

# Novatti

## Annual General Meeting Presentation

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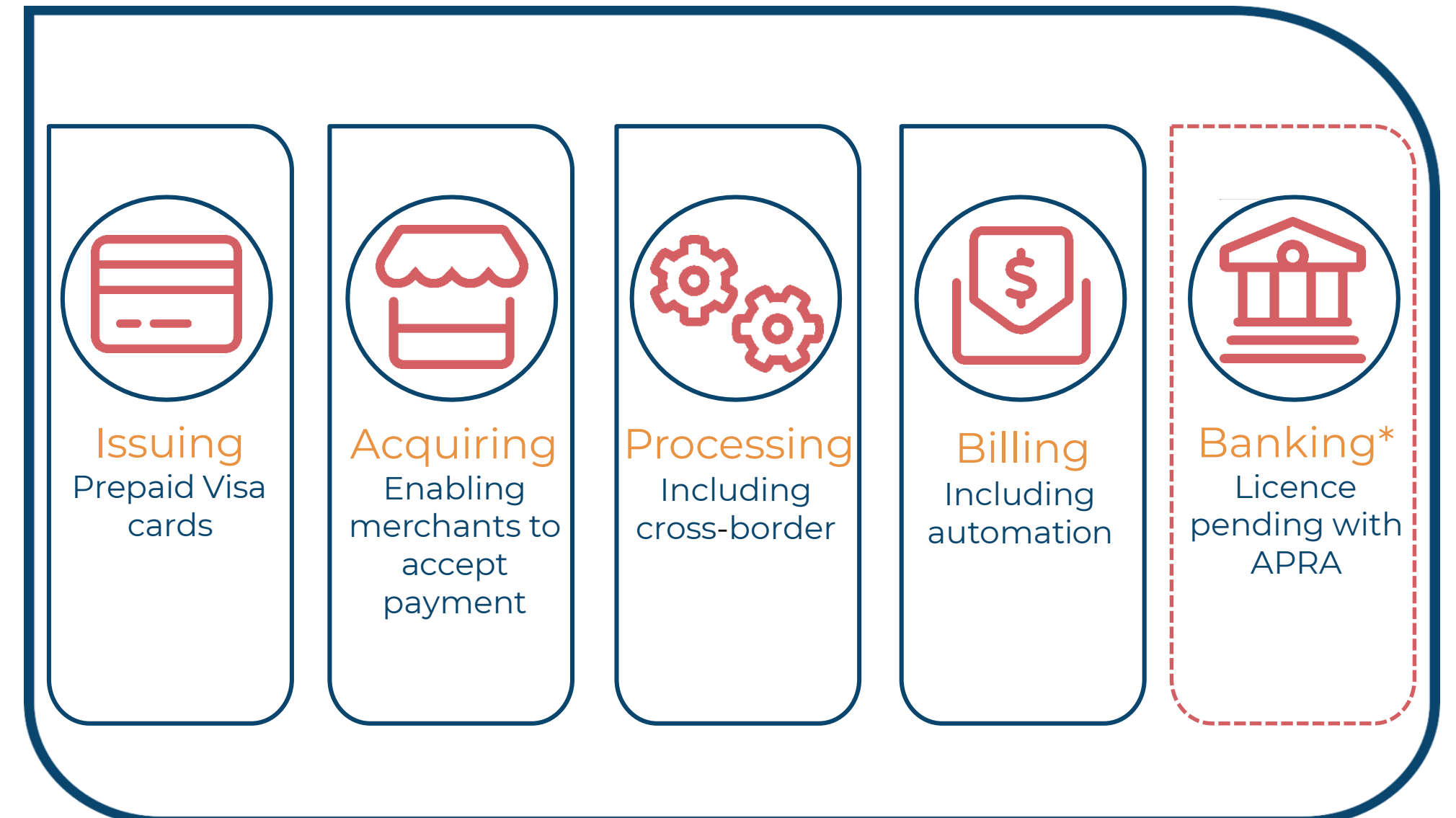


Novatti enables businesses to **pay and be paid**, from any device, anywhere. From corner stores and startups to global organisations, our solutions will unlock your ambitions.

# 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\*

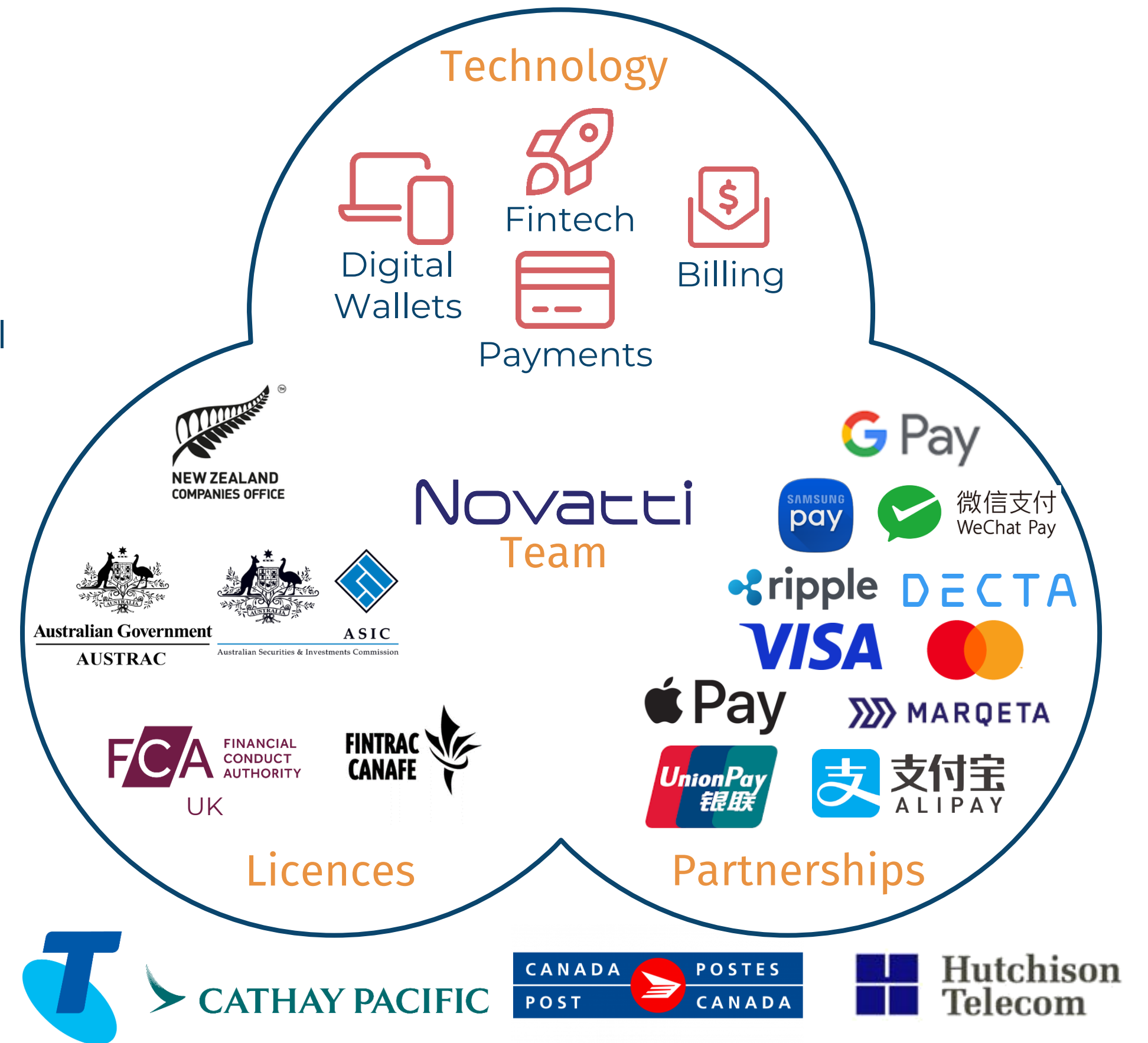


\*Licence pending with APRA

# 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

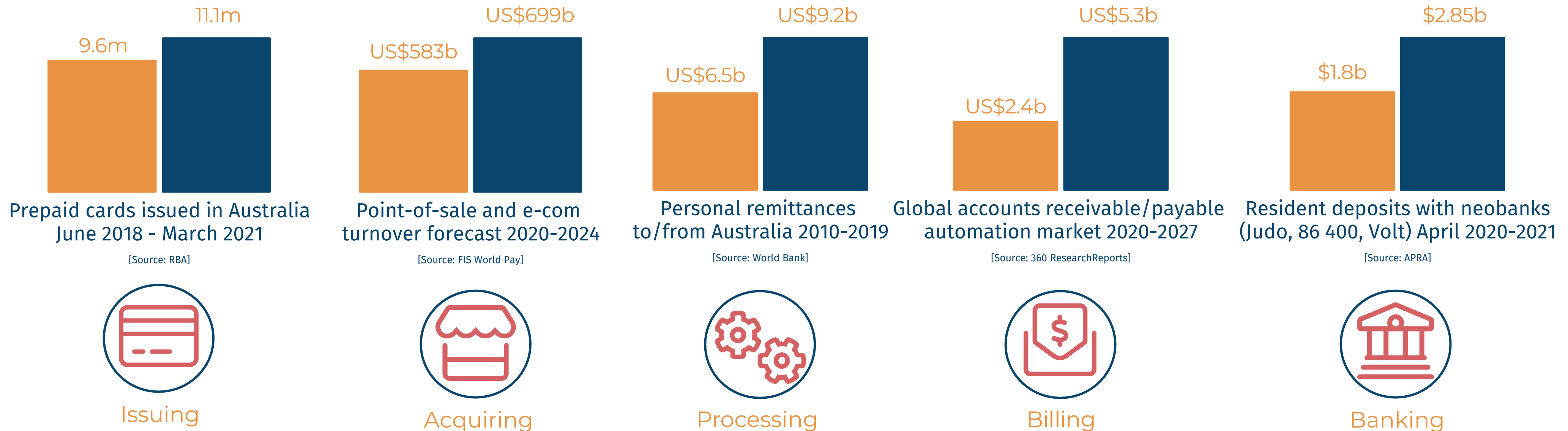
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# Supported by key market growth

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Seeing strong growth across key markets:



# FY21 – new growth strategy

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- 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



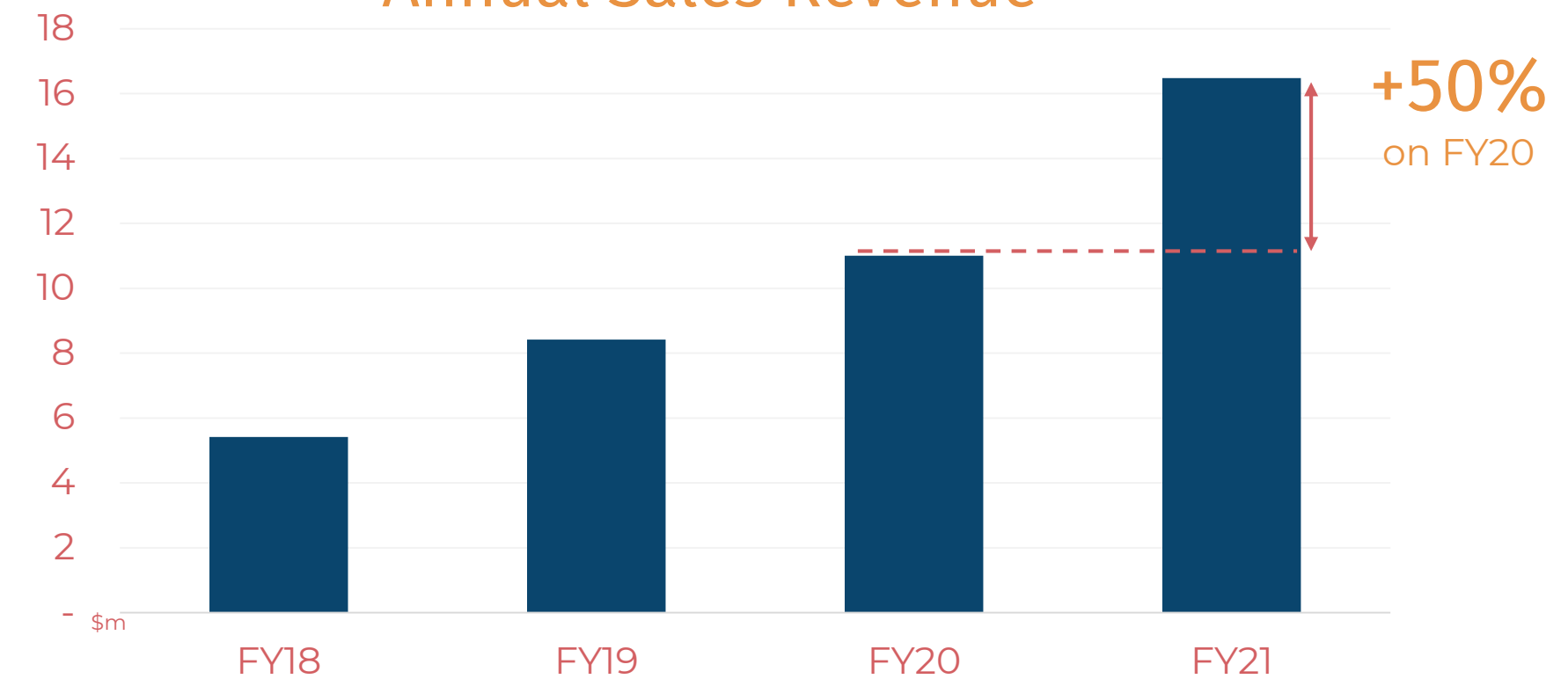
Emersion launched in US

# FY21 – record results

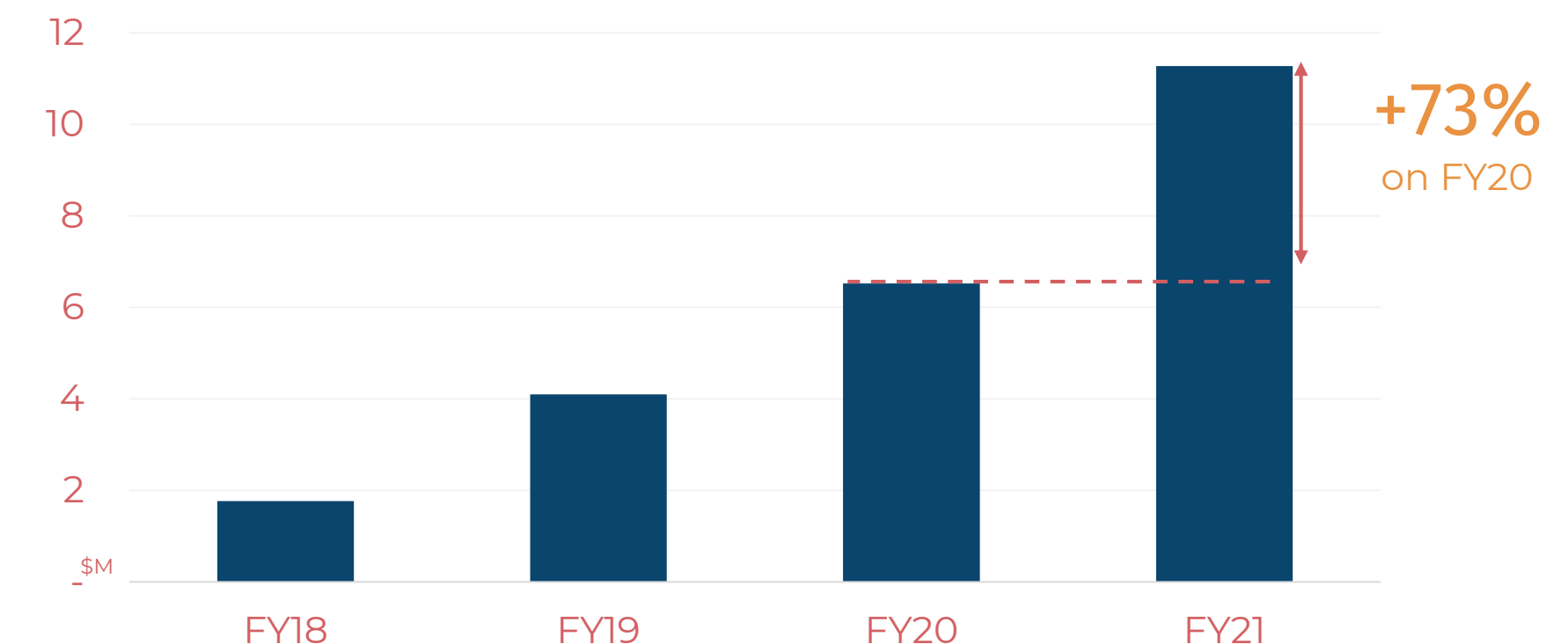
- FY21 saw Novatti's **strongest ever** revenue results
- Annual sales revenue grew 50% to \$16.5m
- Annual processing sales revenue grew 73% to nearly \$11.3m
- Total annual revenue grew 55% to \$18.4m
- Growth in annual sales revenue now averaged 45% across past 3 years, highlighting consistent growth

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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



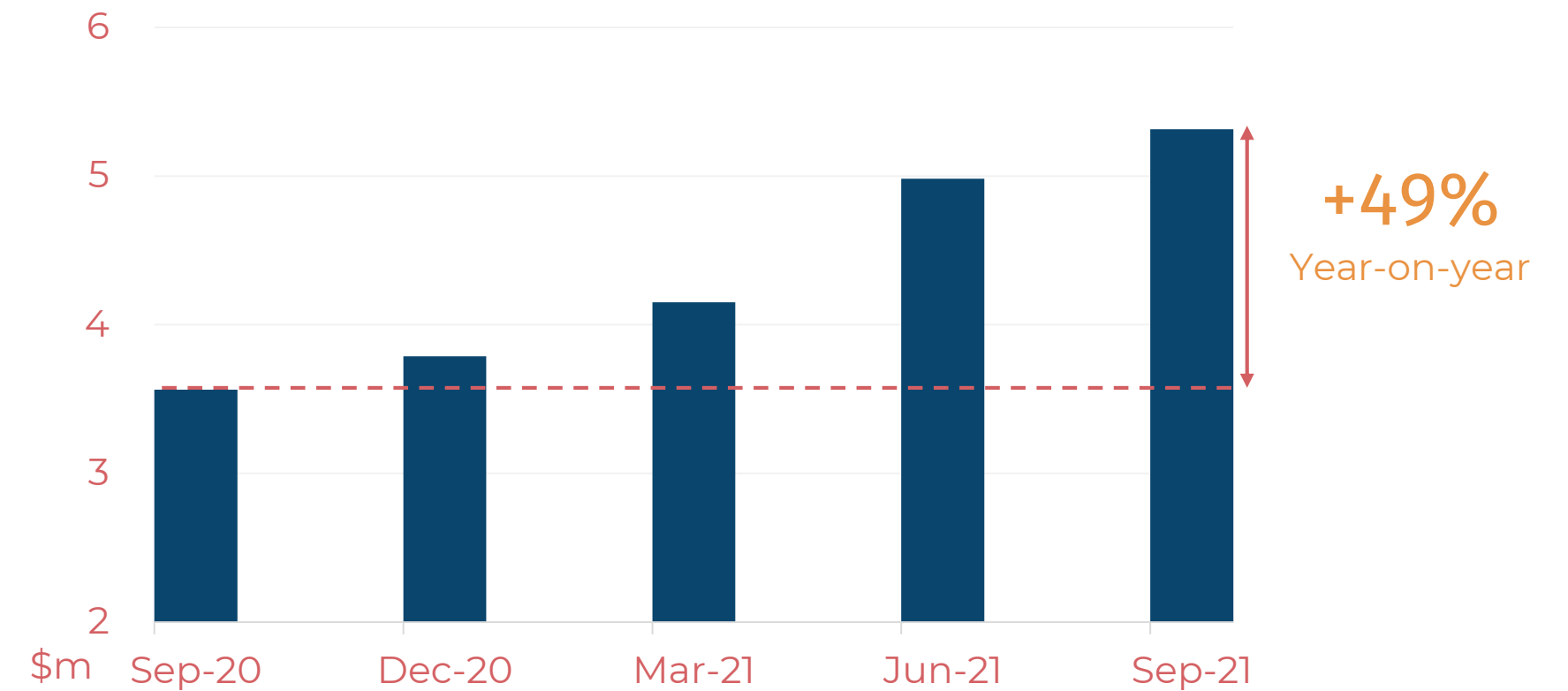
## Strategic Reckon investment

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

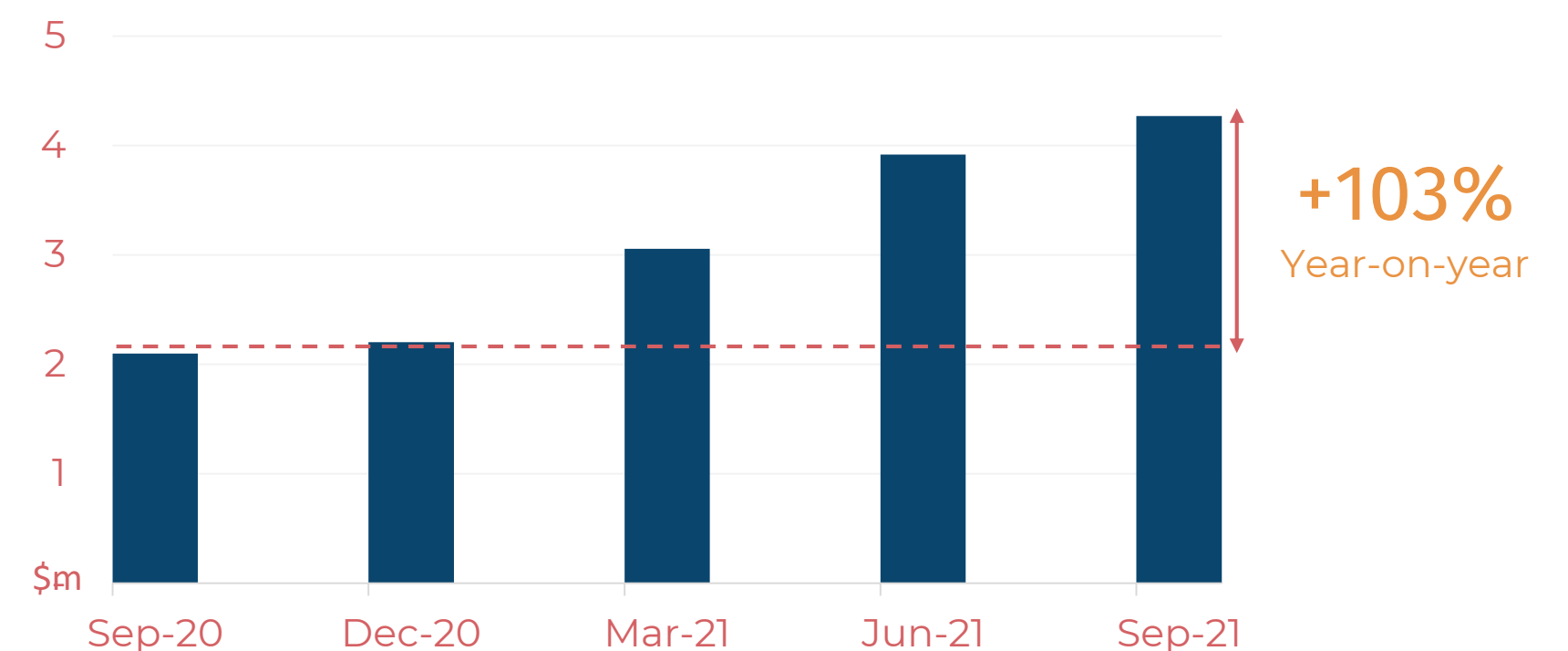
# FY22 – continued strong growth\*

- 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.

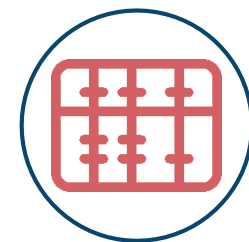
# Acquisition of ATX

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- 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 Revenue<sup>1</sup>



**\$0.6m**  
FY21 EBITDA<sup>1</sup>



**2.8X**  
Valuation multiple<sup>2</sup>



**10k+**  
Agents<sup>3</sup>



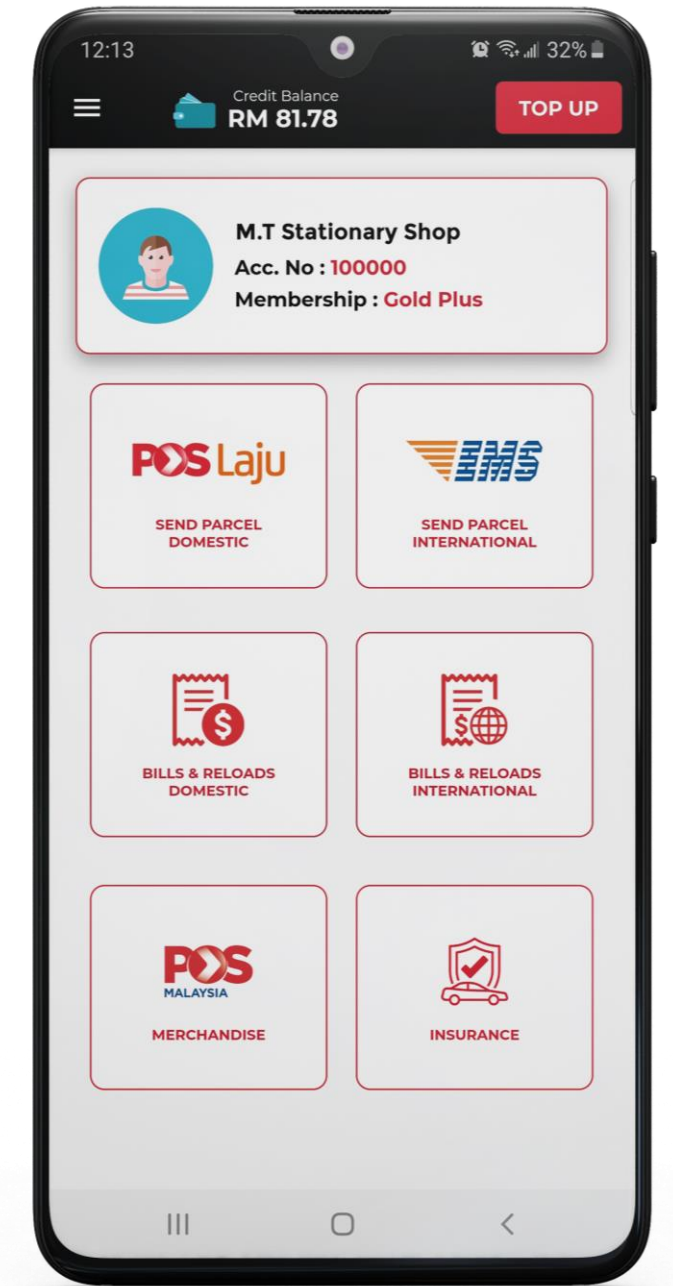
**30k+**  
Touch Points in Malaysia<sup>3</sup>



**6 years**  
Existing partnership with Novatti



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.

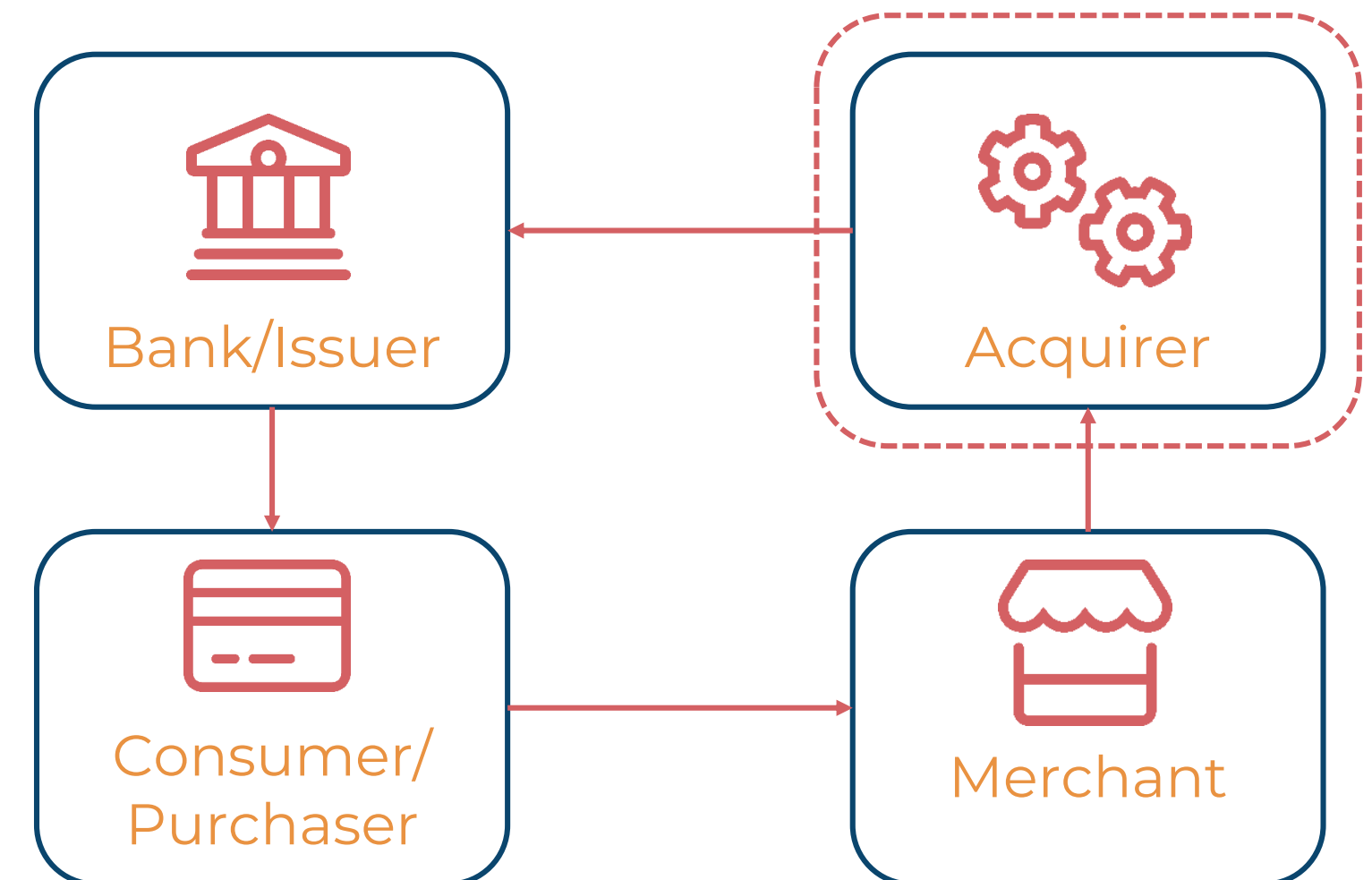
2. Valuation multiple based on normalised annual revenue.

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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