report, the Group was in very advanced negotiations with several funders but to date no such investments had been finalised. If no or limited funding is secured, this will impact on the Groups ability to acquire inventory and generated to the forecast fee revenue; and
 - The Group had a portfolio of interested customers, some of who have signed term sheets. The cashflow forecast assumes **growth in this customer base** in line with the interest that has been received to date but there was uncertainty over the ability to be able to secure the forecast customers.
- Given the above factors, the directors had a **material uncertainty** in relation to going concern, however given the **significant interest** from corporate clients and the **advanced nature** of securitisation negotiations, the directors considered it **appropriate to have prepared the accounts on a going concern basis**.

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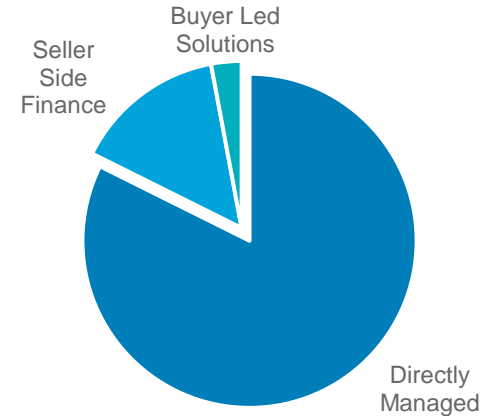
Chief Executive Officer Overview

Chief Executive Officer

Alessandro Zamboni: Strategic Direction

- Inventory monetisation facilities **can play a key role** in addressing the financing needs of the broadly defined global supply chain market.:
 - **\$17 trillion, is the potential market for supply-chain finance.**
 - ~80% of eligible assets **do not benefit from efficient working capital financing.**
 - \$14 trillion is managed directly (not financed).
 - \$ 2.5 trillion is currently addressed by seller-side finance solutions (of which only 10% is inventory financing)
 - The receivables financing segment remains the largest segment with an estimated 65% market share.
 - \$ 0.5 trillion is addressed through buyer-led solutions.
- Seeing the **wider opportunities related to the untapped supply chain finance market**, Supply@ME wants to play key role in this space, gaining traction from its inventory monetisation services to provide a **unique non-credit approach** covering both **“in-transit” and warehoused goods.**

Supply Chain Finance Market



Source: “2020 McKinsey Global Payments Report”

Chief Executive Overview

Alessandro Zamboni: 2020 Milestones

- 2020 saw the **groundwork laid or completed** for a number of business initiatives:
 - The Company **strengthened its Board and senior management team** with the appointment of a **Chief Financial Officer** and several highly experienced individuals to key positions.
 - Most of the business plan's strategic pillars are on-track or completed. Specifically:
 - **Client Company sourcing partnerships established in Italy, the UK, MENA and the US** with 14 partners to deliver an ongoing stream of monetisation demand to the Platform;
 - The technology Platform **further developed**, ready to implement the first inventory monetisations; and
 - An in-place **multi-channel global funding strategy**:
 - **Middle East**: Shariah structure approval and iMass Investments actively operating;
 - **Italy**: strategic agreement with the institutional asset manager Quadrivio Group, working on a European bank investment. In parallel, establishing a Self-Funding model in order to allow other banks to promote the inventory monetisation service to their customer base;
 - **Italy and UK**: progress with the Italian and UK securitisation program managed by StormHarbour Securities LLP
 - **USA**: partnership with The Trade Advisory aimed at delivering a first inventory monetisation pilot

Chief Executive Overview

Alessandro Zamboni: TradeFlow Capital Management

- Talks began in 2020 with TradeFlow Capital Management Pte Ltd (**TradeFlow**), a Singaporean complementary **inventory “in-transit”** FinTech business.
- In the first half of 2021, those initial discussions developed into a **concrete acquisition** of their business, which was announced on 26 May 2021.
- This acquisition will enable the Company’s customers to **monetise an additional step of the inventory lifecycle** (inventory in-transit) through its Platform as well as provide access to TradeFlow’s existing Inventory Funders. It will also potentially establish a base for inventory monetisation activity in the Singapore region covering the “East and Far-East”: **the final target geography of the Company’s global Platform**.
- The Company also expects to develop a revenue stream by “white-labelling” its Platform; effectively already conceived via the “self-funding” route and by virtue of the opportunity for institutions to use TradeFlow’s proprietary technology for **dedicated trade financing**.



Chief Executive Officer

Alessandro Zamboni: Future Plans and Expectations

- The completion of the two key initiatives – the **Bank Investment** (accompanied by the first Italian monetisation transaction) combined with the **TradeFlow Capital acquisition** - will allow the Company to declare a real, “**up and running**” **Platform**, representing the 3-years of positive track record of TradeFlow and nearly 7 years of investment developing the inventory monetisation business, scaling its operations and leveraging its international footprint, in which its technology and personnel will play a key role in this “**revenue-generation**” phase of the Company.
- In addition, the work streams on **UK inventory monetisation**, and the promotion of the **Shariah version** of the Platform, will boost the placing of the Company’s inventory monetisation asset class with the global asset management industry.
- In terms of strategic positioning and global investor relationships, following the first monetisation, the Company expects to see a “**snowball**” **effect** of penetration into a growth phase of both the demand side and the supply side of this novel financing concept that the Company’s Platform facilitates - and from which the Company intends to maximise shareholder value. It will seek to increase its investor base, both geographically and with new institutions and is already evaluating opportunities to create a more global visibility of its unique initiative through new trading venues.

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Questions Received

Questions Received

Key pre-submitted questions

	Question
Capital Structure	<ul style="list-style-type: none">• Will the company consider a share buy back at the current very depressed price? What about a 1-for-10 share consolidation?• Have you considered introducing some shareholder “perks” if you are considering any additional listing such as NASDAQ or other markets?• You have always said there are many funders. With all the connections and contacts available why couldn't you 'borrow' funds from some of them at a better rate than the CLN terms? What will happen to the number of shares which have been loaned out? Are there any “Lock-in” arrangements regarding conversion of the CLNs?
Dividend Policy	<ul style="list-style-type: none">• Will you ever announce a dividend to shareholders?

Questions Received

Key pre-submitted questions

	Question
Debt Capital Management	<ul style="list-style-type: none">• Does the Company still need additional finance to complete the long awaited first inventory monetisation deal? What has become of Stormharbour? We never hear a word about them now?
TradeFlow Capital Management	<ul style="list-style-type: none">• What made the owners of Tradeflow sell their business to SYME? It seems a very well managed business. How much money does it make and what are its AUM?• Please can you name the “independent” company that valued TFC at £30+ million?
Captive Bank	<ul style="list-style-type: none">• What are the factors affecting the delay in the completion of the Captive Bank transaction?• Is the Bank committed to providing funding? How much capital can they deploy if you gave them a load of deals to finance today? would they do them? If not why not?

Questions Received

Key pre-submitted questions

Question

Programme Roll-out

- When is the first inventory monetisation realistically expected to happen ?
- In Jan 2021 you said the Platform had evolved and rather than onboard in tranches, clients could be onboarded monthly in any geography. You mentioned 50 new clients a month. What is currently realistic in terms of monthly onboarding of new clients/ monthly revenues?
- Revenues - how many prospects are there in the sales pipeline and how many do you think will convert into actual orders? When should this start?

Share Price

- After many inventory monetisation / securitisation delays and many bullish comments from the CEO, the stock price is incredibly disappointing. When can long-suffering private shareholders expect some concrete financial/trading news?

Questions Received

Key pre-submitted questions

	Question
Accounting Standards and classification of commercial contracts	<ul style="list-style-type: none">• Can a customer account for his transaction with Supply@ME as a true sale in accountancy terms? Do any regulatory authorities hold reservations or has the Supply@ME business model been fully adopted into IFRS?
Platform Development	<ul style="list-style-type: none">• Is the SYME platform fully up and running or is it still at the concept stage? How many true orders can it currently handle per week? Shareholders feel they are being “blinded by science” with little or no substance behind the RNS announcements. Please simplify them

05

Live Q&A: Questions Submitted During The AGM



Thank you.

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