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Money in Motion

7 June 2021

ASX Market Announcements
20 Bridge Street
SYDNEY NSW 2000

INVESTOR BRIEFING AND Q3 FY21 TRADING UPDATE

EML PAYMENTS LIMITED (ASX: EML) ("EML") provides the attached investor briefing and Q3 FY21 trading update for release to the market.

EML's Managing Director & Group CEO, Tom Cregan and Group CFO, Rob Shore will present the attached briefing and Q3 update for shareholders and the investment community virtually at the Macquarie Emerging Leaders Conference on Monday 7 June 2021.

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EML Payments Limited

About EML Payments Limited

EML provides an innovative payment solutions platform, helping businesses all over the world create awesome customer experiences. Wherever money is in motion, our agile technology can power the payment process, so money can be moved quickly, conveniently and securely. We offer market-leading programme management and highly skilled payments expertise to create customisable feature-rich solutions for businesses, brands and their customers.

We encourage you to learn more about EML Payments Limited, by visiting: EMLpayments.com

This ASX announcement has been authorised for release by the Joint Company Secretaries.

For further information, please contact:

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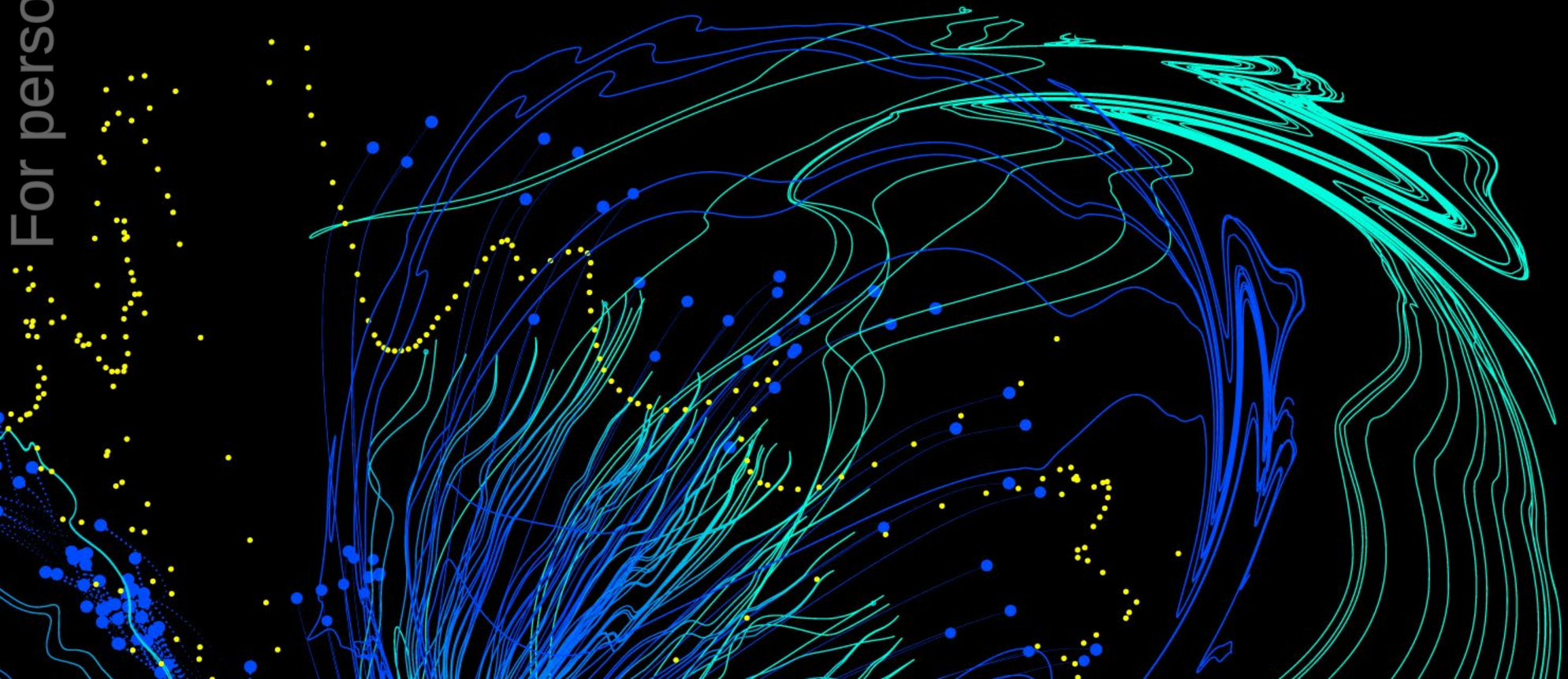
Robert Shore
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EML Payments
Q3 FY21 Trading Update

June 2021



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Mission.

We create awesome, instant and secure payment solutions that connect our customers to their customers, anytime, anywhere, wherever money is in motion.

Vision.

To offer customers a feature rich, fully embedded payment solution, via a simple, single touchpoint.

Purpose.

Inspiring transformative digital change for our customers and communities.

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Important Notice

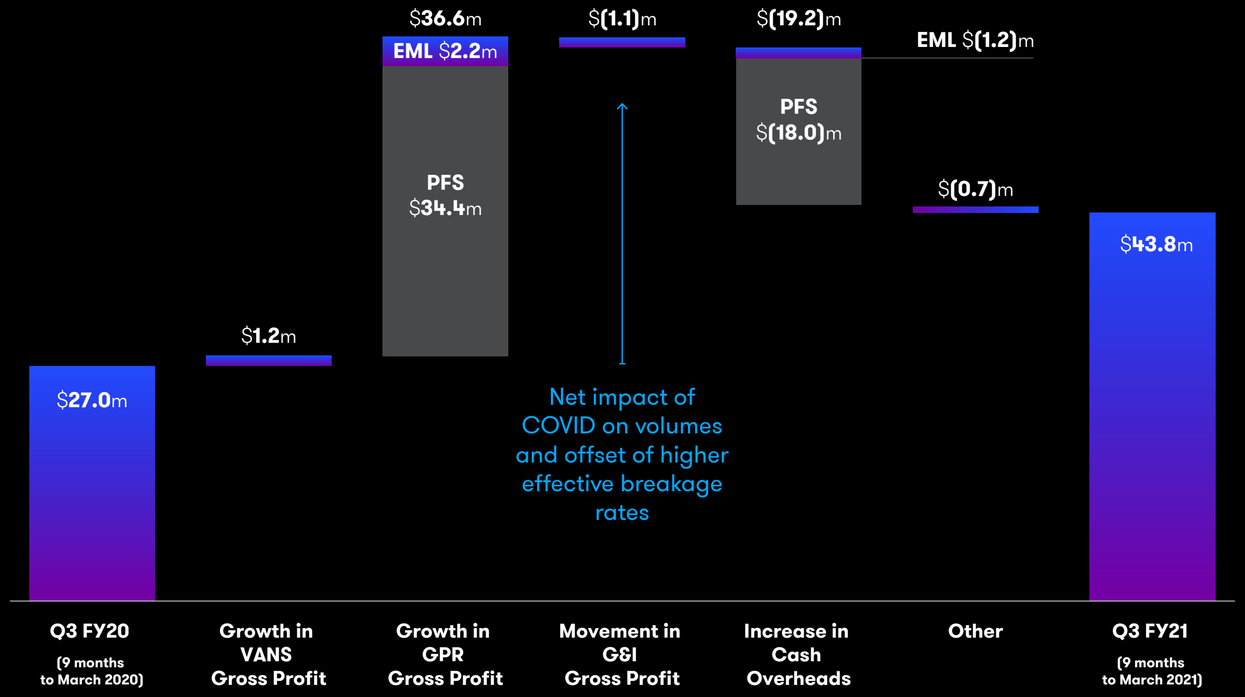
This investor presentation has been prepared by EML Payments Limited ABN 93 104 757 904 (EML) and is general background information about EML's activities current as at the date of this presentation. This information is given in summary form and does not purport to be complete. Information in this presentation should not be considered as advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities and does not take into account your particular investment objectives, financial situation or needs. Before acting on any information you should consider the appropriateness of the information having regard to these matters and seek independent financial advice. An investment in EML securities is subject to known and unknown risks, some of which are beyond the control of EML. EML does not guarantee any particular rate of return or the performance of EML.

This presentation may contain forward looking statements including statements regarding our intent, belief or current expectations with respect to EML's businesses and operations, market conditions, results of operation and financial condition, capital adequacy, specific provisions and risk management practices. Readers are cautioned not to place undue reliance on any forward looking statements. Unless otherwise specified all information is unaudited and refers to the nine months ended 31 March 2021 ('Q3 FY21'), and is presented in Australian Dollars. Unless otherwise stated, the prior comparative period refers to the unaudited nine months end 31 March 2020 ('Q3 FY20 or 'PCP'). EBITDA is equivalent to the net profit/(loss) for the period including R&D tax offset and excluding share based payments, depreciation and amortisation expense, acquisition expenses and non-cash unrealised foreign exchange included within the Statement of Profit or Loss and Other Comprehensive Income.

Q3 FY 2021 Trading Update

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9 months to March 2021 EBITDA Bridge (unaudited)



Financial Update

9 months to March 2021 (unaudited)		
GDV	$14.9b	↑52% on PCP
Revenue	$143.5m	↑65% on PCP
EBITDA	$43.8m	↑62% on PCP
Operating Cash Flow	117% of EBITDA	

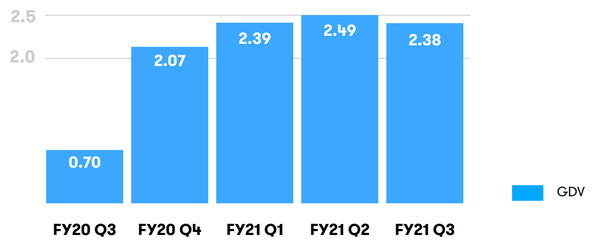
FY 2021 EBITDA (unaudited)	
Q1	$10.0m
Q2	$18.1m
Q3	$15.7m

EBITDA is equivalent to the net profit/(loss) for the period including R&D tax offset and excluding share based payments, depreciation and amortisation expense, acquisition expenses and non-cash unrealised foreign exchange included within the Statement of Profit or Loss and Other Comprehensive Income.

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Segment Analysis

General Purpose Reloadable (GPR)



Use Cases

- Banking as a Service
- Software as a Service
- Neo-lending
- Multi-currency
- Government
- Non Governmental Organizations

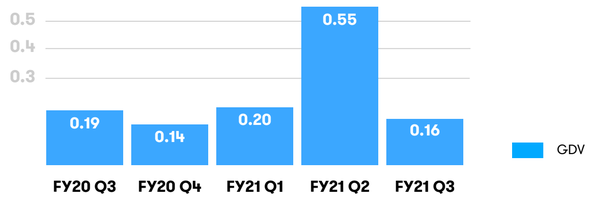
- GDV in line with prior quarter (4%) despite COVID lockdown impacts and a number of public holidays
- Excluding PFS, EML GDV grew by 22% vs PCP mainly from improved volumes in Australia
- Yield in line with expectations at 109bps, program mix stable

Trading Update

GPR

- Salary packaging transition completed ahead of schedule with 300k accounts live
- PFS launched Home Office program in Q4
- EML launched with Mastercard in New Zealand

Gift & Incentive (G&I)



Use Cases

- Mall Gift Cards
- Employer incentives
- Cross-Sell
- Consumer incentives

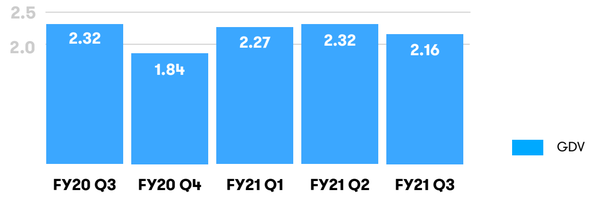
- GDV lower in Q3 vs Q2 owing to seasonality
- GDV lower vs PCP due to impact of Canadian and European lockdowns
- Yield improved vs prior quarter and PCP due to higher breakage rates due to Covid

Trading Update

G&I

- UK malls reopened on 12 April and volumes have started to improve
- US malls seeing improved volumes however with parts of Canada & Europe still in lockdown through Q3 & Q4 this remains a headwind

Virtual Account Numbers (VANS)



Use Cases

- Commercial Payments
- Buy Now Pay Later

- GDV down as a result of lower volumes in North America
- Yield in line with expectations at 12bps
- Lower volumes from BillGo (approx A$260 million) as they move to in-house processing

Trading Update

VANS

- Australia and Europe have contributed to GDV with the launch of new programs in the BNPL and line of credit verticals
- Pending completion of Sentenial acquisition, segment to be renamed Digital Payments covering VANS and A2A payments

The financial information provided above is unaudited.

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Business Development Update

Program Wins

Zenith

Transitioning to EML to leverage our digital card capabilities in the GPR and G&I space in Australia.

CherryHub

A startup FinTech providing a digital ecosystem that connects payments and loyalty for customers onto a single card at leisure and hospitality venues in Australia.

Colossalbet

Australian owned and operated sportsbook offering an innovative two tier card product, allowing for a VIP program with higher velocities.

Raise.com

Enables remaining spend on multiple gift cards to be converted to a single reloadable card at select Wal Mart stores across the US.

New Contracts Signed (Year to Date)	**123**
Deals in Pipeline	**368**
Deals in LOI/Contract Negotiation	**56**
Estimated GDV at maturity (3-4 years)	**$8.3b**

GPR

Salary Packaging - Now over 300K active benefit accounts

- Total salary packaging accounts has now exceeded 300,000 in May 2021
- Rollout of new accounts under agreement with Smartgroup is now largely complete



Program Launches

Disbursements

AptPay - First EML GPR program in Canada. Disbursement program catering to needs of the unbanked, challengers, non-traditional banking market, gig economy and gaming industries.

UK Home Office - launched the Aspen Prepaid card in late May, program transitioned from Sodexo.

Buy Now Pay Later

Humm - Humm/TAPP digital card launched in Australia in June 2021.

Banking as a Service

Zeller - offers an all-in-one payments and financial services solution with everything included right in the box.

Saurus - Social and Financial inclusion programme using reloadable prepaid cards in Spain.

Orenda - Assisting sole traders and small businesses within the UK through offering credit on a GBP Card. Orenda use machine learning to ensure all users are only given loans they can afford.

Payment Revolution

EML continues to invest in Open Banking

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Acquisition Update

- Change of control applications filed with FCA (UK) and ACPR (France)
- Transaction close dependent on change of control approvals expected early July to late August
- New client wins during April/May across Open Banking space with Nuevei/Safecharge

Key Investment Highlights

A significant 3 year growth business with earn-outs tied to €27 million in incremental revenues

Open Banking Growth Opportunity

Attractive client base

Bank Grade, Cloud-Native Technology Platform

Diversified Distribution Channels & Revenue Streams

Platform for international growth

Customer Choice for Products

Partnerships

- Partnership with Frollo launching Australia's first Open Banking Payments Platform to the Australian market under Nuapay Brand.
- Product Suite combines the latest innovations in open banking, personal financial management and payments to simplify the lending journey.

- Taking proven technology from our partnership in Australia, EML and FuPay are expanding into Europe.
- Combining EML's virtual card, A2A payments and Fupay's best-in-class cash flow and millennial credit product to offer a white label BNPL as a service solution.

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Regulatory Update

Central Bank of Ireland ('CBI')

Current Status

- EML advised the market on 19 May 2021 that it had received correspondence from the CBI raising significant regulatory concerns ('Section 45 letter'). EML responded to the CBI's Section 45 letter within the deadline, on 27 May 2021.
- EML remains in an ongoing dialogue with the CBI in relation to their concerns through substantial responses, data and access to our teams.
- There is no statutory timeframe for the CBI to finalise its consideration of the matter.
- A project governance structure has been established to assist our local team in Ireland, including a subcommittee of the EML Board, members of the EML executive team, external expert regulatory consultants and legal resources.

Communication

- We are working co-operatively with the CBI and its authorised officers.
- Communications with the CBI are confidential and we will provide updates when appropriate.
- EML is proactively communicating with, and providing information if and when requested, with other regulators in the regions where EML operates.

Business Impact

- We continue to focus on EML's strong pipeline of new customers and support our existing customers, yet we are aware that ongoing uncertainty is a risk and challenge.
- Immediate one-off costs incurred for legal (Arthur Cox) and professional advisory (PriceWaterhouseCoopers) fees are expected to be less than $2 million in FY21. In addition, we may see an impact of delayed program launches on establishment income and transaction fees which we can not quantify at this time.
- Financial impacts for FY22 can not be fully determined at this time.

