

Mint

Rewarding Payments

Investor Update – Q1 FY2023
October 2022



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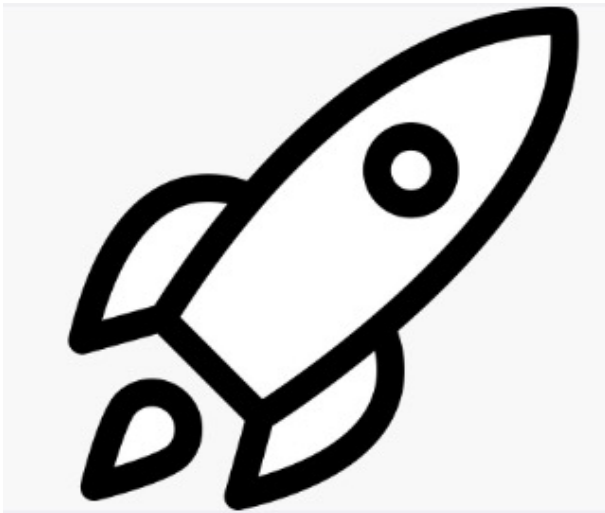
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We are operating at scale, profitable and growing

Mi

Q1 (July – Sept 22)

Mi



\$3Bn+

Transaction value annually (up from \$2.5bn last quarter)

\$14m+

Recurring revenues annually (up from \$12m last quarter)

1,500+

Merchants

100m+

Transactions annually (up from 80m last quarter)

6

Operating and transacting countries

45+

Colleagues

Financial Summary

Q1 FY23 Quarterly Performance

A\$'000	Q4 FY22	Q1 FY23
Travel	1,142	1,268
White label	1,562	1,613
Other	240	285
Revenue	2,944	3,167
Direct cost of sales	(978)	(1,105)
Other cost of sales	(73)	(146)
Gross profit (excl. other income)	1,894	1,916
Other income	692	149
Gross profit	2,585	2,065
Employee costs	(1,271)	(1,474)
Other overheads	(593)	(745)
Reported EBITDA	720	(154)
Pro forma adjustments	(55)	66
Pro forma EBITDA	666	(89)
<i>KPIs</i>		
<i>TTV</i>	<i>660,307,125</i>	<i>686,936,135</i>
<i>Travel</i>	<i>204,213,984</i>	<i>234,374,446</i>
<i>White label</i>	<i>423,545,338</i>	<i>355,108,744</i>
<i>Other</i>	<i>32,547,803</i>	<i>97,452,945</i>
<i>Transaction volume</i>	<i>21,004,311</i>	<i>23,801,430</i>
<i>Avg. ticket size</i>	<i>31.44</i>	<i>28.86</i>
<i>Revenue % of TTV</i>	<i>0.45%</i>	<i>0.46%</i>
<i>Gross margin (excl. other income)</i>	<i>64.3%</i>	<i>60.5%</i>

Commentary – Q1 FY23

- **Revenue of \$3.2m for the September 2022 quarter, 8% higher than the June quarter**, driven by a continued increase in travel volumes and an increase in white label off the back of higher volumes and the strengthening of the Euro against the Australian Dollar. Mint's revenue since March 2022 has been significantly higher than pre-COVID levels, with August and September 2022 revenue being over 140% higher than pre-COVID levels (despite travel volumes at only 50% to 60% pre-COVID levels), before considering the additional revenue from the IPG acquisition.
- The significant customer wins in 2021 have Mint well placed to take advantage of the travel recovery. We forecast travel total transaction value (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, initially targeting supplier payments for the travel industry; before the end of calendar year 2022.
- Gross margin of 60.5% 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 white label gateway revenue which does not incur a direct cost. We anticipate gross margin to reduce as travel increases. Despite this, travel revenue on average generates a similar margin as a % of TTV compared to white label gateway revenue, so there is no negative impact to Mint with the gross margin reducing.
- Mint has invested in resources (staff) during the September 2022 quarter to help facilitate significant growth objectives for the business. Key staff hired are in sales & marketing to support new merchant acquisition targets and product & technology to support Mint's 12-month product roadmap.
- Mint has developed a core product roadmap with a key focus on user experience to deliver Mint's vision of being a full-service, end-to-end payments ecosystem, to help companies and their customers to transact in more rewarding ways. Mint aims to add value, rather than simply process it. The product roadmap supports this vision allowing merchants to benefit from a seamless, user-focused payments ecosystem.

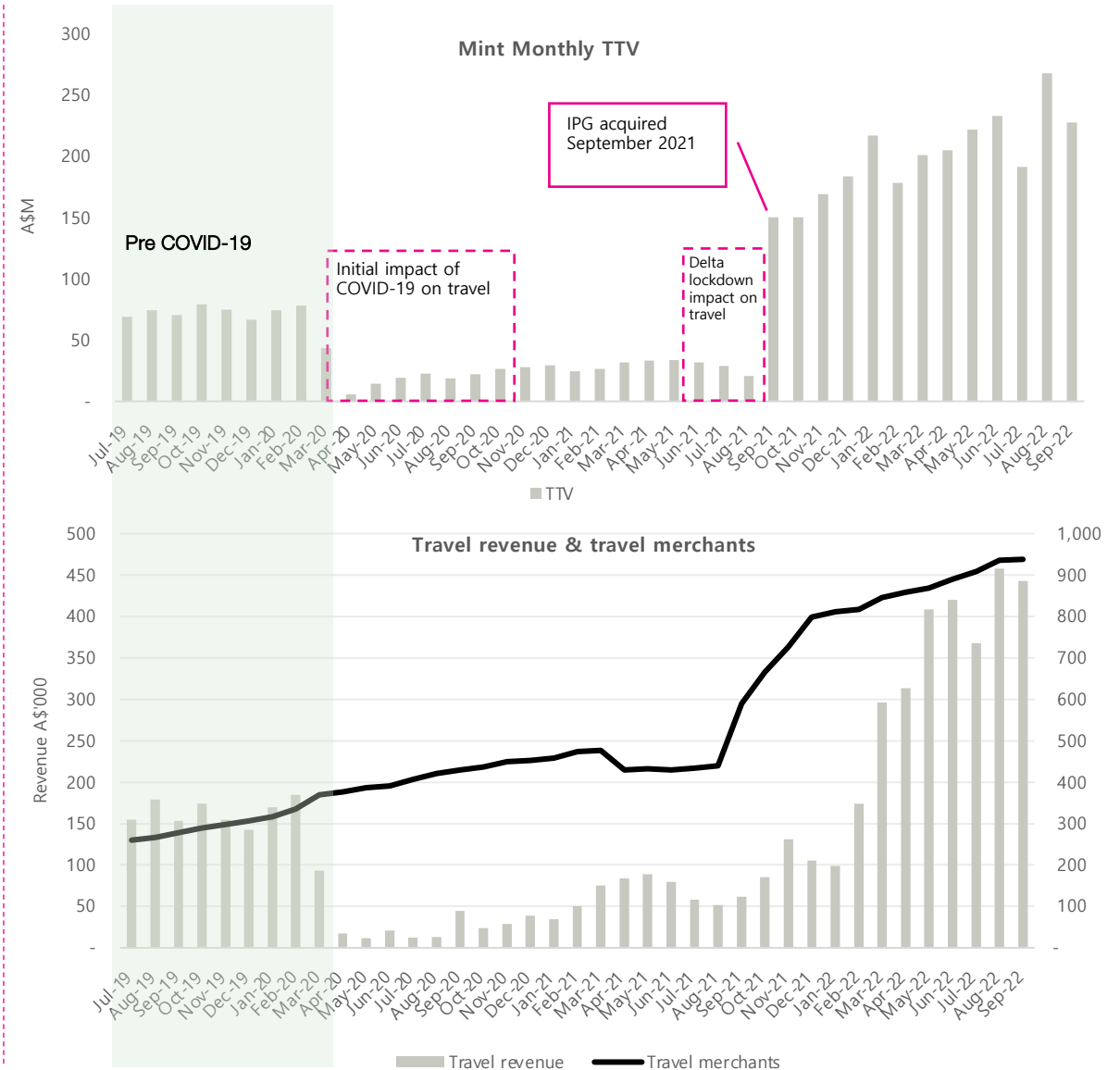
Looking Ahead

The last six months

- Positive EBITDA, material increase in gross margin and month-over-month growth in TTV from the travel vertical since February 2022.
- 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 September 2022 was c. 150% 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 September 2022 has grown to 938, 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 \$83m in June 2022 already 45% above pre-COVID levels, despite travel TTV recovery at a per merchant level c. 50% to 60% of pre-COVID levels. We forecast travel TTV and revenue to increase materially in FY23 and FY24 as the recovery of travel returns.
- White label gateway continues to perform strongly as a core revenue stream for Mint. White label gateway is forecasted to continue its stable and reliable revenue and earnings contribution to the Group, while benefiting from the realisation of planned cost savings and synergies in FY23.
- Monthly revenue has Mint tracking at an annualised run-rate of \$14m, before factoring in continued travel recovery and the significant opportunities available through Mint's launch of a Virtual Card product and a number of other products in the pipeline to continue to build Mint's end-to-end payment ecosystem.



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