

Mint

MEDIA RELEASE

MINT REPORTS FY20 HALF-YEAR RESULTS

Sydney, 28 February 2020 – Mint Payments Limited this afternoon reported its half-year results, delivering another record-breaking period, achieving \$435M total transactions and \$1.6M in recurring revenue.

Results & Highlights for H1 FY20

- + Total Transaction Value (TTV) continues to improve year over year with H1 FY20 achieving \$435M, a 17% improvement (H1 FY19 \$371M)
- + Recurring Revenues were up 40% to \$1.6M (H1 FY19 \$1.1M)
- + Recurring Margin grew 32% over the previous corresponding period (pcp) to \$0.7M (H1 FY19 \$0.5M)
- + Improved control of operational costs; 9% reduction
- + Successful integration with global acquiring partner enabling end-to-end control of customer experience
- + Accelerating growth in our core travel vertical; ~300 merchants now onboard
- + Locked down product roadmap for travel vertical; new suite of products continues to enhance Mint's attractiveness and revenue margins in the vertical
- + Successfully shifted Indirect Channel partners to maintenance phase, maximising profitability

Summary of Results

	H1 FY20	H1 FY19	Growth %*
Total Transaction Value	\$435 M	\$371 M	▲ 17%
Recurring Revenue	\$1,582 K	\$1,130 K	▲ 40%
Non-Recurring Revenue	\$448 K	\$881 K	▼ 49%
Total Revenue	\$2,030 K	\$2,010 K	▲ 1%
EBITDA	(\$1,859 K)	(\$1,857 K)	— 0%
EBIT	(\$1,989 K)	(\$2,012 K)	▲ 1%
Net Loss	(\$2,291 K)	(\$2,267 K)	▲ 1%

* % are based on full reported numbers/ non-rounded source data

Financial Results – Overview

	H1 FY20	H1 FY19	Growth %
Total Transaction Value	\$435 M	\$371 M	▲ 17%
Recurring Revenue	\$1.6 M	\$1.1 M	▲ 40%
Recurring Margin	\$0.7 M	\$0.5 M	▲ 32%

Mint completed a successful first half for FY20 with a recording breaking TTV of \$435M achieved, representing a 17% improvement over H1 FY19 (\$371M). The Travel vertical continues to be the driving force of this growth, increasing 19% over the pcp to \$304M (H1 FY19 \$255M). Supporting this was Mint's Indirect Channel which also represented well in the period, achieving 21% growth over pcp to \$82M (H1 FY19 \$68M).

Mint's recurring revenue was up 40% from the same time last year, hitting \$1.6M for H1 FY20 (H1 FY19 \$1.1M). Growth in revenues were primarily driven by Mint's improved take-rate which is in part down to the commercial arrangement with its new global acquirer. The improving unit economics reinforces the strategic decision for the partnership and works to further support opportunities in H2 FY20. Mint's recurring margin improved 32% to \$0.7M versus the same period last year (H1 FY19 \$0.5M).

Direct Channel Performance

	H1 FY20	H1 FY19	Growth %
Total Transaction Value	\$352 M	\$303 M	▲ 16%
Recurring Revenue	\$1.3 M	\$0.9 M	▲ 47%
Recurring Margin	\$0.4 M	\$0.3 M	▲ 46%

Mint's Direct Channel continues to grow successfully year over year, hitting \$352M in TTV for H1 FY20, representing a 16% increase over the pcp (H1 FY19 \$303M). Mint's core focus, Travel, increased its share of the Direct Channel TTV moving up 2% to 86% over H1 FY19. The focused efforts from a product and sales viewpoint have helped Mint to continue its strong trajectory and further entrench its position in this space, successfully growing to ~300 merchants in H1 FY20.

Recurring revenue from the Direct Channel grew 47% over the pcp to \$1.3M (H1 FY19 \$0.9M), Travel continues to be the driving force, achieving a 59% growth (H1 FY19 \$0.6M vs H1 FY20 \$0.9M). As previously highlighted, this was driven by Mint's partnership with its new global acquiring partner. The new platform enables Mint to onboard clients with greater speed and success than previously possible and simultaneously also provides improved margins, further supporting the growth of Mint's take-rate. Key metrics are expected to continue to improve over the second half of FY20 as Mint onboards new and existing merchants utilising the platform.

Mint is focusing its resources and plans on achieving deep integration with the travel vertical to realise strong returns from this sector. Delivering against Mint's strategic vision of a vertically focussed and integrated product offering will bring online additional revenue streams, improving Mint's take from every transaction. By integrating new payment products with our existing merchant services functions, we will further enhance Mints attractiveness to the market and in-turn increase the revenue capture from every interaction.

Indirect Channel Performance

	H1 FY20	H1 FY19	Growth %
Total Transaction Value	\$82 M	\$68 M	▲ 21%
Recurring Revenue	\$0.31 M	\$0.27 M	▲ 18%
Recurring Margin	\$0.31 M	\$0.27 M	▲ 18%

Mint's Indirect Channel achieved a solid TTV of \$82M for the first half of FY20, up 21% over the pcp (H1 FY19 \$68M). This result delivered recurring revenues of \$315K for the period, up 18% over the pcp (H1 FY19 \$267K). Major investment in platform development has been completed and Mint has now been able to shift these operations to a lower cost profile with a maintenance focus allowing Mint to maximise profitability from this channel. Mint's new payment product is in testing with its major partner and will allow Mint to targeting higher value and volume transacting merchants in the indirect channel in the future.

Outlook

Leveraging off the partnership with Mint's global acquirer, and other key partnerships, Mint expects to see growth in key metrics accelerate beyond the current run-rate / historical trends.

- + TTV to step up as Mint executes on its customer acquisition strategy over H2 FY20
- + Take-rate will improve as new and existing merchants are onboarded to higher yielding acquiring partner
- + Revenues increase as Mint's rich product road map begins to return additional revenue streams

Mint continues to run down its near-term growth targets which would see it achieving ~10% of the domestic SME Travel market. Alongside this, Mint continues to carry out due diligence on international travel markets with similar characteristics which provide further opportunity for expansion. Finally, Mint is still focused on achieving a positive cash-flow position in 2020.

Investor & Media Enquiries

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With a focus on Travel, Hospitality, On-The-Go and White-Label clients across Asia Pacific, Mint Payments offers a seamless, omni-channel payment suite that helps customers unlock profits, launch pioneering payment products, and enjoy more rewarding experiences. Online, in-store, in-app and beyond. Discover more at mintpayments.com

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