

An aerial photograph of a coastal town built on a rocky cliffside. The town features a mix of residential and commercial buildings, with a prominent multi-story building in the center. The cliffside is rugged and rocky, with waves crashing against the base. In the background, a sandy beach and a larger residential area are visible under a blue sky with scattered clouds.

Mint Payments
Investor Update
April 2022

Mint

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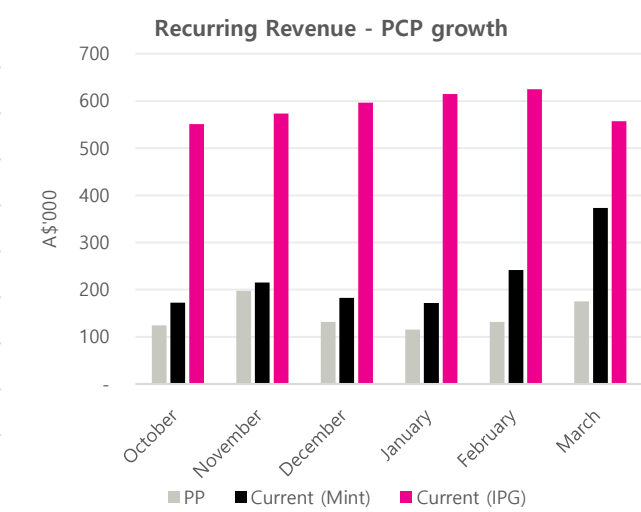
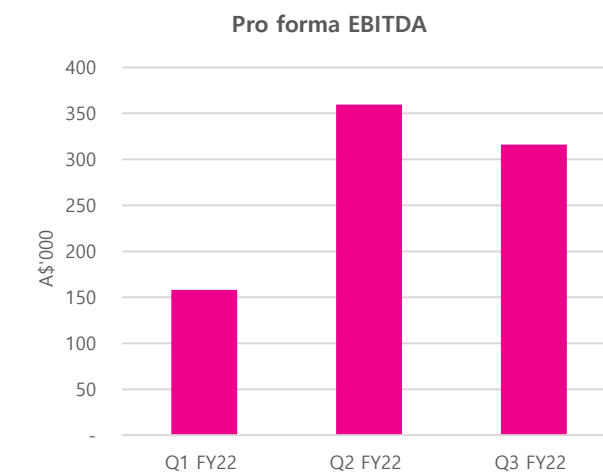
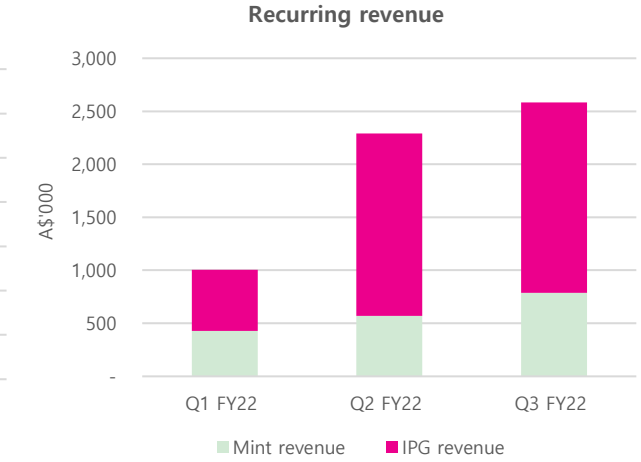
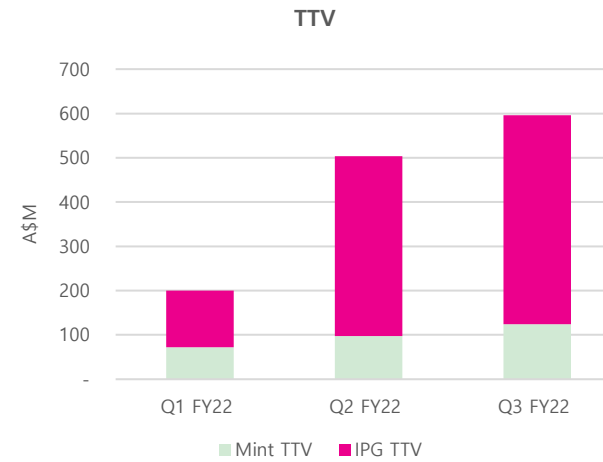
Q3 FY2022 (January to March)

Financial Performance – Q3 FY2022

- **\$596.4m** in Total Transaction Value (TTV) (↑ 19% higher than the December 2021 quarter). Monthly TTV growth in the travel vertical of 90% in February and 69% in March.
- Total Revenue of **\$2,583k** was ↑ \$2,160k vs. last year.
- Like-for-like revenue growth (excluding IPG) was \$363k (↑ 86%) higher than Q3 FY2021.
- Total Margin for the quarter was **\$2,111k**, ↑ \$1,830k vs. last year.
- EBITDA for the quarter was **\$316k**, ↑ \$883k vs. last year.

Highlights

- **YTD pro forma EBITDA to March 2022 of \$834k** – positive reported EBITDA of \$442k for the YTD period to March 2022 driven by the acquisition of IPG from September 2021. Pro forma EBITDA of \$834k for the YTD period incorporating normalised earnings for IPG for July and August 2021 to reflect a full-year impact of the IPG acquisition for FY22.
- **Strong travel growth in March with revenue above pre-COVID levels** – Mint’s travel TTV was \$53.3m for March 2022, compared to travel TTV of \$31.6m in February 2022 (an increase of **69%**), driven by the early signs of travel recovery from COVID-19 with domestic and international borders now open. The growth is primarily driven by existing travel merchants onboarded during 2021. Mint travel revenue for March 2022 was c. 60% higher than pre-COVID levels despite lower TTV, due to a concerted effort in 2021 to move existing merchants from gateway agreements to full MSF. This results in significantly higher revenue as a percentage of TTV.
- **Agreement with NLNA signed** – Mint signed a partnership in March with the National Lotteries & Newsagents Association (NLNA) to be the exclusive payments provider for the network. The NLNA has over 500 newsagency members, alongside a substantial network of associated and potential newsagents. Mint has already had multiple applications from NLNA members to sign up to Mint.



*Charts above only include IPG from acquisition (September 2021)

Financial Summary

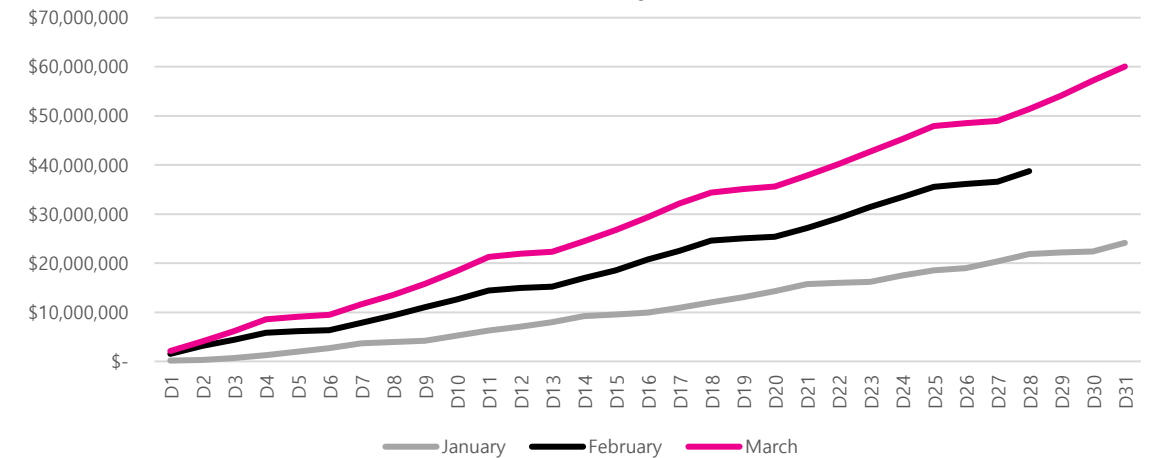
FY22 Quarterly Performance				
A\$'000	Q1 FY22	Q2 FY22	Q3 FY22	YTD
Mint revenue	429	570	786	1,785
IPG revenue	577	1,721	1,797	4,095
Revenue	1,006	2,291	2,583	5,879
Cost of sales	(331)	(478)	(669)	(1,477)
Gross profit (excl. other income)	675	1,813	1,914	4,402
Other income	245	231	197	673
Gross profit	920	2,045	2,111	5,076
Employee costs	(832)	(1,063)	(1,128)	(3,022)
Other overheads	(297)	(648)	(667)	(1,612)
Reported EBITDA	(209)	335	316	442
Pro forma adjustments	367	25	-	392
Pro forma EBITDA	158	360	316	834
KPIs				
TTV	199,907,260	503,247,290	596,353,065	1,299,507,614
Transaction volume	6,375,151	21,008,194	20,969,227	48,352,572
Avg. ticket size	31.36	23.95	28.44	26.88
Revenue % of TTV	0.50%	0.46%	0.43%	0.45%
Gross margin (excl. other income)	67.1%	79.2%	74.1%	74.9%

- Revenue of \$2.6m for the March 2022 quarter, 12.7% higher than the December quarter, driven by a significant increase in travel volumes.
- Positive reported EBITDA of \$316k for the March 2022 quarter, in line with the December quarter.
- Pro forma EBITDA of \$834k for the YTD period incorporating normalised earnings for IPG for July and August 2021 to reflect a full-year impact of the IPG acquisition for FY22.

Commentary

- Q3 FY22 was a very strong quarter for Mint, as our continued focus on the travel vertical resulted in substantial month-on-month growth, with Mint generating 93% TTV growth in February in the travel vertical and another 69% TTV growth in March. This is highlighted in the chart below.

Mint's cumulative TTV by month (2022)



- January 2022 revenue and TTV was impacted by the Omicron outbreak in Australia. However, travel TTV and revenue has increased significantly in February and March 2022 as a result of border reopening's. Mint's revenue for March 2022 was more than double March 2021, with revenue c. 60% higher than pre-COVID levels (despite travel volumes at only 30% to 40% pre-COVID levels), before considering the additional revenue from IPG. Mint's direct to customer channel was up 60% in March 2022 from February, with growth also seen in our online, services and other verticals.
- Revenue for IPG for the quarter was impacted by the weakening of the Euro compared to the Australian Dollar in March, despite higher TTV. We do not anticipate any reductions in IPG revenue in local currency, with negative fluctuations largely due to FX movements.
- Gross margin of 74.1% for the quarter was lower than the previous quarter due to higher travel revenue, with travel revenue resulting in a lower gross margin percentage compared to IPG Europe's gateway revenue which does not incur a direct cost. We anticipate gross margin to reduce as travel increases. Despite this, Mint on average generates a similar margin as a % of TTV compared to IPG's gateway, so there is no negative impact to Mint with the gross margin reducing.

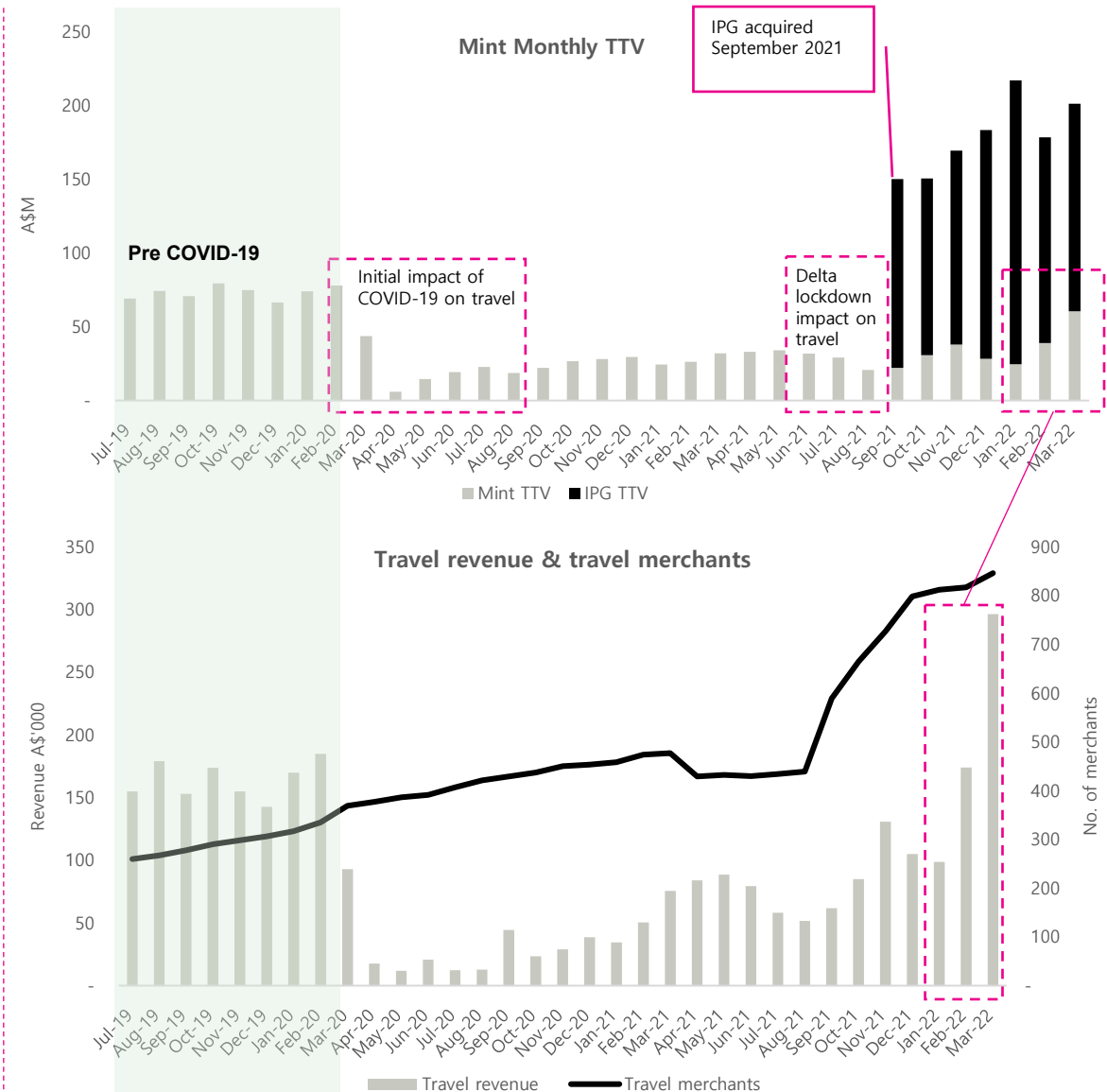
Looking ahead

The last three months

- Positive EBITDA, material increase in gross margin and month-over-month growth in TTV during the March 2022 quarter, in particular the travel vertical, with 90% growth in February and a further 69% in March.
- Monthly TTV and revenue higher than pre COVID-19 levels, driven by the IPG acquisition, new verticals, migration of Mint gateway merchants across to full service MSF offering on the platform and general lift from existing travel merchants' transaction volumes.
- Mint travel revenue for March 2022 was c. 60% higher than pre-COVID levels despite TTV only being in line with pre-COVID, due to a concerted effort in 2021 to move existing travel merchants from gateway agreements to full MSF.

What does this mean?

- As illustrated in the charts opposite, Mint has experienced substantial merchant growth in the travel industry since the commencement of the COVID-19 pandemic. This has been particularly evident in FY22, due to the introduction of EFT and the exclusive partnership with Helloworld. Mint's travel TTV was c. \$55m per month pre COVID-19 with only c. 300 merchants. Mint's travel merchants at March 2022 was 846, with the recent TTV growth evident that Mint is well positioned to maximise growth as the travel volumes continue to return.
- Mint's travel TTV was \$53m in March 2022 already in line with pre-COVID levels, despite travel TTV recovery at c. 30% of pre-COVID levels. We forecast travel TTV and revenue to increase materially for the remainder of FY22 and FY23 as the recovery of travel returns.
- IPG continues to perform strongly as a core revenue stream for Mint, and our continued focus on the travel vertical is starting to drive revenue and earnings growth. Monthly revenue has Mint tracking at an annualised run-rate of \$12m, before factoring in continued travel recovery and the significant opportunities available with Helloworld and the NLNA during 2022 and 2023.



Mint

Mint Payments

ABN 51 122 043 029

(02) 8752 7888

mintpayments.com

Australia

Blade Building

Level 6, 69/71 Walker St,
North Sydney NSW 2060

Contact:

Mint Investor Relations

investors@mintpayments.com