

## FY2019 HALF YEAR RESULTS – MINT DIRECT CONTINUES TO DRIVE STRONG GROWTH

### HIGHLIGHTS:

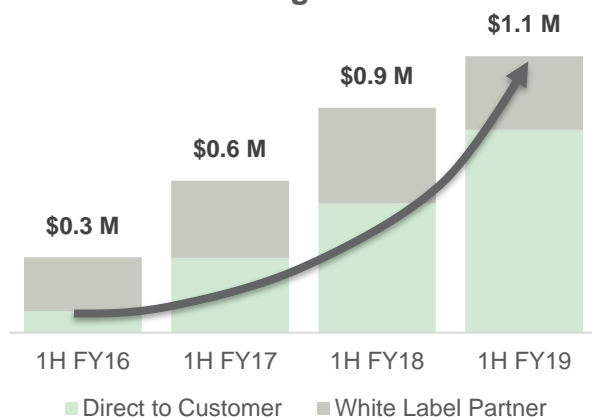
- Total recurring revenues grew by 23% on the prior year to \$1.13M
  - Recurring revenues from Mint Direct grew by 57% to \$829K
  - Growth in Mint Direct driven largely from the Travel vertical
- Total transaction values (TTV) grew by 32% to \$370.8M
  - Mint Direct transaction values increased by 34% to \$296.7m
- Total active users grew by 9% to 21K users
  - Growth in Mint Direct increased by 28%
- Unveiled a bold new brand and vision believing the future of payments is more rewarding with Mint
  - New website and new pricing plans launched that will drive higher merchant acquisition
  - Launched partnership with Velocity Frequent Flyer
- Bank of New Zealand (BNZ) places a material order for a new Mint product, paving the way for larger merchants and committing to Mint as a key payments partner
- NETS launched in Singapore and committed to an active rollout across their install base of users

**Sydney, AUS, Wednesday 27 February 2019:** Mint Payments Limited (ASX: MNW) today released its results for the half year ended 31 December 2018. The Company continued to perform well during the half year; with growth in all of the Company's key financial and operational metrics.

### **KEY OPERATING METRICS:**

In 1H FY19, Mint has over 21,000 active users connected to the Mint platform, transacting over \$371M.

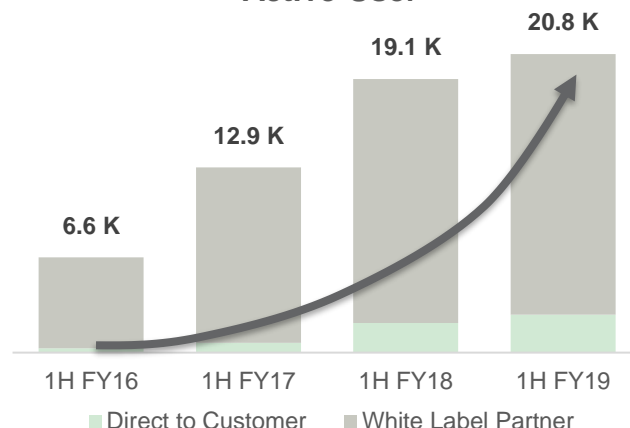
## Recurring Revenue



Recurring revenues **increased by 23%** from previous corresponding half year.

- Excluding the impact of the MYOB monthly licence fee in 2018, recurring revenues **increased by 41%** from previous corresponding half year.

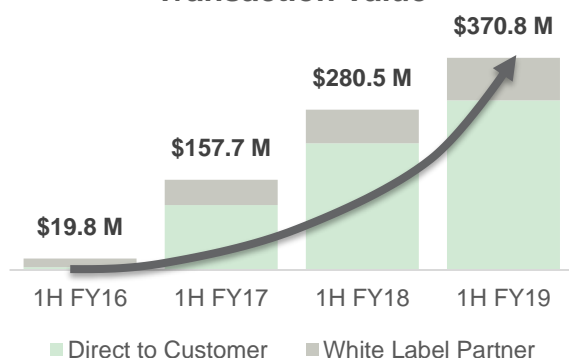
## Active User



Active user base **increased by 9%** from previous corresponding half year.

- Direct to Customer **increased by 28%** from previous corresponding half year.
- White Label Partner **increased by 7%** from previous corresponding half year.

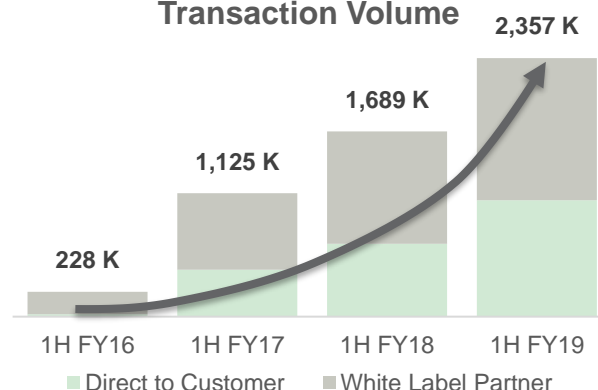
## Transaction Value



Transaction values **increased by 32%** from previous corresponding half year.

- Direct to Customer **increased by 34%** from previous corresponding half year.
- White Label Partner **increased by 26%** from previous corresponding half year.

## Transaction Volume



Transaction volume **increased by 40%** from previous corresponding half year.

- Direct to Customer **increased by 60%** from previous corresponding half year.
- White Label Partner **increased by 26%** from previous corresponding half year.

## 1HFY19 OPERATIONAL & FINANCIAL RESULTS UPDATE:

	1H FY19	1H FY18	%
Recurring Revenues	\$1.13M	\$0.92M	23%
Non-recurring Revenues	\$0.88M	\$1.25M	(30%)
<b>Revenue</b>	<b>\$2.01M</b>	<b>\$2.17M</b>	<b>(7%)</b>
<b>Profit/(Loss) from ordinary activities</b>	<b>(\$2.27M)</b>	<b>(\$2.59M)</b>	<b>13%</b>

- The Company saw a **23% increase in recurring revenues to \$1.13M** compared to the previous corresponding year. As previously announced, the Company as part of the subsequent contract term with MYOB (Australia) will continue to transaction revenue share but will not earn a monthly licence fee that has an impact on recurring revenues. If we exclude the MYOB (Australia) monthly licence fee in FY18, recurring revenues compared to previous corresponding half year actually **increased by 41%**.

### Mint Direct

- Following the Company's announcement in April 2018, that it would increase its focus on its Direct-to-Customer offering, the Company commissioned a strategic deep-dive into the unmet needs and drivers of customers across its key verticals, including Hospitality, Travel, Retail and On-The-Go businesses. The work resulted in a new vision to create a different kind of payment experience – one that **rewards customers**, not just their business. As a result, Mint successfully launched a new brand, website and pricing plans with the goal of driving higher merchant acquisition across targeted industry verticals, like the Travel industry.
- The Company is pleased to see the investment in its **Mint Direct** to customer channel performing exceptionally well with the growth in recurring revenues from this channel **increasing by 57%** this half year. This has largely been attributed to Mint's focus in the Travel vertical, which **increased by 61%** this half year.
- Complementing Mint's focus in the Travel vertical is the entry into a new strategic partnership agreement with **Velocity Frequent Flyer**, the frequent flyer program of Virgin Australia. Through this partnership, Mint and Velocity will enable all participating merchants to earn Velocity Frequent Flyer Points on all eligible card transactions. Velocity will commence marketing our partnership to their 1 million active users from March 2019.

### Bank of New Zealand (BNZ)

- During the half year, the Company is pleased to announce that it has secured a material order for a new payment product that will be delivered to BNZ this financial year. This follows several months of strategic planning with BNZ to ensure that it remains at the forefront of payments innovation in the New Zealand market.
- With the current payment product supplied to BNZ targeting micro to small business customers, the Company looks forward to bringing this new range of payment solutions to market, which will significantly broaden the opportunity for Mint's payment products to be used across the high value and volume transacting merchants throughout the Bank's 120,000 business customers.
- The launch of this new, innovative payment product by BNZ into the New Zealand market will drive further growth in recurring revenues and transaction values to the Company from this channel.



#### **NETS (Singapore)**

- NETS has commenced selling the Mint white-labelled payment solution as a **Unified POS (uPOS)** – where one terminal will be able to accept all payment types in Singapore. Initial pilot results has been positive with over \$1M in transaction values being processed in Singapore. The Company remains positive on the medium term opportunities in Asia, driven by the regulatory changes occurring in the market as well as the significant coverage and presence of partners like NETS.
- NETS is increasing investment in their sales & marketing to increase sales of their Mint white-labelled payment solution in Singapore now that the certification and implementation of the product is complete. We expect the sales in Singapore continue to ramp up; with NETS targeting all sized merchants in Singapore.

#### **Financial and Funding Update**

- While total revenue was down by 7%, this was impacted mainly by the decrease in non-recurring revenues. Non-recurring revenues decreased by 30%, largely due to a decrease in R&D revenues. While R&D remains important, it is not expected to be as significant as it was when the Company first commercialised its platform.
- Reported loss from ordinary activities was \$2.27M, which is **better by 13%** compared to prior year corresponding period, despite the decrease in overall revenues. This is, in part, is due to the increase in recurring revenues and cost savings that were implemented.
- At the end of February 2019, available cash and equivalents was **\$4.3M**.

#### **OUTLOOK:**

The Company reported solid growth across all our key operating metrics this half year and remains well positioned to continue its expansion into the rest of the calendar year to reach its goal of continued revenue growth and cash flow positive. This growth will be fueled and further supported by:

- Investing in Mint Direct to customer acquisition of high value transacting merchants focused on the highly lucrative Travel vertical, which Mint has a strong brand presence in;
- Continuing to support the implementation of a new payments product that will be launched in New Zealand this year;
- Significant enterprise retailers live and transacting on the Mint white-labelled platform in Asia through NETS in Singapore; and
- A very healthy pipeline at the end of the half, and the Company looks forward to announcing a number of major partnerships in the coming months.

**ENDS**

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**About Mint Payments**

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 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\*\*](https://mintpayments.com)