

# Quarterly Investor Briefing

iSignthis®

8<sup>th</sup> February 2019

## Presenters

John Karantzis, CEO

Todd Richards, CFO

James Cameron, CRO

*“ISX has now evolved into a wholesale neobank, differentiated by be unique in offering digital services to businesses in Australia and the EEA.”*



EEA Authorised  
EMI #115.1.3.17



BÖRSE  
FRANKFURT

ico.

PRINCIPAL  
MEMBER:

VISA



AGGREGATION  
PARTNER:



# Disclaimer

## Important Notice

This Presentation (Presentation) has been prepared and issued by iSignthis Ltd ABN 93 075 419 715 (ISX)

This Presentation must not be copied or distributed to other persons without the prior written consent of ISX, which may be given or withheld in its absolute discretion.

This document is not a prospectus and does not contain all of the information which would be required to be disclosed in a prospectus.

## Summary Information

The information contained in this Presentation is of a general nature and in summary form. Neither ISX (nor any of its respective officers, employees, related bodies corporate, affiliates, agents or advisers) guarantees or makes any representation or warranty, express or implied, as to, or takes responsibility for, the accuracy, or reliability of the information contained in this document. ISX does not represent or warrant that this document is complete or that it contains all material information about ISX or which a prospective investor or purchaser may require in evaluating a possible investment in ISX or acquisition of ISX shares.

It is not intended to be relied upon as advice to investors or potential investors, and does not contain all information relevant or necessary for an investment decision or that would be required in a prospectus prepared in accordance with the Corporations Act.

Statements in this Presentation are made only as of the date of this Presentation unless otherwise stated and information in this Presentation remains subject to change without notice.

## Not an Offer

This Presentation is not a prospectus, disclosure document, product disclosure statement or other offering document under Australian law and does not constitute an invitation to subscribe for or buy any shares in ISX, including in any jurisdiction in which it would be unlawful, or a solicitation to engage in or refrain from engaging in any transaction.

## Not investment advice or a recommendation

This Presentation does not constitute investment or financial product advice, nor is it a recommendation to acquire shares in ISX. It is not intended to be used as the basis for making a financial decision, nor is it intended to constitute legal, tax, accounting or other advice. In particular, this Presentation is not intended to be relied upon as advice to any person and does not take into account the financial situation, objectives or needs of any person. This Presentation may not be relied on to make an investment or other financial decision, and you should make your own assessment and take independent professional advice in relation to the information, before making any investment decision in relation to ISX.

## Financial amounts

All dollar values are in Australian Dollars (A\$) and financial data is presented as at the date of this presentation unless stated otherwise. ISX's results are reported under Australian International Financial Reporting Standards, or AIFRS.

## Future performance

This Presentation contains certain 'forward looking statements' including statements regarding or based on ISX's current belief, intent, assumptions or expectations with respect to the financial condition and performance, results and operations, business plans and objectives or management, capital adequacy, risk management practices and specific or general provisions.

Forward looking statements can generally be identified by the use of forward looking words such as 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'will', 'could', 'may', 'target', 'plan' and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on future earnings, distributions or financial position or performance are also forward looking statements. The forward looking statements contained in this Presentation involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of ISX, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

There can be no assurance that actual outcomes will not differ materially from these forward-looking statements.

## Disclaimer

No party other than ISX has authorised or caused the issue, lodgement, submission, dispatch or provision of this Presentation, or takes any responsibility for, or makes or purports to make any statements, representations or undertakings in this Presentation. Any information or representations not contained in this Presentation may not be relied upon as having been authorised by ISX.

Nothing contained in this document nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or future. Past performance information given in this document is given for illustrative purposes only and should not be relied upon as (and is not) any indication of future performance.

To the maximum extent permitted by law, ISX, officers, employees, agents and advisers disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of this presentation being inaccurate or due to information being omitted from this Presentation, whether by way of negligence or otherwise, make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of the information in this Presentation.

The information in this Presentation remains subject to change without notice.

# iSignthis Ltd

**We are a leading business focused neobank, with payments, eMoney, deposit taking and identity capabilities**, publicly listed on the Australian Securities and Frankfurt Stock Exchange (ASX : ISX | DE\_FRA : TA8).

As a neobank, we are authorised as a EEA authorised Monetary Financial and Payment Institution, with license to accept deposits, issue emoney, bank accounts, and operate transactional banking services across Europe and, soon, Australia.

We provide services to cross border, regulated and high value businesses, that includes a complete customer onboarding solution, from **remote identity verification, credit scoring to payment processing, settlement, spot FX and deposit taking** services.

Our patented Paydentity™, Probanx® and ISXPay® platforms, built inhouse, make all this possible, and we have identified more than 1.5m consumers to a full AML KYC standard.

Probanx.com supplies core banking software to more than 15 banks in North America, Asia Pacific and the EU/EEA, and to ISX in Australia.

***We are the only ASX listed, EEA Authorised, transactional neobank***

# iSignthis Limited (ASX: ISX / DE : TA8) SWIFT / BIC : ISEMCY22

Australia's only ASX listed RegTech and Eurosystem authorised Monetary Financial Institution.

iSignthis has a patented identity verification technology, linked with payment processing and payment facilitation capability, converging payments and identity into our Payidentity™ service.

With an increasing European customer focus, we have now cross listed on the Frankfurt Stock Exchange (FSE).

## Capital structure - ASX

Ordinary shares - quoted on ASX	1,076,923,554
Performance Rights – staff	4,604,834
<b>Total Shares – incl Perf/shrs</b>	<b>1,081,528,388</b>
<i>Unlisted advisor options (various expiry and strike prices )</i>	<i>14,652,631</i>
Share price (7 <sup>th</sup> February 2019)	A\$0.17/share
Market capitalisation	A\$184m

## Share Price Chart – past 12 months



Source : ASX

# iSignthis Ltd – European Regulatory & Scheme Status



CENTRAL BANK OF CYPRUS  
EUROSYSTEM



LIETUVOS BANKAS  
EURO SISTEMA

eMoney and Payment Services authorisation granted March 2017.  
Passported to all EEA member states. Central Banking + issue of IBAN's.



Finalising submissions for use of Company's patented solutions for September 2019 PSD2 Strong Customer Authentication mandate. Further unique advantages to be exploited for additional revenue streams.



european cards stakeholders group

Voting Board member of the <https://www.e-csg.eu/about>



Single Euro Payments Area

Scheme participant alongside 4300 other interconnected EEA banks



Scheme participant with SWIFT BIC ISEMCY22XXX.

# iSignthis Ltd – Australian ADI application Update



Licensing as an ADI anticipated early Q2



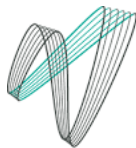
**ASIC**  
Australian Securities &  
Investments Commission

AFSL application lodged August. Expecting comments imminently ex ASIC.



**RESERVE BANK OF AUSTRALIA**

Exchange settlement Account (ESA) anticipated Q2.



Australian  
**Payments Network**  
Connect Inspire Thrive

Discussions underway re membership & access to core payments systems (BECS + BSB allocation)



**afca**  
Australian Financial  
Complaints Authority

Member.

# We have developed significant payment capabilities

## A principal member of:

- Visa
- Mastercard
- JCB
- CUP/UIP
- AMEX
- Diners Club
- Discover



As we move towards finalising ChinaUnionPay, Amex, Diners and Discover technical integrations, iSignthis will have a world class card payment channel capability, that boasts not only being more extensive than Australia's Big 4 banks, but is comparable to card payment channel capability offered by the world's largest banks.

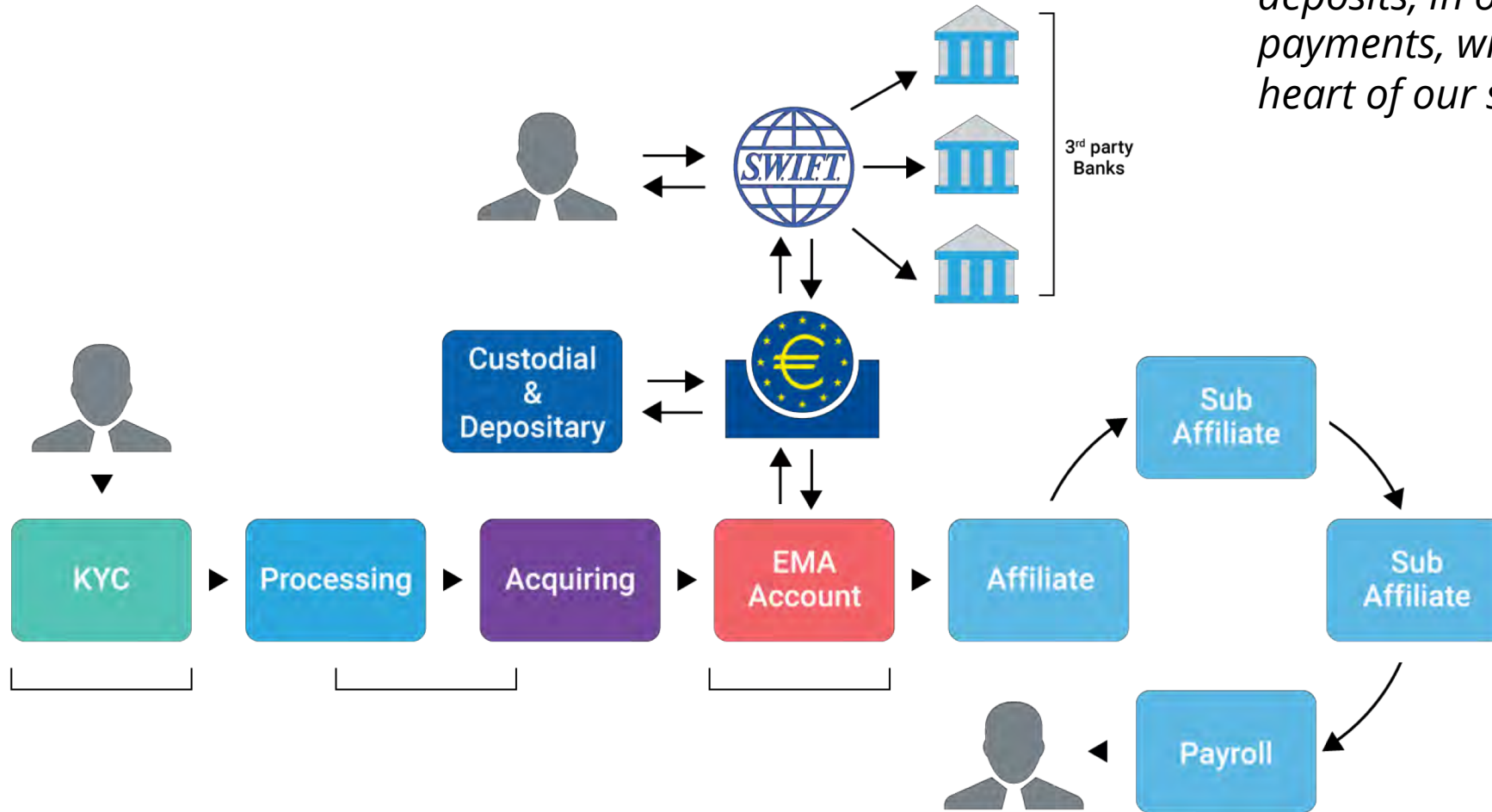
## Bank to Bank Capabilities

- SWIFT
- SEPA CT
- SEPA DD
- SEPA B2B
- SEPA Instant
- EFT
- BPAY



# What do we do?

*“We process payments and take deposits, in order to fund future payments, with Paydentity at the heart of our service”*



PRINCIPAL MEMBER





# What's unique about \$ISX?

**Onboarding speed and reach is critical.** Paydentity provide a means for banked/financially included customers to be 'passported' to other financial services. Paydentity can reach, identify, verify and take payment at the same time from 4.2bn persons, or 69% of the worlds population. A poor onboarding process can deter more than 80% of prospective customers, especially when regulatory requirements such as AML/CFT Know Your Customer apply.

**Speed to checkout and payment choice are critical too.** ISXPay is at least as good as the best globally, and way better than any other Australian Bank. ISXPay has reached terms with all the major card schemes in the EU and/or Australia, including Visa, Mastercard, China UnionPay, Diners, Discover, JCB, and American Express, as well as a number of alternative payment methods (APM's).

**Speed to payout** is emerging as the next most important aspect for the customers of our financial services merchants. The ability to move funds quickly and to a variety of destination accounts is a critical selling point for merchants to their customers.

**Serious Multi-currency choice** – we offer between 16-23 currencies natively to our merchants, such that they can accept and we will settle in many of the worlds most popular currencies (with some exotics!)

**Deposit taking capability**, IBAN accounts, zero credit risk facilities with Eurosystem Authorised central banking. Use of IBAN account to link all the above services via a customer.

**Multi Region Capabilities** – our customers primarily operate in the UK, the EEA and Australia. ISX is positioned to offer solutions via a single relationship and technical integration.

**Our own technology** : We've researched, patented, designed and developed our own key platforms inhouse. We can leverage our products to maximise our opportunities, without paying royalties & fees for core services.

# Probanx Information Systems Ltd

A recent acquisition of Probanx, a leading provider in cloud computing, serving financial institutions by offering a **complete banking software solution** through leasing and licensing.



Corporate Banking



Retail Banking



Payment Institutions



Private Banking



Electronic Money Institutions

With more than **18 years of operations**, Probanx currently supplies core banking software to 15 banks across the **EMEA, APEC and ANZ**.



EBIT Target Contribution FY/CY 2019 > \$300k

## iSignthis Group Guidance

- **Card Processing/ Acquiring** : announced \$880m of contracts, to be processed during CY2019, at an estimated *average* GP margin >100bps (MSF%). GPTV is expected to recur annually and grow with new merchants and increased GPTV for each merchant.
- **eMoney accounts (EMA)** : applications received for in excess of \$300m of transactional accounts, with an *average* GP margin of 100bps (EMA%)
- **Other Revenue Streams** : include Paydentity, Probanx, fixed fees, set up charges, transfer fees, FX fees
- **CY/FY2019 EBIT Target : AUD \$10.7m** (existing contracts/ based on customer due diligence)



Thank you

John Karantzis, CEO

iSignthis (ASX : ISX | DE\_FRA : TA8)

e: [investors@isignthis.com](mailto:investors@isignthis.com)

iSignthis<sup>®</sup>