

Mint

Rewarding Payments

Investor Update – Q2 FY2023
January 2023



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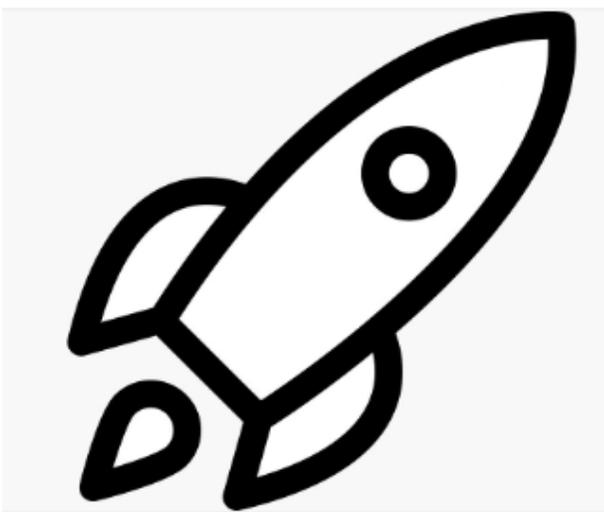
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We are operating at scale, profitable and growing

Mi

Q2 (Oct – Dec 22)

Mi



\$3Bn+

Transaction value annually (in line with last quarter despite Q2 seasonality impact)

\$15m+

Recurring revenues annually (up from \$14m last quarter)

1,500+

Merchants

130m+

Transactions annually (up from 100m last quarter)

\$324k

Pro forma EBITDA for H1 FY2023

6

Operating and transacting countries

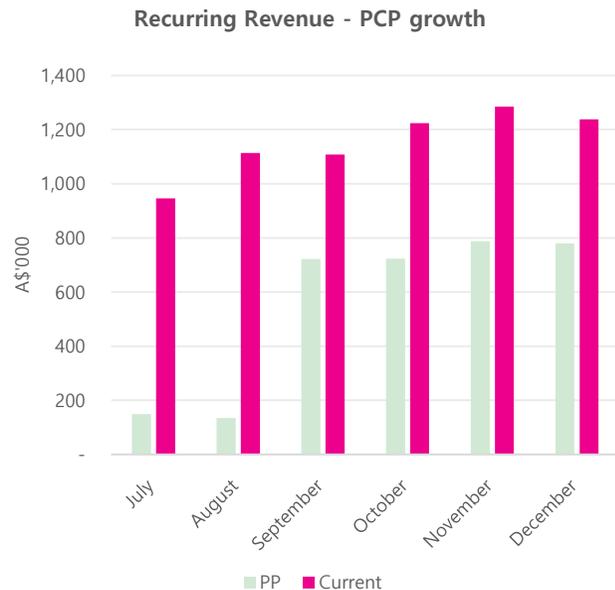
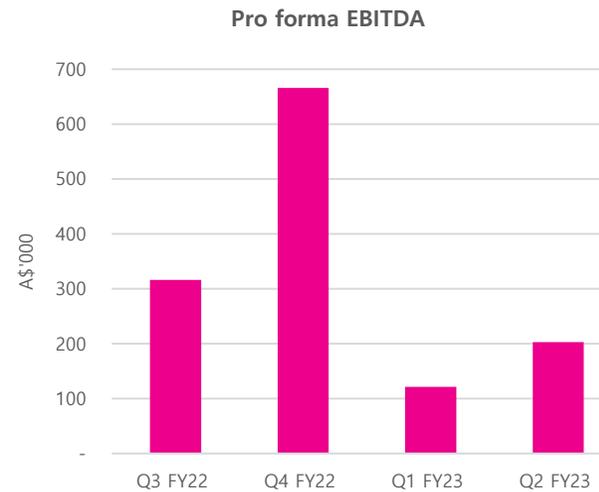
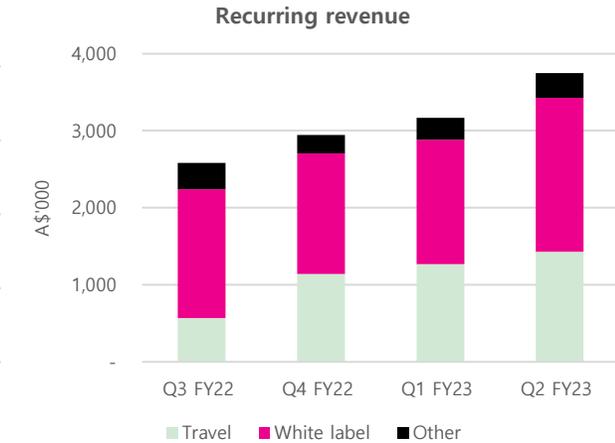
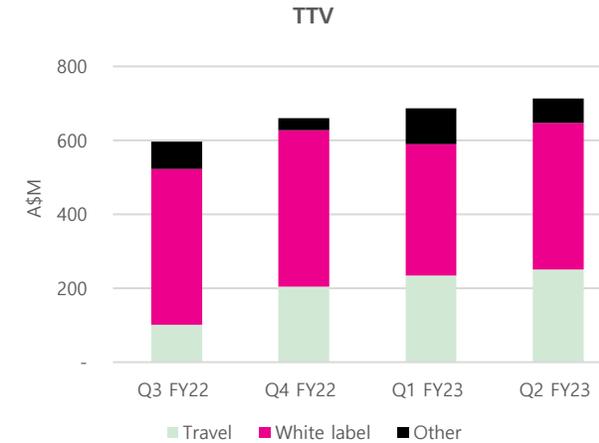
Q2 FY2023 | October to December

Financial Performance – Q2 FY2023 (unaudited)

- **\$713.3m** in Total Transaction Value (TTV) (↑ 4% higher than the September 2022 quarter and ↑ 71% higher than the December 2021 quarter). TTV growth driven from the travel vertical (7% ↑ compared to September 2022 quarter and 350% ↑ compared to December 2021 quarter) and white label (12% ↑ compared to September 2022 quarter and 4% ↑ compared to December 2021 quarter).
- Total Revenue of **\$3,746k** was ↑ \$579k vs. last quarter and ↑ \$1,455k vs. last year (like-for-like growth).
- Total Margin for the quarter was **\$2,820k**, ↑ \$755k vs. last quarter ↑ \$776k last year.
- Pro forma EBITDA for the quarter was **\$203k**, and pro forma EBITDA for the half-year was **\$324k**.

Highlights

- **\$3bn in TTV for calendar year 2022** – Mint processed c. \$3bn in TTV in 2022 calendar year despite travel only recommencing from COVID lockdowns during the year. This compares to pre-COVID TTV for Mint of c. \$800m.
- **Continued quarterly growth in key verticals of travel and white label** – Mint’s travel TTV for the quarter was \$250.8m, compared to last quarter of \$234.4m (↑ 7%) and last year of \$56.0m (↑ 348%), driven continued travel recovery from COVID-19 and strategic travel partnerships. Mint’s white label TTV for the quarter was \$396.8m, compared to last quarter of \$355.1m (↑ 12%) and last year of \$380.8m (↑ 4%), driven by 10% month-on-month volume growth since July 2022 due to additional functionality and capability developed by Mint in 2022.
- **Q2 annualised recurring revenue of \$15m** – Mint has generated significant growth since February 2022, driven by the travel recovery from COVID-19 with the opening of domestic and international borders. This has resulted in Q2 FY23 revenue of \$3.7m (up from \$3.2m in Q1 and \$2.9m in Q4 FY22), resulting in \$15m annualized recurring revenue for the Group.



Financial Summary

| H1 FY23 Quarterly Performance | | | |
|------------------------------------------|--------------------|--------------------|----------------------|
| A\$'000 | Q1 FY23 | Q2 FY23 | H1 FY23 |
| Travel | 1,268 | 1,427 | 2,696 |
| White label | 1,613 | 1,997 | 3,611 |
| Other | 285 | 321 | 607 |
| Revenue | 3,167 | 3,746 | 6,913 |
| Cost of sales | (1,251) | (1,471) | (2,722) |
| Gross profit (excl. other income) | 1,916 | 2,275 | 4,191 |
| Other income | 149 | 545 | 694 |
| Gross profit | 2,065 | 2,820 | 4,885 |
| Employee costs | (1,474) | (1,552) | (3,026) |
| Other overheads | (745) | (916) | (1,661) |
| Reported EBITDA | (154) | 352 | 198 |
| Pro forma adjustments | 276 | (149) | 126 |
| Pro forma EBITDA | 121 | 203 | 324 |
| <i>KPIs</i> | | | |
| <i>TTV</i> | <i>686,936,135</i> | <i>713,293,538</i> | <i>1,400,229,673</i> |
| <i>Travel</i> | <i>234,374,446</i> | <i>250,760,254</i> | <i>485,134,699</i> |
| <i>White label</i> | <i>355,108,744</i> | <i>396,848,000</i> | <i>751,956,744</i> |
| <i>Other</i> | <i>97,452,945</i> | <i>65,685,284</i> | <i>163,138,229</i> |
| <i>Transaction volume</i> | <i>23,801,430</i> | <i>32,004,381</i> | <i>55,805,811</i> |
| <i>Avg. ticket size</i> | <i>28.86</i> | <i>22.29</i> | <i>25.09</i> |
| <i>Revenue % of TTV</i> | <i>0.46%</i> | <i>0.53%</i> | <i>0.49%</i> |
| <i>Gross margin (excl. other income)</i> | <i>60.5%</i> | <i>60.7%</i> | <i>60.6%</i> |

Commentary – Q2 FY23

- **Revenue of \$3.7m for the December 2022 quarter, 18% higher than the September quarter**, driven by a continued increase in travel volumes and an increase in white label off the back of higher volumes due to additional functionality and capability developed by Mint. Mint's travel revenue since March 2022 has been significantly higher than pre-COVID levels, with Q2 FY2023 travel revenue being over 160% higher than pre-COVID levels (despite travel volumes and supply still below pre-COVID levels), before considering other verticals.
- Significant customer wins in 2021 and 2022 have Mint well placed to continue to take advantage of the domestic and global travel recovery. We forecast travel total transaction value (TTV) and revenue to continue to increase materially in 2023, particularly with a focus on new merchant wins and the launch Mint's new travel focused products as part of the Mint payment ecosystem to enhance the current offering.
- 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.
- Gross margin of 60.7% for the quarter was in line with the previous quarter due to a similar sales mix and growth across both travel and white label verticals. Travel revenue results 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 if gross margin reduces due to an increase in travel.
- Mint has invested in sales and marketing to drive merchant acquisition and new technology resources (staff) during the December 2022 quarter to help facilitate significant growth objectives for the business. Key staff hired are in product and technology to support Mint's 12-month product roadmap.
- Additionally, during the quarter, Mint unlocked further synergies from the IPG acquisition, through its migration of its payments platform into a single environment. This has already enabled cost synergies and benefits to merchants by utilizing the excellent capabilities across both platforms. By integrating the two platforms, this will enable Mint to more easily build new products and services that will enhance its end-to-end payments ecosystem during 2023.



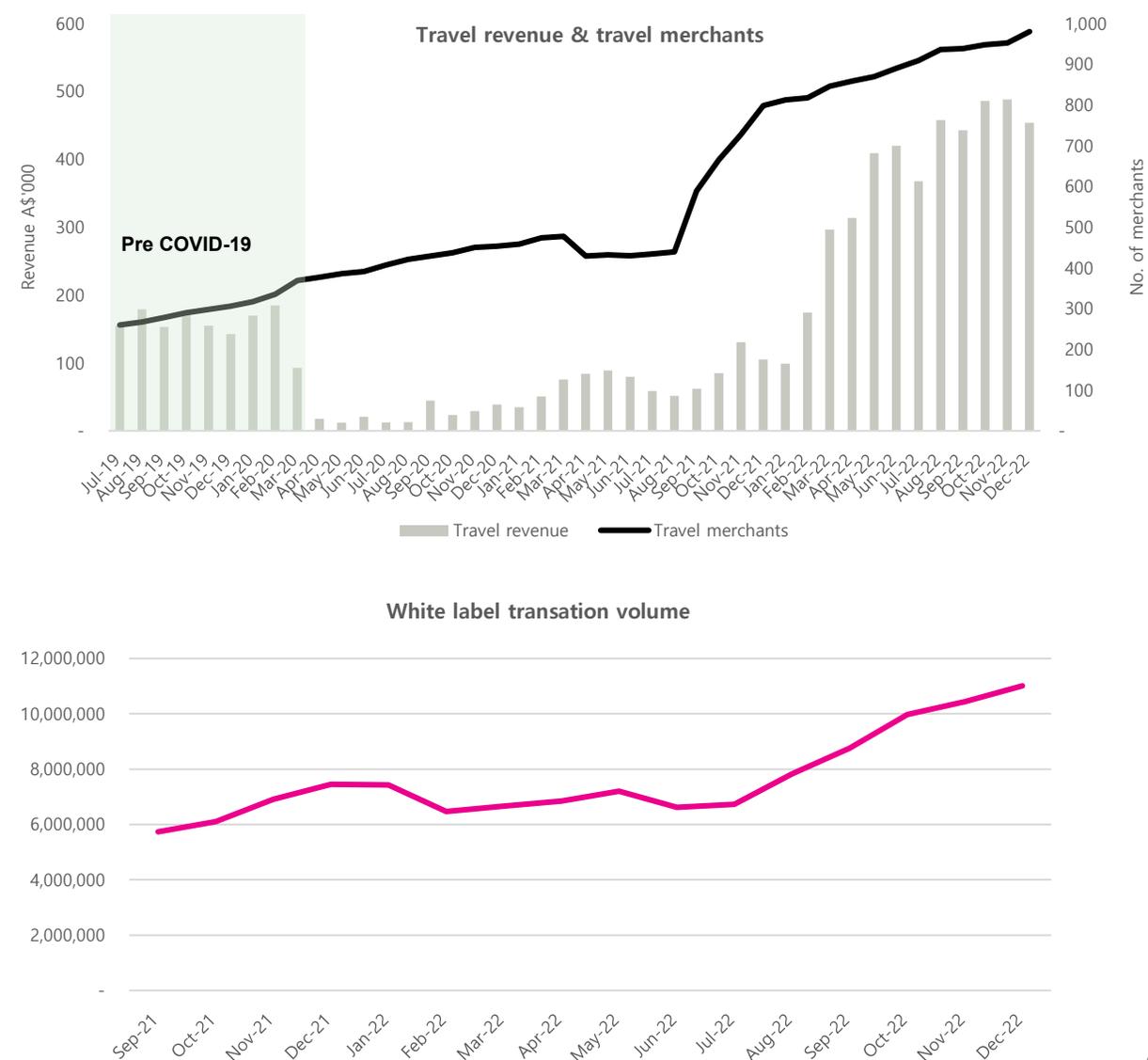
Looking Ahead

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 Q2 FY2023 was c. 160% 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 2021 and 2022, 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 December 2022 has grown to 980, 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 over \$100m in November 2022 already 60% above pre-COVID levels, despite travel TTV recovery at a per merchant level c. 60% of pre-COVID levels. We forecast travel TTV and revenue to increase materially in FY23 and FY24 as the recovery of travel continues and as new payment acceptance and supplier payment solutions are rolled out; resulting in an increase share of wallet.
- White label gateway continues to perform strongly as a core revenue stream for Mint, with over 10% month-on-month growth since July 2022. White label gateway is forecast to continue its stable and reliable revenue and earnings contribution to the Group, while benefiting from the realisation of cost savings and synergies.
- Monthly revenue has Mint tracking at an annualised run-rate of \$15m, before factoring in continued travel recovery and the significant opportunities available through Mint's launch of new pipeline products to enhance Mint's end-to-end payment ecosystem.



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