



# INVESTOR UPDATE

JUNE 2015



**Who we are**

# Who we are

Mint Payments is a leading non-bank, omni-channel payments provider for businesses in Australia and New Zealand



## STRONG BUSINESS MODEL

Our business model is to deliver simple and fast payments across all applications through connected, online devices. We are driven by earning a recurring monthly fee and transaction fees for every active user using our platform



## BANK-GRADE TECHNOLOGY PLATFORM

We have built a bank-grade and fully certified PCI, card scheme, bank acquirer and APCA compliant payments infrastructure creating high barriers to entry



## LARGE MARKET

We operate in Asia Pacific with offices in Australia & Singapore. That's 4.5 billion people and over a trillion dollars in annual digital payments volume



## LEADING MARKET POSITION

We have secured market leading distribution partners in Australia and New Zealand such as MYOB and BNZ. Our partners have licensed and implemented Mint's payment platform inclusive of its certified Chip & PIN, eftpos and contactless payments technology



## FACILITATING THE PAYMENTS REVOLUTION

We are one of the few single platform providers offering an **omni-channel payments solution**: Card Present and Card-Not-Present. We are also one of the first companies in Australia to be certified for both Visa Ready and MasterCard Mobile POS

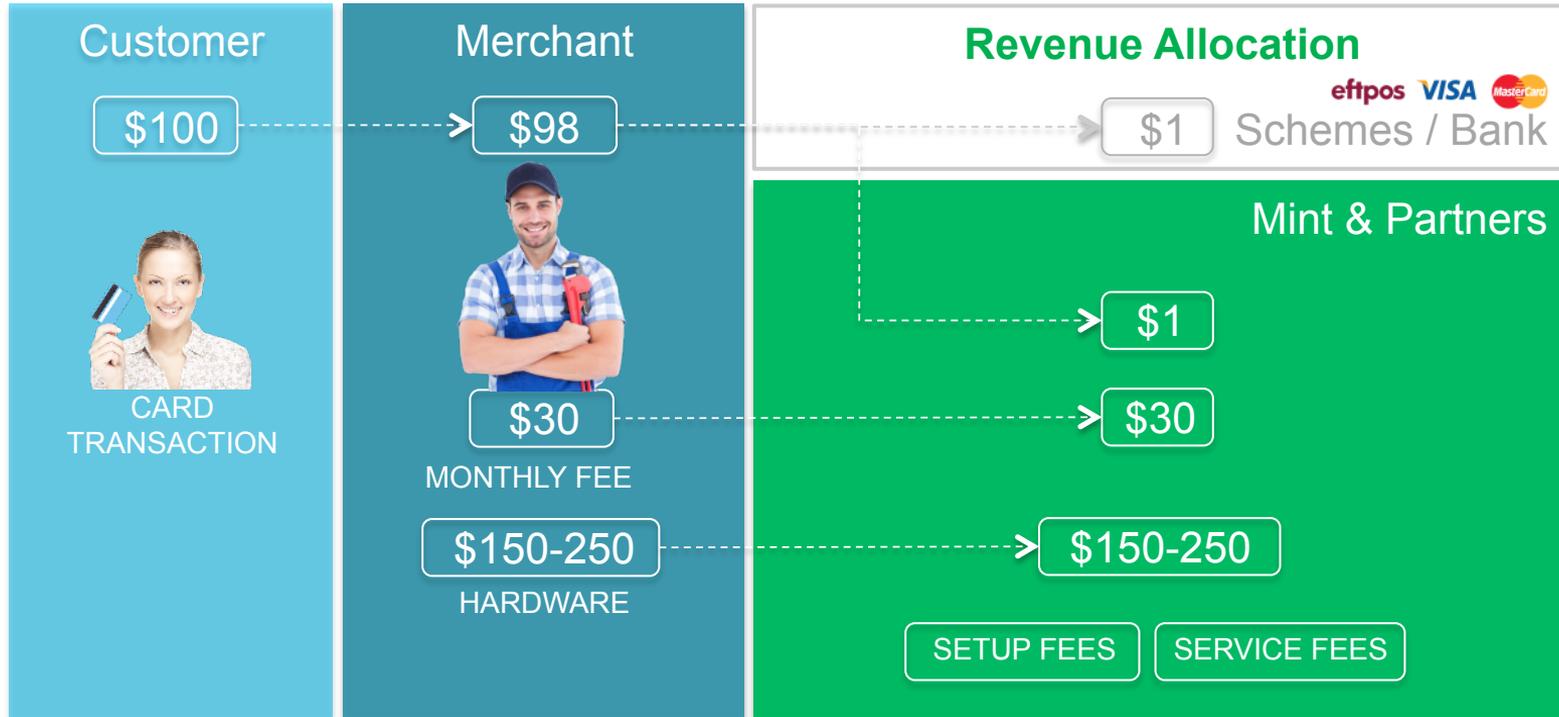


## HIGH GROWTH

We are well positioned to capitalise on the growth of mPOS terminals over the next 4 years. The total number of mPOS terminals are expected to exceed traditional POS payment terminals by 2018. Card not present payment solutions are expected to grow at 26% CAGR over the next five years

# Business model

Revenue derived from Mint's merchants are for processing transactions, which are primarily a combination of a percentage of the dollar amount, a flat fee per transaction and monthly fees for services. For example, in a transaction using Visa / MasterCard card, the revenue allocation of funds from a \$100 transaction is as follows:



# Mobile payments – many definitions, multiple markets



Mobile @ POS

Use of a handset as a wallet in face to face transactions

Mobile as POS

Use of a tablet / smartphone as a Point of Sale to accept payments anywhere

Mobile commerce

Use of a mobile to pay for items on mobile commerce sites

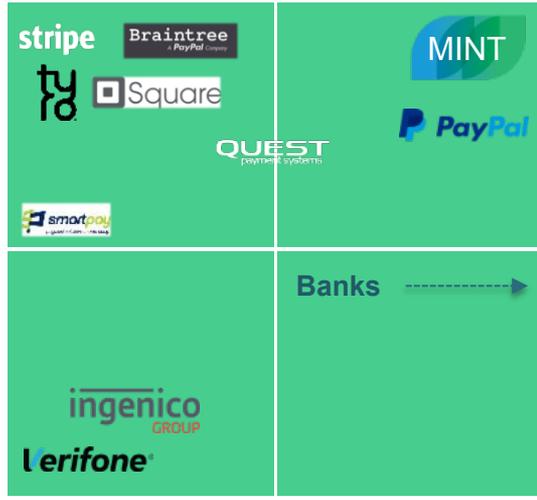
# Apple Pay ... Significant opportunity for Mint

Mint Payments helps merchants to accept Apple Pay and all digital wallets



# Competitive position

Integration  
(APIs, SDKs)



White Label,  
Scalable Platform



Omni-Channel  
(CP+CNP)

Recurring &  
Transaction  
Revenue Model

Mint helps **banks** and **application / software vendors** in enabling mobile and online payments to acquire new customers, increase customer loyalty and retention, while adding additional new recurring revenue streams

# **Business Update**

# Our achievements in the past 12 months

## Substantial barriers to entry

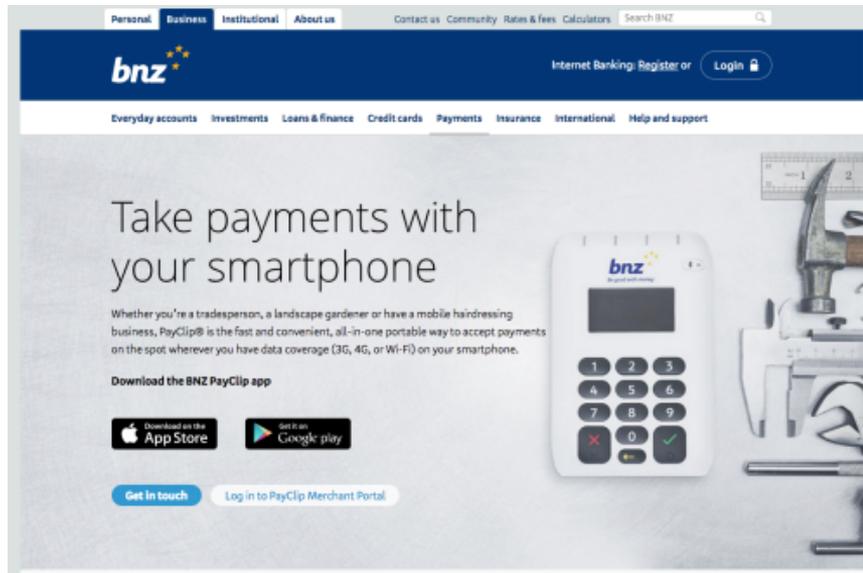
<b>CHIP&amp;PIN CERTIFIED &amp; DEPLOYED</b>  ✓	<b>EFTPOS CERTIFIED &amp; DEPLOYED</b>  ✓	<b>NFC CONTACTLESS CERTIFIED &amp; DEPLOYED</b>  ✓	<b>APCA CERTIFIED</b>  ✓
<b>VISA READY CERTIFIED</b>  ✓	<b>MASTERCARD MPOS CERTIFIED</b>  ✓	<b>PAYMARK CONNECTED &amp; DEPLOYED</b>  ✓	<b>PCI COMPLIANCE CERTIFIED</b>  ✓
<b>MINTERNET CNP PRODUCT LAUNCHED</b>  ✓	<b>DIGITAL ONBOARDING DEPLOYED</b>  ✓	<b>ANDROID &amp; IOS 2.0 APPS UPGRADED</b>  ✓	<b>PAYCLIP II LAUNCHED</b>  ✓ <b>EFTPOS &amp; CONTACTLESS</b>

Strengthened Mint's technology platform

No further planned major capital expenditure to the Mint payments platform

Largest small business bank in New Zealand

PayClip is one of two key payment products available from the Bank of New Zealand



The screenshot shows the Bank of New Zealand website's homepage. At the top, there are navigation tabs for 'Personal', 'Business', 'Institutional', and 'About us'. Below these is a search bar and a 'Login' button. The main content area features a large heading 'Take payments with your smartphone' and a sub-heading 'Whether you're a tradesperson, a landscape gardener or have a mobile hairdressing business, PayClip® is the fast and convenient, all-in-one portable way to accept payments on the spot wherever you have data coverage (3G, 4G, or Wi-Fi) on your smartphone.' Below this text are two buttons: 'Download on the App Store' and 'Get it on Google play'. At the bottom of the ad, there are two buttons: 'Get in touch' and 'Log in to PayClip Merchant Portal'. The background of the ad shows a white BNZ PayClip device next to various tools like a hammer and a wrench.

## Taking payments



EFTPOS

With an EFTPOS terminal, you can accept all Visa, MasterCard and China UnionPay credit and debit cards as well as all major New Zealand debit cards.

[More about EFTPOS](#)



PayClip

A mobile payment solution that lets you take payments from Eftpos, Visa and MasterCard credit and debit cards, via swipe, contactless or chip and PIN, wherever you have data coverage on your smartphone.

[More about PayClip](#)

## Bank of New Zealand deployment and rollout continues...

Since launch of PayClip 2, transaction volumes and usage have increased exponentially with the introduction of eftpos and contactless payment types

Significant opportunity exists in the New Zealand market with new regulatory and compliance requirements with existing payment terminals



*“Our customers tell us that PayClip has made a huge difference to their cash flow and made it easier to do business, but most importantly it has enabled them to increase their profit.”*

Harry Ferreira  
Head of Small Business, BNZ

- Successfully migrated **Chip & Signature (Credit card only)** solution to a full launch and deployment of an **EMV (Chip & PIN), eftpos and Contactless** solution in April 15
- Strategically working with BNZ on new payment methods and types to deliver innovation to the bank and capitalise on the investment made on the Mint platform
- Contract term renewed for a further three years



Market leader of accounting software in Australia and New Zealand – 60% market share. 1.2 million businesses use MYOB. **Mobile** and **Payments** are key pillars of MYOB's growth strategy of **Making business life easier**.



- Mint Payments is a strategic partner of MYOB
- **Chip & PIN** (2014) and **eftpos** (April 2015) launched and deployed
- **Contactless** in progress

# MYOB<sup>®</sup> deployment and rollout continues...

Building a core base of **recurring, connected and high retention** based customers

**Strong brand awareness** in Australia and New Zealand through direct and indirect marketing campaigns



“  
"Being able to meet clients at their office, home, café etc. and still be able to take payment on the spot meant less work for us, and an overall more positive experience for our clients."  
”



Tony Wu  
Co-founder - Saibu no Akuma



“  
"Mobile payments for a mobile business, it just makes sense. So it was either us investing thousands to get a bulky card payment facility, or just signing up to PayDirect!"  
”



Ivan Zarekij  
General manager - Iv's Burritos

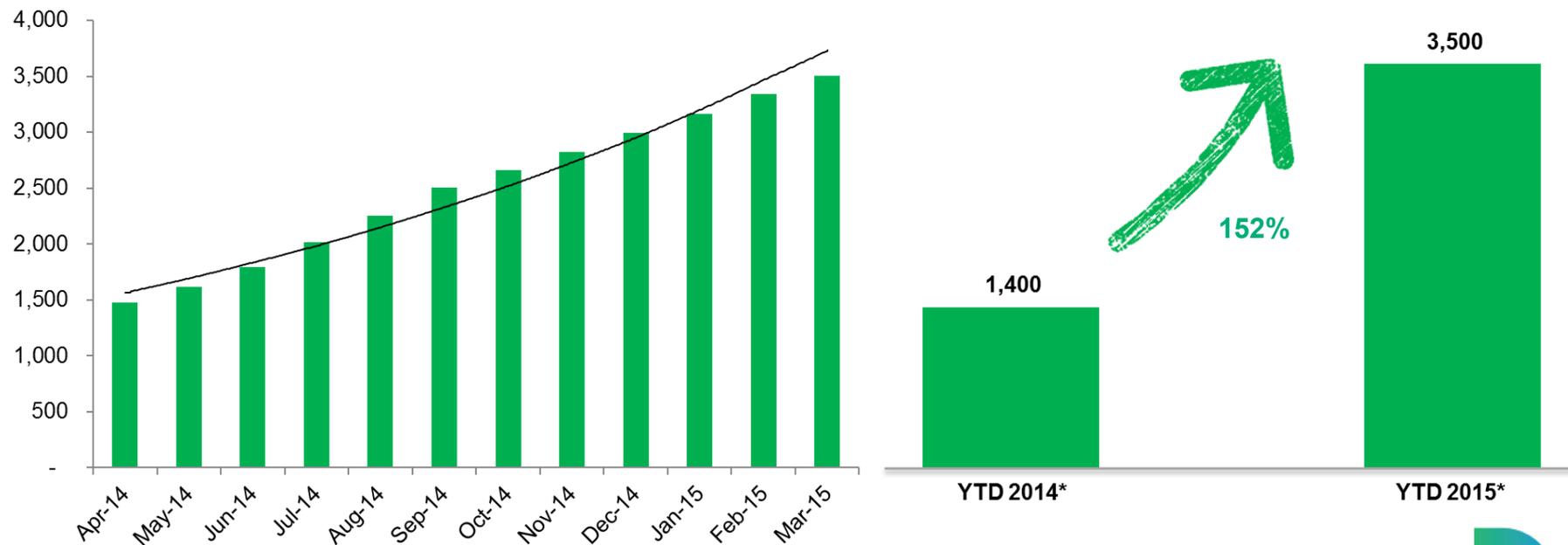


- Strategic planning in place to increase user acquisition activities through marketing to MYOB channels in FY16 (following contactless deployment)
- Continuously optimising the on-boarding process and pricing plans to increase user sign ups and transaction volumes



# Key Performance Metrics

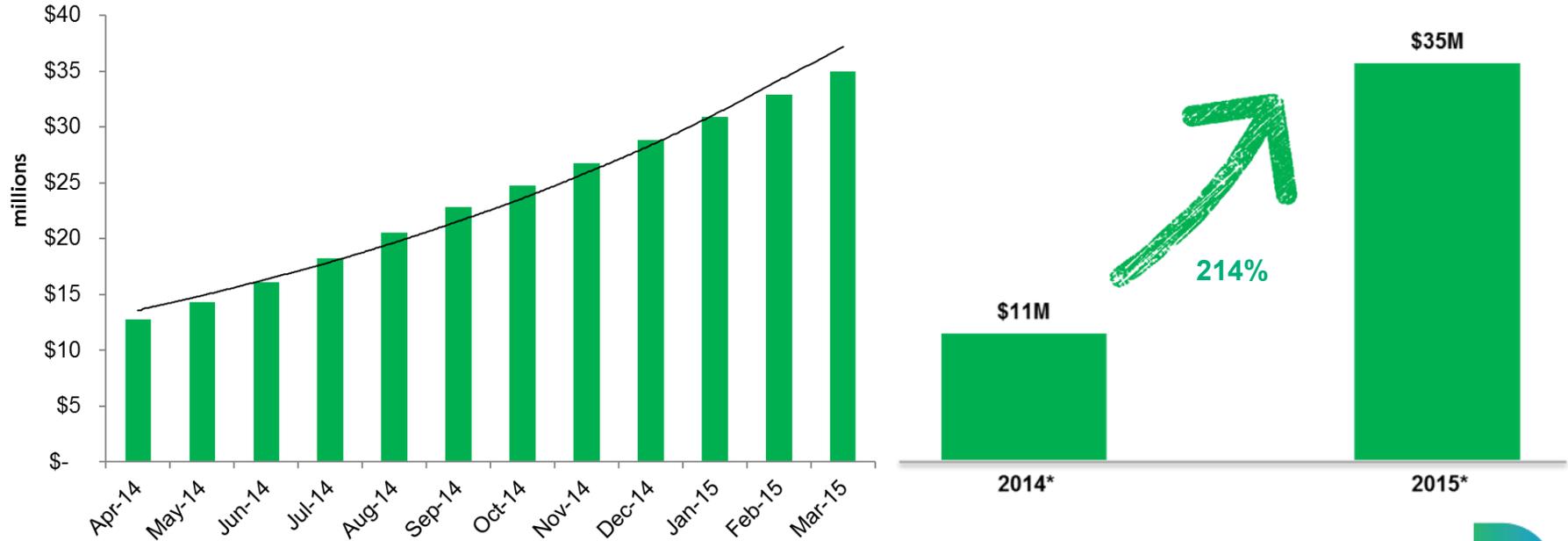
## Key Performance Metrics – Active Users<sup>(1)</sup>



(1) Active User is a user that is active on the Mint platform and has transacted in the month

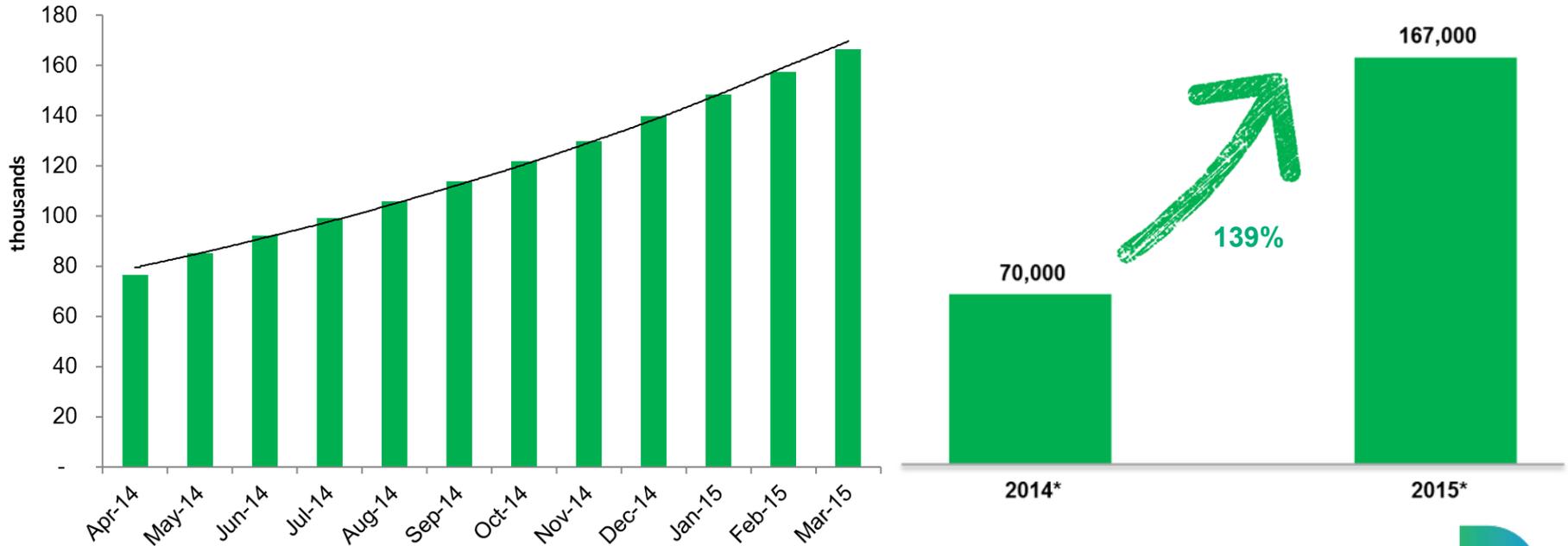
\*Relates to the period ending March of each corresponding year

# Key Performance Metrics – Transaction Value



\*Relates to the period ending March of each corresponding year

# Key Performance Metrics – Transactions

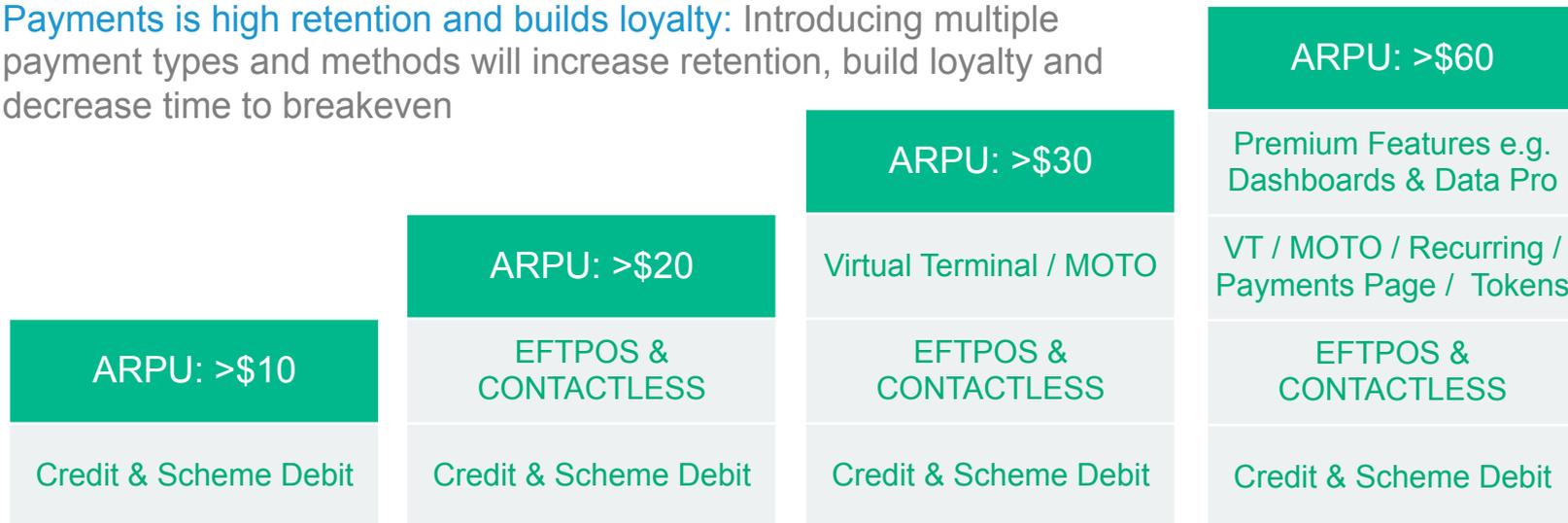


\*Relates to the period ending March of each corresponding year

# Mint's Average Revenue Per User\* (ARPU) is increasing

New payment types and methods will cater for larger businesses & growing transaction volumes

Payments is high retention and builds loyalty: Introducing multiple payment types and methods will increase retention, build loyalty and decrease time to breakeven



Micro business

Small to medium business

Large business

\*Average Revenue Per User per month

# Gaining scale through new strong partners

50+ Opportunities in the pipeline

FY15/16

50+ opportunities targeting:

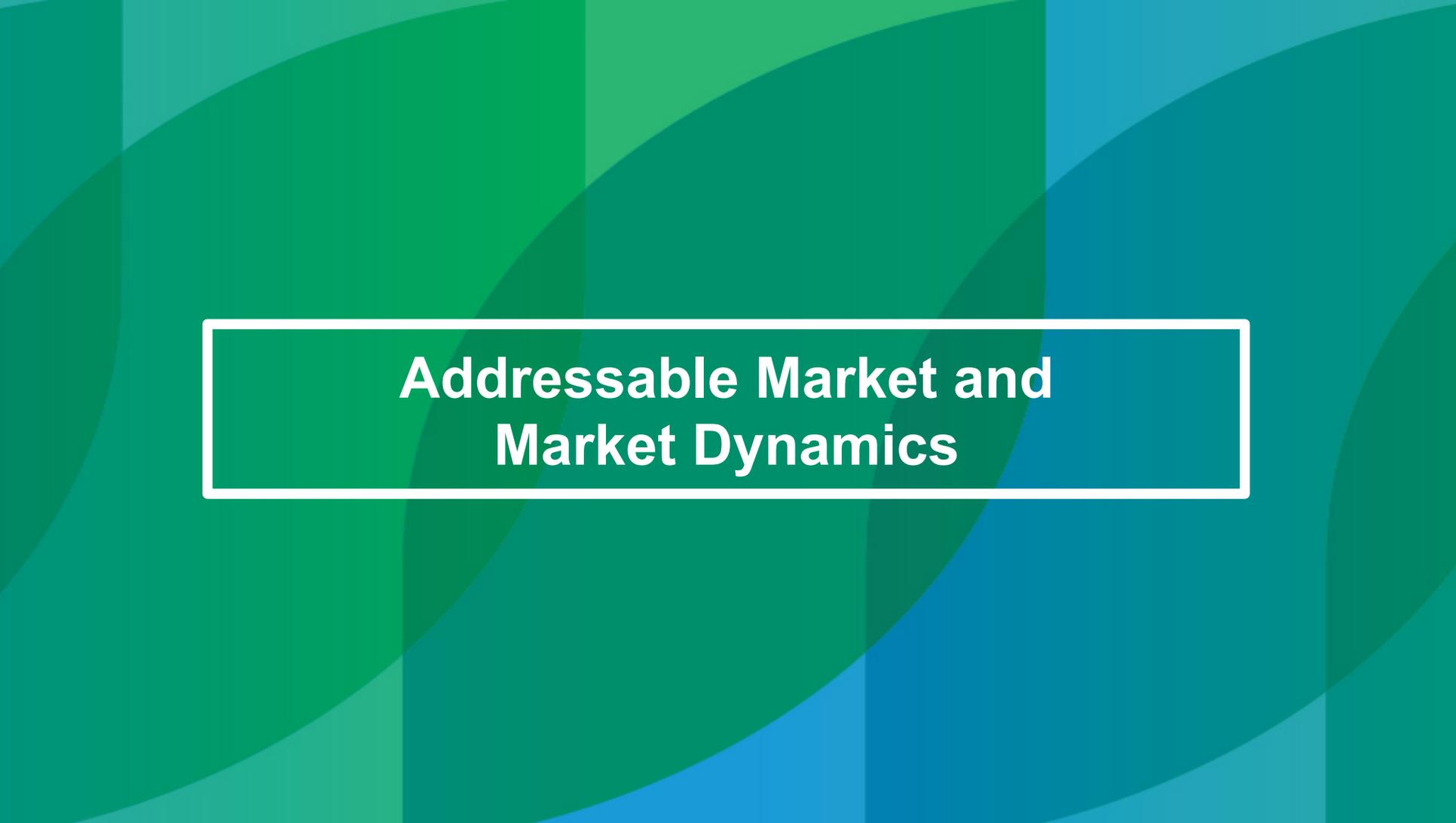
- Financial Institutions
- Software Vendors & Developers
- Payment Gateways
- Direct Corporates

FY14/15



FY12/13

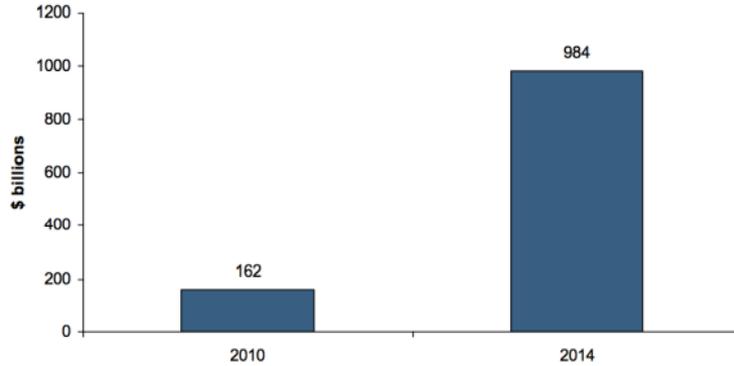




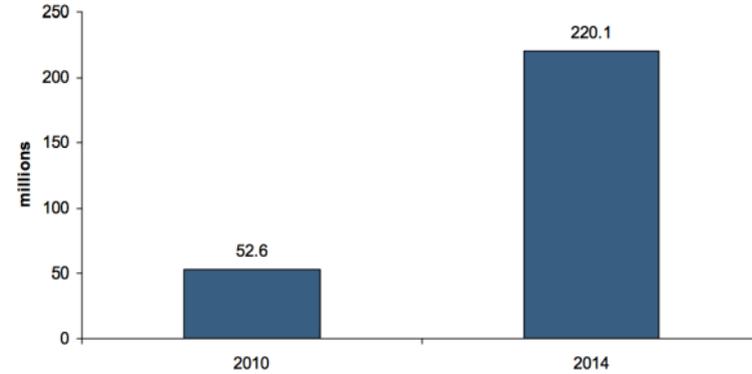
# Addressable Market and Market Dynamics

# Global mobile payments market growth indicators

Mobile Payment Transactions Value Worldwide, 2010 & 2014



NFC-Enabled Cell Phones Sold (m)



Source: Yankee Group and iSuppli

- Growth and use of smartphones are driving the digitisation of cash

# Australian card payments market

## In 2014...

826,000

POS payment terminals in Australia

50 million

Cards on issue

156 million  
312 million

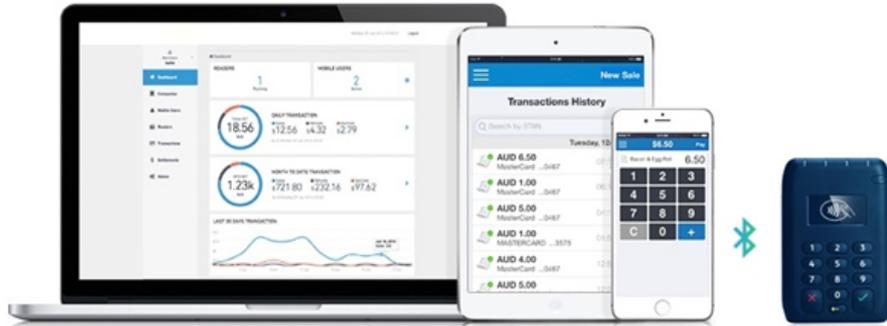
Credit card transactions per month  
Debit card transactions per month

\$18 billion  
\$19 billion

Average monthly debit card spend  
Average monthly credit card spend

~20% of total card  
transaction values

Card-not-present payments



## By 2018...

mPOS  
terminals

mPOS terminal numbers will exceed  
legacy POS payment terminals

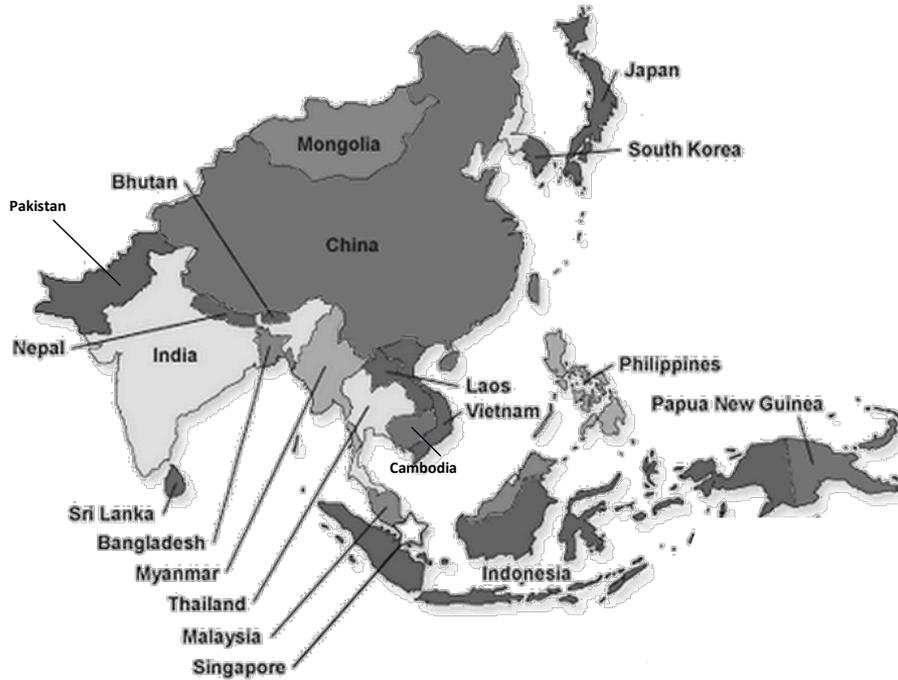
26% CAGR

Of card-not-present transaction value  
expected over the next 5 years

~\$20 billion

Annual total transaction value from mPOS

# Opportunity for Mint in select Asia Pacific markets

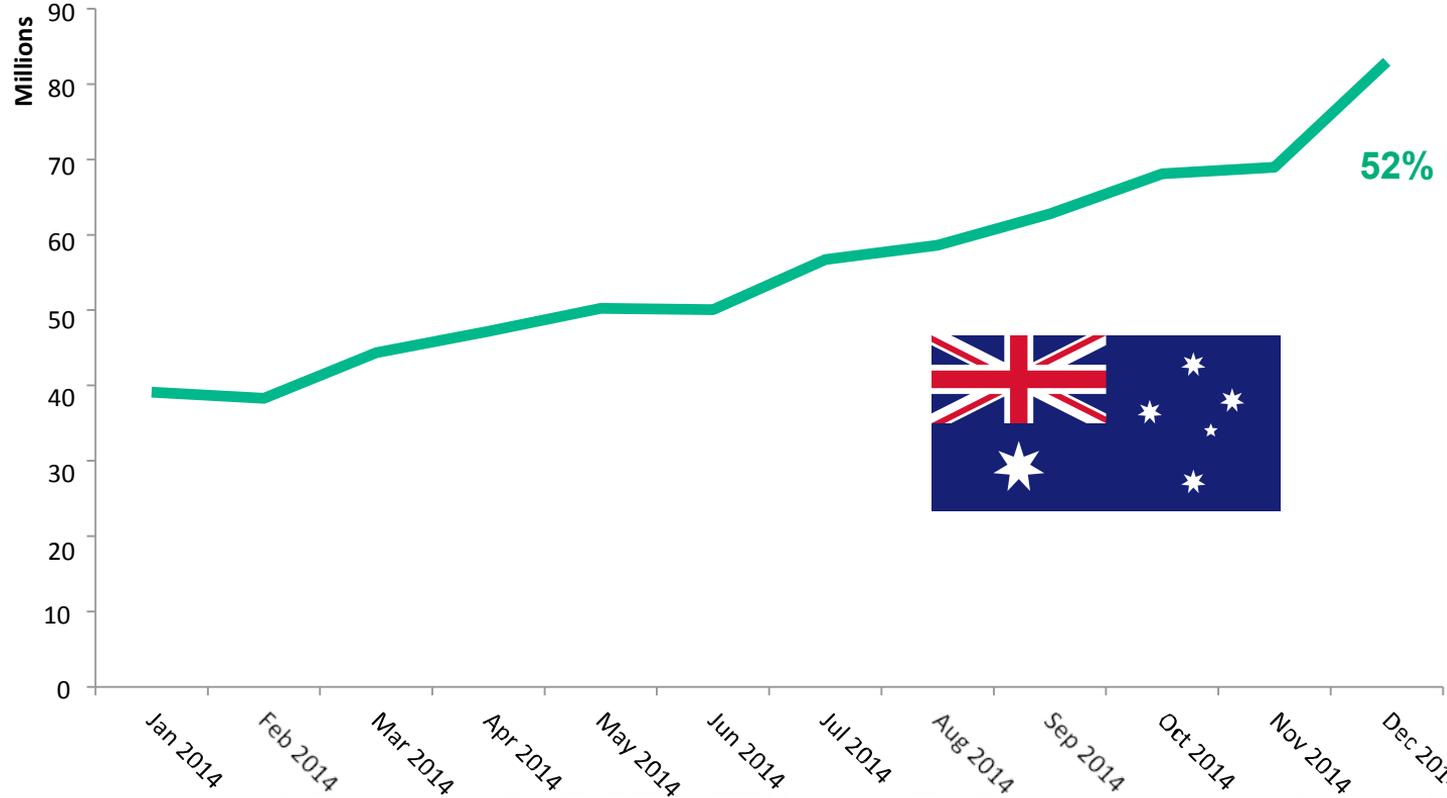


- Asia is moving to EMV (Chip & PIN) and Contactless payments
- Significant users and transaction volume growth in e-Commerce, online and connected mobile devices in Asia
- Mint is exploring various business and distribution models appropriate for a **select** number of markets the Company should focus on

Asia is expected to deliver ~11 million mPOS devices (~20% of worldwide forecast) and transaction spend in excess of ~USD 85 billion by 2017

# Australia has the best contactless payment penetration

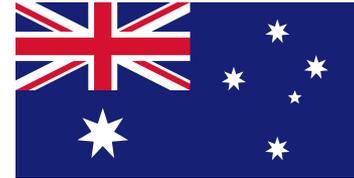
Contactless  
Transaction Count



2014 ANNUAL  
TOTAL

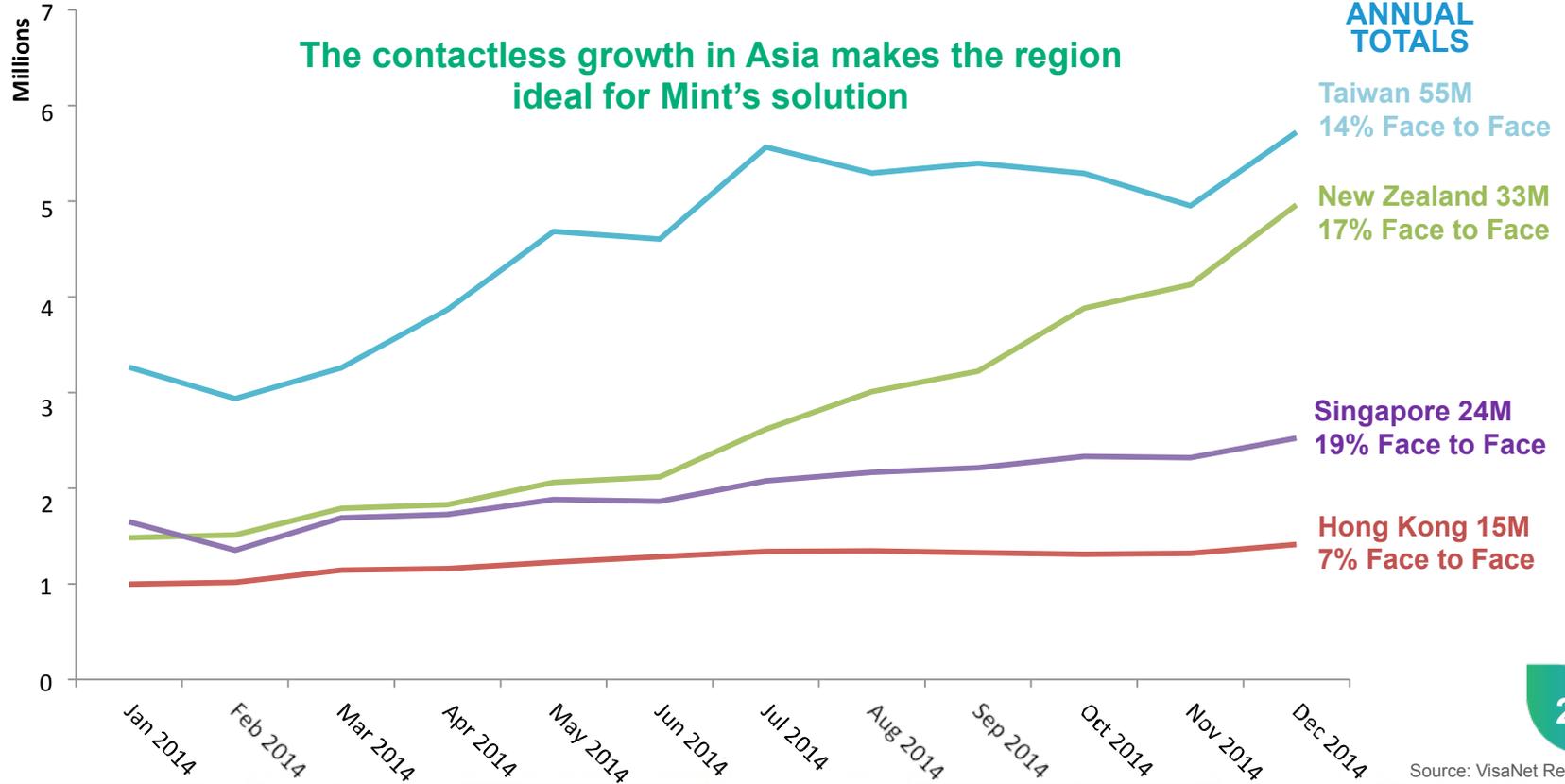
667M

52% Face to Face



# Other leading Asian geographies are following the contactless trend

Visa payWave  
Transaction Count



# Summary

# Short term priorities update since the end of 2014

KEY PRIORITIES	WHAT WE SAID WE WILL DO	WHAT WE DID
Sales and Distribution	<ul style="list-style-type: none"> <li>• Deepen relationships with key strategic distribution customers</li> <li>• Focus on growing active users and transaction values with existing and new distribution customers</li> </ul>	<ul style="list-style-type: none"> <li>• MYOB launched eftpos in March 15</li> <li>• Bank of New Zealand – PayClip 2 launched with eftpos and contactless live in April 15</li> <li>• New distribution partners and corporate customers signed</li> <li>• Active users and transaction values has grown to 3,500 users transacting over \$35 million</li> </ul>
Expand Product Portfolio and Capabilities	<ul style="list-style-type: none"> <li>• Develop or acquire card not present capabilities</li> <li>• Complete omni-channel product strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Launched “Minternet” – the company’s card not present product in April 15</li> </ul>
Board and Governance	<ul style="list-style-type: none"> <li>• Adopt a more traditional governance structure</li> </ul>	<ul style="list-style-type: none"> <li>• Appointed Bill Bartee and Peter Wright to the Board. Bill and Peter are highly experienced and entrepreneurial independent Directors with significant payments and technology expertise</li> </ul>
People & Culture	<ul style="list-style-type: none"> <li>• Continue to invest and develop in leadership team</li> </ul>	<ul style="list-style-type: none"> <li>• Invested and developed a highly experienced management team with a good track record of execution (refer to Management team section)</li> </ul>
Expand into key Asia Pacific markets	<ul style="list-style-type: none"> <li>• Complete market analysis of Asia Pacific market</li> <li>• Develop business development opportunities in select, key markets in Asia</li> </ul>	<ul style="list-style-type: none"> <li>• Asia Pacific market analysis completed</li> <li>• Growing pipeline and active discussions with various key financial institutions and distribution partners in the region</li> </ul>

# Outlook

**Mint Payments is a highly scalable and high customer retention business with significant revenue, margins and free cash flow potential**

- We will work with our key distribution partners MYOB and Bank of New Zealand to **accelerate deployment and rollout active users** with all payment types certified and completed
- We will **grow recurring revenues** with a focus on embedding new payment methods (card not present) and new payment types (eftpos and contactless payments) to our active user base. New payment methods and types will result in an increase in ARPU and broadening of the merchant base
- We will implement and deploy our payment solution with **new contracted distribution partners and customers**
- We will continue to work towards signing a material partnership that will provide Mint with access into Asia and banks in the Asia-Pacific region



# Capital Structure

Stock Code	MNW
Listed Since:	2 <sup>nd</sup> August 2007
No. of shares:	472.3M
Price:	\$0.05
Market Capitalisation:	\$23.6M

**Top 20 shareholders holding approximately 64% of the Company  
Board and executive team holding approximately 20% of the Company**

## Cash & available funds as at 1 June 2015

Cash and undrawn facility <sup>(1)</sup>	\$6.5M
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<sup>(1)</sup> Unsecured finance facility expiring in September 2017

With no further planned major capital expenditure and based on the available funds as at 1 June 2015, the Company has **sufficient funds** to meet its current business projected growth to **cash flow break even**

# **Board And Management Team**

# Board of directors



**Terry Cuthbertson (Non-Executive Chairman)**

- Former Partner at KPMG Corporate Finance and NSW Partner in Charge of Mergers and Acquisitions
- Former Group Finance Director of Tech Pacific in APAC
- Chairman of five other ASX listed companies including My Net Fone Limited.



**William Barteo (Non-Executive Director)**

- Co-founder and Managing Director of Blackbird Ventures and Co-Founding Partner of Southern Cross Venture Partners
- Involved in a number of successful technology companies such as Altium (ASX: ALU) and Seek (ASX: SEK).
- Built and lead the early stage investing for Macquarie Technology Ventures ("MTV")



**Alex Teoh (Managing Director / CEO)**

- Co-Founder of Mint Payments
- Prior to Mint was CEO of a local and international supply chain and logistics business
- Previously Principal Consultant at PricewaterhouseCoopers Hong Kong and Senior Consultant at Cap Gemini Ernst & Young Sydney.



**Peter Wright (Non-Executive Director)**

- Currently President of Asia Pacific for OmniPay Limited, a wholly owned subsidiary of First Data Corporation ("First Data")
- Previously the Managing Director of First Data in Australia and New Zealand, and 2IC of Cashcard, a major Australian payment processing company
- Over 35 years of experience in finance and payments related sector mainly in Australia



**Andrew Teoh (Executive Director)**

- Co-Founder of Mint Payments
- Previously MD / CEO of Australian primary goods exporter, Montec International and Operations Manager for leading independent Telco
- Extensive experience in sales and marketing sectors especially with emerging technologies



**Anne Weatherston (Non-Executive Director)**

- Currently CIO of Energy Australia
- Previously the CIO and member of the Management Board of ANZ Banking Group
- Previously Group CIO for Bank of Ireland and Abbey / Santander
- Over 30 years of experience as a leader of business and technology change
- MBA from the Strathclyde Business School

**STRONG, ENTREPRENEURIAL AND EXPERIENCED BOARD OF DIRECTORS**

# Management team



**Alex Teoh (CEO)**

- See previous page



**Andrew Teoh  
(Executive Director)**

- See previous page



**David Owyong (CFO)**

- Previously Financial Controller at Virgin Money and Group Finance Manager at Landis+Gyr, & Senior Consultant at Ernst & Young
- Over ten years of experience in accounting and finance
- Chartered Accountant



**Bjorn Behrendt (CMO)**

- Prior to Mint, he was the Co-founder and MD of StyleTread Pty Ltd, and he founded ParcelPush Pty Ltd
- He also worked for KPMG Consulting he and later joined eBay as Senior Manager heading up mobile solutions.



**Dr. Fred Yip (CTO)**

- PhD in Software Engineering and brings over 15 years of experience of R&D, engineering and consulting experience.
- Former MD of ViViPOS Australia
- Senior positions at Investec Bank, Genexis Consulting



**Matt Challingsworth  
(Head of Product)**

- Previously Business Leader, Debit Product Management APMEA at Mastercard
- Business Leader, Prepaid Product Management APMEA at Mastercard
- Cards Industry Specialist Commonwealth Bank
- Business Services Analyst, at EDS Group



**Sarah Pilkington  
(Head of Projects)**

- Previously Project Manager First Data
- Project Manager at 247 Distribution
- Assistant Project Manager at TSYS



**Rodney Parker-Yules  
(Head of Operations)**

- Prior to Mint, he was the Founder & Managing Director of Pay & Go Pty Limited for over 7 years



**Alfred Wong (Head of  
Software Development)**

- Prior to Mint, he was a Consultant for T2 And Me Pty Ltd
- Co-founder Genexis Consulting
- Logica / CGI
- Towers Perrin



MINT PAYMENTS™

## Contact

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The background features a series of overlapping, curved shapes in various shades of green and teal, creating a dynamic, layered effect. The colors range from a vibrant lime green to a deep, dark teal.

# **Appendix 1: The Mint Payments Platform**

# Mint's payment platform is modular in design and supports any customised integration and omni-channel payment strategies of banks and software vendors

**Minterprise**



Mint mPos  
"White Label"



3rd Party App  
(Mintegrate SDK)

**Mint mPos**



Mint mPos Application

**Mintegrate**



3rd Party App  
(Mintegrate SDK)




mPos Application

**Minternet**



Hosted Payment Page



Collections & Recurring Payments



Virtual Terminal

Multi-Customer Platform

**Card Reader and Peripherals**



Card Reader




Printer

**Integration**

Integration Ease

Authorisation Credential Management

**Mint Payment Services Engine**

Automated Onboarding Service

Web Portals

Admin	Merchant
rTMS	RKI

Payment Core

User Management	Transaction Processing	ACL	Limits Management
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vHSM Cloud

Communications Platform

Multi-Switch

**Developer Ecosystem**



Portal

**Bank Acquirers & Issuers**







# Minternet – Online Payments Processing (CNP)

Customer Not Present (CNP) payments via the internet such as e-commerce, recurring or bill payments

Home » Virtual Terminal » Purchase MINT PAYMENTS

Amount   VISA MASTERCARD

Description   
This will not show up on the customers statement.

Unique Reference   
This is your reference (e.g. Credit Note reference, or similar). Note a reference will be automatically generated if one is not provided. This will not show up on the customers statement.

Name on Card

Card number

Expiry & Security Code

By clicking the 'Charge Card' button below you will be charging the customer for \$20.00 immediately. You agree that you are authorized to charge this customers card for the amount above.

Authorize Only

## APIs

Integrate CNP payments collections into your software.

## Hosted Payments Page

Ideal as an e-commerce payment solution to accept debt and credit cards online

## Batch Payments

Process large lists of payment transactions - supports tokens.

## Virtual Terminal

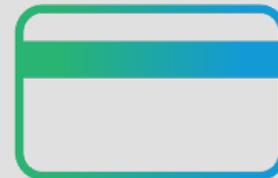
Easiest way to process a payment online with full reporting capabilities.

## Recurring Payments

Collect scheduled payments using either credit card or direct debit. Ideal for subscription services, club memberships, etc.

## Phone Payments

Enable your team and customers to securely process payments over the phone.



## Enterprise Payment Solution

It includes API, batch, IVR, mobile payment, payment gateway, recurring payment or virtual terminal,

## Accounts Receivable Automation:

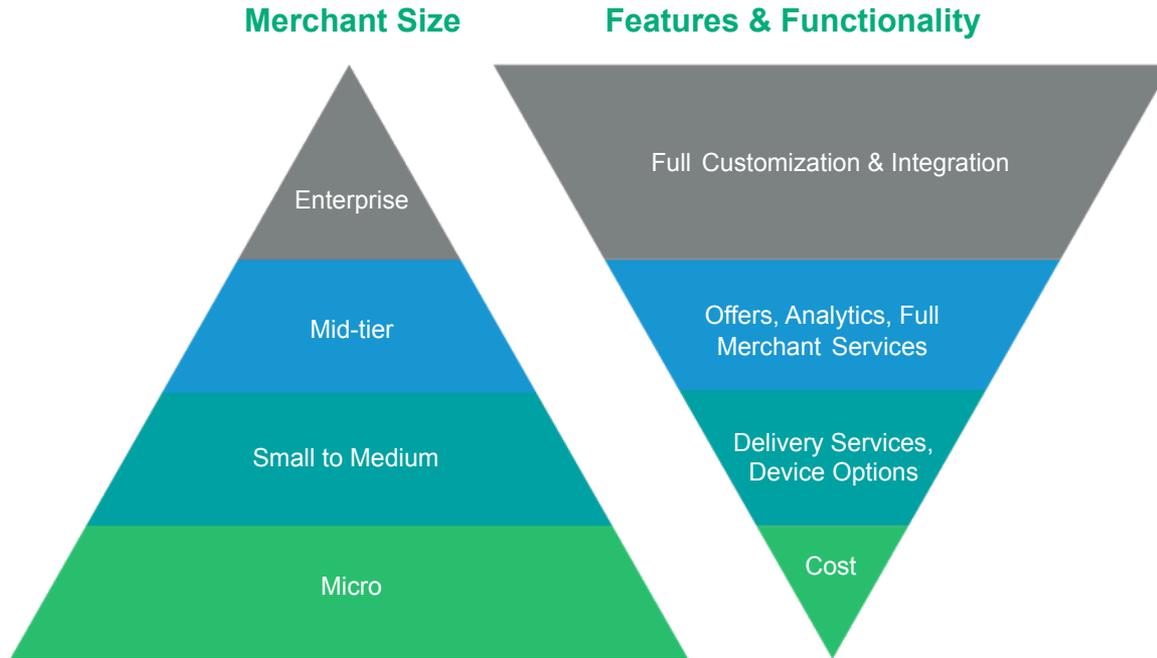
Automate your electronic billing, payments, receipting and collections.

## PCI Compliant

Secure storage of credit card data, tokenisation solutions and solutions to reduce risk, PCI-DSS scope and cost with our PCI-DSS level 1 compliant products.

# Customers needs & requirements

Mint's white label or custom integration mobile and online payment offerings can address various customer's requirements



Source: Visa, 2014