

Novatti

Annual General Meeting Presentation

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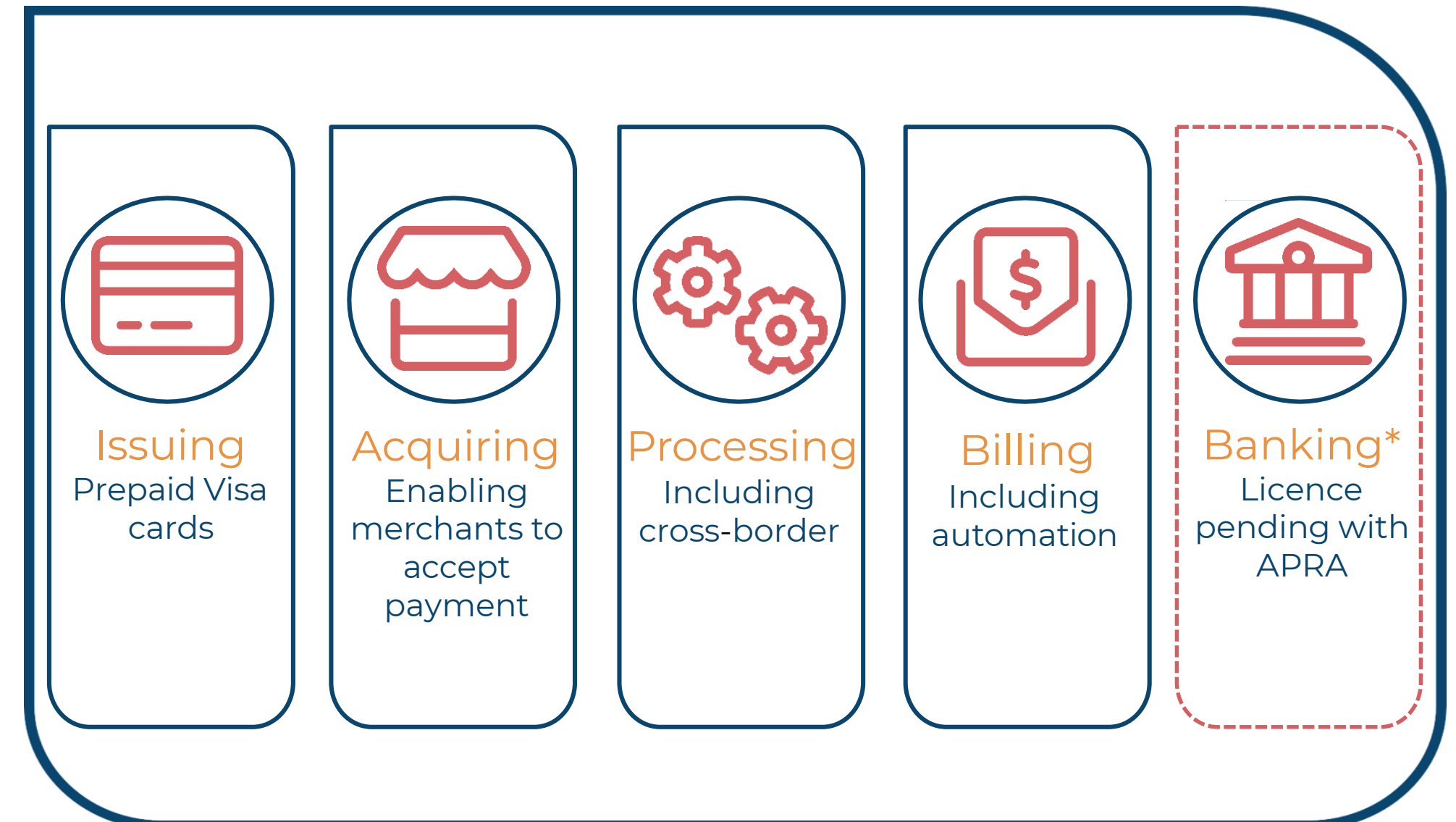


Novatti enables businesses to **pay and be paid**,
from any device, anywhere. From corner stores
and startups to global organisations, our
solutions will unlock your ambitions.

Business Overview

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- Novatti provides businesses with everything they need to **pay and be paid**
- Focus on mobility through technology – using any device, anywhere
- Cover the complete payments value chain – from issuing payment cards to banking services*

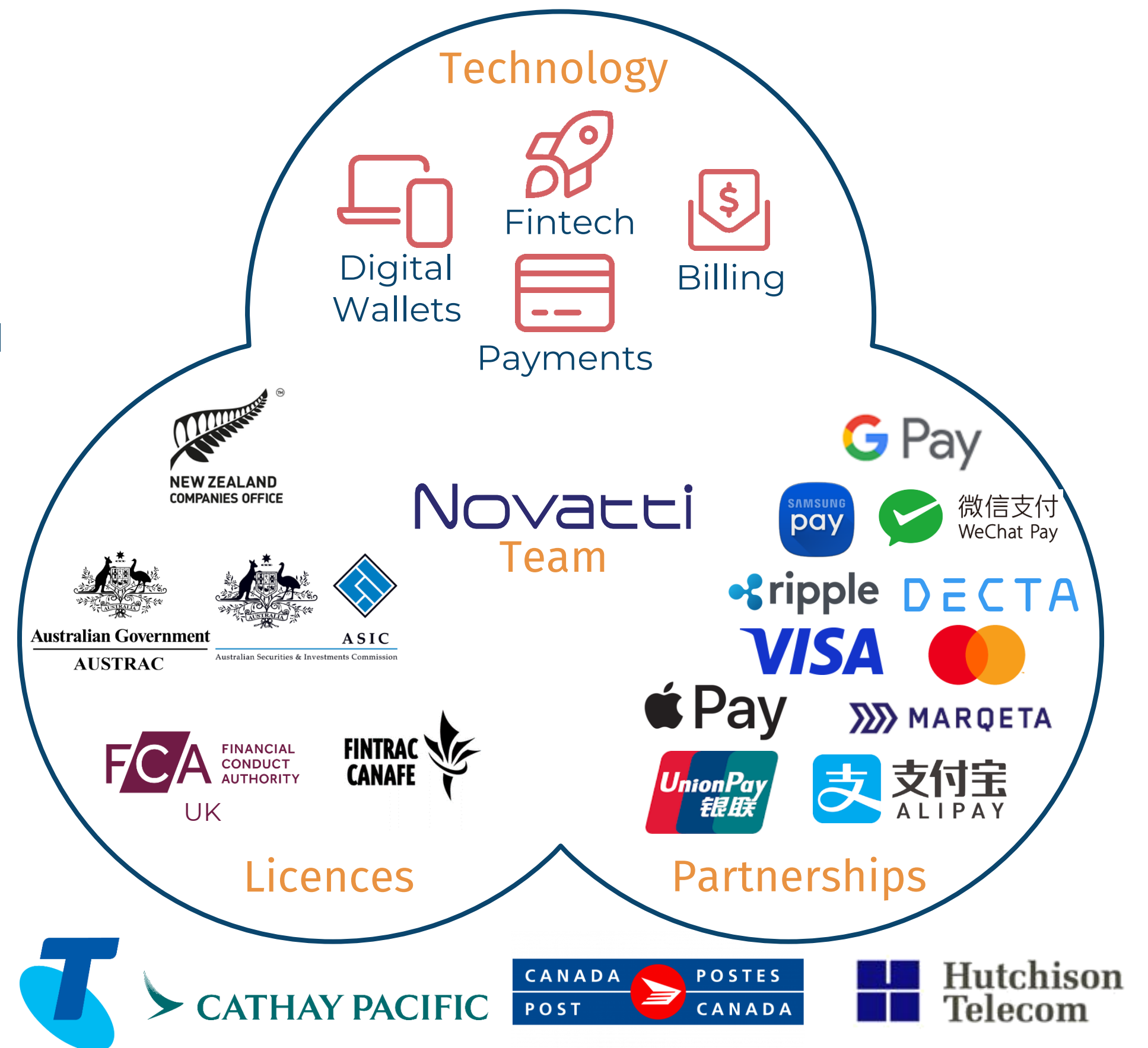


*Licence pending with APRA

Strategy

- Leveraging our leading B2B ecosystem combining:
 - Technology – digital and mobile platforms
 - Licences – opening jurisdictions and highlighting trust
 - Partnerships – providing scale without substantial capital
 - Team – leading in-house expertise
- Ecosystem now being monetised as fintechs and businesses utilise Novatti's capabilities
- Focus now on accelerating expansion

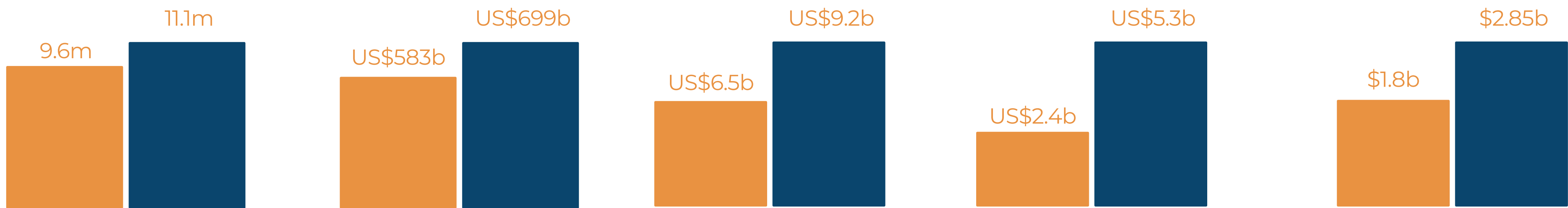
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Supported by key market growth



Seeing strong growth across key markets:



Prepaid cards issued in Australia
June 2018 - March 2021

[Source: RBA]

Point-of-sale and e-com
turnover forecast 2020-2024

[Source: FIS World Pay]

Personal remittances
to/from Australia 2010-2019

[Source: World Bank]

Global accounts receivable/payable
automation market 2020-2027

[Source: 360 ResearchReports]

Resident deposits with neobanks
(Judo, 86 400, Volt) April 2020-2021

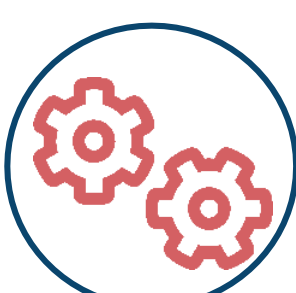
[Source: APRA]



Issuing



Acquiring



Processing



Billing



Banking

FY21 – new growth strategy

Novatti

- Started with \$10m capital raising
- Funds were applied to delivering a new growth strategy
- Achievements included:



New partnerships
extending scale



New Zealand
licence and
Afterpay
partnership



Team growth
– from 65 to 128



New acquiring
business
launched



Ripple
partnership
generating
revenue in the
Philippines



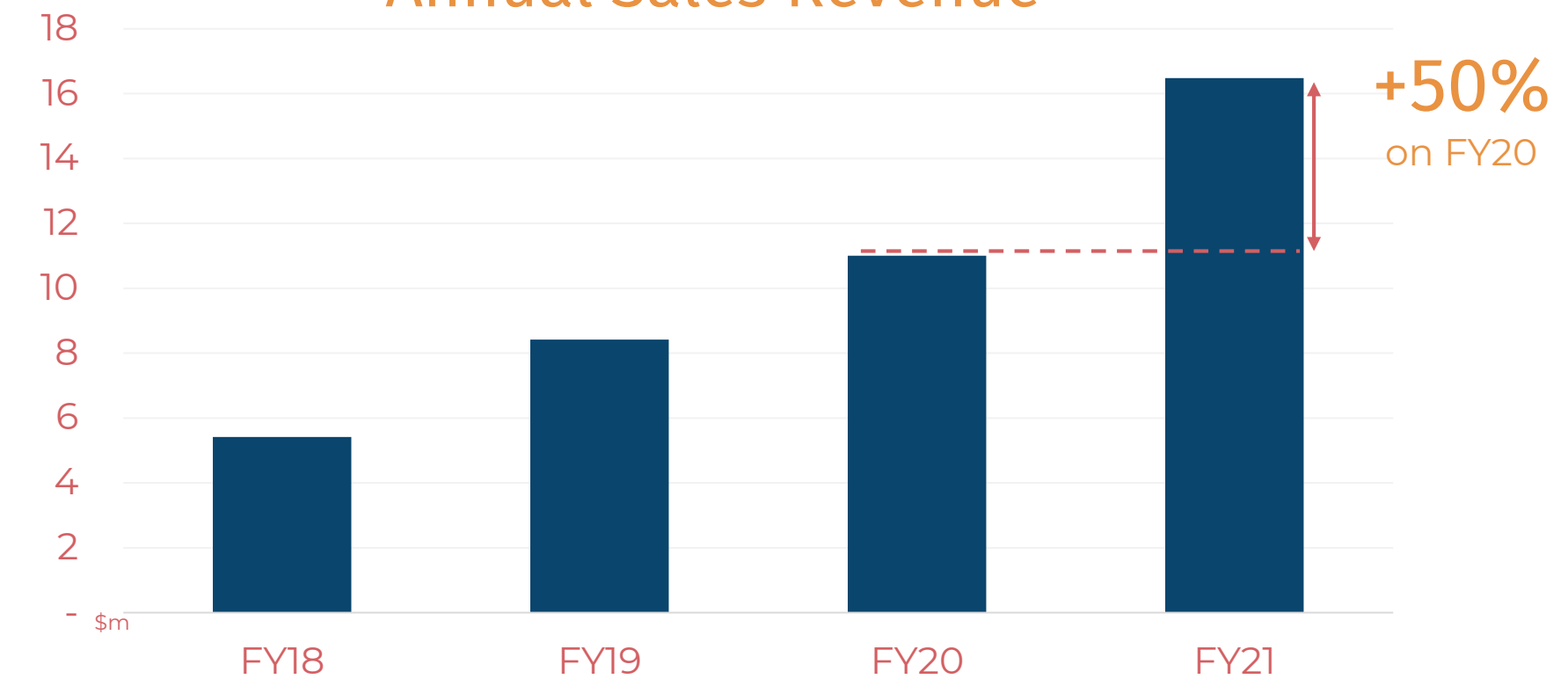
Emersion
launched
in US

FY21 – record results

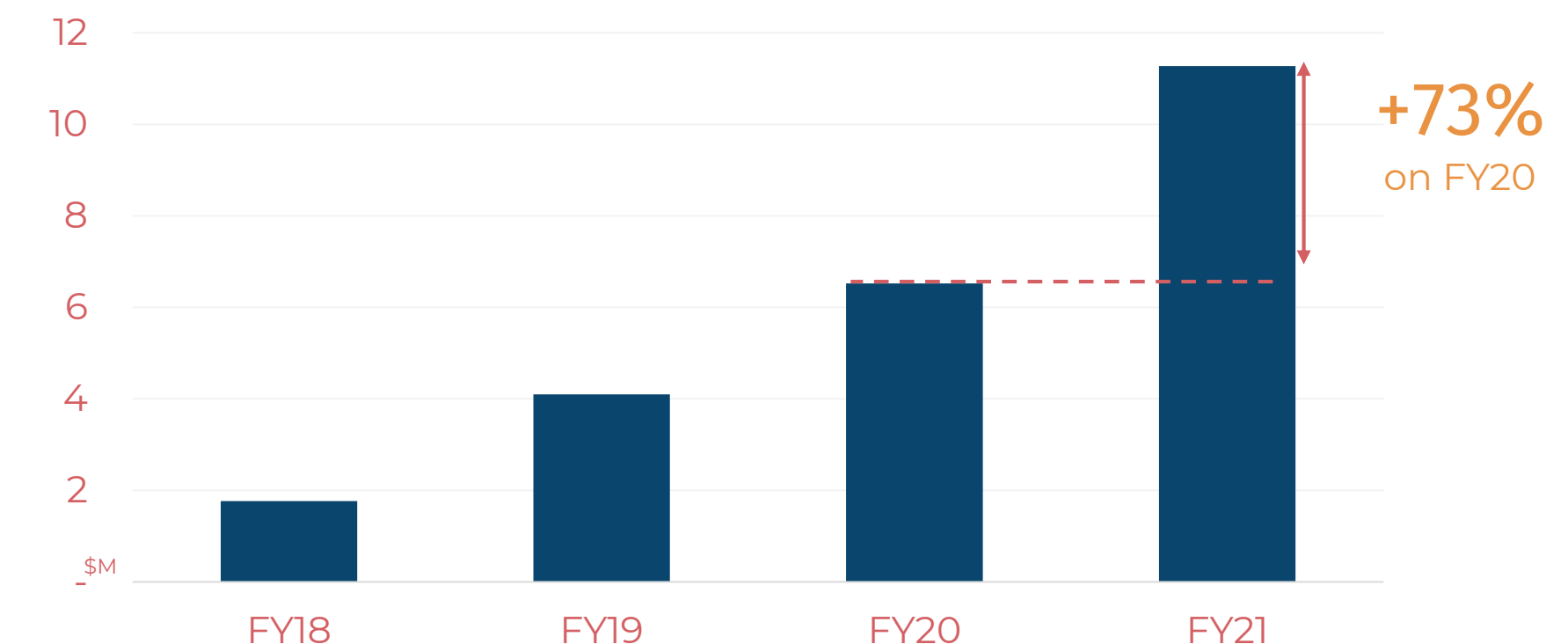
- FY21 saw Novatti's **strongest ever** revenue results
- Annual sales revenue grew 50% to \$16.5m
- Annual processing sales revenue grew 73% to nearly \$11.3m
- Total annual revenue grew 55% to \$18.4m
- Growth in annual sales revenue now averaged 45% across past 3 years, highlighting consistent growth

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Annual Sales Revenue



Annual Processing Sales Revenue



FY22 – expanded growth strategy

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- Started with \$40m+ capital raising
- Now delivering on new, expanded growth strategy:



Increase presence in existing markets

- Visa and Mastercard Principal Acquiring Licences
- New EU services with launch of Verv



Enter new markets

- Ripple partnership expanded into Thailand
- Series A for new banking business - \$10.5m committed



Pursue acquisitions

- Agreement on ATX acquisition
- Pipeline of opportunities being assessed



Strategic Reckon investment

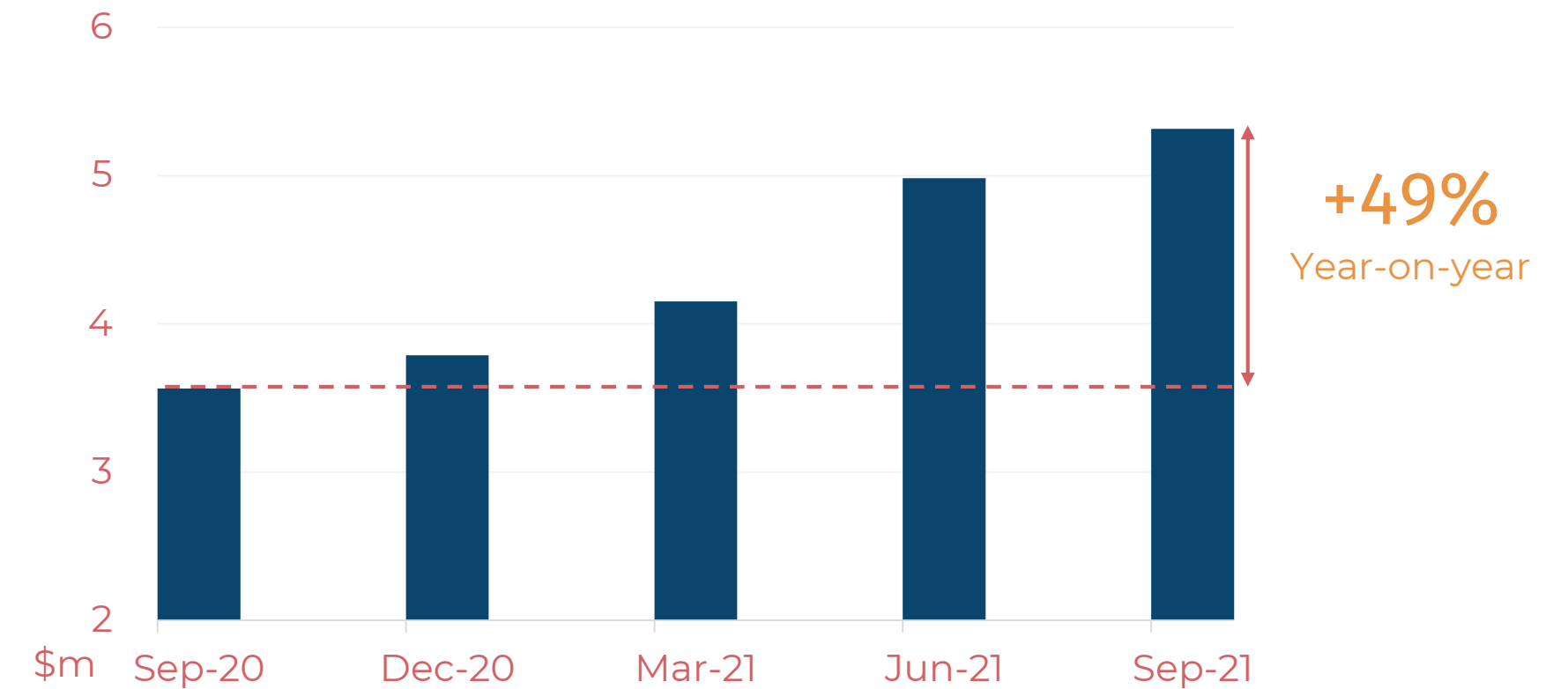
- 19.9% strategic investment completed
- Discussions begun on servicing the needs of Reckon customers

FY22 – continued strong growth*

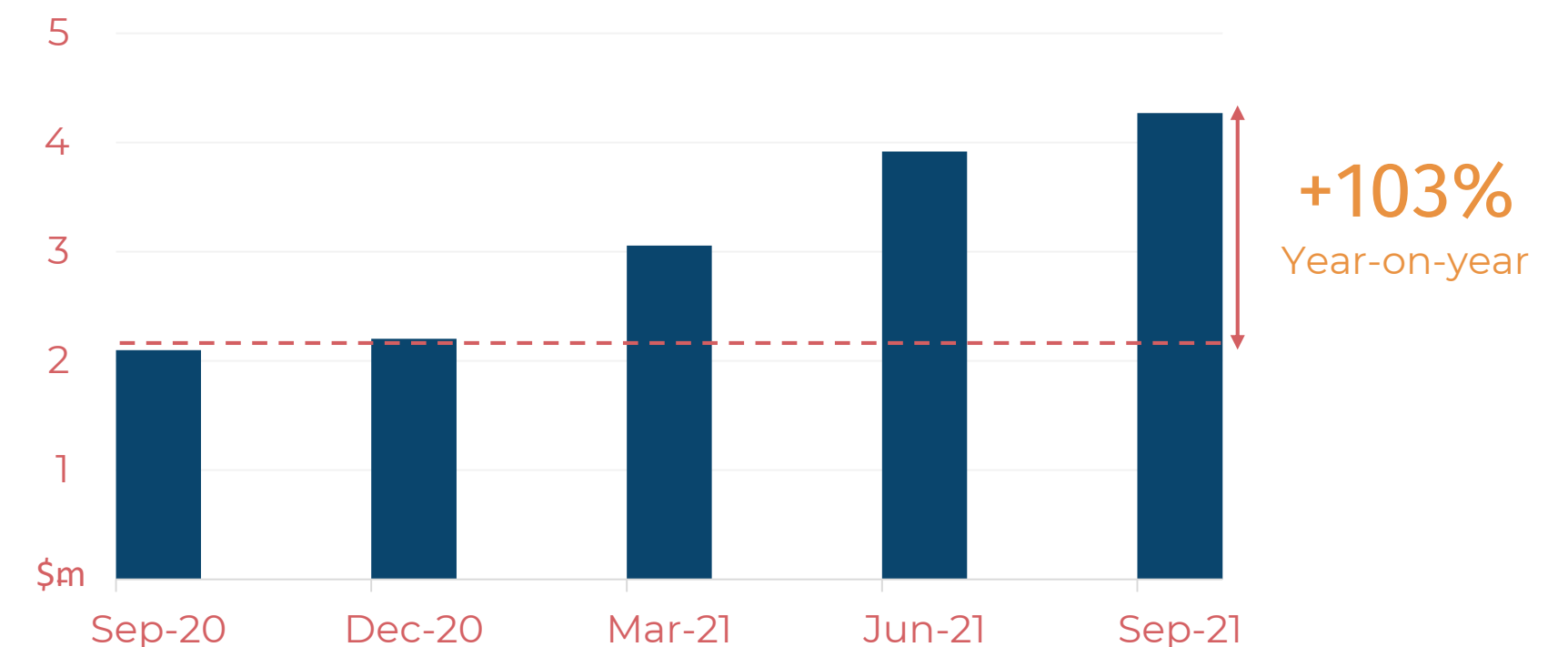
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- September quarter sales revenue - \$5.3m
 - Highest-ever
 - 49% increase year-on-year
- Payment processing sales revenue - \$4.2m
 - 10th straight record quarter
 - 103% increase year-on-year

Quarterly Sales Revenue



Quarterly Processing Revenue



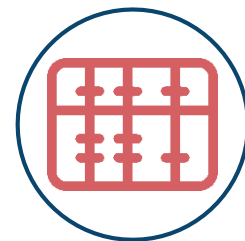
*All figures throughout this document related to the September quarter remain unaudited unless stated otherwise.

Acquisition of ATX

- Novatti will acquire ATX – a leading South-East Asian payments fintech
- Provides strong business in Malaysia and platform to continue expansion in South East Asia



\$3m
FY21 Annual
Revenue¹



\$0.6m
FY21 EBITDA¹



2.8X
Valuation multiple²



10k+
Agents³

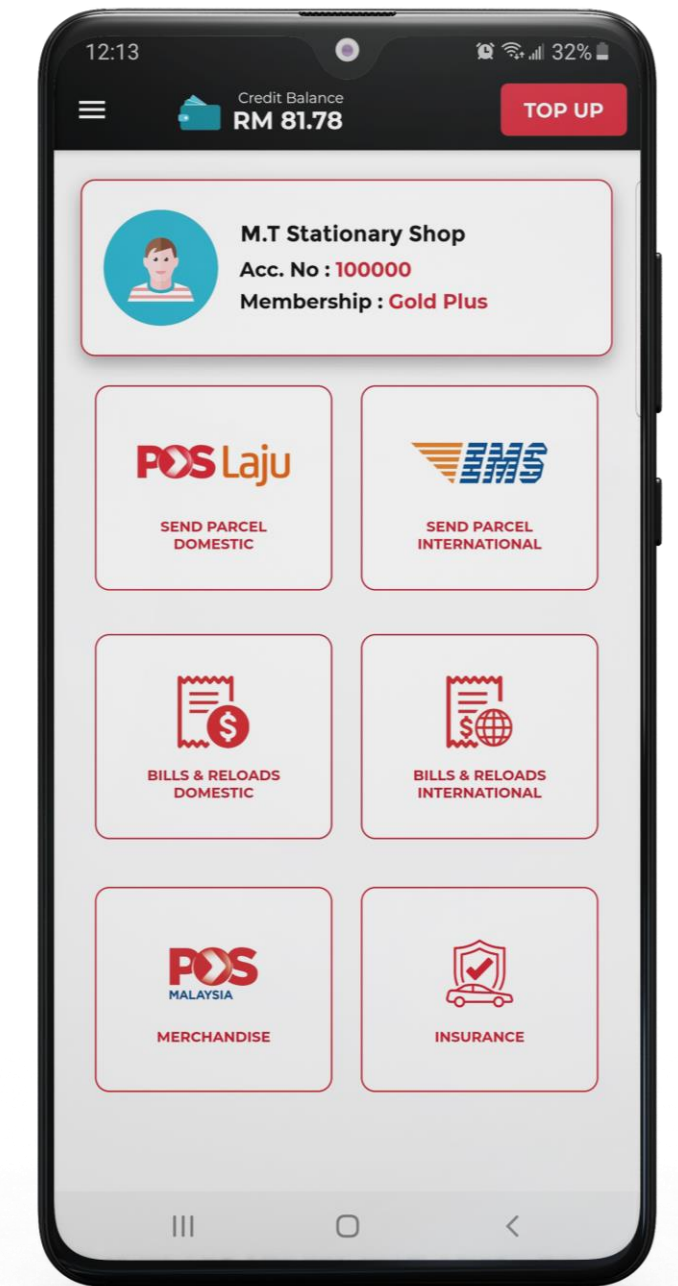


30k+
Touch Points
in Malaysia³



6 years
Existing
partnership
with Novatti

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Customers include:



1. Based on Normalised Revenue, which is an estimate of Sales Revenue that best aligns with Novatti's Revenue Recognition policy. Normalised revenue and EBITDA are based on FY21 (July 20 – June 21). AUD\$ conversion based on RM:AUD0.33.

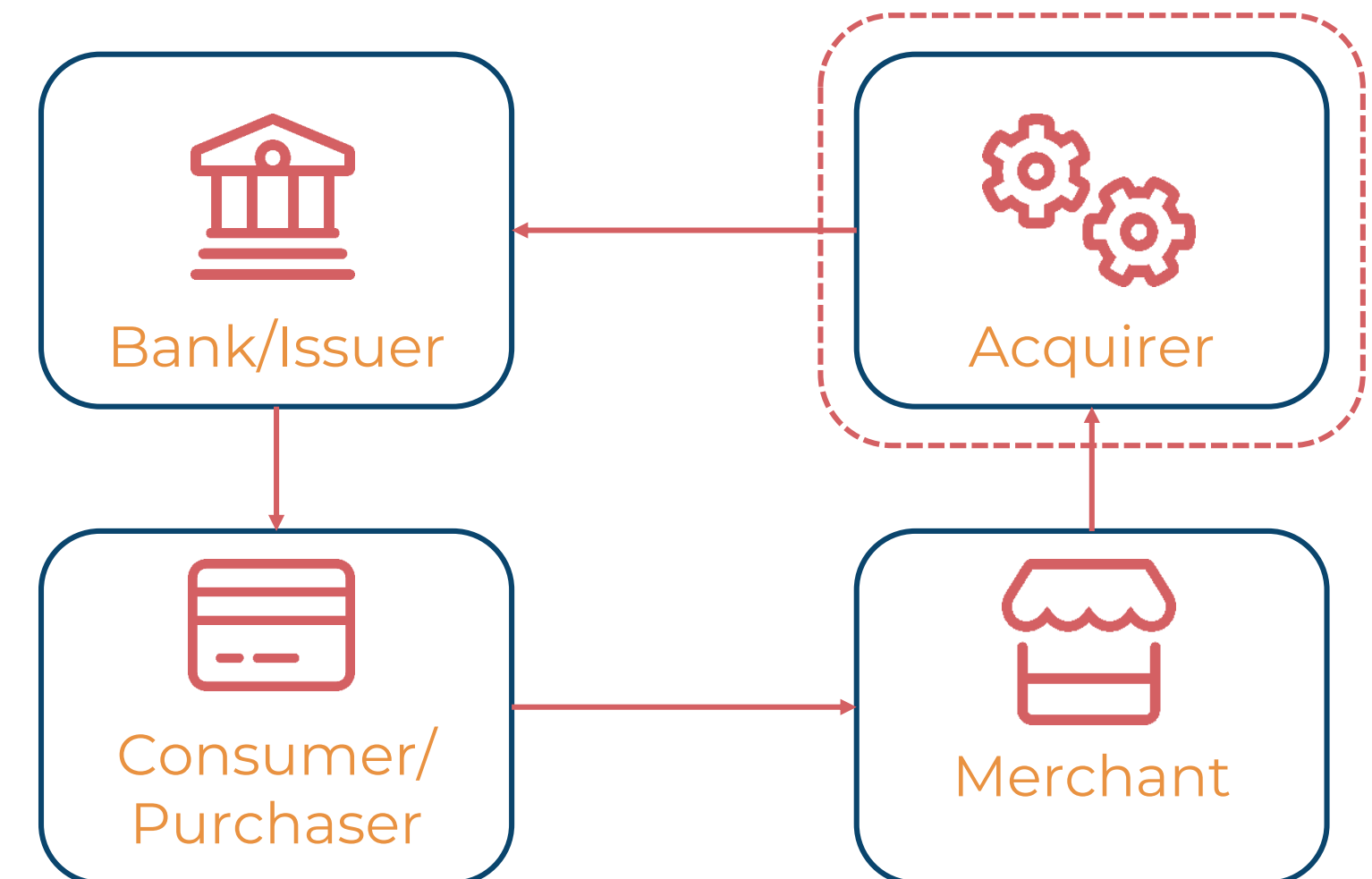
2. Valuation multiple based on normalised annual revenue.

3. Data provided by ATX management and subject to final due diligence.

Acquiring licences

- Novatti's acquiring business enables merchants to accept payment
- Visa and Mastercard Acquiring Licences
 - Bring through larger business opportunities
 - Generate higher gross margins over long term
- Already seeing growing customer base

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Outlook

- **Main ambition – continue to grow top line revenue**
- **Deliver on expanded growth strategy:**
 - New and expanded markets
 - Finalise restricted banking licence approval
 - Discussions with Ripple on new markets in South East Asia
 - Acquisitions
 - ATX – complete acquisition and integrate
 - Assessing other opportunities in pipeline
 - Strategic investment in Reckon
 - Discussions begun on servicing the needs of Reckon's customers

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