



## Annual General Meeting for the the year ended 31 December 2019 questions

**Q1: 1) Storm Harbour & when is the 1st inventory securitisation will be completed and indicated as completed in order to proof the Business Concepts works? 2) Clarity on clients achieved -what is the net number (Not Gross) of clients being onboard or already signed up? 3) Captive bank - when will it be completed. Are there any regulatory that could hinder the completion of the banks acquisition? 4) TradeFlow - when will the acquisition be completed (promised by end of April 2021 ) and how is the acquisition going to be paid for? Is it with Shares and Cash? Or will the company shares be diluted?**

Please refer to recorded meeting (answered during presentation).

**Q2: How will the volatility risk of commodity values in transit be managed/mitigated?**

Tradeflow is one of the leading FinTech powered commodities trader enablers for SME businesses in the Far East. It is an experienced operator in this sector and has proven sophisticated risk management systems already in place which allow for such fluctuations.

**Q3: How are you different to Greensill and why should clients and funders trust your platform when they may have been burned in the past?**

Please refer to recorded meeting (answered during presentation).

**Q4: What is your medium (2-5 years) and long term (5 years +) revenue and profit expectations?**



We have a detailed business plan and internal budgets for these figures but are obviously not at liberty to divulge them. We are now updating the external research (which we commissioned at the time of the RTO and which may be able to include independent assessments on revenues and profits up to two year out.

**Q5: How many of the gross origination figures from the 01/04/21 trading update have been lost or are not eligible?**

The 2020 Statutory Audited Financial Statement will disclose this information.

**Q6: Why are you holding your 2019 AGM now and not earlier? This, alongside the issue of being suspended because of a technical breach in accounting periods, gives the impression that management do not have the experience needed to manage a large company. How can investors be sure that management know what they are doing?**

It was the SYME management team which identified the fact that the 2019 AGM had not been convened by the previous Board of Directors, (prior to the RTO). The Board then commissioned an audit of Abal Group plc (the previous name of the Company) in order to prepare Annual Accounts for the 12 month period to 31 December and in so doing we were required to adjust the Accounting Reference Date to provide time for the Accounts to be prepared (entirely retrospectively as they reflected a trading period prior to any involvement by the current management team/SYME trading). Regarding the dealing suspension, we note both Supply@ME's executive and non-executive management comprise highly experienced individuals in their respective areas of expertise. CEO Alessandro Zamboni has two decades' experience in internal governance, regulatory and enterprise risk management systems for banks and insurance companies. Meanwhile, our non-executive directors Susanne Chishti, Enrico Camerinelli and Dominic White all bring vast expertise from their lengthy careers in the fintech, banking and capital markets sectors. We have also recently appointed Amy Benning as Chief Financial Officer, who will add to the strength of Supply@ME's senior leadership team when she takes up her role later this year. Ms Benning has 16 years of public accounting experience, 12 of which she gained at PwC London where she specialised in UK capital raising transactions. The suspension of Supply@ME's shares was a temporary measure related to a change of accounting reference date. It was a technical issue relating to listing requirements concerning the publication of periodic results. As shareholders will be aware, the SYME Board did



everything possible to assist the FCA during the period the Company's shares were suspended, culminating in a lifting of the suspension and resumption of dealings in the Company's shares on 9 March 2021.

**Q7: Has the collapse of Greenshill capital had any effect on SYME and the willingness of funders to get on board**

Greensill's "failure" has had no discernible knock-on, negative impact on trading or on our relationships with either our funding partners or with the onboarding process of existing or new customers.

**Q10: Will any IM transactions be completed this calendar year?**

The Company has already acknowledged that this has taken longer than originally envisaged to complete the first securitisation issuance. Notwithstanding the challenging market conditions over the past twelve months, the Company has continued to make progress towards the completion of its first inventory monetisation transaction collaborating with a single inventory funder as previously announced. The single investor has expressed a preference to invest in a geographically diverse portfolio, and SYME's UK team is working with the investor to agree the terms of the issuance. The Company remains confident of the successful completion of this transaction.

**Q11: Will the company ever consider having a share consolidation**

Unlike many listed companies, SYME enjoys good liquidity in its shares, not least because of the current share price combined with the sheer number of shares in issue. The Company does, however, recognise that as its business expands, hopefully with a resulting increase in its stock market valuation, there may come a time in the medium-term where a share consolidation would be considered.

**Q12: Are you still working with the two local Italian banks on a self-funding route?**

The self-funding model remains one of three key funding routes for the Company. Continued progress has been made with the Captive Bank acquisition process and



SYME continues to work on studying further synergies between the Self-Funders and the Captive Bank.

**Q13: When can we expect to see securitised note issuances for the onboarded companies as crucially this is the nature of the business ?**

Whenever a new asset class is introduced, especially one as complex as SYME's IMP, it is vital to ensure that the first such issuance is not only a commercial success but as far as possible that it is legally and structurally watertight as possible. This inevitably takes time. However, the Company firmly believes that following completion of the first issuance, the "template" will be able to be rolled out fairly swiftly and efficiently with regard to follow-on issuances.

**Q14: How many companies from the current onboarded portfolio are actually being IM'd ?**

The Company recognizes the importance of Net Client Originations to the Business Model and to the profitability of the business going forward. The process will be explained in fuller detail in the Audited Accounts for the twelve month period ended 31 December 2020 which will be published later this month.

**Q15: Who are the funders for each of the geographic and Sharia areas ?**

Audio Clip (answered during presentation)

**Q18: How is the captive bank acquisition progressing ?**

Please refer to the recorded meeting (answered during presentation).

**Q19: Who are the main players within 1AF2 (TAG) ?**

Audio Clip (answered during presentation)



**Q20: Has Good progress been made to IM MENA companies and if so, is demand likely to increase ?**

Audio Clip (answered during presentation)

**Q21: Has progress been made with setting up a US hub ?**

Audio Clip (answered during presentation)

**Q22: Who is the UK financial partner and when will we see UK IM issuances ?**

As stated in the RNS on 30 October, the Investor is a leading global alternative investment fund manager, founded in the 1980s, with a globally diversified investment portfolio valued at more than \$70 billion. It has an extensive track-record of structuring, optimizing and executing capital markets solutions across many asset classes, as well as in the development and growth of various forms of lending businesses. As previously answered, SYME's UK team is working with the investor to agree the terms of the issuance. The Company remains confident of the successful completion of this transaction.

**Q23: Are the original Italian companies being IM'd via Quadrivio / Industry 4.0 fund or have you sought other funding ?**

The Client companies involved in the two Italian pilots made by SYME were funded by two important local banks.

**Q24: How will the TradeFlow acquisition be financed?**

As stated, the Board is committed to increasing shareholder value with all such corporate transactions. In this regard, the Company will give to the market all the details aimed at full understanding the several angles of the transaction.

**Q25: When can we expect proof of concept / monetisation news? LTH has seen share capital decimated after multiple delays and it is disheartening.**



The Board fully appreciates all shareholders' frustrations regarding completion of the first secured issuance. SYME is working hard to complete this first IM issue which will indeed be proof of concept and generate financial returns. As such it must be meticulously planned and executed and under the best of circumstances this can take time. SYME has also had to deal with the very material commercial disruption caused by the Covid-19 pandemic, especially when taking into account its main operating subsidiary is based in Italy, one of the hardest-hit European economies.

**Q26: When will long term holders be rewarded, as was promised? I have a large 6-figure sum invested and feel the opposite of rewarded.**

With any new, innovative asset class, it takes time to fully develop each element of the inventory monetisation process. We ask shareholders to remain steadfast as the final stages of the process are refined ahead of completion of the first issuance.

**Q27: How will you avoid present share holder dilution re acquisition of TF Capital?**

Please see answer to question 24

**Q29: How many businesses which underwent due diligence have since backed out owing to delays? And were these sizeable in terms of lost future income?**

The 2020 Statutory Audited Financial Statement will disclose this information.

**Q30: Can you comment on the large block sales which daily keep the stock price in the red? Is this an on-market stock transfer?**

A number of shareholders have built up sizeable positions in the stock. The Company's Registrars keep a close eye on large transactions. However, none has recently triggered any TR1 notifications. A number of individual shareholders do seem to actively "trade" in the stock, but this is to be expected given the large number of private investors who are keen followers. Also although these block sales do have a negative impact on the share price, it remains quite resilient.



**Q31: How can you prevent being held to ransom by funders / investors in future as has been recently done, especially re our April Fool's surprise drop owing to investor sentiment change?**

The Company is not being held to ransom by any one shareholder or group of shareholders. We have endeavoured to maintain a steady flow of regulatory news on the Company's progress to the market. We have also tried wherever possible to adhere to our own timetable for making such announcements and will continue to do so. The Board of SYME does not believe there has been any marked shift in investor sentiment, although it recognizes shareholders are in need of positive news regarding the first IM issuance.

**Q32: Not a question but a final GOOD LUCK - I have faith and know the team are working very hard. It is exciting, if frustrating for private investors (and no doubt yourself) and I wish the team all the very best. I wouldn't have invested so much if I didn't believe.**

Your sentiments are echoed and very much appreciated by every member of the SYME Board.

**Q33: Brexit has impacted many British businesses. Extra costs and delays and additional paperwork. Documentation needs stamping at the Channel entry. No digitisation of documentation! Will Supply@Me get involved with assistance with Brexit exports once the Trade Flow Capital deal is done?**

There are numerous commercial opportunities developing all the time for SYME and our product portfolio. Digitisation of import/ export documentation is certainly something we will be investigating with the expert knowledge and experience of the Tradeflow team, once they are fully onboarded.

**Q34: Other than Rabobank London, how many other banks have declined to work with Supply@Me Capital because the risks inherent within its proposed "inventory monetization" structure are unacceptable for lenders?**

We are not in a position to comment on commercially sensitive information such as the names of potential partner banks. Suffice to say that there has been no shortage of interested parties with whom we have had or are in currently in discussions, This



will become self-evident when we are in a position to reveal the name of SYME's UK institutional partner.

**Q35: How can Supply@Me Capital be accruing revenue for "onboarding fees" when its accounts explain clearly that not one single client has signed a contract?**

As already explained in previously interviews, the SYME' onboarding process works as follows: firstly the Client Company signs a term sheet (which also allows the Supply@ME charge the due diligence fee) and once the inventory funder commits the sum, the Client Company, if eligible, signs the monetisation contract. The positive impact of the comprehensive monetisation programme will start to become visible in our full year 2020 accounts – which will include the due diligence fees already accounted pursuant IFRS - as stated in the RNS of 28 September 2020. The positive impact of the first securitisation programme will start to become visible in our full year 2020 accounts – which will include the due diligence fees already accounted, as stated in the RNS of 28 September 2020. In the 2021 interim financial statements, the Company expects the inventory monetisation fees charged to the client companies as part of the portfolio securitised will be visible.

**Q36: Is there any deadline to Storm Harbour imposed by SYME and/or the Client Companies?**

Following the revised Funding Strategy announced recently, and taking into account the continued growth in the Client Company Portfolio, Stormharbour will continue to roll out its securitisation placing programme as normal. Good progress continues to be made and there is no "deadline" for completion as such, albeit SH is working towards a first issuance being finalized in H2 of the current financial year.

**Q37: Based on the current MCAP of the company, this would appear to be an unacceptable annual performance since the RTO MCAP valuation. How do the board feel about this and will performance and SP be drastically improved?**

The RTO valuation was based on primarily on Goodwill. The Company had no trading record and so any such valuation has a subjective element to it. Since then, the Company has made great strides towards "proof of concept" and has build up a global infrastructure and a large multinational client base. It has also continued to develop and refine its monetisation platform, not least successfully developing a Shari'a-compliant version. The Board is confident that the true potential of the Company is not





reflected by the current share price/valuation but that by successfully completing the first IM issuance, followed swiftly by a series of others globally, the valuation will adjust accordingly.

**Q38: Are existing shareholders being diluted further to fund the TFC acquisition ? We have suffered a 40% drop in share value since 31st March and this is frankly not good enough.**

Please see answer to question 24.

**Q39: Are the loaned shares still being traded as I'm concerned they are being used to fluctuate and manipulate the SP dramatically ?**

The Company is not aware that the loaned shares are still being traded.

**Q40: The Chairman has reduced his holding of shares dramatically to 2.98% that I'm aware of. Why has he sold ? Is this to do with knowing that there were funding and business deadline issues or not convinced by the platform and business plan ?**

The Chairman's shareholding was always considered an investment as he was brought into the Company as Non Executive Chairman to bolster the Board at the time of the RTO. He has a number of other business interests. The share sale in no way reflects any negative sentiment towards SYME or its Business Plan.

**Q41: What are the board's thoughts on year-on-year market cap valuation? It is now roughly £100mill less than the value at RTO**

By far the largest shareholder in the Company is the CEO and he obviously takes a keen interest in its market value. However, the job of Mr Zamboni and his fellow directors is to successfully manage and grow the business, which has been their focus over the past year, under difficult conditions with the pandemic seriously impacting the roll-out of the Company's business model, taking effect almost simultaneously with the RTO in March of last year. Notwithstanding the pandemic, the Board remains confident that the progress made over the past 12 months will be reflected in the valuation of the Company over the next 12.



**Q42: You stated in an interview this week that SYME has acquired TFC, can you confirm this is the case and will an RNS be issued ?**

Please refer to recorded meeting (answered during presentation)

**Q43: In your strategy laid out at <https://www.supplymecapital.com/who-we-are/our-strategy/> you identify "Aiming to be the best Fintech inventory data monitoring business" as one of your three core pillars and specifically note "RFID & various smart sensors integration for Inventory monitoring (Internet of Things)" as a significant stream within this. Little has been said publicly about the broad state of this strategy pillar or this specific stream over the last year. Can the company update shareholders on the current state, progress over the last year, and future roadmap, of physically monitoring inventory on site? In particular how many customers currently have IoT devices deployed in any capacity at their inventory sites?**

Please refer back to Slide "Chief Executive's Overview: Strategic Direction" in AGM presentation.

**Q44: Currently, based on the senior leadership of SYME that appears on LinkedIn, there appear to be no executives that are technology specialists. Within your core strategy pillar of 'Creating a scalable business' laid out at <https://www.supplymecapital.com/who-we-are/our-strategy/> the company states that "Until 2020, the Platform technology developing program will be outsourced to the AvantGarde Group SpA (current ICT Factory)". Does the company plan to bring ICT inhouse and if so at what stage? Would a corresponding CTO be hired to lead this division of the company and if this is the case what specific skills and experience would the company be looking for?**

Mr Zamboni, CEO of SYME is also the funder of the AvantGarde Group. On the other hand, the focus of the SYME is to deliver a new product over the supply chain sector (the inventory monetisation service). Accordingly, the several production factors (ICT, design, risk management experts, ...) are managed both via internal resources and via partnership. Regarding ICT, the Company has a strategic alliance with SIA-NEXI and the potential acquisition with TradeFlow will also give the opportunity to enhance the internal digital factory.

**Q45: What has prevented a company bringing inventory monetisation to market before now? The innovation of a non credit true sale approach to inventory finance could, hypothetically, have been achieved without blockchain to capture legal ownership or physical IoT monitoring to ensure an adequate risk profile.**



**Both of these aspects could have been achieved manually, if not necessarily with sufficient gross margin. Equally inventory has often been of much higher orders in the past and continues, at least until Covid/Suez, to shrink as the world moves, where possible, to a JIT supply chain. Was inventory monetisation simply waiting to happen or has an innovation or some change of market conditions occurred which now makes it possible or, even more than that, desirable? Further, is the company aware of any previous institution trying and failing, for whatever reason, to bring any kind of inventory monetisation product to the market?**

Funding inventory monetisation transactions is basically a new financing product for the market. As per each new asset class (like the trade receivables securitisation in 2014), the market has to be educated, can request the skin in the game of the sponsor of the novel initiative and sometimes waits the launch of similar initiatives by other players. This is happening and, accordingly, the Company is bullish that first monetisation transactions could be completed in the short-term period.

**Q46: What does the company perceive it's moat to be? And how long, if even possible, does the company feel it will take for any competitors to catch up to its current market offering?**

As has been witnessed over the past year, it is not simply a matter of technological advantage that will give SYME an edge. Building the commercial and technical infrastructure required is both challenging and time consuming. SYME has a significant "first leader" advantage in having made so much progress to date. It is up to senior management to maintain this lead by continual platform innovation and technical advancement.

**Q47: Assuming it's possible for competitors to eventually clone SYME's product and compete in their market, does the company ever feel price, the 6-8% fees, will be used as a differentiating factor, and if so, could this lead to a scale race where larger competitors can charge lower fees by their ability to scale more rapidly and to support a more sizeable operation overall?**

We anticipate future pricing pressure on fees. However, we currently enjoy "first-leader advantage" in the marketplace so will look to maintain margins at their current levels for as long as possible. However, as volumes increase, some margin pressure can be absorbed and will become less of an issue. On the other hand we don't think the prices will reduce looking at the growth of the interest rates curve.



**Q48: In the five years the company has been in operation, what companies, if any, does SYME see as past, current and future direct competitors and why? Furthermore if past competitors still exist how have they changed in that time and why does the company no longer feel they are in direct competition?**

At the date, we don't see business models that can be considered exactly competitors of the Company. The market now is mostly made of asset based lender (with a very low risk appetite) and fintech platforms focused on trade receivables and reverse factoring.

**Q49: On April 27th April 2021 Taulia announced they are to expand into inventory management <https://www.businesswire.com/news/home/20210427005744/en/Taulia-Expands-Into-Inventory-Management-Addressing-a-Key-Supply-Chain-Challenge-for-Companies>. Does this affect any of SYME's plans and what does the company feel this says about the broader market?**

The fact that a leader in the supply chain financing space decide to expand its offering to inventory management services is a great news for the Company. As anticipated in the previous answers, the existence of other players (even though not as inventory funders but acting the role of inventory management services) will give more confidence to the asset management industry in order to finance the inventories.

**Q50: Does the company have internal long term inventory monetisation targets for 3, 5 and 10 years and possibly beyond? What are the most significant factors that affect these targets? Addressable market, funding availability or SYME's own internal efforts?**

We have our own Business plan and growth targets for the SYME IM platform over the next five years. What factors will influence their success? Probably a combination of all three. Technology will play an important part (Internet of things, Robotics, AI) creating the opportunity for reduce the risk perceived by the inventory funders. This is essentially a new asset class for investors and that will inevitably take time to become fully accepted.

**Q51: Where do bottlenecks start to appear, and at what stage, in terms of scaling the organisation and product up? For example, assuming SYME could capture 100% of the European market, slated at €2trn, what, if anything, would prevent the company accommodating this and where would aspects of the product start**



**to become less efficient? Take say the relationship between employees and inventory monetisation under management, put at a ratio of 1 employee to 25 client companies in a recent interview with SYME CEO Alessandro Zamboni (<https://www.share-talk.com/re-cap-alessandro-zamboni-ceo-of-supply-me-capital-syme-l-qa-interview>), how long could this ratio hold and what would force it to change?**

One of the major USPs of the SYME Platform is its scalability. The 25:1 ratio is a best estimate as we are still developing the internal operating structure. However, via technology improvements and a key focus of the business model on the processes standardisation, this ratio could increase significantly. We do not expect to have a monopoly in any one geographical region however, with “first leader” advantage we intend to take full advantage of all of the groundwork we have put in place to date.

**Q52: The company announced <https://www.londonstockexchange.com/news-article/SYME/senior-management-appointment/14613751> bringing on Stuart Nelson as Head of Enterprise Risk Management in July last year, as well as announcing Amy Benning as an incoming CFO just this month <https://www.londonstockexchange.com/news-article/SYME/trading-update/14921926> . At what point does the company perceive it will need to make further hires at an executive level in order to continue scaling? And what areas are those hires likely to be in?**

The Company has made no secret of the fact that to maintain its growth trajectory it will need to further strengthen not only its senior management team but operationally across the board. The new CFO starts next month and the Company is currently reviewing its in-house technical capabilities which may lead to a new specialists with expertise in scaling the business. This is an ongoing process reflecting the growth of the Company.

**Q53: In an interview on the 7th April 2021 <https://www.youtube.com/watch?v=w1LAMSuiVzw&t=173s> SYME CEO Alessandro Zamboin stated categorically 'we have no concentration risk toward a single investor'. Given that, as stated in an RNS on the 27th July 2020 <https://www.londonstockexchange.com/news-article/SYME/trading-update/14629061> , the company said 'There are now 16 institutional investors (mostly global asset managers) interested in progressing/investing through the process.' And also given that, as stated in an RNS on the 30th of October 2020 <https://www.londonstockexchange.com/news-article/SYME/inventory-funding-securitisation-issue-update/14737750> , the company said 'Following detailed evaluation, SYME confirms that it has agreed to partner on an exclusive basis**



**with a global investment fund'. Then by definition SYME has a form of concentration risk, if not in overall funding routes with the captive bank being a clear alternative, then certainly in inventory funders. Why did, firstly, the global investment fund want or need exclusivity, and secondly, why did SYME see fit to grant it? What major advantages did it bring that were justified in offsetting the clear concentration risk of only having a single inventory funder at this crucial embryonic stage of the company's lifespan? If 16 large institutions were genuinely interested, given the huge size of the addressable market and likely eventual need for multiple funders, why did SYME not work with at least two at this stage to both offset some funder concentration risk and rapidly scale the operation? Particularly as there were billions of euros of initial inventory waiting to be monetised at the point the decision was made?**

The announcement of 30 October actually stated that the Company had agreed to collaborate with a single inventory funder for the first securitisation issue, not on all future issuances. The investor agreed the monetisation structure in January of this year, following which the Company had expected to deliver on both Captive-Funding and Self-Funding initiatives by the end of Q1 2021. However, SYME has since needed to invest additional time in addressing the request of the inventory funder to invest in a more geographically diverse portfolio of inventory assets with a subsequent refocus of the Captive Funding route on wholly Italian portfolios as highlighted in the TU of 1 April.

**Q54: Please can you comment on SecurityMatters (Australia) and Arviem (Switzerland) with regards to competition?**

We don't believe that these 2 interesting initiatives, which are more focused on technology solutions, can be considered actually competitors.

**Q55: How are things going with Tradeflow. Some info please?**

Please see earlier answers

**Q56: could you please introduce all the people who were visible at the start of the presentation. Good manners and help shareholders**

Audio Clip (answered during presentation)



**Q57: How come you state a number of clients but you have not actually completed any securitisations? What is your definition of a client and why is it different from a completed securitisation?**

The Company stated information regarding the Gross Client Company Origination which includes all client companies that have signed an NDA, a Term Sheet, or are in, or have completed the onboarding process. This is an important sales indicator which explain the interest of the market on the inventory monetisation service. As stated, in the next trading updates, the Company will also give details about the Net Client Company Originations and, following the first transaction, the number of Clients monetised.

**Q58: What progress have we made on it's contract that have been mentioned for many months now? How close are syme to reporting to the market these contracts? What is the hold up. Thanks**

Please see earlier answers.

**Q59: I see we are looking at many different countries. Which project is the closest to coming to fruition? and when? thanks**

The SYME Platform is a global solution and a number of territories have shown increasing interest in taking up the SYME IM solution. Looking at the delivery plan time-scale, we can confirm these priorities: Italy, UK, MENA.

**Q60: How are you planning to pay for the trade flow acquisition?**

Please see earlier answers.

**Q61: Are you looking at share consolidation? Example 1000:1**

Please see earlier answers.

**Q62: How many new enquiries for business are received each week?**

It's difficult to account this information since, as the market knows, the sales model of the Platform relies to originator partners which weekly received several requests of



interest. Accordingly, these partners assess the potential client and transfer a net list to SYME.

**Q63: Question for Dominic. Why have you sold all your shares (well under 3%) is this a lack of faith in the companies prospects?**

Please see earlier answer to question 40.

**Q64: Why can't you fund stormharbour, the first 30 clients now, as there are other funders even though the exclusive funder wants a more diversified portfolio?**

As highlighted previously, SH is continuing to roll out its placing programme which is nearing completion.

**Q65: How excited are you about the future of SYME?**

The Board is extremely excited about the future of the Company. We have spent much time and effort putting the infrastructure and technology in place and especially the past twelve months building the whole eco-system ahead of this new asset class. It has taken longer than anticipated but this is to be expected given the unprecedented market conditions brought about by the Covid-19 pandemic. However, SYME is now in a position where the future looks very bright and we are ready to establish the SYME Platform as the global "go-to" Inventory Monetisation solution.

**Q66: Why dont you register in nasdaq ?**

We are building a profile in the United States which is a very important potential market for us. The Company is evaluating hybrid solutions to do a first step in this direction.