



Society Pass Inc.

Initiating Coverage with BUY and \$3.50 Target

Large opportunities for its loyalty and online platform in high growth SEA markets. We believe strong growth over the next year to drive stock much higher.

Initiating with BUY: We are initiating coverage of Society Pass with a BUY rating and a 12-month price target of \$3.50. Society Pass is building the next generation data-driven loyalty, fintech, and e-commerce digital platform in Southeast Asia (SEA).

Focused on loyalty platform: The company's ecosystem of technology-enabled companies synergistically work together to transform how consumers and merchants interact with one another. Its key focus is on generating customer loyalty, ease of transaction for consumers, and revenues for merchants. As more merchants and consumers in SEA register on its Society Pass platform, more transaction data is generated, and thus presenting more opportunities for creating loyalty from consumers to merchants.

Lifestyle platform: The company has developed an online lifestyle platform in Vietnam under its own brand name of "Leflair" to enable consumers to purchase high-end brands in many categories. Using the company's smart search engine, consumers search or review their favorite brands among hundreds of choices in various categories, including Apparel, Bags & Shoes, Accessories, Health & Beauty, Home & Lifestyle, International, Women, Men and Kids & Babies categories.

Digital media platform: Thoughtful Media Group's (TMG) global multi-platform network has executed tens of millions of dollars in advertiser branded content.

Travel platform: Indonesia based NusaTrip is a leading SEA OTA (online travel agent), having connected over 80 million unique visitors directly to more than 500 airlines and 200,000 hotels around the world.

Market opportunities: We believe that continued strong economic expansion, robust population growth, rising level of urbanization, the emergence of the middle class, and the increasing rate of adoption of mobile technology provide large and fast growing market opportunities for Society Pass and other technology companies in Southeast Asia (SEA).

Revenue growth strong: We have modeled high revenue growth in 2023 (+114%) and 2024 (+99%) and thereafter to scale up significantly which should drive improved margins and profitability.

Major acquisition: We note that our estimates do not include its recently announced (on July 7) (but expected to close by September 2023) major acquisition of 95% of PT Inetindo Info. Inetindo has annual revenue of ~\$30 million, so it will be a significant contributor to Society Pass results going forward.

However, challenges exist: Society Pass operates in a highly competitive environment and competes against a wide range of technologies and online companies. There is the chance that competing technologies or online companies may challenge Society Pass's technologies and websites.

Positive high risks versus high rewards: Overall, concerns outweighed by growth prospects and valuation. Society Pass's main products still has long commercialization challenges ahead, but we believe the ~billion dollars market potential presents high rewards for the risks.

Current valuation attractive: We calculate a 12-month price target for shares of Society Pass to be \$3.50 based on a NPV analysis, representing significant upside from the current share price. We believe this valuation appropriately balances out the company's high risks with its high growth prospects and large upside opportunities.

Company Description

Society Pass, based in Singapore, is building the next generation data-driven loyalty, fintech, and e-commerce digital platform in Southeast Asia (SEA).

United States
Technology

July 11, 2023

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COVERAGE INITIATION

Rating: BUY

Ticker: SOPA

Price: \$0.52

Target: \$3.50

Stock Data

Exchange:	NasdaqCM
52-week Range:	0.47 – 3.14
Shares Outstanding (million):	28
Market cap (\$million):	\$15
EV (\$million):	\$1
Debt (\$million):	\$0
Cash (\$million):	\$14
Avg. Daily Trading Vol. (\$million):	\$0.3
Float (million shares):	17
Short Interest (million shares):	0.2
Dividend, annual (yield):	\$0 (NA%)

Revenues (US\$ million)

	<u>2022A</u> (Cur.)	<u>2023E</u> (Cur.)	<u>2024E</u> (Cur.)
Q1 Mar	0.4A	2.0A	4.5E
Q2 Jun	0.5A	2.5E	5.0E
Q3 Sep	2.1A	3.5E	6.5E
Q4 Dec	<u>2.6A</u>	<u>4.0E</u>	<u>8.0E</u>
Total	5.6A	12.0E	24.0E
EV/Revs	0.2x	0.1x	0.0x

Earnings per Share (pro forma)

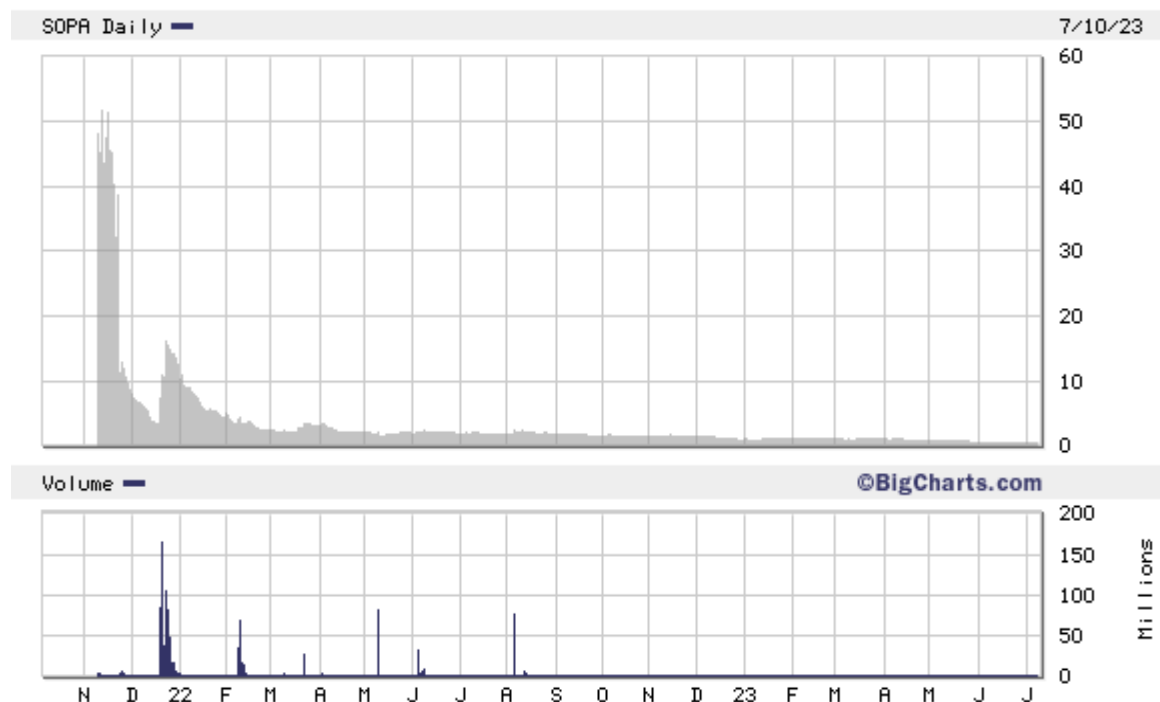
	<u>2022A</u> (Cur.)	<u>2023E</u> (Cur.)	<u>2024E</u> (Cur.)
Q1 Mar	(0.30)A	(0.20)A	(0.14)E
Q2 Jun	(0.31)A	(0.21)E	(0.13)E
Q3 Sep	(0.39)A	(0.20)E	(0.11)E
Q4 Dec	<u>(0.37)A</u>	<u>(0.19)E</u>	<u>(0.09)E</u>
Total	(1.38)A	(0.79)E	(0.47)E
P/E	N/A	N/A	N/A

Important Disclosures

Ascendant Capital Markets LLC seeks to do business with companies covered by its research team. Consequently, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making an investment decision.

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report, beginning on page 33.

Exhibit 1: Society Pass Inc. Stock Price (since IPO November 9, 2021)



Source: <https://bigcharts.marketwatch.com/>

INVESTMENT THESIS

We are initiating coverage of Society Pass with a BUY rating and a 12-month price target of \$3.50.

Society Pass (SoPa), based in Singapore, is building the next generation digital ecosystem and loyalty platform in the Southeast Asian (“SEA”) countries of Singapore, Vietnam, Indonesia, Philippines and Thailand. The company operate six verticals in SEA: loyalty, lifestyle, food and beverage delivery, telecommunications, digital media, and travel. The company has grown significantly organically and through acquisitions including 5 in 2022 (New Retail Experience Incorporated and Dream Space Trading Company Limited, Gorilla Networks, Thoughtful Media, Mangan PH Food Delivery Service Corp., Nusatrip International Pte Ltd.).

The company’s ecosystem of technology-enabled companies synergistically work together to transform how consumers and merchants interact with one another. Its key focus is on generating customer loyalty, ease of transaction for consumers, and revenues for merchants. As more merchants and consumers in SEA register on its Society Pass platform, more transaction data is generated, and thus presenting more opportunities for creating loyalty from consumers to merchants.

As of March 2023, the company has onboarded over 3.3 million registered consumers and over 200,000 registered merchants/brands onto its Platform.

A key strategy for the company is to grow and achieve scale through acquisitions. The company has made numerous acquisitions and expects to continue to expand its fintech and e-commerce ecosystem in SEA by acquiring leading e-commerce companies and applications and through strategic partnerships with technology providers.

Exhibit 2: Society Pass (SoPa) Corporate Overview



Operating in SEA (Vietnam, Indonesia, Philippines, Singapore, and Thailand), SoPa is an acquisition-focused fintech and e-commerce holding company operating 6 inter-connected verticals (loyalty, lifestyle, f&b delivery, telecoms, digital advertising, and travel) connecting millions of consumers and thousands of merchants in SEA

+3,300,000 Reg Consumers	+650,000 Reg merchants/brands	US\$ 5.64 mn 2022 Group Revenues	+94,000 Facebook Followers (SoPa only)	+128,000 LinkedIn Followers (SoPa only)
+2,300 Twitter Followers (SoPa only)	+100 Instagram Followers (SoPa only)	+17,000 2021 Lifestyle Purchases	+12,000 2021 F&B Delivery Bookings	+70,000 2021 Travel Bookings
+87,000,000 Youtube Subscribers				

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Source: Company reports.

Society Pass spent over two years building a cutting edge, proprietary IT architecture to effectively scale and support its ecosystem’s companies, consumers, and merchants (the “Platform”). Using the Society Pass loyalty platform, which it officially launched in June 2023, consumers may earn, and merchants may issue, loyalty points or “Society Points” across its companies. The company aggregates data generated across various touch points, builds a realistic view of consumer behavior and uses this data to increase sales across its ecosystem by: cross-pollinating acquired companies with other existing verticals, customer re-targeting, offline and online behavior prediction and cross promotions and loyalty points.

The company has developed an online lifestyle platform (the “Lifestyle Platform”) in Vietnam under its own brand name of “Leflair” to enable consumers to purchase high-end brands in many categories. Using the company’s smart search engine, consumers search or review their favorite brands among hundreds of choices in various categories, including Apparel, Bags & Shoes, Accessories, Health & Beauty, Home & Lifestyle, International, Women, Men and Kids & Babies categories. The Lifestyle Platform also allows customers to order from hundreds of vendor choices with personalized promotions based on their individual purchase history and location. The platform has also partnered with a Vietnam-based delivery company, Amilo, to offer seamless delivery of product from merchant to consumer’s home or office at the touch of a button or collect at the company’s logistics center.

Exhibit 3: Society Pass Products and Ecosystem

Complementary, Integrated Ecosystem

SoPa opportunistically acquires attractively valued companies in Southeast Asia to synergistically generate additional revenue streams, optimise efficiencies for merchants, and more cost effectively aggregate consumers and merchants through synchronised marketing campaigns. SoPa’s ecosystem allows for:

- More revenue generation for merchants leads to creation of customer loyalty;
- More customer loyalty creation leads to more consumers for merchants; and
- More consumers for merchants leads to greater revenues for merchants.

→ **VIRTUOUS CYCLE OF REVENUE GENERATION AND LOYALTY CREATION**

LOYALTY	LIFESTYLE	FOOD & BEVERAGE	TELECOMS	DIGITAL ADVERTISING	TRAVEL
<ul style="list-style-type: none"> • Loyalty Points • Digital Wallet • Currency 	<ul style="list-style-type: none"> • e-Commerce • Search & Payment • Distributors • Delivery 	<ul style="list-style-type: none"> • Product Search & Payment • Restaurant Delivery • Grocery Delivery 	<ul style="list-style-type: none"> • Roaming / e-SIM • Mobile Money • Switchback • Blockchain / Web3 	<ul style="list-style-type: none"> • Multi-channel Network • Advertising Technology • Influencer Advertising • Social Commerce • Onlive Shopping 	<ul style="list-style-type: none"> • Airline Search & Payment • Hotel Search & Payment • Travel Stories/Blogs

Source: Company reports.

We believe that continued strong economic expansion, robust population growth, rising level of urbanization, the emergence of the middle class, and the increasing rate of adoption of mobile technology provide large and fast growing market opportunities for Society Pass and other technology companies in Southeast Asia (SEA). As of 2020, SEA gross domestic product (“GDP”) totaled \$3.1 trillion. In comparison, the respective GDP for both the European Union (“EU”) and the United States (“US”) totaled \$15 trillion and \$21 trillion in 2020.

SEA has experienced rapid economic growth rates in recent years, far exceeding growth in major world economies such as Japan, the EU, and the U.S. According to the International Monetary Fund (“IMF”) since 2010, SEA has averaged 4.6% GDP growth, compared

to 0.7% for Japan, 0.8% for the EU and 1.7% for the U.S. SEA continues to enjoy robust population growth. The United Nations Population Division estimates that the population of the SEA countries in 2000 was approximately 525 million people growing to 668 million in 2020.

Exhibit 4: Society Pass's Investment Summary



Investment Highlights

Powerful and Integrated Ecosystem

- 6 unique verticals (loyalty, lifestyle, F&B delivery, digital advertising, telecoms, and travel) create a highly synergistic ecosystem, **generating additional sales channels, and onboarding increasingly greater numbers of consumers and merchants**
- **Integrated technology platform** and operational efficiencies drives value creation for SoPa ecosystem
- **Multi-faceted revenue model** comprises of e-commerce revenues, delivery fees, brokerage fees, SaaS revenues

Unique Loyalty Program (Expected Launch in 3Q 2023)

- Society Points **replace cash discounting** and **create permanent customer stickiness**
- As Society Points are **merchant/location agnostic**, they can be earned and redeemed across different business units within SoPa ecosystem
- Society Pass is an additional marketing channel for merchants on SoPa ecosystem to **onboard more customers** and **generate more revenues in a cost efficient manner** for their individual businesses

Attractive Markets

- **Ample attractively valued, regional acquisition opportunities allow Society Pass to quickly and more efficiently build consumer/merchant scale and expand service offerings**
- SEA, particularly Vietnam, Indonesia, Philippines, Singapore and Thailand, boasts one of the **fastest growing economies in the world** and the VIP countries comprise over 80% of SEA's population
- SEA possesses **fast growing middle class, favorable demographics and quick adoption of mobile technology**

Experienced Management Team

- Senior executives possess **+150 years of on-the-ground**, operational, marketing, software development, legal and financial experience in **local Asia markets** and intimate knowledge of international capital markets
- **Female led and female managed:** +50% of SoPa employees are female
- CEO, CFO, CMO, COO and CTO possess solid track records of **building companies and creating value** for shareholders and other stakeholders

Source: Company reports.

Society Pass's recent financial performance is reflective of its early and high growth commercialization and multiple acquisitions stage. The company made 5 major acquisitions in 2022, and just announced (on July 7, 2023) a major acquisition of PT Inetindo Infocom.

In its Q1 2023 report (on May 11, 2023), the company reported revenues of \$2.0 million and net loss was \$5.3 million (EPS of \$(0.20)), compared with Q4 2022's revenue of \$2.6 million and net loss of \$9.8 million (EPS of \$(0.37)). Revenues grew +359% y-o-y (reflecting the new contributions from its 2022 acquisitions).

Although revenues are still relatively low, they are very fast growing and we believe revenues should increase significantly in 2023. The company has not provided any financial guidance, but has generally stated that annual revenue run rate can be \$60 – 100 million

and that it expects to be EBITDA profitable within the next year. We believe that the high revenue growth in 2023/24 should provide strong operating leverage and improve gross margins and operating income (loss).

We have modeled high revenue growth in 2023 (+114%) and 2024 (+99%) and thereafter to scale up significantly which should drive improved margins and profitability. For 2023, we expect revenue of \$12.0 million (+114% y-o-y), a net loss of \$22.7 million, and EPS of \$(0.79). For 2024, we expect revenues of \$24.0 million (+99%), a net loss of \$15.3 million, and EPS of \$(0.47). We expect the company to be profitable in 2025.

We note that our estimates do not include its recently announced (but expected to close by September 2023) major acquisition of 95% of PT Inetindo Info. Inetindo has annual revenue of ~\$30 million, so it will be a significant contributor to Society Pass results going forward.

The company's balance sheet has \$14 million in cash and no debt as of March 2023. We believe the company has enough cash through 2024, but it may need to raise capital in 2023 to fund potential acquisitions, including the ~\$2 million in cash for its pending acquisition of PT Inetindo Info.

Society Pass's share price has been weak (and highly volatile) in the past year. In 2023, Society Pass share price is -47% (was \$0.99 on 12/30/22) to the current share price of \$0.52 (as of 7/10/23). The share price has traded between \$0.47 and \$3.14 in the past year and \$0.47 and \$1.28 in the past 6 months (YTD 2023).

We believe that there are near term catalysts that can drive the stock (particularly for key sales, growth, and profitability milestones expected in 2023). As the company is likely to make significant progress (and revenue growth) in its product commercialization over the next several years, we believe this will result in much improved visibility into profitability and future cash flows and higher share price. Although it is likely that the company will raise capital near term to achieve its product commercialization, development, and acquisition goals, we believe that positive progress will make future financings accretive to current shareholders.

Our valuation analysis does not directly include its recently announced (on July 7, 2023) acquisition of 95% of PT Inetindo Info from Story-I Limited as the deal has not yet closed (expected by September 2023). However, we believe that our valuation analysis has indirectly reflected the anticipated value potential from this deal.

Our investment thesis factors in an uncertain product commercialization, growth, and profitability prospects which is offset by the very large potential upside opportunities created from successful business execution of its financial and strategic plans. We believe that the current valuation for Society Pass has already factored in many of its risks (principally successful commercialization, growth, and profitability) but is under valuing its overall growth prospects and market opportunities, resulting in a positive risk versus reward scenario for an investment in Society Pass.

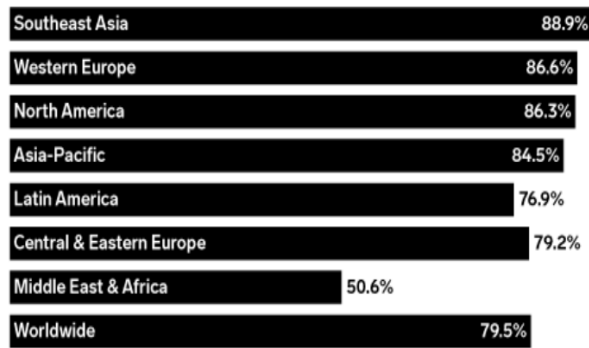
We believe the current valuation is attractive.

Based on our expectations and assumptions and our NPV analysis, we calculate a 12-month price target for shares of Society Pass to be \$3.50, representing significant upside from current share price. We believe this valuation appropriately balances out the company's high risks with the company's high growth prospects and large upside opportunities. We acknowledge that Society Pass is still at an early stage in its product commercialization and growth, but we believe its high growth and key commercialization, revenue, and profitability milestones over the next year should be positive catalysts for the stock.

Exhibit 5: Society Pass Market Opportunities

Smartphone User Penetration Worldwide, by Region, 2023

% of internet users



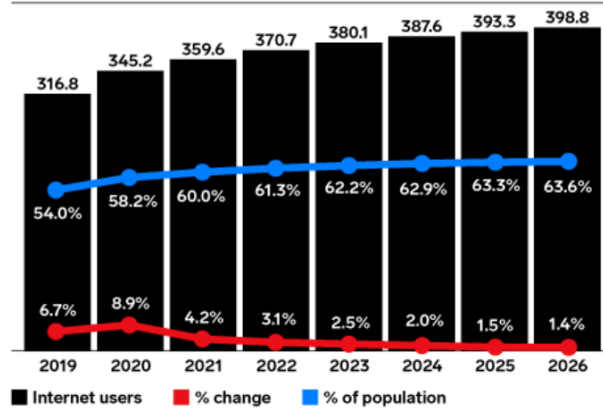
Note: individuals of any age who own at least one smartphone and use the phone(s) at least once per month
 Source: eMarketer, March 2023

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eMarketer | InsiderIntelligence.com

Internet Users in Southeast Asia, 2019-2026

millions, % change, and % of population

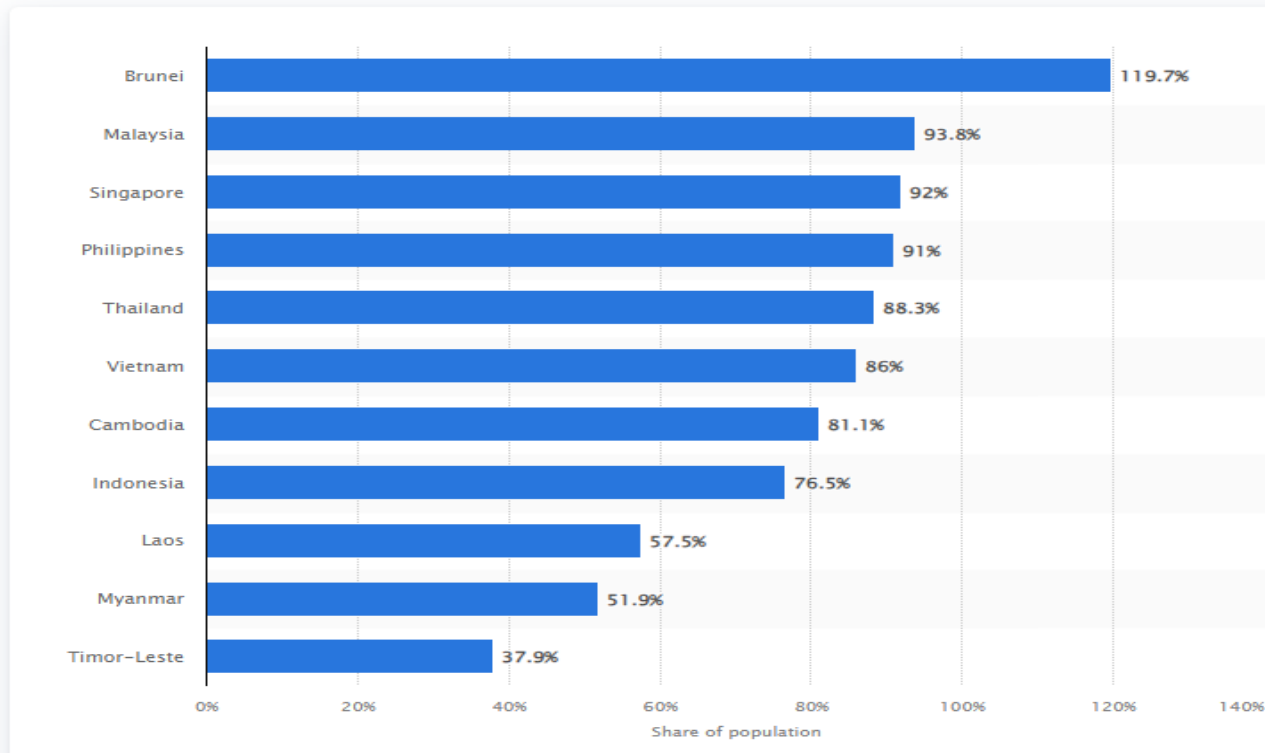


Note: individuals of any age who use the internet from any location via any device at least once per month; includes Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam
 Source: Insider Intelligence, March 2022

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eMarketer | InsiderIntelligence.com

Internet penetration in Southeast Asia as of July 2022,



Source: eMarketer, Statista 2023 (<https://www.statista.com/statistics/487965/internet-penetration-in-southeast-asian-countries/>).

INVESTMENT RISKS

Growth and Commercialization Risks

Society Pass's goal is to increase the operational and financial growth and profitability of its 6 main businesses (loyalty, lifestyle, food & beverage delivery, telecommunications, digital advertising, and travel). The company will need to increase awareness to its target markets (consumers and merchants/businesses) and to demonstrate superiority (brand awareness, ease of use, more effective, lower costs, and/or better technologies) of its technologies and services. The markets for its technologies are characterized by high competition, frequent technological developments and innovations, new product and services, and evolving technology and industry standards and processes. This will require Society Pass to develop its technologies, brand awareness, services, expertise and reputation, and continue to improve the effectiveness and ease of use of its technologies and services. While the market opportunities are large, there are always significant risks to grow (add new customers and merchants) and commercialize products (grow or maintain revenue per customers).

Competition

Society Pass operates in a highly competitive environment and competes against a wide range of other technology companies that are attempting to replicate or have better technologies and operations than the company's main technology products. Although Society Pass believes that its products and services are superior to competing products and technologies, there are always the possibility of new entrants or difficulties with existing competition.

Society Pass competes directly and indirectly with very large technology companies that are much larger, have greater resources, very large customer base, and proprietary technology; which could result in lower projected sales for Society Pass and at higher costs, reduced margins, and lowered profitability for the company.

Technology Risks

Technologies are constantly changing and improving due to new technologies, changing business and consumer demands, or changes in government regulations. This requires a company like Society Pass to constantly invest in its technology, products, and services. This is much more the case for Society Pass since the company is relatively small and it is actively focused on online internet technologies which has rapidly changing technologies and consumer interests. If Society Pass is unable to keep its products innovative, effective, well known, and useful, it may find its technologies and products obsolete.

Concentrated Products

Although the company is currently focused on its six main products (loyalty, lifestyle, food & beverage delivery, telecommunications, digital advertising, and travel), it gets the bulk of its revenue from digital marketing, online travel, and e-commerce. While the company has a large and wide range of customers to target, its customer base is still relatively small (compared to global online competitors) and highly concentrated in certain industries. The company is very leveraged to the success or failure of its consumer technologies and websites. If Society Pass were to experience difficulties with development and commercialization of its consumer technologies products and websites, then it may have a material negative impact on its business and financials as there are no meaningful products which can offset.

Leveraged to Southeast Asia (SEA) Location

Society Pass currently operates in five SEA (Southeast Asia) countries: Singapore, Vietnam, Indonesia, Philippines, and Thailand. All of its revenues are derived in these five countries. The company will need to support its rapidly growing business in an environment of multiple languages, cultures, customs, legal systems, and commercial infrastructures. While many of the economies in SEA have experienced rapid growth over the last two decades, they have also had more volatile changes in their economic, political, and legal environment and other general risks of developing countries than compared to developed countries and economies. Society Pass is exposed to foreign exchange (F/X) risks as revenue and costs are in foreign currencies, but its reported financials are in US dollars (\$USD).

Economic Uncertainties

Consumer technologies tends to be correlated with economic activity and income levels due to their discretionary nature, so major deterioration in economic conditions tends to result in an overall decline in consumer, enterprise, and government spending. This was demonstrated during the 2008 and 2009 Great Recession and global economic slowdown. While consumer and enterprise spending levels and economic conditions have rebounded since and have been strong the past several years, the global macroeconomic environment can change significantly quickly as was shown with the start of the pandemic in March 2020. Since then, due to huge government stimulus the U.S. economy has been very strong the past 3 years. However, recent macro slowdowns, high inflation, and disrupted supply chains have caused costs to soar, inventory and product input shortages, and unreliable lead times. Further economic disruptions and weakness may result in depressed consumer, enterprise, and government spending levels; this may have a negative impact on Society Pass and its customers and its merchants.

Capital Markets Risks

We believe Society Pass has a relatively solid cash position but that it will need to raise money by the end of 2023 to fund its acquisition strategy. We believe that it will be at least a year before the company can be cash flow self-sufficient from operations. Many technology companies fund their operations from the sale of equity or debt capital until their products reach commercial success or until they sell off their commercial assets to other companies. Early stage technology companies valuations tend to fluctuate widely, and they were very weak in 2022 (mainly due to a weak general stock market and larger weakness and volatility for small/microcap stocks). There is always the chance that market interests and valuations for companies in this industry to further decline significantly. Although the company does not have immediate capital raising requirements, the share price volatility in the past year (with a stock price range of \$0.47 – 3.14) in Society Pass share price may make capital raising much more difficult and expensive.

VALUATION

We are initiating coverage of Society Pass Inc. with a BUY rating and a 12-month price target of \$3.50, which is based on a NPV analysis. The company currently generates revenue (very fast growing) but also significant losses as it invests to grow its businesses so traditional valuation metrics are not useful. We believe a more accurate valuation should take into consideration the potential future value of its businesses. We do acknowledge that this valuation is complex and requires a large number of forward assumptions that we have to estimate that may be imprecise and may vary significantly from actual results. This is particularly so for a company like Society Pass which is still in early high growth phase with its main businesses.

However, we believe our assumptions are fair and provide a reasonable basis for our valuation analysis. Our analysis considers future estimated profits from its major business segments (based on estimated future revenue and profits and discounted this back to a current value), currently focused on its six main businesses (online ordering (e-commerce), digital marketing, online travel (OTA), data (telecom reseller), software (merchant POS), and hardware (merchant POS)).

We apply a discount rate (18%) to capture the high risks and uncertainties associated generally early stage companies. We then added up the values, made an assumption about future investments required and allocated the value based on current share count. Based on our NPV analysis, we arrived at our 12-month price target of \$3.50, which we believe appropriately balances out the company's risks with its high growth prospects.

Society Pass's share price has been weak (and highly volatile) in the past year. In 2023, Society Pass share price is -47% (was \$0.99 on 12/30/22) to the current share price of \$0.52 (as of 7/10/23).

The share price has traded between \$0.47 and \$3.14 in the past year and \$0.47 and \$1.28 in the past 6 months (YTD 2023). We believe the share price weakness is due to general stock price weakness and volatility with small/microcap tech stocks in 2022 (Russell 2000 Index of small-cap U.S. stocks was -20% in 2022). While the Russell 2000 Index (along with the overall stock market) has improved in 2023 (+7% YTD), it and the overall stock market has remained very volatile.

We believe that there are near term catalysts that can drive the stock (particularly for key sales, growth, and profitability milestones expected in 2023). As the company is likely to make significant progress (and revenue growth) in its product commercialization over the next several years, we believe this will result in much improved visibility into profitability and future cash flows and higher share price. Although it is likely that the company will raise capital near term to achieve its product commercialization, development, and acquisition goals, we believe that positive progress will make future financings accretive to current shareholders.

Our valuation analysis does not directly include its recently announced (on July 7, 2023) acquisition of 95% of PT Inetindo Info from Story-I Limited as the deal has not yet closed (expected by September 2023). However, we believe that our valuation analysis has indirectly reflected the anticipated value potential from this deal.

Exhibit 6: Society Pass Inc. Stock Price (since IPO November 2021)



Source: <https://bigcharts.marketwatch.com/>

We expect valuations for Society Pass to improve as visibility into profitability and cash flow generation becomes clearer, resulting in significant upside to the current share price. We want to note that investor’s interest in technology companies are still high (even with recent market pullbacks and volatilities) with many companies in this area attributed high valuations due to the large market and growth opportunities.

Exhibit 7: Company Valuation (DCF) (in \$USD millions)

Valuation of Business Segments (in \$USD millions)

Product	Calculated NPV	Discount Rate	Estimated Annual Profits	Net Profit Margin	Estimated Annual Sales
Online ordering	\$ 19	18%	4	10%	\$ 35
Digital marketing	\$ 29	18%	5	15%	\$ 35
Online ticketing and reservation	\$ 56	18%	10	40%	\$ 25
Data	\$ 1	18%	0	5%	\$ 3
Software sales	\$ 0	18%	0	5%	\$ 1
Hardware sales	\$ 0	18%	0	5%	\$ 1
Total	\$ 106		19		\$ 100
Net cash	\$ 14				
Estimated additional investments (& debt) required	\$ 21				
Current Value for existing shareholders	\$ 99				
Shares Outstanding (mils)	28				
Estimated Value per share	\$ 3.50				

Source: Ascendant Capital Markets estimates

COMPANY

Society Pass (SoPa), based in Singapore, is building the next generation digital ecosystem and loyalty platform in the Southeast Asian (“SEA”) countries of Singapore, Vietnam, Indonesia, Philippines and Thailand. The company operate six verticals in SEA: loyalty, lifestyle, food and beverage delivery, telecommunications, digital media, and travel. The company has grown significantly organically and through acquisitions including 5 in 2022 (New Retail Experience Incorporated and Dream Space Trading Company Limited, Gorilla Networks, Thoughtful Media, Mangan PH Food Delivery Service Corp., Nusatrip International Pte Ltd.).

Also on July 7, 2023, the company announced a major acquisition of 95% of PT Inetindo Info (“Inetindo”) from Story-I Limited. Inetindo is a leading Indonesia-based Apple Premium Reseller and Authorised Education Partner as well as an electronic gaming retailer for several different gaming companies. Operating in Indonesia since 2010, Inetindo employs approximately 300 employees and operates 26 “Story-I” branded Apple stores in 9 cities across Indonesia. Inetindo has annual revenue of ~\$30 million. The purchase price is ~\$1.9 million. This deal is expected to close by September 2023.

Society Pass Incorporated was incorporated in the State of Nevada in June 2018, under the name of Food Society Inc. In October 2018, the company changed its name to Society Pass Incorporated. In November 2021, the company had its IPO (initial public offering) raising \$28 million (3.1 million shares at \$9.00/share). Society Pass has its administrative headquarters in Singapore, but its legal corporate office is in Carson City, NV. As of April 2023, Society Pass had ~200 employees.

Exhibit 8: Society Pass Management Team

The Executive Team



DENNIS NGUYEN
FOUNDER/GROUP CEO

- As Singapore-based Founder, Chairman and CEO, founded SoPa in 2018, responsible for management, strategy, acquisitions and IR/PR
- Professor – Univ of Minnesota Law School
- Trustee – UC Irvine Foundation
- Vice Chairman – China Huiyin (1280.HK)
- Director – Wuyi Pharma (1889.HK)
- Director – Sino Env Technology (Y62.SI)
- Director – M Dream (8100.HK)
- Director – VCTG (8228.HK)
- Chairman – New Asia Partners
- Vice President – Daiwa Securities SMBC
- Associate Director – Credit Agricole Indosuez
- Associate – Citigroup
- Analyst – Nortel Networks
- MBA, Univ of Chicago Booth Sch of Business
- MA-Intl Rel, Johns Hopkins Univ SAIS
- JD, Univ of Minnesota Law School
- BA-Economics/BA-Chinese, UC Irvine



RAYNAULD LIANG
GROUP CFO/SINGAPORE GM

- As Singapore-based Group Chief Financial Officer, manages control, finance, audit, regulatory, compliance and legal functions across all business units. Responsible for all SEC filing matters
- As Singapore General Manager, manages country ops with P&L responsibility
- 20+ years of audit, control, corporate finance and investment experience
- Director – LK Ang Corporate, investment function for Singapore based family office
- Partner – Connex Capital, led investments in four Hong Kong IPOs (2014-18)
- Associate Director – Primeforth Capital
- CFO – Sino Environment Technology Group Limited (Y62.SI)
- Finance Manager – IBM Global Services
- Bachelor of Commerce, Univ of Queensland, Australia



PATRICK SOETANTO
GROUP COO

- As Jakarta-based Group COO, manages human resources, operations, logistics and acquisitions/integration and coordinates with Finance, Operations and Technology teams to conduct acquisitions DD
- Director – South Pacific Viscose, a producer of viscose staple fibers & sodium sulfate. Marketed Tencel/Ecovero brands
- MD, PT Erafista Indah, an export/import logistics provider in trucking and warehousing sectors.
- Country Director – Aretae Pte, developed carbon credit market
- Dep GM – Sales/Mktg, PT Pura Golden Lion, built sales of viscose spinning textiles
- Bachelor of Arts – Intl Bus, Loyola Marymount Univ



ROKAS SIDLAUSKAS
GROUP CMO

- As Manila-based Chief Marketing Officer, responsible for mkt, biz dev, PR, CRM, SEO, social media and product dev coordination across biz units
- CEO of GO.CARE responsible for corporate strategy, biz dev (P&L respon), partnerships, operations, mkt, and brand dev
- Director – Hello Health Group, responsible for branded business solutions and corporate development.
- VP of Sales – Ensogo/iBuy, 2nd largest e-commerce/deal buying ecosystem in SEA
- Co-Founder/VP Business Development – Lion & Lion, digital marketing agency with a successful USD 18 mil exit to Septemi Holdings Japan
- BA, University of West of England, European Studies and Politics

Source: Company reports.

Dennis Nguyen (age 53) is Founder, Chairman, and Chief Executive Officer since the company's founding in June 2018. Mr. Nguyen was a M&A banker from 1998 to 2002 at Citigroup, Credit Agricole Indosuez, and Daiwa Securities SMBC in Hong Kong-based roles. Mr. Nguyen founded New Asia Partners (NAP) in 2002 as a Shanghai based-venture capital boutique focused on investing in small to medium size Asian companies. He previously served as Corporate Finance Director of VCTG Holdings Limited (2012-2013), Director of M Dream Holdings Limited (2004-06), Director of Sino Environment Technology Limited (2005-06), Vice Chairman of China Huiyin Pte Limited (2005-08), and Director of Wuyi Pharma Co Limited (2006-08). Mr. Nguyen earned an MBA from The University of Chicago Booth School of Business; a MA in International Studies from The Johns Hopkins University School of Advanced International Studies; a Juris Doctor from the University of Minnesota Law School; and a BA-Economics/BA-Chinese Literature from the University of California, Irvine.

Raynauld Liang (age 48) is the Chief Financial Officer and Singapore Country General Manager since May 2019. Mr. Liang worked at Sino Environment Technology Group Limited as CFO from 2007 to 2010. Mr. Liang worked at Primeforth Capital Limited a Singapore-based boutique corporate advisory firm from 2010 to 2012. Mr. Liang founded Connex Capital Limited in 2012, a corporate advisory firm with a focus on advising companies with IPOs in Singapore and Hong Kong. Mr. Liang headed the investment function of a family office, L K Ang Corporate Pte Ltd from 2014 to 2019. Mr. Liang earned a Bachelor of Commerce from The University of Queensland in Australia majoring in accounting.

PRODUCT

Society Pass is building the next generation digital ecosystem and loyalty platform in the Southeast Asian (“SEA”) countries of Singapore, Vietnam, Indonesia, Philippines, and Thailand. The company’s ecosystem of technology-enabled companies synergistically work together to transform how consumers and merchants interact with one another. Its key focus is on generating customer loyalty, ease of transaction for consumers, and revenues for merchants. As more merchants and consumers in SEA register on its Society Pass platform, more transaction data is generated, and thus presenting more opportunities for creating loyalty from consumers to merchants.

The company operates six verticals in SEA: loyalty, lifestyle, food and beverage delivery, telecommunications, digital media, and travel. As of March 2023, the company has onboarded over 3.3 million registered consumers and over 200,000 registered merchants/brands onto its Platform.

A key strategy for the company is to grow and achieve scale through acquisitions. The company has made numerous acquisitions and expects to continue to expand its fintech and e-commerce ecosystem in SEA by acquiring leading e-commerce companies and applications and through strategic partnerships with technology providers.

Major acquisitions included:

- In February 2021, acquired an online lifestyle platform of Leflair branded assets.
- In February 2022, acquired New Retail Experience Incorporated (“NREI”) and Dream Space Company Limited (“Dream Space”) to operate food delivery companies Pushkart in the Philippines and Handycart in Vietnam.
- In May 2022, acquired Gorilla Networks Pte Ltd to operate a mobile telecommunications company in Singapore.
- In July 2022, acquired Thoughtful Media Group Incorporated (“TMG”), a digital marketing company with significant operations in Thailand and the United States.
- In July 2022, acquired the assets of Mangan PH Food Delivery Services Corp., a corporation registered in Philippines.
- In August 2022, acquired majority control of Singapore-incorporated Nusatrip International Pte Ltd and 100% of Indonesia-incorporated PT Tunas Sukses Mandiri, together the “Nusatrip Group”, giving ownership and operational control of the online and offline Nusatrip travel services marketing platform.
- In December 2022, acquired PT Wahana Cerita Indonesia (a/k/a More Media), an Indonesia-based creative design and branding company.
- Just announced in July 2023, the company has entered into an agreement to acquire 95% of PT Inetindo Info (“Inetindo”), a wholly subsidiary of Story-I Limited (“Story-I”). Inetindo is a leading Indonesia-based Apple Premium Reseller and Authorised Education Partner as well as an electronic gaming retailer for several different gaming companies. The purchase price is ~\$1.9 million and the deal is expected to close by September 2023. Operating in Indonesia since 2010, Inetindo employs approximately 300 employees and operates 26 “Story-I” branded Apple stores in 9 cities across Indonesia. As an Apple Authorised Education Partner and Apple Authorised Service Provider, Inetindo sells Apple devices and solutions to leading international schools and tertiary institutions and repairs Apple products at its service centres. Inetindo has annual revenue of ~\$30 million.

Loyalty

Society Pass spent over two years building a cutting edge, proprietary IT architecture to effectively scale and support its ecosystem’s companies, consumers, and merchants (the “Platform”). Using the Society Pass loyalty platform, which it officially launched in June 2023, consumers may earn, and merchants may issue, loyalty points or “Society Points” across its companies. The company aggregates data generated across various touch points, builds a realistic view of consumer behavior and uses this data to increase sales across its ecosystem by: cross-pollinating acquired companies with other existing verticals, customer re-targeting, offline and online behavior prediction and cross promotions and loyalty points.

The company ecosystem becomes a key enabler for its users by converting this aggregation of data into creation of loyalty for its companies to generate revenue:

- More revenue generation for merchants leads to creation of customer loyalty;
- More customer loyalty creation leads to more consumers for merchants;
- More consumers for merchants lead to greater revenues for merchants, which results in
- Virtuous cycle of revenue generation and loyalty creation.

Lifestyle

The company has developed an online lifestyle platform (the “Lifestyle Platform”) in Vietnam under its own brand name of “Leflair” to enable consumers to purchase high-end brands in many categories. Using the company’s smart search engine, consumers search or review their favorite brands among hundreds of choices in various categories, including Apparel, Bags & Shoes, Accessories, Health & Beauty, Home & Lifestyle, International, Women, Men and Kids & Babies categories. The Lifestyle Platform also allows customers to order from hundreds of vendor choices with personalized promotions based on their individual purchase history and location. The platform has also partnered with a Vietnam-based delivery company, Amilo, to offer seamless delivery of product from merchant to consumer’s home or office at the touch of a button or collect at the company’s logistics center.

Grocery and Food Delivery

The company operates several online platforms in Vietnam, under the brand name of “Handycart”, and in the Philippines, under the brand names of “Pushkart” and “Mangan”, to enable consumers to purchase meals from restaurants and food from local grocery and food merchants and deliver it to them.

Founded in 2018 in Philippines and acquired by SoPa in February 2022, Mangan has been integrated into its F&B delivery vertical under Push Delivery Pte Ltd. Leveraging an asset light model with rider-owned delivery vehicles, Mangan is the largest local food delivery app in Luzon Island. Mangan generates a minimum of 20% commission from the merchants + delivery fees (~US\$13 is the average amount per transaction). Mangan aims to increase registered users to +500,000, and drive App downloads to +150,000 in 2022.

Founded in 2016 in Philippines and acquired by SoPa in February 2022, Pushkart has been integrated into its F&B delivery vertical under Push Delivery Pte Ltd. Managing its own fleet of delivery vehicles to provide same-day delivery of groceries, Pushkart is a leading online grocery delivery app in Metro Manila (~US\$40 is the average amount per transaction). Pushkart will increase merchant coverage to 25 grocery stores and expand to 10 new cities in Philippines in 2022. Pushkart aims to expand its technology offering, increase registered users to +300,000, and drive App downloads to +150,000 in 2022.

Founded in 2019, Handycart is a Vietnam-based online grocery delivery app and has its own fleet of delivery vehicles. Handycart is focused on servicing the Korean restaurant market in Hanoi. Acquired by SoPa in February 2022, Handycart has been integrated into its F&B delivery vertical under Push Delivery Pte Ltd. Handycart will increase merchant coverage to 500 restaurants in Hanoi by the end of 2022 and looks to expand to HCMC in 3Q 2022. Handycart will expand its technology offering and aim to increase registered to users to +500,000 and drive App downloads to +200,000 in 2022.

Telecommunications

Founded in 2019 and acquired by SoPa in June 2022, Gorilla is a Singapore-based, blockchain/web3 technology-enabled mobile virtual network operator (MVNO) that offers a full suite of mobile communication services such as local calls, international roaming, data, and SMS texting and network coverage in over 150 countries for its users in South East Asia (SEA). “Gorilla” enables consumers to subscribe to local mobile data and overseas internet data in a different subscription package. Gorilla will expand into Malaysia, Vietnam and Thailand in the next 12 months and aim to increase registered to users to +50,000 and drive App downloads to +20,000 in 2022.

Digital Media

Founded in 2010 and acquired by SoPa in June 2022, Thoughtful Media Group's (TMG) global multi-platform network has executed tens of millions of dollars in advertiser branded content; deployed thousands of videos that have generated billions of views across social media video platforms such as YouTube, Daily Motion, and Facebook; sourced hundreds of Asian content producers and digital media/product developers; and launched brands into the Thailand, Vietnam, Philippines, China, and U.S. markets.

The company's mission is to provide media owners dedicated services and technology that build and monetize their brands' audience on social video platforms. TMG amplifies the reach and engagement of the company's e-commerce ecosystem and retail partners. TMG creates and distributes digital advertising campaigns across its multi-channel network in both SEA and the U.S. With its knowledge of local markets, digital marketing technology tools and social commerce business focus, advertisers leverage TMG's wide influencer network throughout SEA.

As a result, TMG's content creator partners earn a larger share of advertising revenues from international consumer brands. TMG's multi-channel network has uploaded over 675,000 videos with over 80 billion video views. The current network of 263 YouTube channels has onboarded over 85 million subscribers with an average monthly viewership of over 600 million views.

Travel

Founded in 2013 and acquired by SoPa in April 2022, Indonesia based NusaTrip is a leading SEA OTA (online travel agent), having connected over 80 million unique visitors directly to more than 500 airlines and 200,000 hotels around the world. The Nusatrip acquisition extended SoPa's business reach into SEA regional travel industry and marked the company's first foray into Indonesia.

Established in 2013 as the first Indonesian OTA accredited by the International Air Transport Association, Nusatrip pioneered offering a comprehensive range of airlines and hotels to Indonesian corporate and retail customers. NusaTrip connects to low-cost carriers in Asia, full-service airlines globally, large multi sourcing strategy with real-time global fares shopping to maximise cheap fares for travelers. NusaTrip sources hotel options wholesalers in multiple countries, with real time price optimisation.

Exhibit 9: Society Pass Revenue By Product (2022)

	Years ended December 31, 2022						
	Online F&B and Groceries Deliveries	Digital Marketing	Online Ticketing and reservation	e-Commerce	Telecommunication Reseller	Merchant POS	Total
Revenue from external customers							
Sales – online ordering	150,999	—	—	2,118,191	—	—	2,269,190
Sales – digital marketing	—	2,593,674	—	—	—	—	2,593,674
Sales – online ticketing and reservation	—	—	724,991	—	—	—	724,991
Sales – data	—	—	—	—	23,747	—	23,747
Software sales	—	—	—	—	—	23,801	23,801
Hardware sales	—	—	—	—	—	150	150
Total revenue	150,999	2,593,674	724,991	2,118,191	23,747	23,951	5,635,553

Source: Company reports.

Exhibit 10: Society Pass Loyalty Platform

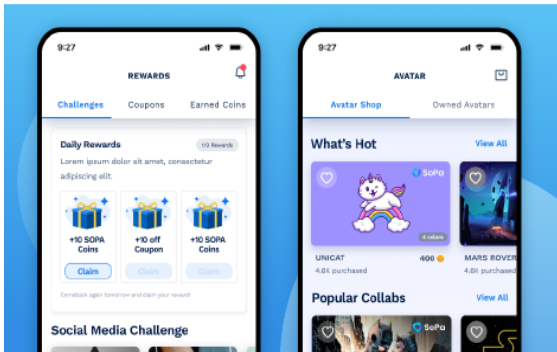


LOYALTY

Society Pass



[Discover Society Pass here!](#)



- Society Pass offers an **universal, open loop loyalty platform** to create permanent customer loyalty, generate revenues for merchants, and replace cash discounting.
- Registration: Hassle free creation of profile for smooth registration; Every email address is verified.
- Home screen: Buy SOPA points bundle; Redeem points for coupons; Refer your friends and earn SOPA points; View your wallet balance; Change your profile and settings.
- Buy SOPA points bundle: Select from several SOPA points bundles; Integration to Stripe payment gateway; Store multiple credit cards; Real-time settlement.
- Redeem points for coupons: Select from variety of coupon offerings; Redeem coupons using SOPA points; Coupon with unique code generated in app; Use coupon in business unit website/app.
- Refer friends and earn: SOPA points Share unique referral code with your friends; Select from multiple channels and social media; Send referral your code and SOPA app link; Earn SOPA points when your friend install and registers app.
- View your wallet balance: Drill down to individual transactions.
- Change your profile and settings: Complete your profile to purchase SOPA points; Adjust app behaviour and settings to your preference

06

Society Pass

Society Pass offers an universal, open loop loyalty platform to create permanent customer loyalty, generate revenues for merchants, and replace cash discounting=

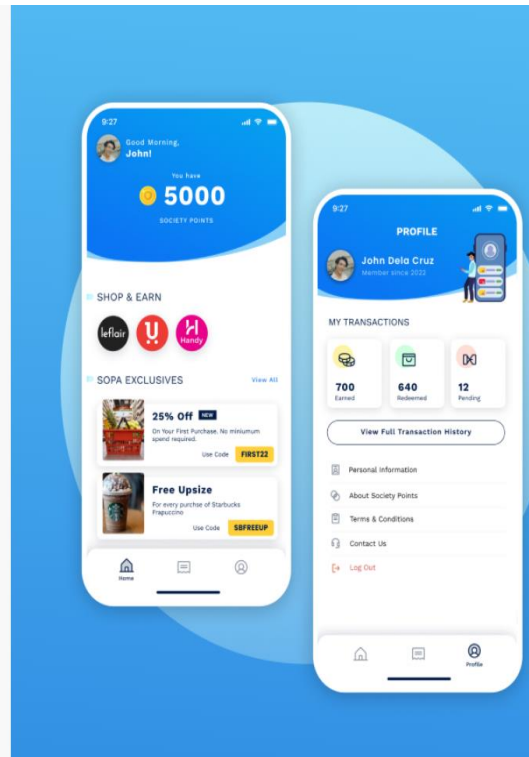
Consumers:

- Earn/redeem Society Points at **ANY MERCHANT in ANY COUNTRY** on SoPa ecosystem and pay for goods/services in-store or online, app or via website
- Redeem Society Points for **other** good/services
- Redeem digital offers in-store and online, app or via website
- Register, login, view/update profiles, view Society Point balance/transaction history, receive promotions and notifications
- View products of other SoPa ecosystem business units

SoPa Loyalty generates more revenues for merchants by retaining existing customers, attracting new customers, reducing customer turnover and syncing customer data in real-time, personalised marketing campaigns]


Merchants:

- **Adjust level of issuance** of Society Points based on marketing campaign
- Redeem Society Points for cash with funds wired directly to their accounts collect customer information and track customer activity
- **Easy-to-set-up** direct marketing (send emails and push notifications)
- Multi-location and multi-language support
- Send personalised messages directly to customers' SoPa Loyalty screen
- Search transaction history




Source: Company reports.

Exhibit 11: Society Pass Thoughtful Media Group (TMG)



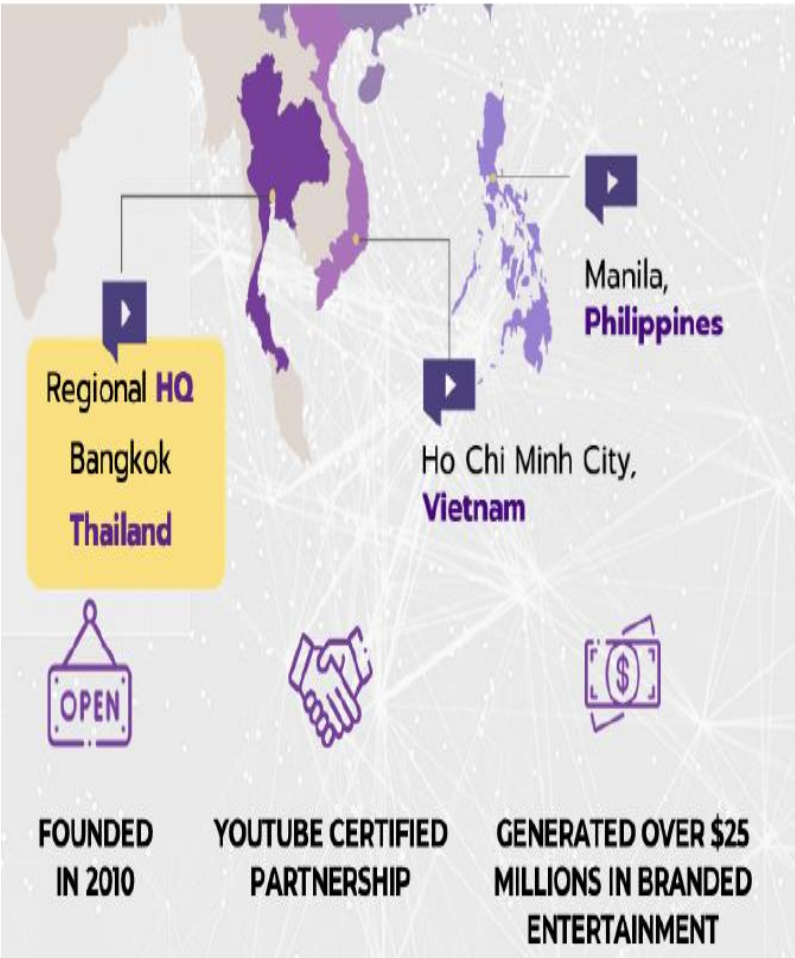
SoPa
The Society Pass

DIGITAL MEDIA




**THOUGHTFUL
MEDIA**

Discover Thoughtful Media here!




Regional HQ
Bangkok
Thailand




**FOUNDED
IN 2010**

**Ho Chi Minh City,
Vietnam**



**YOUTUBE CERTIFIED
PARTNERSHIP**

**Manila,
Philippines**



**GENERATED OVER \$25
MILLIONS IN BRANDED
ENTERTAINMENT**

263	112,000	+US\$5,800,000
Total Channels	Total Videos Uploaded	2021 Revenues
87,000,000	681,000,000	+20,000,000,000
Total Subscribers	Total Watch Hours	Total Views

KEY OFFERINGS

- Founded in 2010 and operating in Thailand, Indonesia, and Vietnam, THOUGHTFUL MEDIA recognised the importance of building "local-to-local" relationships with brands. Speaking the language and understanding the culture gives us unique perspectives and key advantages that allow us to deliver industry leading results.
- Through years of aggregating social influencer data, we now track 1 billion authenticated global videos views a month across key social platforms. We have teammates in Thailand, Vietnam, and Philippines.
- Thoughtful is a Multi Platform Media company partnered with YouTube, and working with Facebook, Instagram, TikTok and other social media platforms. We also connect popular influencers to brands for highly targeted product placements, integrations, sponsored content and endorsed advertising opportunities.
- Thoughtful expects to expand to Philippines, Singapore and Malaysia in 2H 2023 and expand +200 influencer network

Source: Company reports.

Exhibit 12: Society Pass NusaTrip

+1,200,000	+500 / +650,000	+US\$60,000,000
Registered Consumers	Airlines / Hotels	2022 GMV
+78,000	+50,000	+2,700,000
2021 Online Orders	App Downloads	2021 Unique Visitors

KEY OFFERINGS

- Founded in 2013, NusaTrip is an IATA licensed online travel agency that serves both local and global customers and partners by optimising cutting-edge technology and providing quality customer-centric support team -as-a-service.
- NusaTrip consolidates direct integration with low-cost and full-service airlines with GDS content from various points of sale and distributes both to global partners through NusaXchange platform supported by 24/7 customer care team.
- With one API connection, customers access 100+ worldwide airline content featuring +500 low-cost & full-service airlines through a centralized & streamlined payment.
- In April of 2023, Nusatrip acquired VLeisure, a Vietnam-based online B2B hotel platform. It services small-to-medium size regional hotels and empowers travel agencies to manage and distribute travel products and services
- NusaTrip expects to acquire IATA licensed travel agencies in Philippines, Singapore, Malaysia, Hong Kong, India and UAE in 2H 2023

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Source: Company reports.

Exhibit 13: Society Pass Leflair and NextGen Retail



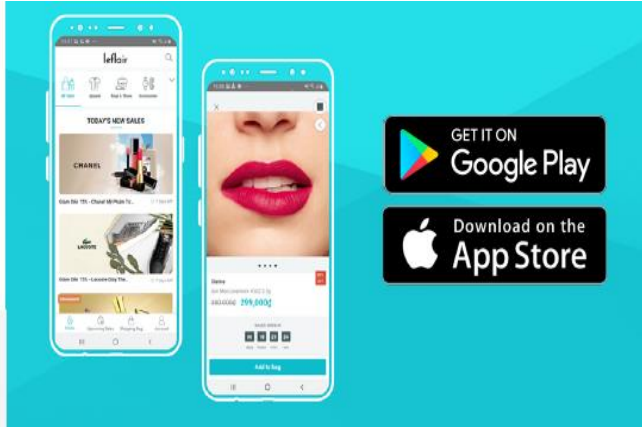
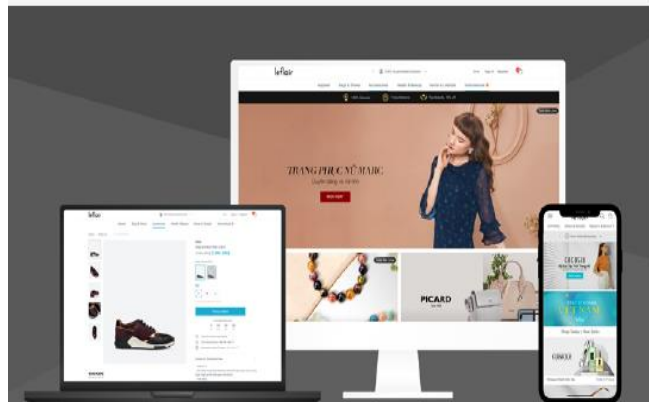
LIFESTYLE

leflair

Discover Leflair here!

Originally founded in 2015, acquired by SoPa in Feb 2021 and re-launched it back onto marketplace in Sep 2021, Leflair is lifestyle e-commerce retail platform focused on selling international premium branded products in Vietnam, Philippines (3Q 22), and Indonesia (4Q 22). By re-engaging customers, re-onboarding suppliers/brands, and re-building technology platform, revenues have grown 25-75% per month since that time

+1,500,000	+3,500	+US\$480,000	US\$54
Reg Consumers	Reg Brands	2021 Revenues	Avg Basket Size
+28,000	+450,000		+279,000
App Downloads	Facebook Followers	Jan 2022 Unique Visitors	



- Premium Brand Access: +3,500 Vietnamese and international brands in fashion & accessories, beauty & personal care, home furnishings
- Flash Sales: Daily highlighted flash sales events with a curated selection of premium brands, all with guaranteed authenticity
- Expands Markets: Allows local brands to sell internationally and foreign brands to enter new markets
- Sold with premium packaging and brand specific content
- Customised Searches: Filter and search program designed to optimize user experience

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BUSINESS UNIT / LIFESTYLE

leflair

"Worlds most desirable brands, made accessible."

Premium Brand Access: +3,500 Vietnamese and international brands in fashion & accessories, beauty & personal care, home furnishings

Flash Sales: Daily highlighted flash sales events with a curated selection of premium brands, all with guaranteed authenticity

Expands Markets: Allows local brands to sell internationally and foreign brands to enter new markets

Sold with premium packaging and brand specific content

Customised Searches: Filter and search program designed to optimize user experience

Source: Company reports.

Exhibit 14: Society Pass Pushkart, Handycart, and Gorilla

BUSINESS UNIT / FOOD & BEVERAGE

pushkart.ph

"Online grocery shopping made easy!"

Founded in 2016 in Philippines and acquired by SoPa in Feb 2022, Pushkart has been integrated into our F&B delivery vertical under Push Delivery Pte Ltd

Managing its own fleet of delivery vehicles to provide same-day delivery of groceries, Pushkart is a leading online grocery delivery app in Metro Manila

Approximatley US\$40 is average amount per transaction

Pushkart will increase merchant coverage to 25 grocery stores and expand to 10 new cities in Philippines in 2022

Pushkart aims to expand its technology offering, increase registered users to +300,000, and drive App downloads to +150,000 in 2022



BUSINESS UNIT / FOOD & BEVERAGE

Handycart

"HANDY Delivery Happiness"

Founded in 2019, Handycart is a Vietnam-based online grocery delivery app and has its own fleet of delivery vehicles. Handycart focusing on servicing the Korean restaurant market in Hanoi

Acquired by SoPa in Feb 2022 Handycart has been integrated into our F&B delivery vertical under Push Delivery Pte Ltd

Handycart will increase merchant coverage to 500 restaurants in Hanoi by the end of 2022 and looks to expand to HCMC in 3Q 2022

Handycart will expand its technology offering and aim to increase registered users to +500,000 and drive App downloads to +200,000 in 2022



BUSINESS UNIT / TELECOM

Gorilla

"Reimagining Telco Within the Metaverse"

Founded in 2019 and acquired by SoPa in June 2022, Gorilla is a Singapore-based, blockchain/web3 technology-enabled mobile virtual network operator

Using proprietary blockchain SwitchBack feature, Gorilla allows users to fully utilize unused mobile data to switch for various eVouchers, offset future bills, and redeem for other mobile services

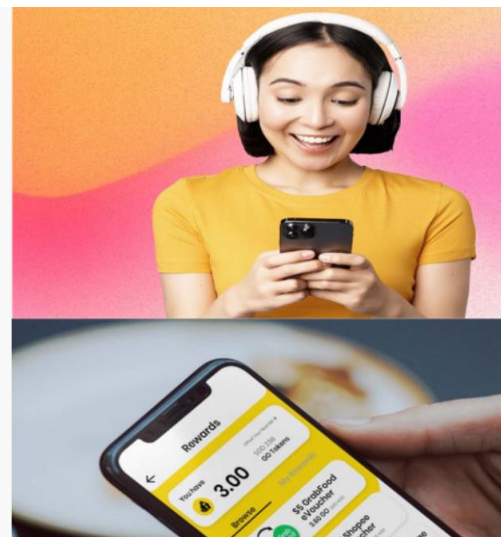
With its innovative web3.0 technology, e-SIM cards, local calls, international roaming, data, and SMS texting are user-owned and can thus be transferred or shared freely in blockchain wallets

Gorilla will expand into Malaysia, Vietnam and Thailand in the next 12 months and aim to increase registered users to +50,000 and drive App downloads to +20,000 in 2022

EXPERIENCE THE APP



VISIT GORILLA WEBSITE



Source: Company reports.

Exhibit 15: Society Pass Announced Acquisition of PT Inetindo Info (on July 7, 2023)

Society Pass Inc (Nasdaq: SOPA) Subsidiary, NextGen Retail Inc, to Acquire Indonesia's PT Inetindo Infocom to Create an Online and Offline Electronics and Gaming Retailer in the World's 4th Most Populous Economy

Acquisition Onboards Approximately US\$30 million to Society Pass Revenue Base

- NextGen Retail Inc (formerly known as Leflair Inc) ventures out of Vietnam and enters the Indonesian market for the first time; creates online and offline retailer in SEA
- PT Inetindo Infocom acquisition onboards approximately US\$30 million of annual revenues to Society Pass Inc. as well as substantial customer base for Society Pass's Loyalty App

SINGAPORE, July 07, 2023 (GLOBE NEWSWIRE) -- via [NewMediaWire](#) – [NextGen Retail Inc](#) (“NextGen Retail”), the online retail arm of [Society Pass Incorporated](#) (“SoPa”) (**Nasdaq: SOPA**), Southeast Asia’s (SEA) next generation, data-driven, loyalty, fintech and e-commerce ecosystem, today announces that it has entered into an agreement to acquire 95% of PT Inetindo Info (“Inetindo”), a wholly subsidiary of [Story-I Limited](#) (“Story-I”). Inetindo is a leading Indonesia-based Apple Premium Reseller and Authorized Education Partner as well as an electronic gaming retailer for several different gaming companies.



Story-I Senayan Park (SPark) Jakarta, Indonesia

Source: Company reports.

Exhibit 16: OECD ASEAN, China and India Growth Forecast

Table 1. Real GDP growth in ASEAN, China and India, 2021-24, percentage

	2021	2022	2023	2024
ASEAN-5				
Indonesia	3.7	5.3	4.7	5.1
Malaysia	3.1	8.7	4.0	4.2
Philippines	5.7	7.6	5.7	6.1
Thailand	1.5	2.6	3.8	3.9
Viet Nam	2.6	8.0	6.4	6.6
Brunei Darussalam and Singapore				
Brunei Darussalam	-1.6	-1.5	3.2	3.2
Singapore	8.9	3.6	2.2	2.5
CLM countries				
Cambodia	3.1	5.1	5.4	5.9
Lao PDR	3.5	3.1	3.5	3.8
Myanmar	-17.9	2.0	2.0	
China and India				
China	8.1	3.0	5.3	4.9
India	8.7	6.9	5.9	7.1
Average of ASEAN-10	3.2	5.6	4.6	4.8
Average of Emerging Asia	7.3	4.4	5.3	5.4

Source: OECD (2023), Economic Outlook for Southeast Asia, China and India 2023: Reviving Tourism Post-Pandemic, OECD Publishing, Paris, <https://doi.org/10.1787/f677c529-en>.

We believe that continued strong economic expansion, robust population growth, rising level of urbanization, the emergence of the middle class, and the increasing rate of adoption of mobile technology provide large and fast growing market opportunities for Society Pass and other technology companies in Southeast Asia (SEA). As of 2020, SEA gross domestic product (“GDP”) totaled \$3.1 trillion. In comparison, the respective GDP for both the European Union (“EU”) and the United States (“US”) totaled \$15 trillion and \$21 trillion in 2020.

SEA has experienced rapid economic growth rates in recent years, far exceeding growth in major world economies such as Japan, the EU, and the U.S. According to the International Monetary Fund (“IMF”) since 2010, SEA has averaged 4.6% GDP growth, compared to 0.7% for Japan, 0.8% for the EU and 1.7% for the U.S. SEA continues to enjoy robust population growth. The United Nations Population Division estimates that the population of the SEA countries in 2000 was approximately 525 million people growing to 668 million in 2020.

According to Google Temasek e-Conomy SEA 2020 Report, Internet usage in the region increased with 40 million new users added in 2020 for a total of 400 million compared to 360 million in 2019. Seventy percent of SEA’s population is now online, compared to approximately twenty percent in 2009. In addition, SEA mobile Internet penetration now reaches more than 67%. E-commerce, online media and food delivery adoption and usage surged with the total value of goods and services sold via the Internet, or gross

merchandise value (“GMV”), in SEA, expected to reach more than \$100 billion by year end 2020 according to Google, Temasek, Bain SEA Report 2020. In fact, the SEA Internet sector GMV is forecast to grow to over \$300 billion by 2025.

Exhibit 17: OECD Global Growth Forecast

Table 1.1. Global growth prospects remain modest

	Average 2013-2019	2021	2022	2023	2024	2022 Q4	2023 Q4	2024 Q4	
		Per cent							
Real GDP growth¹									
World ²	3.4	6.1	3.3	2.7	2.9	2.3	2.9	3.1	
G20 ²	3.5	6.5	3.1	2.8	2.9	2.1	3.0	3.0	
OECD ²	2.2	5.7	3.0	1.4	1.4	1.4	1.3	1.6	
United States	2.4	5.9	2.1	1.6	1.0	0.9	1.0	1.3	
Euro area	1.9	5.2	3.5	0.9	1.5	1.8	1.1	1.5	
Japan	0.8	2.2	1.0	1.3	1.1	0.4	1.7	0.8	
Non-OECD ²	4.4	6.5	3.7	3.9	4.1	3.1	4.3	4.3	
China	6.8	8.4	3.0	5.4	5.1	3.5	6.2	4.6	
India ³	6.8	9.1	7.2	6.0	7.0				
Brazil	-0.4	5.3	3.0	1.7	1.2				
OECD unemployment rate⁴	6.5	6.2	5.0	5.0	5.2	4.9	5.2	5.2	
Inflation¹									
G20 ^{2,5}	3.0	3.8	7.8	6.1	4.7	7.8	5.2	4.0	
OECD ^{6,7}	1.6	3.8	9.3	6.9	4.3	9.5	5.5	3.8	
United States ⁶	1.4	4.0	6.2	3.9	2.6	5.7	3.2	2.3	
Euro area ⁸	0.9	2.6	8.4	5.8	3.2	10.0	3.5	2.9	
Japan ⁹	0.9	-0.2	2.5	2.8	2.0	3.9	2.0	1.9	
OECD fiscal balance¹⁰	-3.2	-7.5	-3.6	-3.6	-3.1				
World real trade growth¹	3.4	10.4	5.0	1.6	3.8	0.7	3.4	3.9	

Source: OECD (2023), "Global growth prospects remain modest", in OECD Economic Outlook, Volume 2023 Issue 1: , OECD Publishing, Paris, <https://doi.org/10.1787/31ba260f-en>.

Exhibit 18: Society Pass Southeast Asia (SEA) Market



Source: <https://www.worldmap1.com/map/asia/colorful%20southeast%20asia%20map.jpg>

Exhibit 19: Southeast Asia (SEA) Demographics

Countries in South-Eastern Asia

Country	Population (2020)
Indonesia	273,523,615
Philippines	109,581,078
Vietnam	97,338,579
Thailand	69,799,978
Myanmar	54,409,800
Malaysia	32,365,999
Cambodia	16,718,965
Laos	7,275,560
Singapore	5,850,342
Timor-Leste	1,318,445
Brunei Darussalam	437,479

- The current population of **South-Eastern Asia** is **688,439,355** as of Friday, July 7, 2023, based on the latest United Nations estimates.
- South-Eastern Asia population is equivalent to **8.58%** of the [total world population](#).
- South-Eastern Asia ranks number **3** in [Asia](#) among [subregions ranked by Population](#).
- The population density in South-Eastern Asia is 154 per Km² (399 people per mi²).
- The total land area is 4,340,700 Km² (1,675,953 sq. miles)
- **50 %** of the population is **urban** (334,418,881 people in 2019).
- The **median age** in South-Eastern Asia is **30.2years**.

Source: <https://www.worldometers.info/world-population/south-eastern-asia-population/>

The company's primary goal is to grow demand for its products and technologies. The company is focused on scaling its business and increasing revenues to reach profitable operations.

The company's major growth strategy includes:

Acquiring Other E-Commerce Companies and Applications in SEA

To complement Society Pass organic growth, the company will continue to opportunistically acquire regional e-commerce companies and applications to drive revenues and increase the number of registered consumers and merchants in its SoPa ecosystem throughout SEA with particular focuses on Vietnam, Philippines and Indonesia. The company anticipated investments and acquisitions of other e-commerce platforms and applications in different verticals are expected to expand its service offerings and attract new consumers and merchants.

Launching the Loyalty System

In June 2023, Society Pass just launched to market its unique merchant agnostic and universal Society Points to generate additional revenues for merchants and create permanent customer loyalty in SEA. For consumers, Society Points will offer them both a cashless payment option and the ability to spend bonus points accumulated from one consumer vertical such as lifestyle to a separate one such as travel.

Entering into Strategic Partnerships

In 2022, the company entered into various strategic agreements to expand its e-commerce business. Strategic partnerships are vital to the strategy and operations of Society Pass ecosystem as they enable its Platform to offer more value-added services to both consumers and merchants. The company is constructing a regional loyalty alliance comprising of synergistic merchant partners. Through its partnerships, the company gains access to its partners' clients and users at minimal cost where possible and to proliferate the usage of Society Points (when available). From its partnerships, the company also enhance its offerings like reliable delivery services through relationships with delivery service providers and vendor financing options through partnerships with financial institutions. The company's marketing approach is to engage strategic partners focuses on the benefits of joining its Loyalty Alliance, stressing the ability to access a larger pool of consumers and clients while reducing marketing expenses via joint marketing efforts like press interviews, brochures and co-branding initiatives with merchants.

Maximizing The Value of Consumer Transactions

Growing Society Pass consumer base, converting registered consumers into active ones, increasing transaction frequency, and maximizing basket sizes are key growth drivers for the company's verticals. Society Pass is growing its base of registered consumers through a multi-pronged marketing approach across social media, emails, SMS, QR codes, tailored promotional campaigns and public relations engagement. The company believes that by serving consumers in all aspects of their daily lives, it can create more opportunities to cross-sell and thus maximize its consumer wallet share.

Expanding Service Offerings To Merchants

Merchants are a critical component of Society Pass business, thus growing the registered merchant base and serving them with desirable technology and marketing solutions to improve sales, cut costs, and realize operational efficiencies. Society Pass onboard merchants through marketing outreach tools such as its websites, public relations, social media and focused sales efforts. In its marketing messages, the company attracts merchants to its ecosystem by offering them access to its growing consumer base as well as numerous opportunities to optimize their sales, including enhanced customer loyalty through the expected launch of Society Points in 2023.

Manage Competition

Society Pass operates a loyalty-focused e-commerce ecosystem that operates in several verticals. Across these verticals, the company compete with other online platforms for merchants, who can sell their products on other platforms or marketplaces. The company also compete with other e-commerce platforms, fashion retailers and restaurants for the attention of the consumer. Consumers have the choice of shopping with any online or offline retailers, large marketplaces or restaurant chains that may also have the ability to build their own independent online platforms. The company must be able to compete for consumers based on its ability to deliver a personalized e-commerce experience with easy-to-use mobile apps, well-integrated payments and a reliable platform.

FINANCIALS

Society Pass's fiscal year ends on December 31. We expect its next earnings report (for Q2 2023 ending June) to be in mid-August. Because the company is at an early stage in its product commercialization, it currently generates high revenue growth but incurs significant losses as it funds its commercial sales growth to reach profitable scale. We note that the company operates out of 5 Southeast Asian (SEA) countries (Singapore, Vietnam, Indonesia, Philippines, and Thailand), but reports its financial results in USD\$ so it is subject to significant foreign exchange fluctuations.

Exhibit 20: Society Pass Historical and Projected Financials

FYE Dec 31					
in \$USD millions except EPS	2020A	2021A	2022A	2023E	2024E
Total Revenue	0.1	0.5	5.6	12.0	24.0
Growth % (y/y)		891%	984%	114%	99%
Gross Profit	(0.0)	(0.2)	1.0	4.4	14.2
Operating income (loss)	(3.8)	(34.2)	(34.2)	(22.9)	(15.3)
Net income (pro forma)	(3.9)	(34.8)	(33.8)	(22.7)	(15.3)
EPS	(\$0.56)	(\$3.68)	(\$1.38)	(\$0.79)	(\$0.47)

Source: Company reports and Ascendant Capital Markets estimates.

Recent Results (fiscal Q1 ending March 2023)

Society Pass's recent financial performance is reflective of its early and high growth commercialization and multiple acquisitions stage. The company made 5 major acquisitions in 2022, and just announced (on July 7, 2023) a major acquisition of PT Inetindo Infocom.

In its Q1 2023 report (on May 11, 2023), the company reported revenues of \$2.0 million and net loss was \$5.3 million (EPS of \$(0.20)), compared with Q4 2022's revenue of \$2.6 million and net loss of \$9.8 million (EPS of \$(0.37)). Revenues grew +359% y-o-y (reflecting the new contributions from its 2022 acquisitions). Operating expenses were \$6.1 million, compared to Q4 2022's \$10.5 million and \$6.6 million in Q1 2022.

Exhibit 21: Q1 2023 Financial Report (as of May 11, 2023)

Summary Points:

- 1Q 2023 revenues grew 358% year on year (from \$445,090 in 1Q 2022 to \$2,042,580 in 1Q 2023)
- 1Q 2023 digital advertising revenues totaled \$1,283,774, up from \$0 in 1Q 2022.
- 1Q 2023 travel platform revenues totaled \$486,707, up from \$0 in 1Q 2022.
- 1Q 2023 gross profit grew to \$686,237 from gross loss of \$14,793 in 1Q 2022.
- 1Q 2023 gross margin improved to 33.5% from 1Q 2022 gross margin of -3.3%.
- 1Q 2023 gross margin improved to 33.5% from 4Q 2022 gross margin of 25.5%.
- While 1Q 2023 revenue grew 358%, 1Q 2023 cash operating expenses grew only 20% year on year (from \$2,817,348 in 1Q 2022 to \$3,385,759 in 1Q 2023).
- With cash on hand of \$13.7 million and book value of \$15.6 million on 31 March 2023, SoPa is well capitalised for the expected roll out of the Society Pass loyalty platform in 2Q 2023 and continuing acquisitions of SEA companies in its loyalty, lifestyle, food & beverage delivery, telecommunications, digital advertising, and travel verticals for the rest of 2023.
- Since inception, SoPa has onboarded approximately 3.3 million registered consumers and approximately 650,000 registered merchants/brands onto its ever-expanding next generation digital ecosystem and loyalty platform in SEA.
- SoPa now operates six verticals in SEA: loyalty, lifestyle, food & beverage delivery, telecommunications, digital advertising, and travel.
- SoPa currently operates in five SEA countries: Singapore, Vietnam, Indonesia, Philippines and Thailand.
- SoPa currently employes approximately 250 people throughout SEA.

Source: Company reports.

Although revenues are still relatively low, they are very fast growing and we believe revenues should increase significantly in 2023. The company has not provided any financial guidance, but has generally stated that annual revenue run rate can be \$60 – 100 million and that it expects to be EBITDA profitable within the next year. We believe that the high revenue growth in 2023/24 should provide strong operating leverage and improve gross margins and operating income (loss).

We have modeled high revenue growth in 2023 (+114%) and 2024 (+99%) and thereafter to scale up significantly which should drive improved margins and profitability. For 2023, we expect revenue of \$12.0 million (+114% y-o-y), a net loss of \$22.7 million, and EPS of \$(0.79). For 2024, we expect revenues of \$24.0 million (+99%), a net loss of \$15.3 million, and EPS of \$(0.47). We expect the company to be profitable in 2025.

We note that our estimates do not include its recently announced (but expected to close by September 2023) major acquisition of 95% of PT Inetindo Info. Inetindo has annual revenue of ~\$30 million, so it will be a significant contributor to Society Pass results going forward.

We believe investors should be focused on its progress on its products commercialization and potential acquisitions, which is growing fast and is expected to have continued high growth over the next several years. We believe that the biggest potential variable and challenge to our financial model is the ability of the company to successfully commercialize, develop, and grow its business platforms. If the company can make significant progress towards these goals, then revenue and earnings will likely be able to grow significantly.

However, if the company has difficulties in making progress towards these goals, then revenue growth and profitability may not be achieved or will likely grow at a low rate or even not at all.

The company's balance sheet has \$14 million in cash and no debt as of March 2023. We believe the company has enough cash through 2024, but it may need to raise capital in 2023 to fund potential acquisitions, including the ~\$2 million in cash for its pending acquisition of PT Inetindo Info. In November 2021, the company had its IPO (initial public offering) raising \$28 million (3.1 million shares at \$9.00/share). In February 2022, the company raised ~\$12 million selling stock (3.5 million shares at \$3.30/share).

Exhibit 22: Consensus Expectations (as of July 10, 2023)

	Revenue (mil)			EPS	
	2023E	2024E		2023E	2024E
Q1 Mar	\$2.0A		Q1 Mar	\$(0.20)A	
Q2 Jun	\$2.8E		Q2 Jun	\$(0.21)E	
Q3 Sep	\$3.8E		Q3 Sep	\$(0.19)E	
Q4 Dec			Q4 Dec		
Total	\$28.7E	\$25.1E	Total	\$(0.75)E	\$(0.45)E

*Quarterly estimates may not add to annual estimates due to variations in contributing estimates and rounding.

Source: Company report, Refinitiv, and Ascendant Capital Markets estimates

Exhibit 23: Society Pass Financial Metrics

Recent Share Price (7/10/23)	\$ 0.52
52-Weeks Share Price (Low - High)	\$0.47 - 3.14
Shares Outstanding	28 million
Market Capitalization	\$15 million
Enterprise Value	\$1 million
Cash (3/31/23)	\$14 million
Debt (3/31/23)	\$0 million
2022A Revenue	\$5.6 million
2022A Net loss	\$33.8 million
2022A EPS	\$ (1.38)
2023E Revenue	\$12.0 million
2023E Net loss	\$22.7 million
2023E EPS	\$ (0.79)
2024E Revenue	\$24.0 million
2024E Net loss	\$15.3 million
2024E EPS	\$ (0.47)

Source: Company reports.

FINANCIAL MODEL

Society Pass Inc.

Income Statement (\$USD mils)	2020	Mar-21	Jun-21	Sep-21	Dec-21	2021	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023	Mar-24	Jun-24	Sep-24	Dec-24	2024
Fiscal Year End: December 31	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Total Revenue	0.1	0.0	0.0	0.1	0.4	0.5	0.4	0.5	2.1	2.6	5.6	2.0	2.5	3.5	4.0	12.0	4.5	5.0	6.5	8.0	24.0
Cost of Revenues	0.1	0.0	0.1	0.2	0.4	0.7	0.5	0.5	1.7	2.0	4.7	1.4	1.8	2.1	2.4	7.6	1.8	2.0	2.8	3.3	9.8
Gross Profit	(0.0)	(0.0)	(0.1)	(0.1)	(0.0)	(0.2)	(0.0)	(0.0)	0.3	0.7	1.0	0.7	0.8	1.4	1.6	4.4	2.8	3.0	3.8	4.7	14.2
Research & development	0.2	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.1	0.1	0.2
Sales and marketing	0.0	0.0	0.0	0.0	0.2	0.3	0.2	0.3	0.2	0.3	1.0	0.1	0.2	0.2	0.2	0.7	0.2	0.3	0.3	0.4	1.2
General & administrative	3.5	2.0	4.2	8.3	19.0	33.4	5.8	7.3	9.9	7.4	30.6	6.0	6.6	6.8	7.0	26.4	7.0	6.8	7.2	7.2	28.1
Restructuring and other	0.0	0.2				0.2	0.5	0.3	2.7	3.5					0.0						0.0
Total operating expenses	3.7	2.2	4.2	8.3	19.2	34.0	6.6	7.6	10.4	10.5	35.1	6.1	6.8	7.1	7.3	27.3	7.2	7.1	7.5	7.7	29.5
Operating income (loss)	(3.8)	(2.194)	(4.3)	(8.4)	(19.3)	(34.2)	(6.6)	(7.6)	(10.1)	(9.8)	(34.2)	(5.5)	(6.1)	(5.7)	(5.7)	(22.9)	(4.5)	(4.1)	(3.8)	(3.0)	(15.3)
Interest income (expense)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	0.0	0.1	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other income (expense)	(0.0)	(0.5)	0.0	0.0	0.0	(0.5)	0.1	0.1	0.1	0.0	0.3	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Income before income taxes	(3.8)	(2.755)	(4.3)	(8.4)	(19.2)	(34.8)	(6.5)	(7.5)	(10.0)	(9.8)	(33.8)	(5.3)	(6.1)	(5.7)	(5.7)	(22.7)	(4.5)	(4.1)	(3.8)	(3.0)	(15.3)
Income taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income (loss)	(3.8)	(2.757)	(4.3)	(8.4)	(19.2)	(34.8)	(6.5)	(7.5)	(10.0)	(9.8)	(33.8)	(5.3)	(6.1)	(5.7)	(5.7)	(22.7)	(4.5)	(4.1)	(3.8)	(3.0)	(15.3)
Nonrecurring/noncash adjustme	(0.1)			0.6	(0.6)	0.0					0.0					0.0					0.0
Net income (pro forma)	(3.89)	(2.8)	(4.3)	(7.8)	(19.8)	(34.8)	(6.5)	(7.5)	(10.0)	(9.8)	(33.8)	(5.3)	(6.1)	(5.7)	(5.7)	(22.7)	(4.5)	(4.1)	(3.8)	(3.0)	(15.3)
EBITDA																					
Shares, Basic	7.0	7.4	7.4	7.8	15.1	9.44	21.9	24.3	25.3	26.2	24.4	27.1	28.2	29.2	30.2	28.7	31.2	32.2	33.2	34.2	32.7
Shares, Diluted	7.0	7.4	7.4	7.8	15.1	9.44	21.9	24.3	25.3	26.2	24.4	27.1	28.2	29.2	30.2	28.7	31.2	32.2	33.2	34.2	32.7
EPS Basic (pro forma)	(\$0.56)	(\$0.37)	(\$0.59)	(\$1.00)	(\$1.31)	(\$3.68)	(\$0.30)	(\$0.31)	(\$0.39)	(\$0.37)	(\$1.38)	(\$0.20)	(\$0.21)	(\$0.20)	(\$0.19)	(\$0.79)	(\$0.14)	(\$0.13)	(\$0.11)	(\$0.09)	(\$0.47)
EPS Diluted (pro forma)	(\$0.56)	(\$0.37)	(\$0.59)	(\$1.00)	(\$1.31)	(\$3.68)	(\$0.30)	(\$0.31)	(\$0.39)	(\$0.37)	(\$1.38)	(\$0.20)	(\$0.21)	(\$0.20)	(\$0.19)	(\$0.79)	(\$0.14)	(\$0.13)	(\$0.11)	(\$0.09)	(\$0.47)
Margins																					
Gross margin	-69%	-92%	-1012%	-91%	-7%	-37%	-3%	0%	15%	26%	17%	34%	30%	39%	40%	37%	61%	60%	58%	59%	59%
Research & development	316%	317%	473%	12%	5%	18%	4%	3%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Sales and marketing	6%	9%	530%	51%	58%	63%	44%	51%	10%	13%	18%	6%	6%	6%	6%	6%	5%	5%	5%	5%	5%
General & administrative	6728%	20556%	53550%	9927%	4530%	6424%	1312%	1472%	484%	282%	542%	293%	265%	195%	175%	220%	155%	135%	110%	90%	117%
Operating margin	-7150%	-23080%	-55566%	-10081%	-4599%	-6581%	-1483%	-1526%	-493%	-373%	-606%	-267%	-242%	-163%	-142%	-190%	-100%	-81%	-58%	-37%	-64%
Tax rate, GAAP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Net margin	-7298%	-29003%	-55798%	-10091%	-4590%	-6687%	-1471%	-1504%	-486%	-370%	-600%	-259%	-242%	-163%	-142%	-189%	-100%	-81%	-58%	-37%	-64%
Y/Y % change																					
Total Revenue						891%	4582%	6312%	2354%	530%	984%	359%	401%	71%	51%	114%	120%	100%	86%	100%	99%
Gross margin						427%	68%	-100%	-506%	-2566%	-607%	-4739%	-543578%	347%	137%	356%	301%	300%	173%	194%	222%
Research & development						-42%	-80%	-11%	14%	-17%	-24%	-81%	80%	40%	14%	56%	-60%	11%	30%	23%	111%
Sales and marketing						10370%	21689%	514%	396%	39%	205%	-33%	-41%	-1%	-29%	-27%	72%	67%	55%	67%	64%
General & administrative						846%	-83%	26%	35%	-25%	-9%	-80%	11%	3%	3%	-13%	-74%	-3%	6%	1%	6%
Operating income (loss)						812%	201%	76%	20%	-49%	0%	-17%	-21%	-44%	-42%	-33%	-18%	-33%	-33%	-48%	-33%
Net income (loss)						808%	138%	73%	18%	-49%	-3%	-19%	-19%	-43%	-42%	-33%	-15%	-33%	-33%	-48%	-33%
EPS Diluted (pro forma)						562%	-20%	-47%	-61%	-72%	-62%	-35%	-30%	-50%	-50%	-43%	-26%	-41%	-41%	-54%	-41%

Source: Company reports and Ascendant Capital Markets estimates.

Society Pass Inc.

Balance Sheet (\$USD mils)	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
Fiscal Year End: December 31	Q4A			Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Assets																	
Cash and cash equivalents	0.5			5.7	23.3	31.0	28.0	23.0	18.9	13.8	9.3	7.1	4.1	2.2	0.9	1.3	2.6
Short term investments											0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable, net	0.0			0.1	0.1	0.0	0.1	0.6	1.0	0.9	1.4	1.9	2.2	2.5	2.8	3.6	4.4
Inventory					0.2	0.3	0.3	0.3	0.3	0.2	0.3	0.4	0.4	0.5	0.5	0.7	0.8
Contract assets								0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income taxes											0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prepaid expenses and other	0.1			0.2	6.1	5.8	4.5	4.1	2.8	2.0	1.3	1.8	2.0	2.3	2.5	3.3	4.0
Total current assets	0.6			6.0	29.6	37.1	33.0	28.0	23.0	16.9	12.2	11.1	8.7	7.4	6.6	8.9	11.9
Property and equipment, net	0.0			0.0	0.1	0.1	0.1	0.6	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Leases	0.1			0.5	0.6	0.8	0.7	0.6	1.5	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
Intangibles, net	7.2			4.8	4.0	3.7	3.7	11.5	7.5	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7
Deferred income tax											0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other					0.9						0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total assets	7.9			11.3	35.2	41.6	37.5	40.7	32.7	26.1	21.4	20.4	17.9	16.6	15.9	18.1	21.1
Liabilities and stockholders' equity																	
Accounts payable	0.1			0.1	0.3	0.2	0.9	1.2	1.3	1.5	1.9	2.6	3.0	3.4	3.8	4.9	6.0
Accrued expenses	0.7			0.8	1.9	1.2	1.4	9.6	8.3	5.9	5.0	7.0	8.0	9.0	10.0	13.0	16.0
Contract liabilities	0.0			0.0	0.0	0.0	0.0	1.3	1.4	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Deferred revenue											0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income tax								0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0
Warrant liabilities											0.0	0.0	0.0	0.0	0.0	0.0	0.0
Leases	0.0			0.2	0.2	0.3	0.3	0.3	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Other	2.2			0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short term debt							0.1	0.2	0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total current liabilities	3.0			1.1	2.4	1.7	2.7	12.7	11.6	9.4	8.8	11.5	12.9	14.2	15.6	19.7	23.8
Deferred income taxes											0.0	0.0	0.0	0.0	0.0	0.0	0.0
Warrant liabilities											0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other long term liabilities											0.0	0.0	0.0	0.0	0.0	0.0	0.0
Leases	0.0			0.4	0.4	0.5	0.4	0.3	1.1	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Deferred revenue											0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long term debt											0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total other liabilities	0.0			0.4	0.4	0.5	0.4	0.3	1.1	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Minority interest				(0.1)	(0.1)	(0.1)	(0.2)	(0.3)	(0.3)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Preferred stock	15.2			25.3							0.0	0.0	0.0	0.0	0.0	0.0	0.0
Common stock	0.0			0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.9	3.8	5.7	7.5	9.4	11.3	13.2
Additional paid-in capital	2.2			12.7	79.8	93.6	96.0	99.2	101.4	102.8	102.8	102.8	102.8	102.8	102.8	102.8	102.8
Retained earnings	(12.6)			(28.1)	(47.4)	(53.9)	(61.4)	(71.4)	(81.1)	(86.4)	(92.5)	(98.2)	(103.9)	(108.4)	(112.4)	(116.2)	(119.2)
Other											0.1	0.1	0.1	0.1	0.1	0.1	0.1
Accumulated other comprehensive in	(0.1)			(0.0)	(0.1)	(0.1)	(0.0)	0.1	0.1	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Total stockholders' equity	4.8			9.9	32.3	39.4	34.4	27.6	20.0	15.6	11.5	7.7	3.9	1.3	(0.9)	(2.8)	(3.9)
Total stockholders' equity and liabili	7.9			11.3	35.2	41.6	37.5	40.7	32.7	26.1	21.4	20.4	17.9	16.6	15.9	18.1	21.1

Balance Sheet Drivers

	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
	Q4A			Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Prepaid as % of total rev	462%			200%	1454%	1303%	912%	202%	105%	99%	50%	50%	50%	50%	50%	50%	50%
Inventory as % of total rev	0%			0%	53%	60%	67%	12%	12%	11%	10%	10%	10%	10%	10%	10%	10%
A/P as % of total rev	414%			125%	62%	46%	181%	59%	49%	72%	75%	75%	75%	75%	75%	75%	75%
Accrued exp related as % of total rev	5167%			901%	462%	259%	284%	467%	315%	291%	200%	200%	200%	200%	200%	200%	200%
Activity Ratios																	
A/R Days Sales Outstanding	13			95	11	10	9	25	32	38	50	50	50	50	50	50	50
Book & Cash Value (per share)																	
Book Value per Share (diluted)	\$0.69			\$1.26	\$2.14	\$1.80	\$1.41	\$1.09	\$0.76	\$0.57	\$0.41	\$0.26	\$0.13	\$0.04	-\$0.03	-\$0.08	-\$0.11
Cash per Share (diluted)	\$0.07			\$0.73	\$1.54	\$1.41	\$1.15	\$0.91	\$0.72	\$0.51	\$0.33	\$0.24	\$0.14	\$0.07	\$0.03	\$0.04	\$0.08
Net cash per Share (diluted)	\$0.07			\$0.73	\$1.54	\$1.41	\$1.15	\$0.90	\$0.72	\$0.51	\$0.33	\$0.24	\$0.14	\$0.07	\$0.03	\$0.04	\$0.08

Source: Company reports and Ascendant Capital Markets estimates

Society Pass Inc.

Cash Flow Statement (\$USD mils)		2020	Mar-21	Jun-21	Sep-21	Dec-21	2021	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023	Mar-24	Jun-24	Sep-24	Dec-24	2024	
Fiscal Year End: December 31		FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E	
Cash flow from operating activities																							
Net income	(3.8)	(2.8)	(4.3)	(8.4)	(19.3)	(34.9)	(6.6)	(7.6)	(10.1)	(9.8)	(34.0)	(5.4)	(6.1)	(5.7)	(5.7)	(22.8)	(4.5)	(4.1)	(3.8)	(3.0)	(15.3)		
Depreciation	0.8	0.8	0.8	0.8	0.8	3.2	0.8	0.8	0.8	0.9	3.3	0.9	0.2	0.2	0.2	1.5	0.2	0.2	0.2	0.2	0.2	0.8	
Amortization						0.0					0.0					0.0						0.0	
Non-cash lease expense						0.0					0.0					0.0						0.0	
Debt related amortization exper	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0					0.0						0.0	
Stock comp	1.0	0.6	2.9	6.6	15.8	25.9	1.9	2.4	1.9	2.2	8.3	1.9	1.9	1.9	1.9	7.5	1.9	1.9	1.9	1.9	1.9	7.5	
Deferred income taxes						0.0					0.0					0.0						(0.1)	
Change in fair value of warrant liability						0.1					0.0					0.0						0.0	
Accrued interest						0.0		0.0	(0.0)	0.0	0.0					0.0						0.0	
Writedowns and impairments	0.0	0.2				0.2	0.5		0.3	2.7	3.5					0.0						0.0	
Other gains/losses		0.6				(0.0)	0.5			(0.0)	(0.0)	(0.0)				(0.0)						0.0	
Other	0.0					0.0	0.0	(0.0)	0.0	0.0	0.0					0.0						0.0	
Changes in operating assets and liabilities:																							
Accounts receivable	0.0	(0.0)	0.0	(0.1)	0.0	(0.1)	0.0	(0.0)	0.5	(0.4)	0.2	0.1	(0.5)	(0.6)	(0.3)	(1.3)	(0.3)	(0.3)	(0.8)	(0.8)	(2.2)		
Inventory	(0.0)				(0.2)	(0.2)	(0.0)	(0.1)	0.1	(0.1)	(0.1)	0.1	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.4)	
Prepaid expenses & other curre	(0.0)	0.0	(0.0)	(0.0)	(6.1)	(6.1)	1.2	1.3	1.8	2.1	6.4	0.8	0.8	(0.5)	(0.3)	0.8	(0.3)	(0.3)	(0.8)	(0.8)	(2.0)		
Contract assets						0.0				(0.0)	(0.0)					0.0						0.0	
Contract liabilities	(0.0)	(0.0)	(0.0)	0.0	(0.0)	0.0	(0.0)	(0.0)	0.9	0.1	0.9	(0.1)				(0.1)						0.0	
Income tax						0.0					0.0					0.0						0.0	
Other assets						0.0	0.1	(0.1)	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	
Accounts payable	0.0	(0.0)	0.0	0.0	0.2	0.2	(0.1)	0.2	(1.1)	0.1	(0.9)	0.2	0.4	0.8	0.4	1.7	0.4	0.4	1.1	1.1	3.0		
Accrued expenses	0.3	0.0	(0.5)	0.0	0.1	(0.4)	0.3	0.2	0.3	(1.2)	(0.5)	(2.4)	(0.9)	2.0	1.0	(0.3)	1.0	1.0	3.0	3.0	8.0		
Deferred revenue						0.0					0.0					0.0						0.0	
Other liabilities	0.4	0.1	0.1	(0.1)	0.6	0.7	(0.6)	0.0	(0.8)	(0.2)	(1.5)	(0.1)	0.0	0.0	0.0	(0.1)	0.0	0.0	0.0	0.0	0.0	0.0	
Net cash (used in) provided by	(1.3)	(0.4)	(1.1)	(1.1)	(8.2)	(10.8)	(2.6)	(2.9)	(5.4)	(3.6)	(14.5)	(4.0)	(4.3)	(2.0)	(2.8)	(13.1)	(1.7)	(1.2)	0.7	1.5	(0.7)		
Cash flow from investing activities																							
Purchases of property and equipment					(0.0)	(0.0)	(0.0)	(0.0)	(0.4)	(0.1)	(0.6)	(0.2)	(0.2)	(0.2)	(0.2)	(0.8)	(0.2)	(0.2)	(0.2)	(0.2)	(0.8)		
Purchases of short-term investments	(0.0)	(0.2)				(0.2)					0.0					0.0						0.0	
Acquisitions						0.0	(0.2)		(0.7)	0.0	(0.9)					0.0						0.0	
Other						0.0	0.0	0.0	1.6		1.6					0.0						0.0	
Net cash used in investing activities	0.0	(0.0)	(0.2)	0.0	(0.0)	(0.2)	(0.2)	(0.0)	0.5	(0.1)	0.2	(0.2)	(0.2)	(0.2)	(0.2)	(0.8)	(0.2)	(0.2)	(0.2)	(0.2)	(0.8)		
Cash flow from financing activities																							
Issuance of debt						0.0					0.0		(0.0)	0.0	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	
Repayment of debt					(0.2)	(0.2)	(0.2)	(0.2)	(0.2)		(0.6)					0.0						0.0	
Issuance of stock	1.2	0.8	0.5	6.7	26.0	34.0	10.8	(0.4)			10.4		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Proceeds from stock option exercises						0.0		0.4			0.4					0.0						0.0	
Other						0.0					0.0	(0.5)				(0.5)						0.0	
Dividends and distributions						0.0					0.0					0.0						0.0	
Cash provided by (used in) financing activities	1.2	0.8	0.5	6.7	25.8	33.8	10.5	(0.2)	(0.2)	0.0	10.2	(0.5)	(0.0)	0.0	0.0	(0.6)	0.0	0.0	0.0	0.0	0.0	0.0	
Effect of exchange rate on cash	(0.1)	0.0	(0.0)	0.0	(0.0)	(0.0)	(0.0)	0.1	0.1	(0.3)	(0.2)	(0.4)				(0.4)						0.0	
Net increase (decrease) in cash	(0.1)	0.4	(0.7)	5.6	17.5	22.8	7.7	(3.0)	(5.0)	(4.0)	(4.3)	(5.2)	(4.5)	(2.2)	(3.0)	(14.9)	(1.9)	(1.4)	0.5	1.3	(1.5)		
Beginning cash and equivalents	0.6	0.5	0.9	0.1	5.7	0.5	23.3	31.0	28.0	23.0	23.3	19.0	13.8	9.3	7.1	19.0	4.1	2.2	0.9	1.3	4.1		
Ending cash and equivalents	0.5	0.9	0.1	5.7	23.3	23.3	31.0	28.0	23.0	19.0	19.0	13.8	9.3	7.1	4.1	4.1	2.2	0.9	1.3	2.6	2.6		

Source: Company reports and Ascendant Capital Markets estimates

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Society Pass Inc.

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			Count	Percent
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Total	50	100%	18	36%

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