



## MINT PAYMENTS™

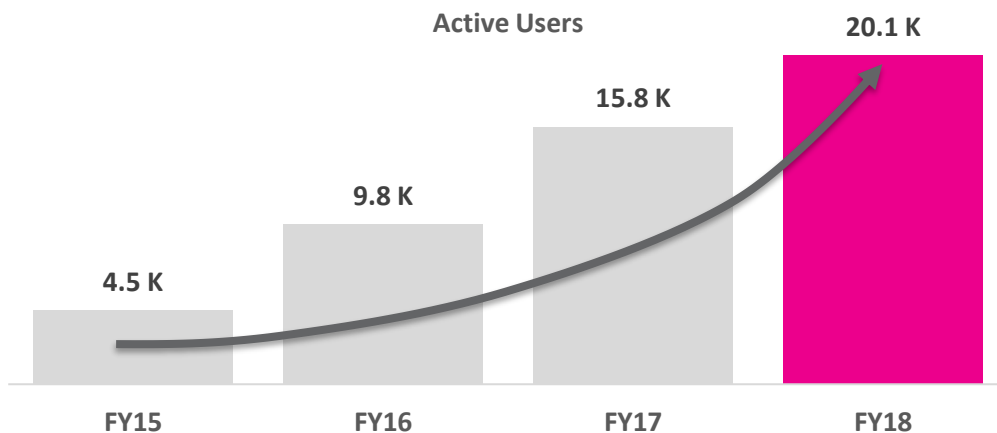
### FY2018 FINANCIAL RESULTS & OUTLOOK

**Sydney, 31 August 2018:** Mint Payments (ASX: MNW) (Mint or the Company) today released its full-year results for the financial year ended 30 June 2018.

#### **HIGHLIGHTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018:**

- Recurring revenues grew by 42% to \$2.0M for the year, in line with forecast
- Transaction values increased by 67% to \$624M for the year
- Active user base increased by 27% to over 20K users for the year
- Mint's Direct to Merchant channel in Australia was the Company's fastest growing channel, growing by 80% for the year, with transaction values of over \$400m
- Successful launch of white-label partners in Singapore (NETS in Q4 FY18) with annualised transaction values of over \$1M processed
- Signed a Heads of Agreement with United Overseas Bank (Malaysia) for UOB to license and distribute Mint's payment solutions in Malaysia

#### **KEY OPERATING METRICS:**



- The active user growth over the last three (3) financial years had a compound annual growth rate (CAGR) of 65%.
- The active user grew by 27% to 20.1K for the year ended 30 June 2018.

#### **REGISTERED ADDRESS**

Mint Payments Limited | Level 4, 450 Victoria Road, Gladesville NSW 2111 Australia | ABN: 51 122 043 029 | An ASX listed company (MNW)

#### **SYDNEY**

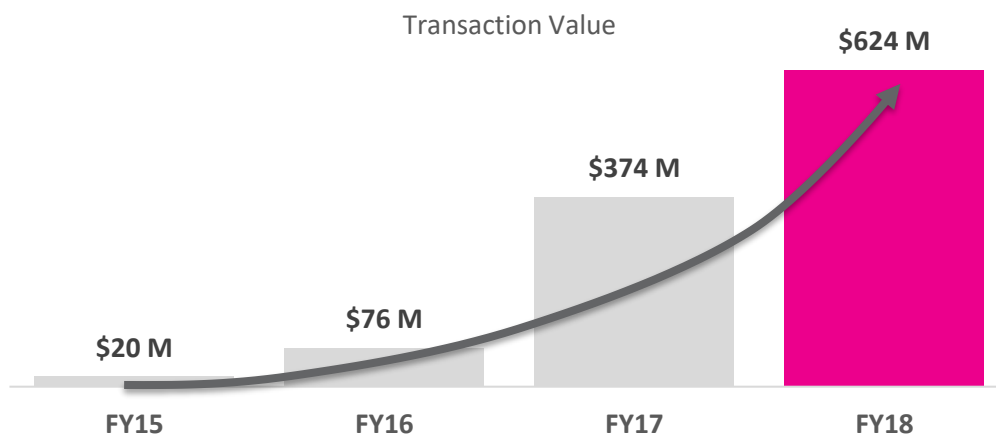
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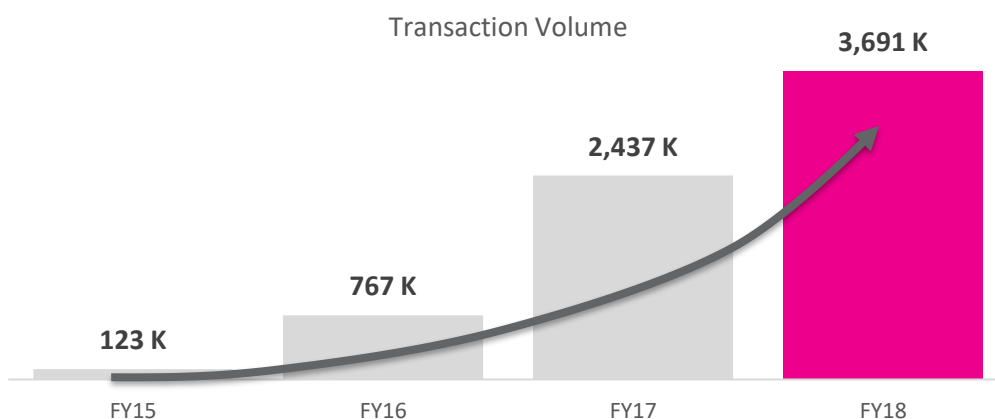
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- Transaction values over the last three (3) financial years had a CAGR of **215%**.
- Transaction values grew by **67%** to **\$624M** for the year ended 30 June 2018.



- Transaction values over the last three (3) financial years had a CAGR of **211%**.
- Transaction values grew by **51%** to **3,691K** for the year ended 30 June 2018.

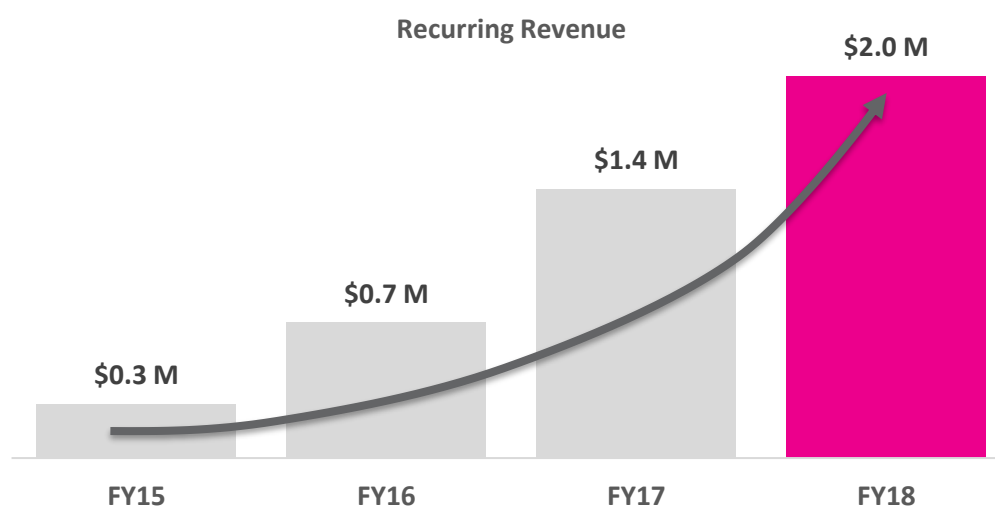
#### **OPERATIONAL HIGHLIGHTS:**

- The most significant growth this financial year has been derived from Mint's **Direct to Merchant channel**. The Company's Direct to Merchant channel grew **80%** in the 2018 financial year with total **transaction values of over \$400M**, driven by increased investment in sales and marketing initiatives, which has gained traction with the growth of active users and transactions processed in our core Travel and Hospitality verticals. In April 2018 (Q4), Mint successfully launched the initial phases of our direct acquisition program across digital channels, which has generated high volumes of inbound leads in Mint's core verticals.
- The Direct to Merchant channel is being further enhanced by campaign optimisation, a repositioning of the Mint brand, redesigning the website optimised for online customer acquisition and fundamental improvements to customer experience and communication. These initiatives will ensure that transaction and revenue growth through its Direct to Merchant channel continues to grow and gather momentum, complimenting the revenues derived from the Company's traditional white-label partner channels. The Company looks forward to updating the market upon the launch of all these initiatives.

- **Bank of New Zealand (“BNZ”)**, New Zealand’s largest business bank with over 150,000 business customers has continued to perform well with over 10,000 users that have processed over \$210M in transaction value. The Company’s white-labelled “PayClip” solution has been part of a portfolio of initiatives that has seen BNZ voted New Zealand’s most innovative Bank. This year, Mint enhanced the PayClip platform to include the release of a “card not present” online payments solution that will accelerate the growth of transaction values for the Company from the BNZ channel. The Company has continued to work strategically with BNZ, establishing a long-term product roadmap that ensures that they remain at the forefront of innovation in the New Zealand market. We look forward to updating the market once these new initiatives are launched in market.
- In November 2017, Mint became an approved **Australian Federation of Travel Agents (AFTA)** Chargeback Scheme (ACS) payment provider. ACS provides protection to thousands of travel agents against charge backs of any payments made by customers, due to any supplier (e.g. airline, hotel, tour operator) insolvency. Mint is one of the few preferred payment partners selected by AFTA and this further strengthens the Company’s value proposition and opportunity in the lucrative travel vertical.
- In March 2018, Mint signed a Heads of Agreement with **United Overseas Bank (Malaysia) Limited (“UOBM”)** for UOBM to license and distribute Mint’s payment solutions in Malaysia, white-labelled under UOBM’s brand to existing and new business customers. Through this white label partnership, the Company is aiming to replicate the same success it has had with the Bank of New Zealand. This partnership will also enable Mint to acquire business customers directly in Malaysia, where the Company will look to target high value and high-volume transactional business verticals.
- In April 2018, the Company announced that **NETS**, Singapore’s leading payments solutions group owned by Singapore’s largest banks (DBS, OCBC & UOB), has launched Mint’s “white-labelled” mPOS solution. Mint has commenced earning software and transaction revenues in Singapore from NETS merchants and channel partners signed up to the payment service. Although going live in Singapore has taken a lot longer than expected, largely due to regulatory and lengthy compliance processes, the Company remains very positive on the prospect of the growth and revenue opportunities deriving from its investment into Asia.
- Still in its early days, the number of active users acquired has been small, however it is positive that a total of over \$1M in annualised transaction values has been processed on the Mint platform in Singapore, which is the main source of recurring revenues for the Company from Asia. This is largely due to the focus by Mint’s partners in Singapore to focus on higher value merchants. We look forward to updating the market as the Company continues to see progress from the deployment of Mint’s technology with its partners in Asia.

**FINANCIAL RESULTS FOR THE FULL YEAR (FY2018):**

	FY18		FY17	%
Recurring Revenues	\$2.0M		\$1.4M	42%
Non-recurring Revenues	\$1.7M		\$4.0M	(58%)
<b>Revenue</b>	<b>\$3.7M</b>		<b>\$5.4M</b>	<b>(32%)</b>
<b>Profit/(Loss) from ordinary activities</b>	<b>(\$5.3M)</b>		<b>(\$5.3M)</b>	<b>0%</b>



- The Company saw a **42% increase in recurring revenues to \$2.0M** (in line with guidance / forecasts) over the previous financial year. The CAGR over the last three (3) financial years was **88%**. The growth in our recurring revenues was a key financial highlight for the Company, as these revenues will create a more durable and predictable revenue stream for the Company, particularly as we are expecting the growth trend to continue in the forthcoming financial year.
- Total revenue was down and impacted largely by the decrease in non-recurring revenues (services, sales of goods and R&D). Non-recurring revenues decreased by 58% from the previous financial year, largely due to the absence in one-off hardware sales this financial year. However, we are expecting non-recurring revenues to make a more significant contribution in FY19 based on existing inventory levels and product roadmap discussions with the Company's partners.
- Reported loss from ordinary activities was \$5.3M, which was maintained at last year's position, despite the decrease in overall revenues. This was partly due to the cost saving initiatives the Company implemented effectively from Q4 FY18. The Company continues to benefit from a lower operating cost structure in FY19, as it continues to focus on driving growth in revenues from existing and new customers and markets.

- In Q4 FY18, Mint successfully raised funds totalling **\$6.6M** that will be applied to expand Mint's footprint across Southeast Asia, accelerate growth in its fastest growing channel – its Direct to Customer channel in Australia and support general working capital requirements.
- At the end of August 2018, available cash and equivalents was **\$7.3M**. The Company in August 2018 received R&D Grant of \$1.68M.

### **OUTLOOK:**

Mint is expecting FY19 to be a transformational year. The Company has successfully established a core base of customers and products in Australia and New Zealand that has seen a continued CAGR of 88% over the last three years in our recurring revenues. The Company expects this growth trend in recurring revenues to continue, maintaining our forecast of between \$4.0M - \$5.0M in FY19.

Combining our established business in Australia and New Zealand, with the launch of Mint in fast growing markets in South East Asia, the Company is focused in FY19 on:

#### **1. Growth in Mint's active users and transaction values through**

- Continued growth from existing White Label Partners in Australia and New Zealand
- Replicating the success of BNZ with its white label partners in Asia
- Increased investment in Mint's direct to customer channel building on the success in the Retail, Hospitality and Travel verticals

#### **2. Revenue growth, operating leverage and cost savings to deliver monthly cash flow positive and profitability in FY19**

**ENDS**

### **About Mint Payments Limited**

Mint Payments helps companies of all sizes transact in more rewarding ways—whenever, wherever and however the world wants to pay.

With a focus on high value, high volume verticals throughout Asia Pacific, Mint Payments delivers a single, seamless solution to help channel partners and financial institutions unlock revenues, launch pioneering payment products, and build richer customer experiences. Online, in-store, in-app and beyond.

### **Investor & media enquiries**

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