



Digitising Cash

July 2016

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Novatti Group Overview



What Do We Do?

Digitise Cash



Provide technologies and products to enable the move to digital cash



Enable governments, enterprises & consumers to move to mobile financial services



Give non-financial companies new income streams



Reduce risk of fraud



Partner with global strategic stakeholders or acquisition opportunities



Empower the global trend towards cashless society



Give financial institutions the ability to expand their offering, and acquire new market segments at a low cost



Novatti Group Limited (ASX:NOV)



Novatti Platforms

Provide innovative client platforms for mobile banking, remittances, digital wallets, etc.

Strong growth
in current
revenue



Novatti Transaction Services

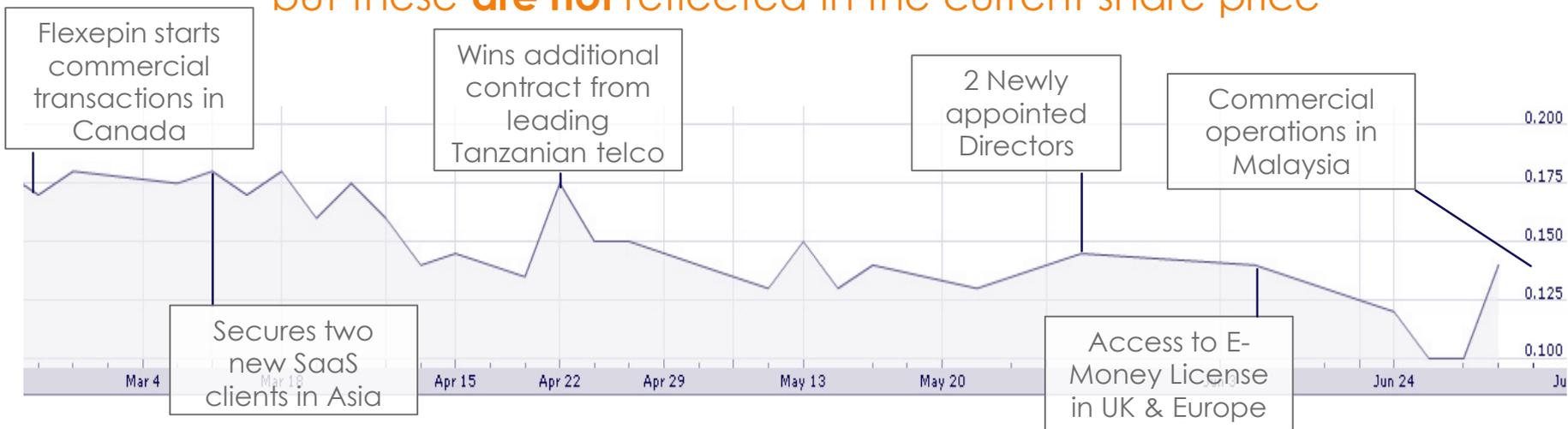
Transaction services for remittance, eVouchers, bill payments, etc.

Growing
blue sky
opportunities



Novatti Group – Corporate Snapshot

Novatti has achieved a number of commercial milestones since listing but these **are not** reflected in the current share price



Key Statistics 12 July 2016

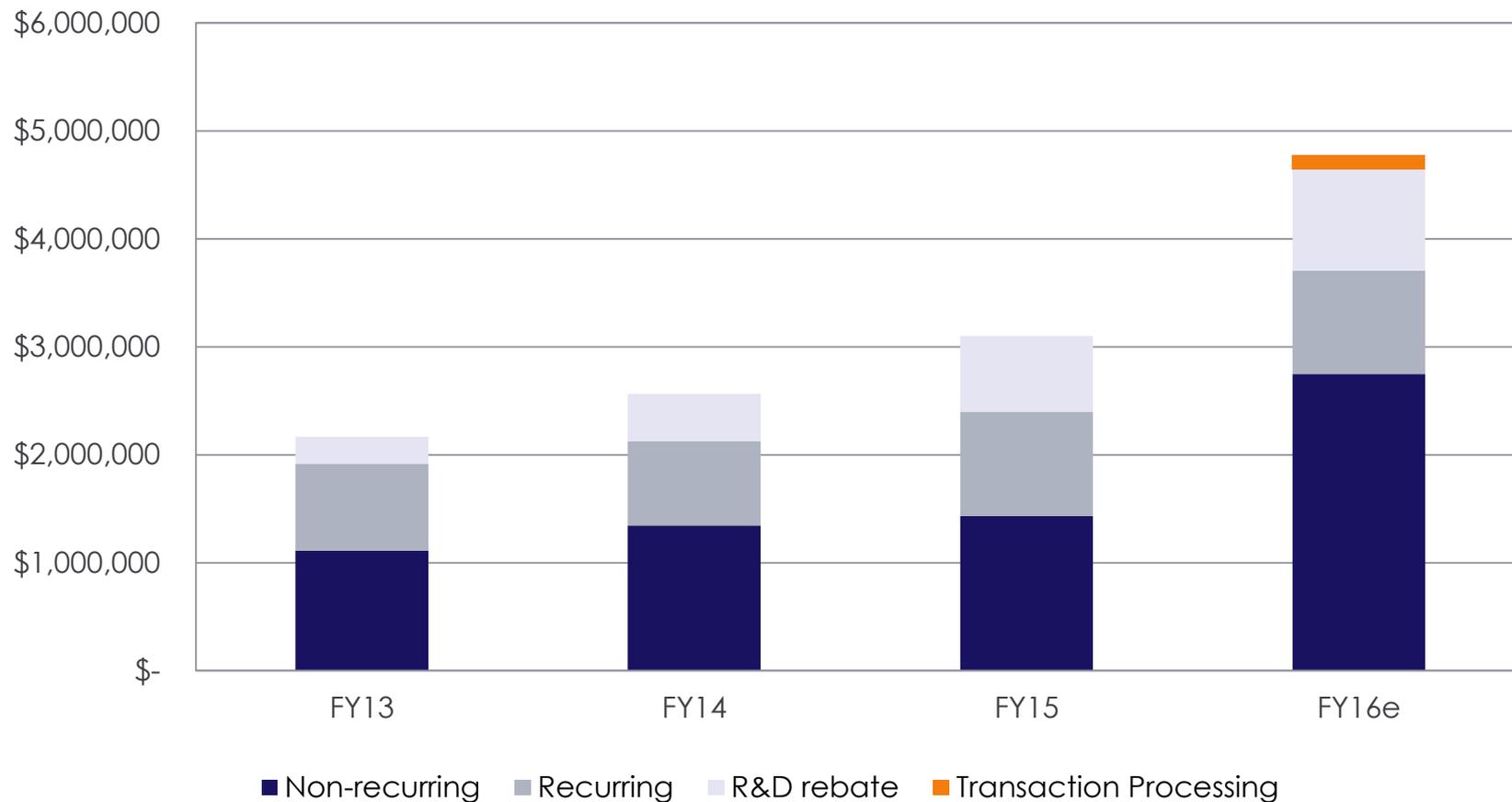
ASX Code	NOV
Closing Share Price	\$0.14
52 Week High	\$0.21
52 Week Low	\$0.10
Shares on Issue	87,883,826
Market Capitalisation (undiluted)	\$12,303,735
Options	29,309,250
Performance Rights	5,000,000
Cash (30 June 2016)	\$4.3m

Top Shareholders

Shareholder	%
Brayter Limited	38.18
Chi Wai Kenneth Lai	11.76
Corangamite Pty Ltd	11.19
Half Full Pty Ltd	1.98
Squitchy Lane Holdings Pty Ltd	1.46
Top 20 Shareholders	74.12



4th Consecutive Year of Revenue Growth

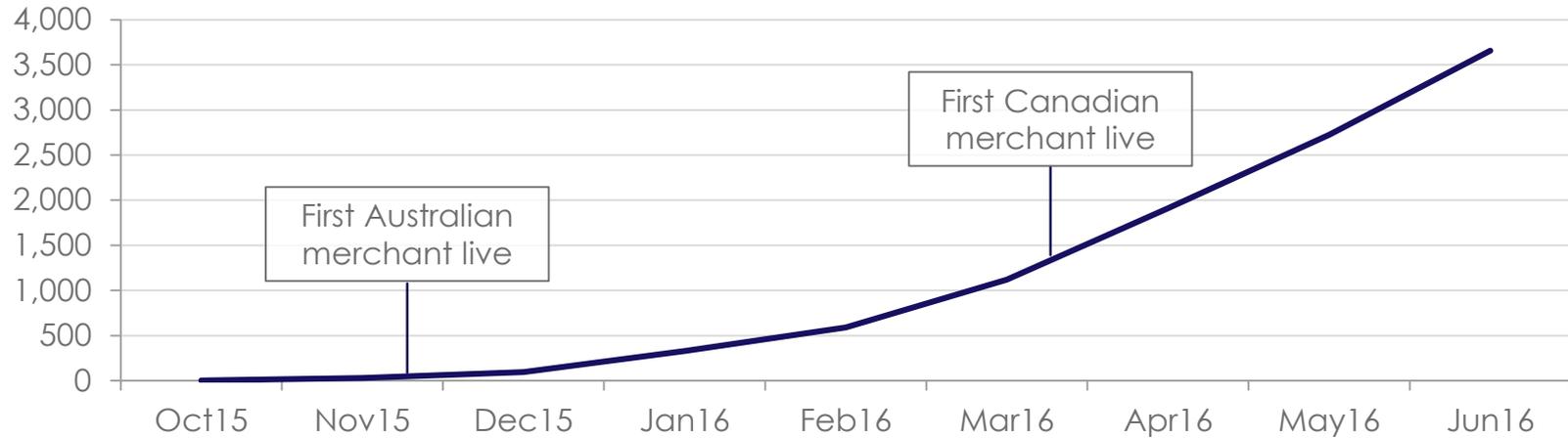


Novatti Group is continuing to invest in future growth

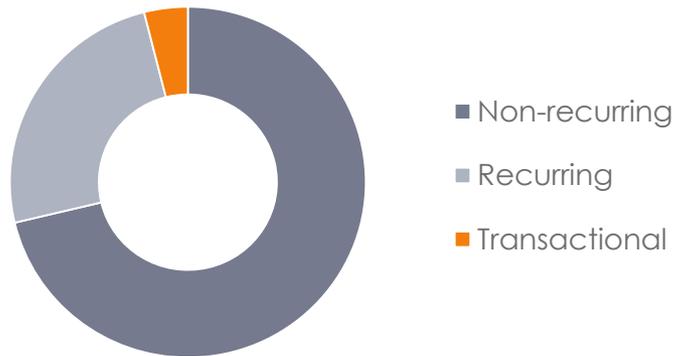


Growing Transactional Revenue

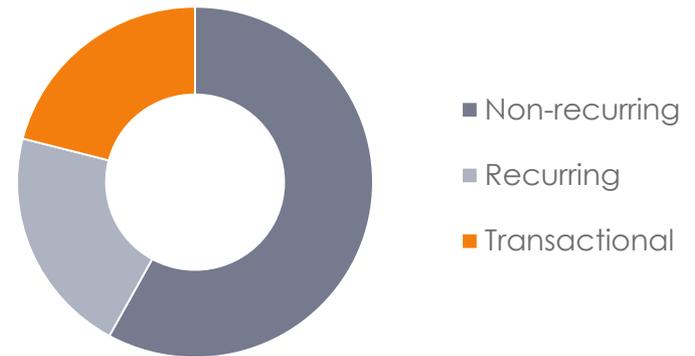
Cumulative Total Number of Flexepin Transactions



FY16e Revenue Breakdown (%)



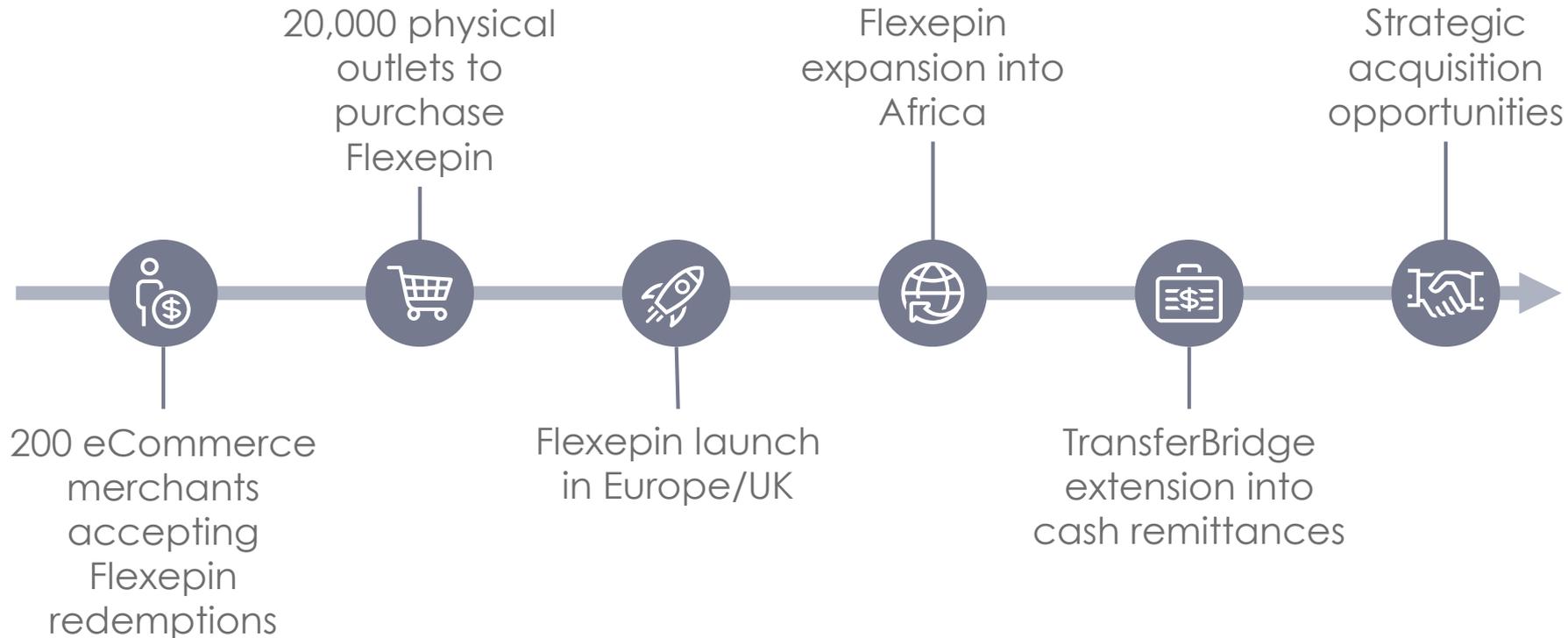
FY17e Revenue Breakdown (%)



Key Milestones Shifting Focus to Transactions



Key Target Milestones



Summary

1. Revenue

4th consecutive year of revenue growth.



2. Opportunity

Strong and growing base business underpinning new blue sky transaction businesses.



3. High-Growth

Recurring revenue expected to continue to increase as Flexepin and TransferBridge are rolled out.



4. Scalable

Truly global business with international applications for all business divisions.



5. Funded

No requirement for additional capital – Novatti has sufficient funds to reach key commercial milestones outlined in its Prospectus.



6. Expansion

Growing strategic partners and strategic acquisitions.



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Appendices



Experienced Board



Peter Cook – Chief Executive Officer and Managing Director

A tech entrepreneur with a strong record in the mobile payment solutions business, Peter is a FinTech industry thought leader in mobile and new banking who has successfully executed several disruptive business models and multiple successful exits including Total Tel Limited, Unidial Australia and Ezpin Australia and Canada. Deputy Chairman of Senetas Corporation Limited (ASX:SEN) from June 1999 to Feb 2006.

Peter Pawlowitsch – Chairman

Peter has extensive business experience and expertise across business administration and project evaluations. He is a director of several companies including Dubber (ASX:DUB), Knosys (ASX:KNO) and Ventnor Resources (ASX:VRX).

Brandon Munro – Non-Executive Director

Brandon is a former lawyer with extensive experience in M&A and Capital Markets. He is currently a director of Rewardle Holdings (ASX:RXH) and CEO of Bannerman Resources Ltd (ASX:BMN)

Kenneth Lai – Non-Executive Director

Kenneth is the MD of Hong Kong-based investment firm Prestige Team Limited, which has interests in payment processing, real estate, digital marketing and information technology support services. Mr Lai has a wide range of investment and business experience in Asia and has a successful track record in acquiring and integrating a number of payment companies.

Paul Burton – Non-Executive Director

Paul has more than 15 years experience in the payments industry and was the former CFO and CEO of payment processing company Datacash Limited, which was sold to Mastercard. Paul is also a former Director of UK based electronic money system Ukash.



Proven Management



Paolo Montessori – Chief Executive Processing Systems

Paolo is widely regarded as a pioneer in the digital payments sector and was the CEO of eServGlobal (ASX: ESV), where he returned the company to profitability and formed a JV remittance company with MasterCard. He has over 20 years of multinational experience in the global IT&T sectors and has a background in financial analysis and planning.

Alan Munday – Chief Operating Officer

Alan has enjoyed a long and successful business career and has more than 25 years experience as a director, executive and consultant with KPMG, Senetas and as an executive director with Granite Investment and Total Tel International.

Steven Stamboultgis – Chief Financial Officer

Steven is a financial expert with more than 25 years experience in commercial finance. He has held CFO positions at listing of technology companies Urbanise.com (ASX:UBN) and Praemium (ASX:PPS)

UK Management Team

Stan Rubin – Money Laundering Reporting Officer

Stan has over 30 years experience in various financial, operational and compliance roles. He was the COO and last employee of Ukash prior to their consolidation with Paysafecard.

Gregory Lee – Global Sales Manager, Flexepin

Greg has over 20 years experience in business development within the mobile payments industry. He has held VP and GM positions at technology companies Emida, FinMobile and MI-Pay.

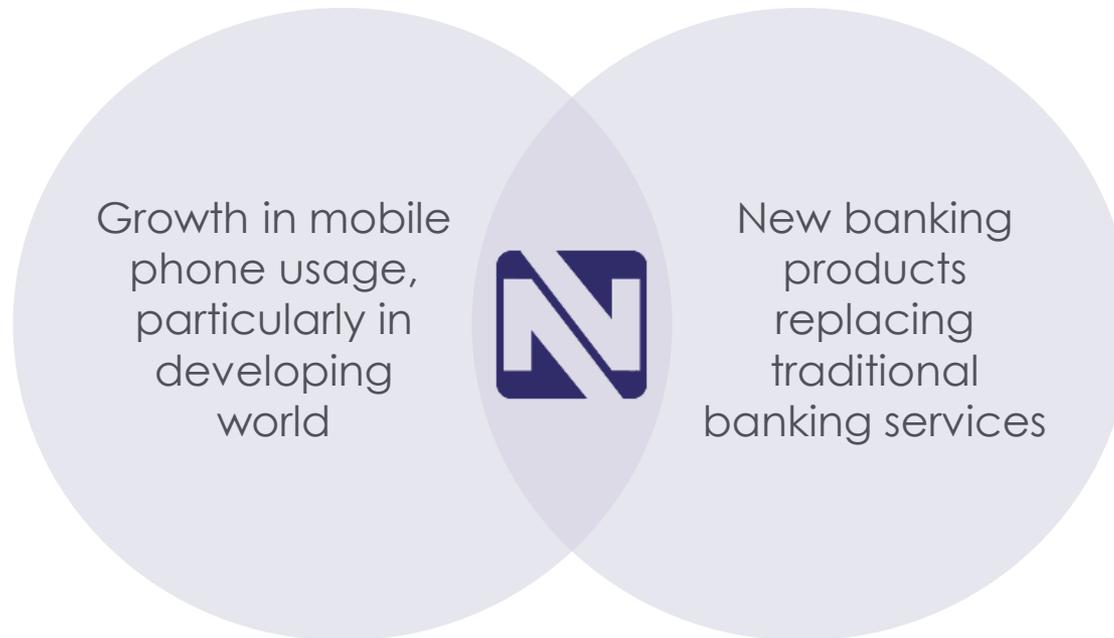


Business Divisions





- Convergence of the financial and mobile telephony sectors have cultivated a new market for digital payment solutions.
- Novatti enables telecoms operators and financial institutions to provide innovative financial services such as mobile money, mobile banking, remittances and digital wallets.
- Novatti Divisions extend market reach by providing FinTech solutions that reduce the cost to acquire and manage a previously underserved market segment.



Division Highlights



FinTech solutions & SaaS offerings to enterprise clients

- Technology sales
- Recurring SaaS revenues
- On-going support and maintenance revenues
- License deals
- Strong growth over past four years
- Growth momentum expected to be sustained over medium-term



Global Users of Novatti Platform Solutions



CABLE & WIRELESS



Hutchison Telecom
Hong Kong Holdings



CATHAY PACIFIC



In addition to supply and installation requirements, the majority of customers require ongoing maintenance and support, providing continuous, predictable revenue after the implementation of the project



Novatti Transaction Services Division



Scalable
recurring
financial
transaction
revenue

Blue sky
opportunities
with multi-
billion dollar
markets

Markets
ripe for
disruption



Novatti™ offering white-label or direct-to-market services



Transaction processing services via Flexewallet™



Open-loop electronic vouchers (eVouchers) for online payments called Flexepin™



Remittance services via TransferBridge™



Flexepin | Voucher for Online Payments



Process

- Consumer purchases Flexepin at a local retailer
- Retailer generates Flexepin using their POS terminal and sales to consumer using cash or EFTPOS
- The voucher pin is then entered on the merchant website as payment
- Merchant website validates voucher pin with Flexepin systems
- Once authorised by Flexepin, merchant provides goods or services to consumer



Benefits

- Safer and more discreet than conventional online payment
- Enables a person with only cash to make ecommerce purchases
- Appealing in emerging markets due to a limited number of credit cards
- Merchants are provided with a new market segment
- No chargeback risk for merchants



Flexepin \$20



9350233001024

flexepin

Flexepin \$20

City Convenience Sto. 9004129
Terminal ID: 90041029
EPAY Txn No: 360
Operator: 002
20/11/2015 10:05:28

Your Flexepin
6365496763741555

Amount	Serial Number
\$20	5102100000099013

THIS VOUCHER IS FOR ONE TIME USE

This voucher will expire one year from the date of purchase

Enter this PIN on the merchant website checkout or cashier to redeem the value indicated above

RETAILER WARNING: Never give away the Flexepin voucher over the Phone. Customer must be in store to purchase Flexepin.

CUSTOMER WARNING: Treat your Flexepin like cash and keep it safe. Never pay with Flexepin to claim an alleged prize or to unlock your computer. Always be aware of online scams.

For support and full T&Cs visit www.flexepin.com

Flexepin is issued by Flexewallet Pty Limited (ABN 16 164 657 032) with Australian Financial Services License number 488066.

Powered by epay Australia



Launched in October 2015



Flexepin | Converting Cash to Digital Currency



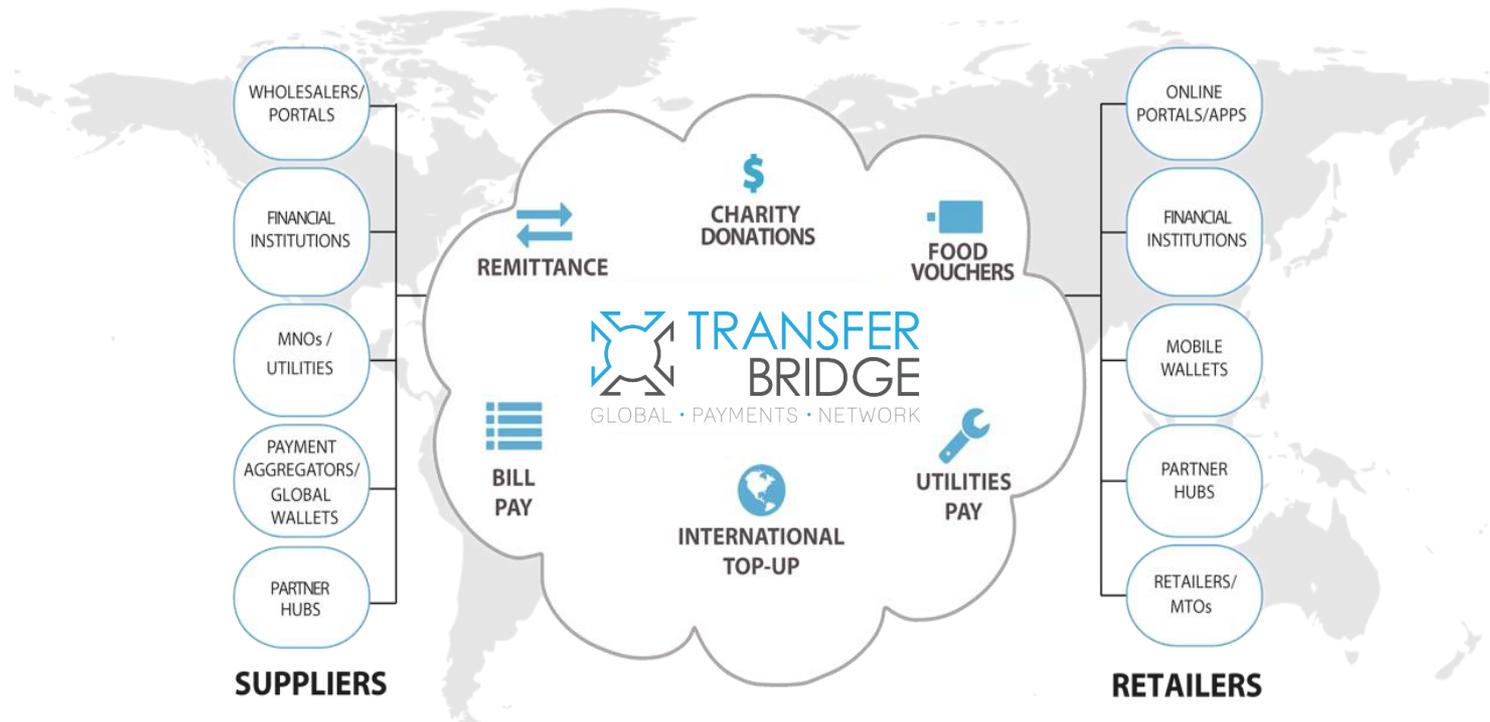
- Flexepin generates income on a transactional basis
- Revenue from margin per transaction
- Currently 4,000 retail outlets in Australia and 6,000 in Canada that resell Flexepin vouchers, and 4 online merchant sites accepting Flexepin vouchers.
- Expanding into UK/EU after securing license to operate in UK
- High growth business in high-volume sector



TransferBridge | Remittance Platform



- TransferBridge provides the link between a business receiving cash in one country and a business providing cash/value in another country
- Network built: offers connection to 680 payment suppliers and retailers in 120 countries. Technology built/owned by Novatti Group
- Revenue from transaction fees on transactions that flow through remittance networks – high-volume sector





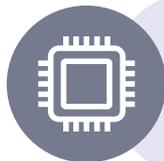
Technology such as TransferBridge enables disruption of incumbents – Western Union currently dominates the space with a bricks and mortar approach



Consumer fees typically range from 5-11% of transaction value – dependent on volume & monopoly deals



Growing wholesale opportunities as stable growth attracts new retail entrants



Management is trialling a number of ways to increase the amount of transactions



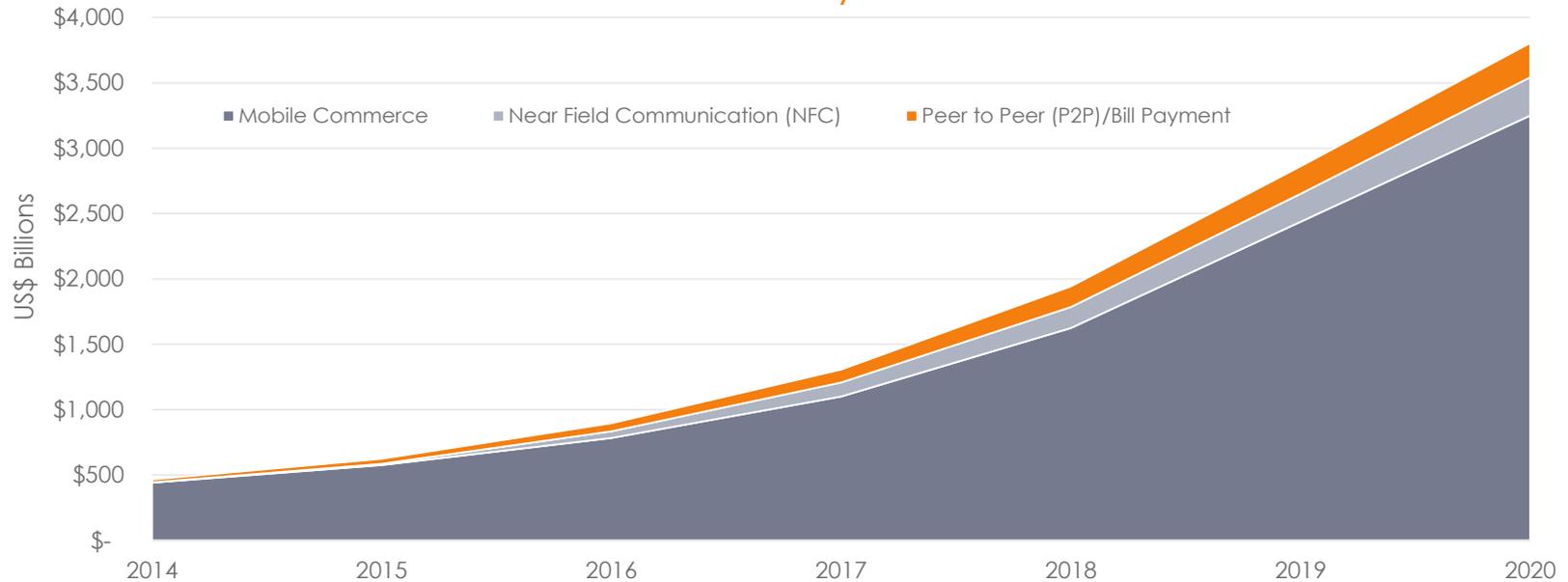
Market Opportunity



Large & Rapidly Growing mCommerce



Worldwide Mobile Payments 2014-2020



Source: IDC Business Strategy: Worldwide Consumer Mobile Payments Forecast

- Mobile commerce is growing rapidly, fueling demand for mobile money solutions – GSMA Mobile Economy anticipates mCommerce to increase transaction value to 4.2% of global GDP by 2020
- Roughly 800 mobile network operators across 220 countries registered as full members of GSMA, with only 255 mobile money service providers to date
- Remittances to developing nations is expected to grow from US\$427b (2014) to US\$471b (2017e)

Novatti is positioned for the current opportunities in the marketplace



Novatti Already Handles Millions of Transactions per Day

Novatti Key Attributes	Competitive Edge	Impact
<ul style="list-style-type: none"> ✓ Deep industry experience and relationships 	<p>Insights to identify trends and opportunities</p>	<p>Launching Flexepin™ and TransferBridge™</p>
<ul style="list-style-type: none"> ✓ Technology built and tested over 10+ years 	<p>Platform to launch scalable revenue businesses</p>	<p>Novatti Platform processes 2.4m transactions per day in Uganda</p>
<ul style="list-style-type: none"> ✓ Reliable & growing revenues 	<p>Underpins business overheads and talent</p>	<p>Base from which new businesses launched</p>
<ul style="list-style-type: none"> ✓ Global footprint and 'hard to get' contracts 	<p>Enables rapid execution</p>	<p>Flexepin:</p> <ul style="list-style-type: none"> • Australia: 4,000+ retailers • Canada: 6,000+ retailers <p>TransferBridge:</p> <ul style="list-style-type: none"> • Network of 680 payment suppliers & retailers in 120 countries
<ul style="list-style-type: none"> ✓ Licences: <ul style="list-style-type: none"> ✓ Australian Financial Services Licence ✓ UK/EU E-Money Issuing Licence 	<p>Compliance barriers overcome</p>	<p>Preferred position to gain merchants and distribution</p>



Investment Highlights

Established business

- Successful track record spanning over past decade;
- Established market credibility and positive relationships with customers, systems integrators and other industry participants.



Robust revenue growth + multiple blue-sky opportunities

- Revenue growth for the 4th consecutive year in FY16;
- Earnings in future years will be materially boosted by the growth of transaction network services.



Scalable transaction based business

- Ramp up in transactions business;
- Offerings have potential to generate recurring high-volume transaction fee revenue.



Large & established user base

- Telstra (Australia);
- Hutchison Hong Kong & Hutchison Macau (Asia);
- Cathay Pacific (Asia);
- Payment Source & Canada Post (North America);
- MTN Uganda & Tanzania Telecommunications Company (Africa);
- Vox Telecom (Europe).



Operating in large and growing markets

- Global vouchers demand is growing rapidly due to online credit card fraud and privacy;
- Global payments and remittance industries are measured in the billions and are ripe for digital disruption.



Experienced management with deep FinTech sector insights

- Management and Board have extensive international payments experience;
- Vast experiences in digital cash solutions & services in emerging markets of Africa, Latin America and Asia.

