

ASX Announcement

8 November 2021

Acquiring licences awarded by Visa and Mastercard

Highlights

- Novatti awarded Principal Acquiring licences by both Visa and Mastercard
- Adds to the strength of Novatti's acquiring business and its rapidly growing customer base
- Will result in increased margins and ability to bring through larger business opportunities

Novatti Group Limited (ASX:NOV) (Novatti or Company), a leading fintech that enables businesses to pay and be paid, is pleased to confirm that it has been awarded acquiring licences by both Visa and Mastercard. Novatti is now a Principal Member of Mastercard for Acquiring Services, in addition to its Principal Member status with Visa for Issuing and Acquiring.

Novatti's acquiring business enables merchants, particularly those in e-commerce, to accept payment from consumers, including through credit cards, direct debits, and other mechanisms such as Alipay and WeChat Pay. The business has a rapidly growing customer base, including a number of financial services and business customers of Novatti's other business units, who have sought additional services.

Managing Director of Novatti, Peter Cook, said: "Being awarded acquiring licences by both Visa and Mastercard, two leaders of the payments industry, adds to the real strength of our ecosystem. We see payment acquiring as an area of strong growth for Novatti, particularly as businesses continue to move online following COVID-19. By securing these capabilities now, we are well placed to capture significant future growth. Moving to a position of being a Principal Acquiring Member enables us to generate a higher gross margin in our acquiring business over the long term."

The revenue to be generated from the acquiring licenses will depend on take-up of services.

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

- Quarterly sales revenue breaking through \$5m for the first time in the September quarter
- Announcing the agreement to acquire leading South East Asian fintech, ATX
- Closing the Series A funding round for its new banking business, with \$10.5m committed
- Expanding its partnership with Ripple into Thailand

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



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

About Novatti Group Limited (ASX:NOV)

Novatti is a leading fintech that enables businesses to pay and be paid, from any device, anywhere. From corner stores and startups to global organisations, our solutions will unlock your ambitions. Solutions include issuing, acquiring, processing, and billing, while Novatti has also applied to APRA for a restricted banking licence through its subsidiary Novatti IBA Pty Ltd. Novatti holds all necessary regulatory licences and registrations, including an Australian Financial Services Licence (No 448066) through its subsidiary Flexewallet Pty Ltd, registration in New Zealand as a Financial Services Provider (FSP613789) through subsidiary Flexewallet (NZ) Limited, and is registered with AUSTRAC as a Remittance Network Provider.