

Mint

Rewarding Payments

Investor Update – Q4 FY2022
July 2022



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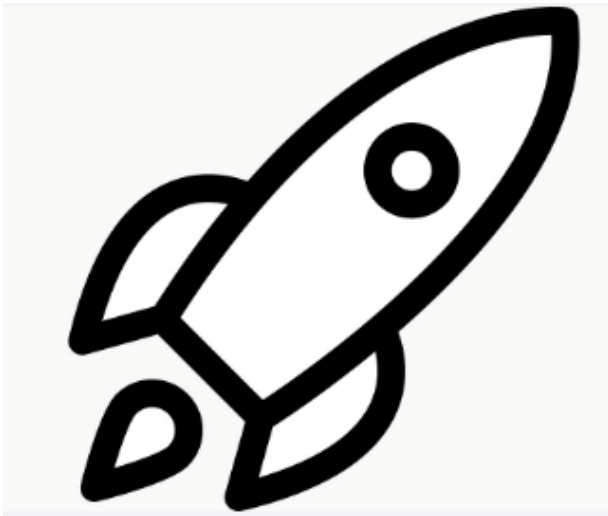
Other

All references to dollars are to Australian currency unless otherwise stated.

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Q4 FY2022 | April to June

Mi



\$2.5Bn+
Transaction value
annually

\$12m+
Recurring revenues
annually

1,500+
Merchants

80m+
Transactions annually

6
Operating and
transacting countries

40+
Colleagues

Q4 FY2022 | April to June

Financial Performance – Q4 FY2022 (unaudited)

- **\$660.3m** in Total Transaction Value (TTV) (↑ 11% higher than the March 2022 quarter). Monthly TTV growth in the travel vertical of 33% in May and 9% in June.
- Total Revenue of **\$2,944k** was ↑ \$2,406k vs. last year.
- Like-for-like revenue growth (excluding IPG) was \$788k (↑ 146%) higher than Q4 FY2021.
- Total Margin for the quarter was **\$2,585k**, ↑ \$2,315k vs. last year.
- EBITDA for the quarter was **\$683k**, ↑ \$1,474k vs. last year.

Highlights

- **FY22 pro forma EBITDA of \$1.5m** – positive unaudited reported EBITDA of \$1.1m for FY22 driven by the acquisition of IPG from September 2021 and significant travel growth since February 2022. Pro forma EBITDA of \$1.5m for FY22 incorporating normalised earnings for IPG for July and August 2021 to reflect a full-year impact of the IPG acquisition.
- **\$2bn in TTV for FY22** – Mint has processed c. \$2bn in TTV in FY22, compared to \$670m in FY20 and \$329m in FY21.
- **Strong travel growth in Q4 with revenue significantly above pre-COVID levels** – Mint's travel TTV was \$79.1m for June 2022, compared to pre-COVID travel TTV of c. \$57.0m (↑ 39%), driven by the initial travel recovery from COVID-19 with and significant travel merchants onboarded during 2021. Mint travel revenue for June 2022 was ↑ c. 130% higher than pre-COVID levels, due to a concerted effort in 2021 to move existing merchants from gateway agreements to Mint's merchant service facility (MSF). This results in significantly higher revenue as a percentage of TTV.
- **Q4 annualised recurring revenue of \$12m** – Mint has generated significant growth since February 2022, driven by the early signs of travel recovery from COVID-19 with the opening of domestic and international borders. This has resulted in Q4 FY22 revenue of \$2.9m (up from \$2.3m in Q2 and \$2.6m in Q3), resulting in \$12m annualized recurring revenue for the Group.



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

Financial Summary (unaudited)

FY22 Quarterly Performance

A\$'000	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY22
Mint revenue	429	570	786	1,326	3,111
IPG revenue	577	1,721	1,797	1,618	5,713
Revenue	1,006	2,291	2,583	2,944	8,824
Cost of sales	(331)	(478)	(669)	(1,051)	(2,528)
Gross profit (excl. other income)	675	1,813	1,914	1,894	6,296
Other income	245	231	197	692	1,365
Gross profit	920	2,045	2,111	2,585	7,661
Employee costs	(832)	(1,063)	(1,128)	(1,271)	(4,293)
Other overheads	(297)	(648)	(667)	(631)	(2,243)
Reported EBITDA	(209)	335	316	683	1,125
Pro forma adjustments	367	25	-	-	392
Pro forma EBITDA	158	360	316	683	1,517
<i>KPIs</i>					
TTV	199,907,260	503,247,290	596,353,065	660,307,125	1,959,814,740
Transaction volume	6,375,151	21,008,194	20,969,227	21,004,311	69,356,883
Avg. ticket size	31.36	23.95	28.44	31.44	28.26
Revenue % of TTV	0.50%	0.46%	0.43%	0.45%	0.45%
Gross margin (excl. other income)	67.1%	79.2%	74.1%	64.3%	71.4%

- **Revenue of \$2.9m for the June 2022 quarter, 14% higher than the March quarter**, driven by a continued substantial increase in travel volumes.
- **Positive unaudited reported EBITDA of \$683k for the June 2022 quarter**
- **Pro forma EBITDA of \$1,517k for FY22** incorporating normalised earnings for IPG for July and August 2021 to reflect a full-year impact of the IPG acquisition.

Commentary

- Q4 FY22 was another strong quarter for Mint, as our continued focus on the travel vertical resulted in substantial month-on-month growth, with Mint generating 33% TTV growth in May in the travel vertical and another 9% TTV growth in June.
- Mint's revenue since March 2022 has been significantly higher than pre-COVID levels, with May and June 2022 revenue being over 100% higher than pre-COVID levels (despite travel volumes at only 40% to 50% pre-COVID levels), before considering the additional revenue from IPG.
- Mint's travel revenue was 101% higher in Q4 FY22 compared to Q3 FY22. Excluding travel, Mint's other direct to customer channel was up 28% in Q4 FY22 compared to Q3 FY22, with growth coming from our online, services and other verticals.
- The significant customer wins in 2021 have Mint well placed to take advantage of the travel recovery. We forecast travel TTV and revenue to increase materially in FY23, particularly with a focus on new merchant wins and the launch of a new product, Virtual Card, from September 2022.
- Revenue for IPG for the quarter was impacted by the weakening of the Euro compared to the Australian Dollar, 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 64.3% 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.
- Mint has been able to identify and accelerate a number of cost saving synergies from the IPG acquisition to in Q4 FY22. Mint has accelerated its cloud migration project to reduce expensive and inefficient on-premise hosting costs, whilst also identifying other cost inefficiencies that were budgeted to reduce in FY23 and a reduction of these costs during Q4.

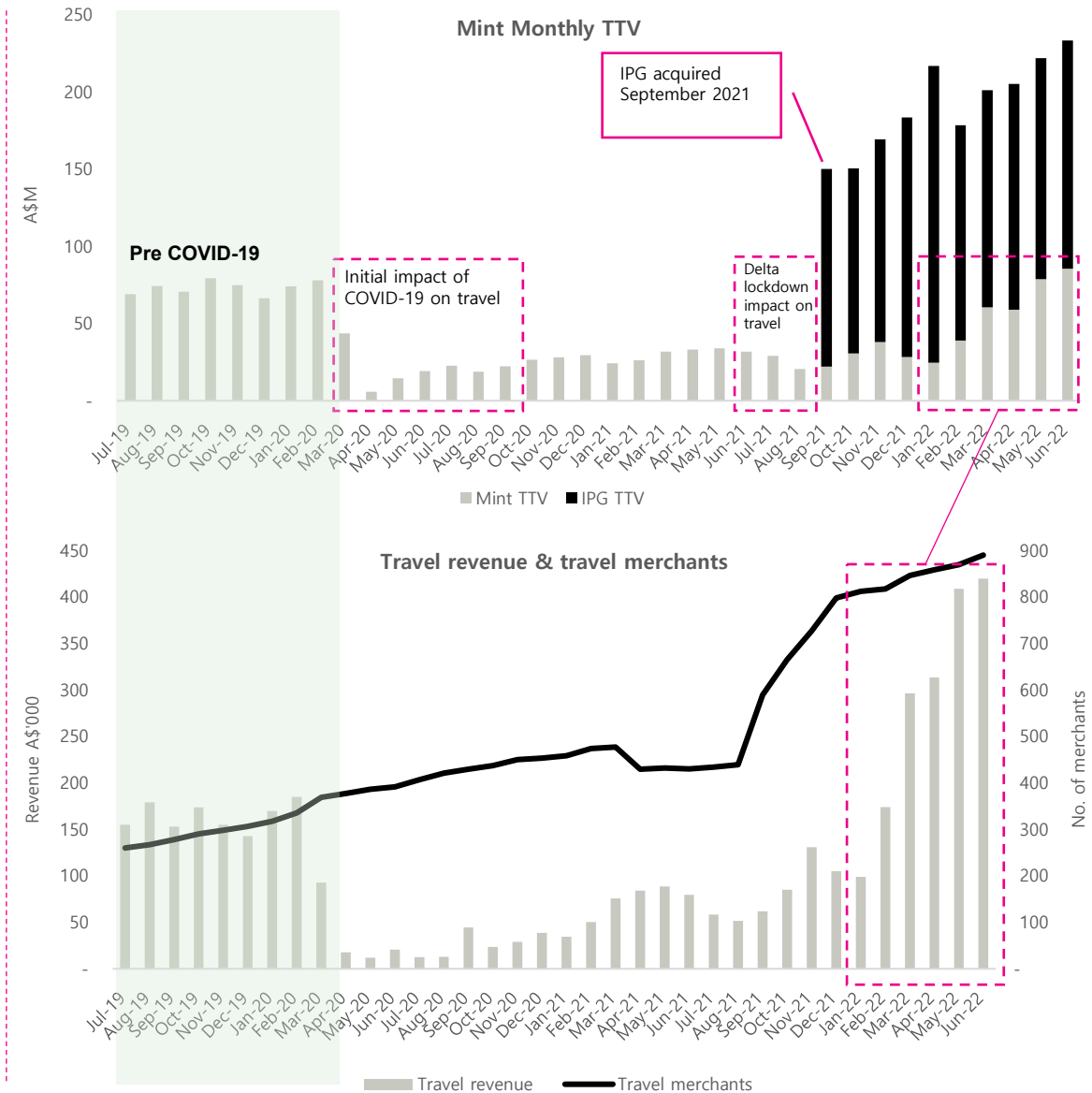
Looking Ahead

The last six months

- Positive EBITDA, material increase in gross margin and month-over-month growth in TTV since February 2022, in particular the travel vertical.
- Monthly TTV and revenue significantly 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 June 2022 was c. 130% higher than pre-COVID levels despite the travel industry still recovering from COVID-19, 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 MintEFT 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 June 2022 has grown to 890, 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 \$79m in June 2022 already 40% above pre-COVID levels, despite travel TTV recovery at a per merchant level c. 40% to 50% of pre-COVID levels. We forecast travel TTV and revenue to increase materially in FY23 as the recovery of travel returns.
- IPG continues to perform strongly as a core revenue stream for Mint. IPG is forecasted to continue its stable and reliable revenue and earnings contribution to the Group, while benefiting from the realization of planned cost savings and synergies in FY23.
- Monthly revenue has Mint tracking at an annualised run-rate of \$12m, before factoring in continued travel recovery and the significant opportunities available through Mint's launch of a Virtual Card product from September 2022 and moving from a payment processor to a payment facilitator, strengthening our card-present capabilities. Mint also has a number of other products in the pipeline to continue to build Mint's end-to-end payment ecosystem.



APPENDICES ABOUT MINT

About Mint Payments

- + Established in 2007, Mint is an Australian fintech specialising in a wide range of **end-to-end payment solutions** allowing businesses to accept payments from their customers and make payments to their suppliers locally and internationally.
- + Mint offers **merchant acquiring, real-time bank transfers, digital payments** and **virtual card issuance** through a single payments technology platform.
- + Mint aims to deliver **market leading, vertically focused, industry payment solutions** that reward our customers for just doing business.
- + Today Mint is focused on the **travel, hospitality, retail** and **professional services** sectors and is benefiting strongly from the rebound in travel.
- + Mint recently completed the **acquisition of IPG Group** on favourable terms. The acquisition gave Mint important **diversification** across sectors and geographies as well as ownership of relevant **new technology**.
- + **Mint has both a direct-to-customer channel and a white-label offering.**

Online, in-store, in-app & beyond



About Mint Payments

Mint is focused on delivering market leading end-to-end payment solutions to the following industry verticals:

Online, Retail & Hospitality

nutrimetics

Pablo & Rusty's
COFFEE ROASTERS

auto
parts
group

carsguide

FUJIFILM

Tyres4U



Travel & Accommodation

helloworld

CORPORATE
TRAVELLER™

FLIGHT
CENTRE
TRAVEL GROUP™

TRAVEL
FOCUS

afta
AUSTRALIAN FEDERATION
OF TRAVEL AGENTS



Trades & Professional Services

BOX HILL
INSTITUTE

Jim's
Skip Bins

peridot
ACCOUNTING
SOLUTIONS

easy living®
home elevators
designed to impress



Bespoke & White Label

Peters

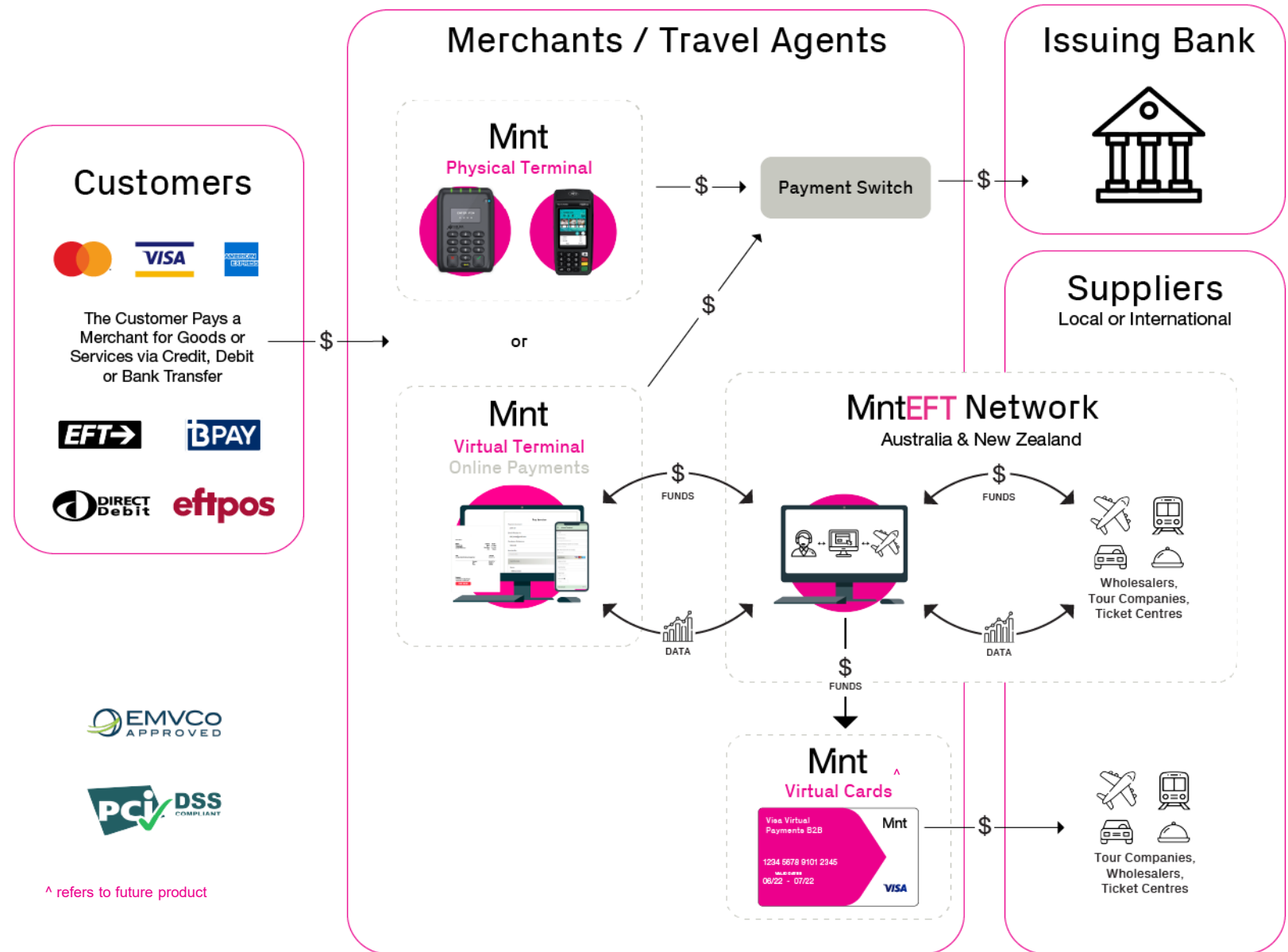
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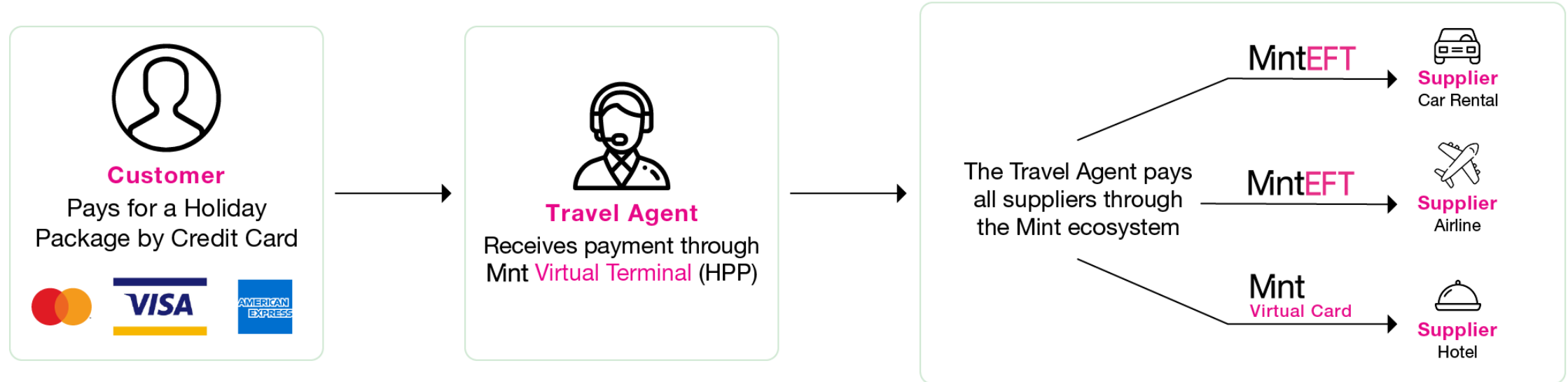
Payment Products & Solutions

- + Mint offers end-to-end payment solutions
- + Mint Payments is an innovative payments solution provider with a strategy of becoming a **full-service, end-to-end payments provider** for all businesses accepting payments from customers and making payments to their suppliers.
- + Mint continues to build and integrate with a network of acquirers and issuers to enable a more efficient flow of funds for our business customers through a single technology platform.



End-to-End Payments for the Travel Industry

Travel Industry Payments Example



- + Virtual cards will enable Travel Agents to make payments to suppliers who are not currently signed up to MintEFT in Australia or New Zealand, and enable payments to suppliers located overseas.

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