

ASX Announcement

7 December 2020

Ripple partnership to fast-track growth in South-East Asia

Highlights

- New, innovative partnership formed with global payments industry disrupter, Ripple
- Provides Novatti's customers with access to RippleNet, Ripple's global financial network, its capabilities, and hundreds of partner financial institutions
- Adds to Novatti's rapidly growing list of tier-one global partners, providing a strong competitive advantage as the shift to digital payments accelerates
- Will fast-track Novatti's growth in South-East Asia, with the aim of driving increased transaction volumes and delivering new revenue

Novatti Group Limited (ASX:NOV) (Novatti or Company), a leading digital banking and payments company, has formed a major new partnership with global payments disrupter, Ripple, to target the rapidly growing South-East Asia region.

Ripple is a revolutionary company disrupting the global financial industry. Through RippleNet, Ripple's decentralised, global financial network, Ripple provides its partners with the ability to process global payments instantly, as well as access to emerging, high-growth capabilities, such as blockchain and the digital asset, XRP, the world's third largest digital currency, valued at more than USD\$27 billion.¹

Ripple builds financial solutions and services leveraging XRP – to move money at the same speed and standard that information moves today. RippleNet uses distributed ledger technology to deliver financial solutions – from bi-directional messaging, settlement, liquidity management and lines of credit – to a global network of partners.

Novatti will become a major Ripple partner, with Novatti's customers gaining access to Ripple's global financial network RippleNet, its capabilities, and the hundreds of financial institutions that Ripple already works with. This includes high-profile names such as American Express and MoneyGram.²

The partnership will initially target cross-border transactions between Australia and the South-East Asia region. Plans are also underway to further expand the partnership to see Novatti process Ripple's broader cross-border payments into Australia, creating a new potential revenue source for Novatti's core payments processing business.

¹ Brave New Coin - <https://bravenewcoin.com/data-and-charts/market-cap>

² Ripple - <https://ripple.com/customers/#>

Managing Director of Novatti, Peter Cook, said "Novatti is incredibly excited to partner with Ripple, who are rapidly disrupting the global payments industry. This partnership will further increase Novatti's competitiveness and provide our customers with access to new, innovative payment solutions. In particular, we look forward to working with Ripple to provide our customers with access to their exciting alternative financing solutions, so that our customers can free-up capital to focus on growing their businesses."

"This partnership will fast-track Novatti's international expansion, particularly in South-East Asia. In doing so, we aim to deliver increased transaction volumes and revenue growth for Novatti's core payment processing business," Cook added.

Novatti is increasingly becoming the partner of choice for tier-one, global players, with partnerships already in place with Visa, Alipay, UnionPay International, Google Pay, Samsung Pay, Marqeta, and Decta.³ These partners all validate the quality of Novatti's products and services.

This announcement follows some of Novatti's other recent growth-focused achievements, including:

- New record revenue of \$3.56m for the September quarter, up 46% year-on-year⁴
- Obtaining regulatory approval for 'issuing and managing means of payment' in New Zealand, the necessary step prior to Novatti launching any issuing services in that market⁵
- Launching its Digital Payments Accelerator, providing innovative fintech and financial products with a fast-track to market⁶
- Partnering with leading global card payment company, UnionPay.⁷

Novatti invites investors to keep up to date with company news, events and industry research by joining the Novatti mailing list at: <https://www.novattigroup.com/subscribe>

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This announcement has been approved for release to the ASX by Peter Cook, Managing Director.

³ See Novatti ASX Announcements - <https://www.novattigroup.com/asxannouncements>

⁴ Novatti ASX Announcement – *New record revenue and transaction volumes* – 26 October 2020

⁵ Novatti ASX Announcement – *New licence paves the way for New Zealand expansion* – 2 October 2020

⁶ Novatti ASX Announcement – *Digital Payments Accelerator launched to meet increasing market demand* – 29 September 2020

⁷ Novatti ASX Announcement – *UnionPay merchant acquiring partnership* – 23 November 2020

About Novatti Group Limited (ASX:NOV)

Novatti is a leading digital banking and payments company. Its fintech, billing, and business automation platforms make payments fast, simple, and secure. Payments services include card issuing, merchant acquiring, payment processing and settlements, and enable our customers to thrive as we shift to a cashless economy. Novatti holds all necessary regulatory licences, including an Australian Financial Services Licence (No 448066) through its subsidiary Flexewallet Pty Ltd, registration with the New Zealand Companies Office FSP613789 through subsidiary Flexewallet (NZ) Limited, is registered with AUSTRAC as a Remittance Network Provider, and has applied to APRA for a restricted banking licence through its subsidiary Novatti IBA Pty Ltd.

About Ripple

Ripple enables payments everywhere, every way, for everyone using the power of blockchain. By joining Ripple's growing, global network (RippleNet), financial institutions can process their customers' payments anywhere in the world instantly, reliably and cost-effectively. Banks and payment providers can use the digital asset XRP to further reduce their costs and access new markets. With offices in San Francisco, Washington D.C., New York, London, Mumbai, Singapore, São Paulo, Reykjavik and Dubai, Ripple has more than 300 customers around the world.