

FY2020 Financial Results and Outlook

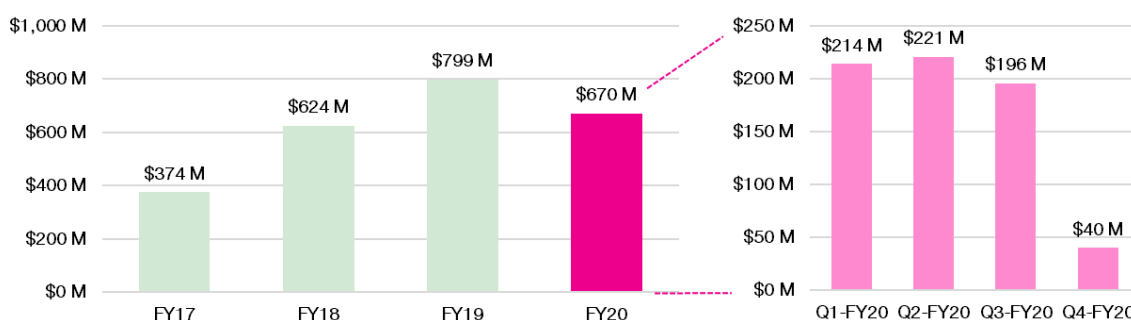
Sydney, 31 August 2020: Mint Payment (ASX: MNW) (Mint or the Company) today released its full-year results for the financial year ended 30 June 2020

HEADLINES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

- + Strong growth in the Company's core direct travel payments vertical prior to the onset of COVID-19.
- + Despite recent improvements due to the easing of travel restrictions, COVID-19 continues to have a material effect on TTV and revenues across all verticals.
- + While transaction volumes remain low, the Company has a clear focus on growing its merchant base, a range of initiatives to increase share of wallet, and new industry verticals where its payments platform has a unique competitive advantage.
- + Subsequent to FY20, Mint raised \$3.45m and will be delisted September 2020 from the ASX in order to align its corporate structure with its medium to long term objectives.

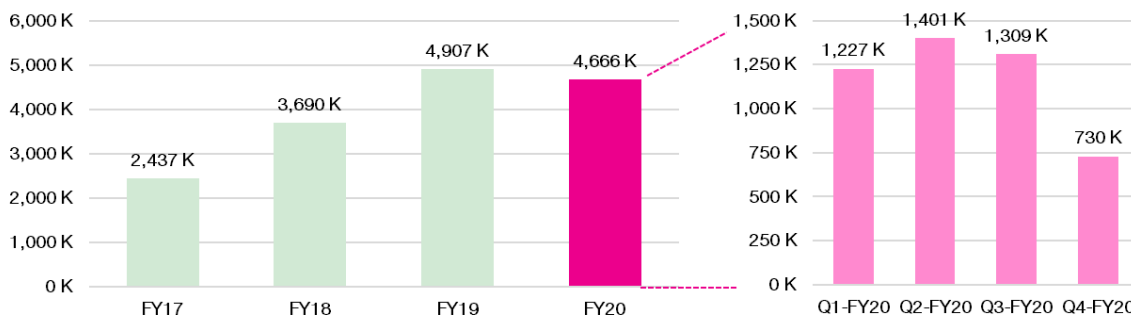
KEY OPERATING METRICS

TRANSACTION VALUE



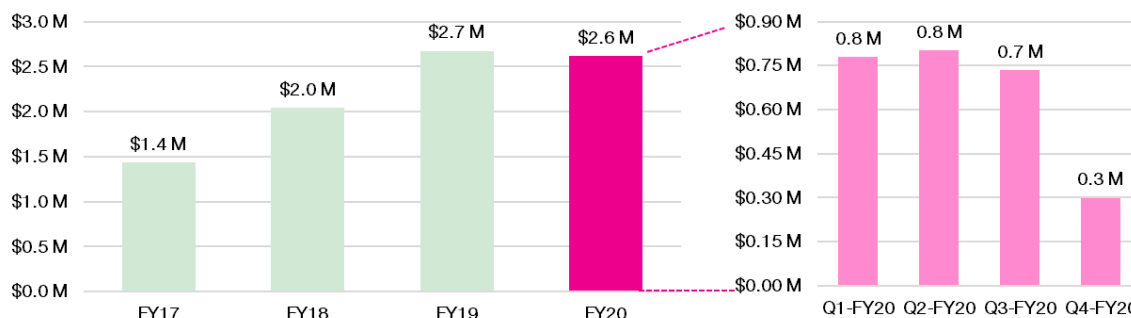
- + Pre-covid impacted H1'FY20 transaction values were up 17% versus H1'FY19 and the second quarter FY20 was up 23% versus Q2'FY19

TRANSACTION VOLUME



- + Pre-covid impacted H1'FY20 transaction volumes were up 11% versus H1'FY19 and the second quarter FY20 was up 29% versus Q2'FY19

RECURRING REVENUE



- + Pre-covid impacted H1'FY20 recurring revenues were up 40% versus H1'FY19 and the second quarter FY20 was up 48% versus Q2'FY19

OPERATIONAL HIGHLIGHTS

- + In November 2019, Mint successfully integrated with a new global payments and acquiring partner enabling full end-to-end provisioning capability for its customers on significantly improved financial terms.
- + The integration was an important milestone in the development of Mint's market-leading SME travel payments offering and was followed by an increase in sales efforts to capture a 10% share of an \$11 billion market.
- + In the lead up to Q3 FY20, Mint experienced strong momentum in its travel vertical which was the main contributor to overall TTV growth in the first half of the year. However, once the Global Pandemic took hold, the Company experienced material declines in TTV and revenues across all channels and regions.
- + As a result, Mint successfully implemented a company-wide cost reduction programme, reducing operating expenses by c.30%, helping it navigate the challenging trading period to follow. In conjunction with this, Mint secured an additional \$1m in funding from major shareholder and existing lender, Roadhound Electronics.
- + Over the final quarter of FY20 the Company continued to develop its payment platform with a focus on delivering new products that further enhanced Mint's value proposition whilst simultaneously increasing retention and share of wallet for each transaction processed.
- + Shortly after the close of FY20, the Company successfully raised \$3.45m in funding which was heavily supported by the major shareholders. Proceeds from the Entitlement Offer will fund the Company's continued roll out of its core payments platform in Australia and New Zealand, support growth initiatives through investment in sales and marketing, and help drive forward launch of new payment types, methods and financial services that can be applied throughout the supply chain.
- + On the 21st August 2020, Shareholders voted overwhelming in support of delisting with the process set to complete by 21st September 2020. Delisting is likely to unlock the potential for greater flexibility for Mint to progress future funding alternatives and strategic transactions as an unlisted entity, particularly in the M&A space.

FINANCIAL RESULTS FOR THE FULL YEAR (FY2020)

	FY20	FY19	%
Recurring revenues	\$2.6m	\$2.7m	-2%
Non-recurring revenues	\$0.2m	\$1.2m	-83%
Grants & Other Income	\$0.9m	\$1.0m	-10%
Total Revenue	\$3.7m	\$4.9m	-24%
Profit / (Loss) from Ordinary Activities	(\$4.5m)	(\$4.4m)	-2%

- + Prior to the impact of COVID-19, the Company's recurring revenue was achieving 40% YoY growth (H1'20 Vs. H1'19) and 48% QoQ (Q2'20 Vs. Q2'19), evidentiary of the effort and focus the Company had put in to growing this revenue stream.
- + However following the onset of the global pandemic, transactions and recurring revenues were severely impacted, resulting in a 2% decrease in recurring revenues to \$2.6m for FY20 and an 83% decrease in one off non-recurring revenues (excl. R&D grant) to \$0.2m over the previous financial year.
- + Reported loss from ordinary activities was \$4.5m, which was a 2% increase from the previous financial year and is evidence of the challenge COVID-19 presented in FY20. The Company successfully initiated its cost reduction program at the outset of the global pandemic to best mitigate the deterioration of this metric. The changes will continue to benefit the Company as it operates on a lower cost base moving forward.

OUTLOOK

The focus in FY21 is on a range of initiatives to ensure Mint comes out of COVID-19 in a strong position financially and continues to make progress on its goal of obtaining 10% market share of the \$11b SME travel payments industry. Key initiatives include:

Partnerships

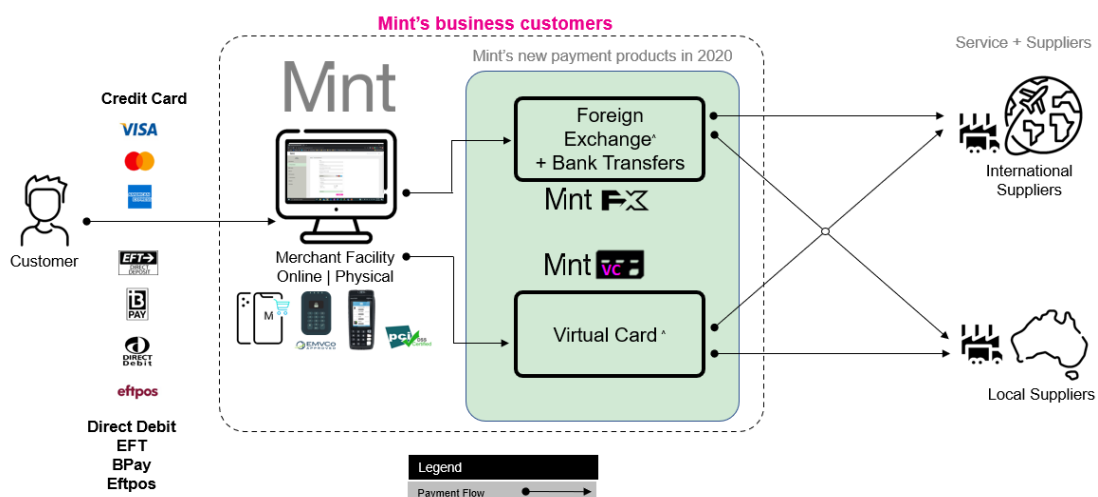
- + Mint successfully signed its partnership with CVFR Travel. The deal is a five-year supply and distribution agreement to deliver a co-branded integrated payments solution to CVFR's 700+ merchants. Development and integration (through Mint's suite of APIs) is currently underway and the co-branded Mint and CVFR solution is targeted for launch across Australia by the end of Q2 FY21.
- + Mint is in advanced discussions with a number of other new corporate customers and distribution partners with the intention to license and utilise Mint's payment solutions across its supply chain.
- + New partnerships and customers will allow Mint to capture new TTV and recurring revenues from new verticals and the travel industry as it recovers

Verticals

- + Mint will apply its technology platform to industry verticals where its payments platform has a unique competitive advantage. Deep immersion in verticals enables Mint to identify nuances in both the needs of the merchant and the supply chain Mint is initially targeting payment solutions for the wholesale trade, online retail and services industries.

Products

- + In Q2 FY21 Mint will be launching new products to enable its customer base to pay suppliers (in addition to meeting their acquiring requirements), firstly with bank transfer and direct debit payment capabilities, quickly followed by a highly competitive foreign exchange (FX) product to pay overseas suppliers and a virtual card product (See below)



- + The new product launches will enable Mint to capture a larger share of wallet and add new revenue margin opportunities across its customer base

Corporate

- + In September 2020 Mint will delist from the ASX and will become a public, unlisted company.
- + Shareholders can expect audited half year and yearly accounts as well as regular, quarterly updates.
- + Delisting will enable Mint to focus on new strategic options, particularly in the M&A space which will also be a focus for the Company in FY21.