

MINT PAYMENTS LTD (ASX: MNW)

# Investor Update

APRIL 2016



MINT PAYMENTS™

# Corporate Snapshot

Trading Information	
ASX Code	MNW
Listed Since	2 August 2007
No. of shares	568.4m
Price	\$0.11
Market capitalisation	\$62.5m

Major Shareholders	%
Utilico Investments Limited	19.39
TAAJ Corporation Pty. Ltd.	14.91
IOOF Holdings Limited	7.20
Roadhound Electronics Pty Ltd.	5.57
Dobrani Pty Ltd	4.97

## 12 Month Share Price Performance



Key Financials	FY15 (July-Jun 15) 12 mths	1HY FY16 (July-Dec 15) 6 mths
Operating revenues	\$2.3M	\$1.4
Other revenues (R&D & interest)	\$1.5M	\$-
<b>Total revenues</b>	<b>\$3.8M</b>	<b>\$1.4M</b>
<b>NPAT</b>	<b>\$(7.2)M</b>	<b>\$(3.6)M</b>
<b>Cash</b>	<b>\$3.4M</b>	<b>\$8.6M</b>
<b>Average monthly Operating cash flows</b>	<b>\$(0.53)M</b>	<b>\$(0.32)M</b>

# Strong, Entrepreneurial & Experienced Board

The team has the background, proven track record and vision to succeed



## Terry Cuthbertson (Non-Executive Chairman)

- Former Partner at KPMG M&A
- Former Group Finance Director of Tech Pacific
- Chairman of five other ASX listed companies including My Net Fone Limited.



## Alex Teoh (Managing Director/CEO)

- Co-Founder of Mint Payments
- Previously CEO of a local & international supply chain & logistics business
- Worked at PwC Hong Kong & EY Sydney.



## Andrew Teoh (Executive Director)

- Co-Founder of Mint Payments
- Previously MD of Australian primary goods exporter
- Previously MD of leading consumer electronics technology company
- Extensive experience with emerging technologies



## William Bartee (Non-Executive Director)

- Co-founder & MD of Blackbird Ventures & Co-Founding Partner of Southern Cross Venture Partners
- Invested in a number of successful technology companies



## Peter Wright (Non-Executive Director)

- President of Asia Pacific for OmniPay Limited
- Previously the MD of First Data in Australia & New Zealand, & 2IC of a major Australian payment processing company
- Over 35 years of experience in finance & payments related sector mainly in Australia



## Anne Weatherston (Non-Executive Director)

- CIO of Energy Australia
- Group CIO & member of the Management Board of ANZ Banking Group
- Group CIO for Bank of Ireland & Abbey/Santander
- Over 30 years of experience as a leader of business & technology change

# The Mint Payments business

Our technology enables our partners and merchants to **ACCEPT PAYMENTS** anytime and anywhere



IN-PERSON



ONLINE



MOBILE

## OUR VISION

“To be the most innovative, trusted & dominant omni-channel payments business in the Asia Pacific region”

# The Mint Payments Proposition

Mint is gaining traction in the disruptive, high growth and recurring payments market



## **EASIEST AND MOST COMPLETE PAYMENTS ACCEPTANCE PLATFORM**

Unique single and compliant platform provider, offering an entire suite of In-Person, Online and Mobile payments for partners and merchants to accept all forms of payments across multiple markets.



## **PROVEN BUSINESS MODEL**

Secured, implemented and successfully servicing market leading partners and merchants in Australia, New Zealand and Asia. Now, looking to scale the model by growing Mint's base of partners and merchants.

Recurring revenue model proven with high margin generation.



## **LARGE MARKET AND HIGH GROWTH INDUSTRY**

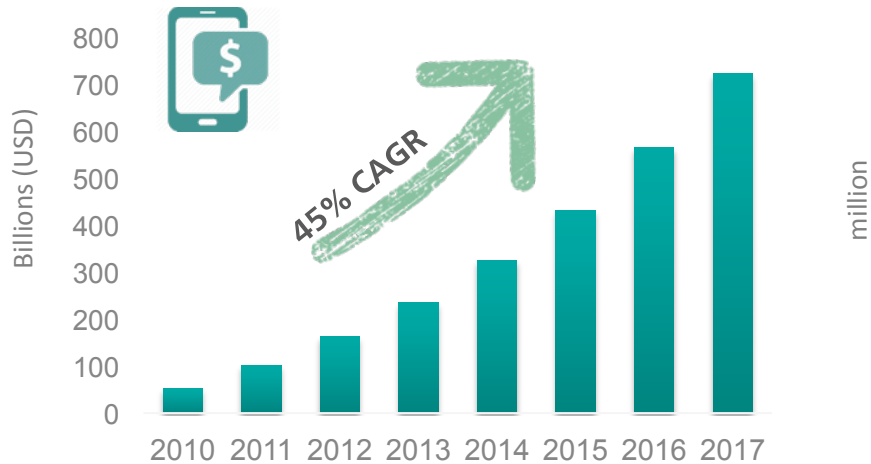
Mint is focused on the Asia Pacific region with over 4.5 billion people, 10 million businesses and over a USD700B in annual digital and mobile payments volume.

Huge market opportunity in mobile payments growing at 45% CAGR and Online payments growing at 26% CAGR over the next three years.

# Global mobile payments market growth indicators

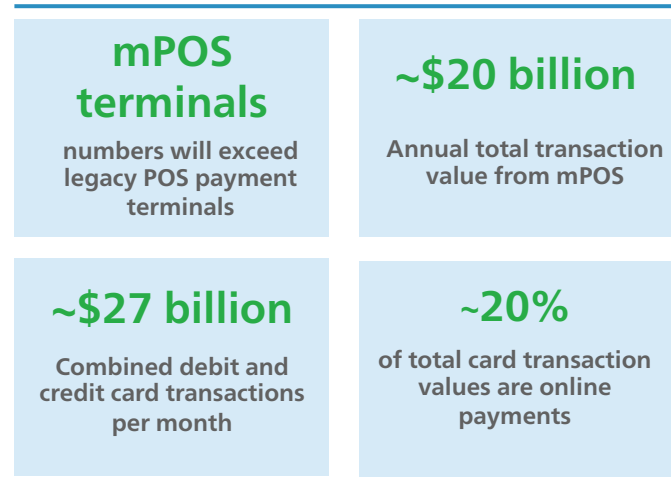
Mobile payments is a massive, rapidly growing but underpenetrated industry

Global mobile payment transaction volume



Source: Statista

Australian Payments market  
2018



# Our Products



## IN-PERSON

- Completely portable, pocket sized card reader
- Highly secure and connects to smartphone or tablet via Bluetooth
- Integrates with Point of sale (POS) and any business application
- Accepts all card types: eftpos, MasterCard, Visa & American Express
- Tap-and-go technology supporting contactless, chip-and-PIN-based payments
- Revenue model: Set-up or License fees, Card reader fee, Monthly fee / user and transaction fees (% of transaction value and transaction fee)



Mint mPos App



API/SDK

## The value to our customers

- White-Label and outsourced model: lower CAPEX investment, moving costs to OPEX
- Lower cost of development and maintenance
- New revenue streams through new value-added services
- Access to new customers or channels
- Keeping up with the competition
- Easy integration with the growing number of small business and point-of-sale applications

Bank of New Zealand

abss | MYOB South Asia

MYOB

NETS  
a better way to pay

# Our Products



## ONLINE

- Get paid online – accept customer payments through website or online portal
- Automating collections through integrated payments (with Accounting / ERP systems)
- Merchants can accept payments by credit card, bank account, charge card & debit card
- Revenue model: Monthly fee / user and transaction fees (% of transaction value and transaction fee)



Hosted  
Payment  
Page



Collections  
& Recurring  
Payments



Virtual  
Terminal

## The value to our customers

- Focused on merchants that send large volumes of invoices and/or need to improve their collections process
- Easy integration with ERP systems will reduce costs and increase process efficiencies
- One payment provider, one point of integration, settlement of funds and one reporting view across all payment channels
- Our partners can increase customer retention and generate new revenue streams





# Our Products



## MOBILE

API/SDK

- Merchants with Mobile “native” apps and mobile websites can accept payments
- Easy Integration through Mint’s flexible and seamless integration options
- Customers can pay by credit card, charge card & debit card
- One-click “frictionless” checkouts and payment – using Mint’s user credentials tokenisation services
- Revenue model: Monthly fee / user and transaction fees (% of transaction value and transaction fee)



iOS



Android



Windows Mobile



Mobile websites



## The value to our customers

- Our partners can work with a single payments provider that provides one point of integration, settlement of funds and one reporting view across all payment channels
- Easy integration with mobile “native” apps and mobile websites with one-click “frictionless” checkouts and payment capabilities
- Mint operates across multiple regions and payment channels



# Why our partners and customers use Mint

Mint enables our partners and merchants with the easiest, most complete way to accept payments



## White Label

- Lower cost and faster route to market
- Improves and promotes partner brand
- Access to new payment technologies
- Access to new customers and channels
- Improves partners' customer retention



## Omni-channel (In-Person, Online & Mobile)

- One payment provider, One integration
- Single reporting view across all payment channels
- Flexible payments platform
- Multi-country and region capabilities



## Easy Integration

- Easily enables mobile apps and websites to accept payments through integration
- New value added service and revenues
- Payments create customer stickiness
- No Payment Card Industry compliance issues



## Works with all card types (debit & credit)

- Target markets with high debit card usage
- Australia, NZ and Asia are key markets
- Proven record with debit card regulators
- High mobile and smartphone markets

# Partnering with market leaders

Mint's engagement model is through partners who distribute Mint's products to their own customer and merchant bases



## Financial Institutions



## Application Developers



## Resellers



## Merchants & Users (SME to Large Enterprises)

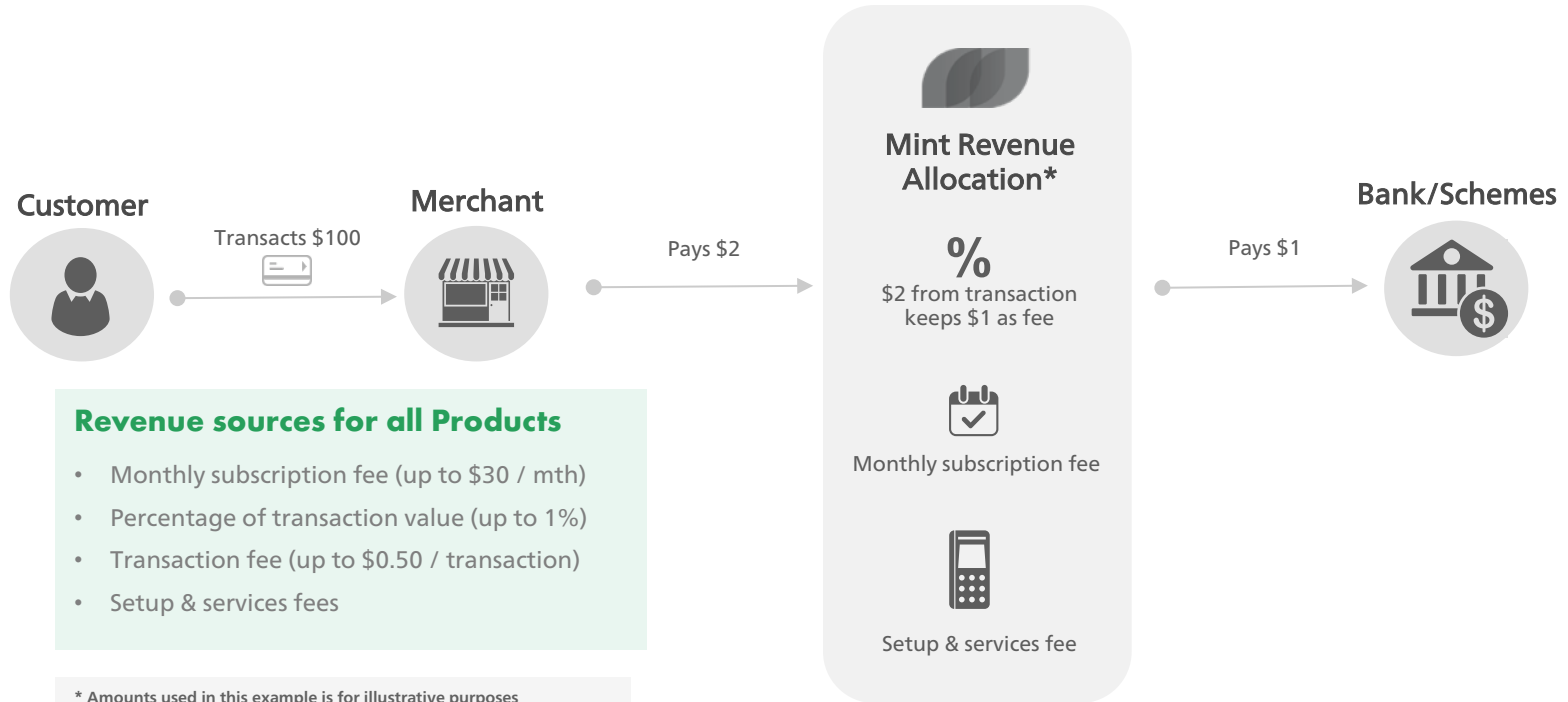


Giving Mint access to over 10 million businesses in Australia, NZ and South East Asia



# Solid business model with high margin generation

Highly scalable business with high recurring margins and low marginal cost per user



# Established a strong, growing network of partners

Partnerships are key to grow and scale the Mint business

2013/  
2014



2014  
/2015



2015  
/2016

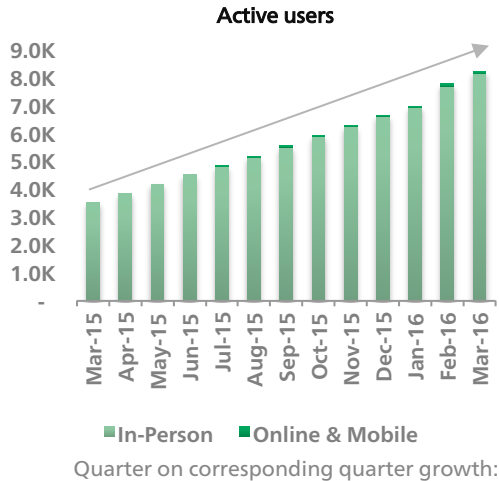


50+ opportunities targeting:

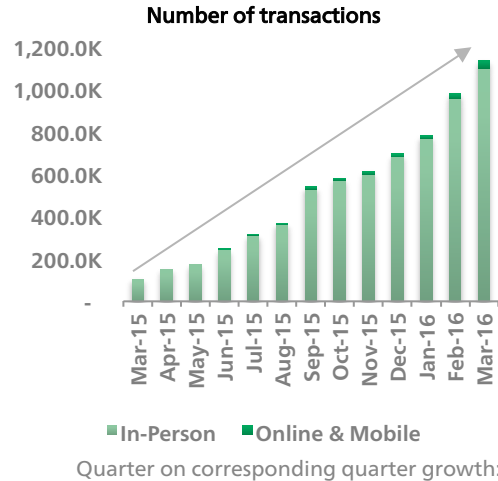
- Financial Institutions
- Software Vendors & Developers
- Payment Gateways
- Direct Corporates

# Strong growth across all key business drivers

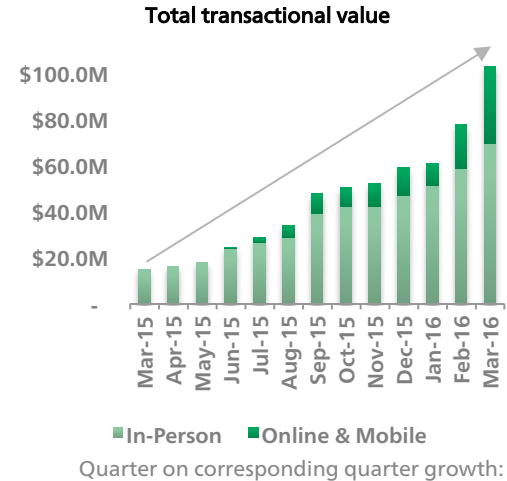
>90% of current volume from In-Person; massive growth opportunity from Online & Mobile



**134%**



**981%**



**579%**

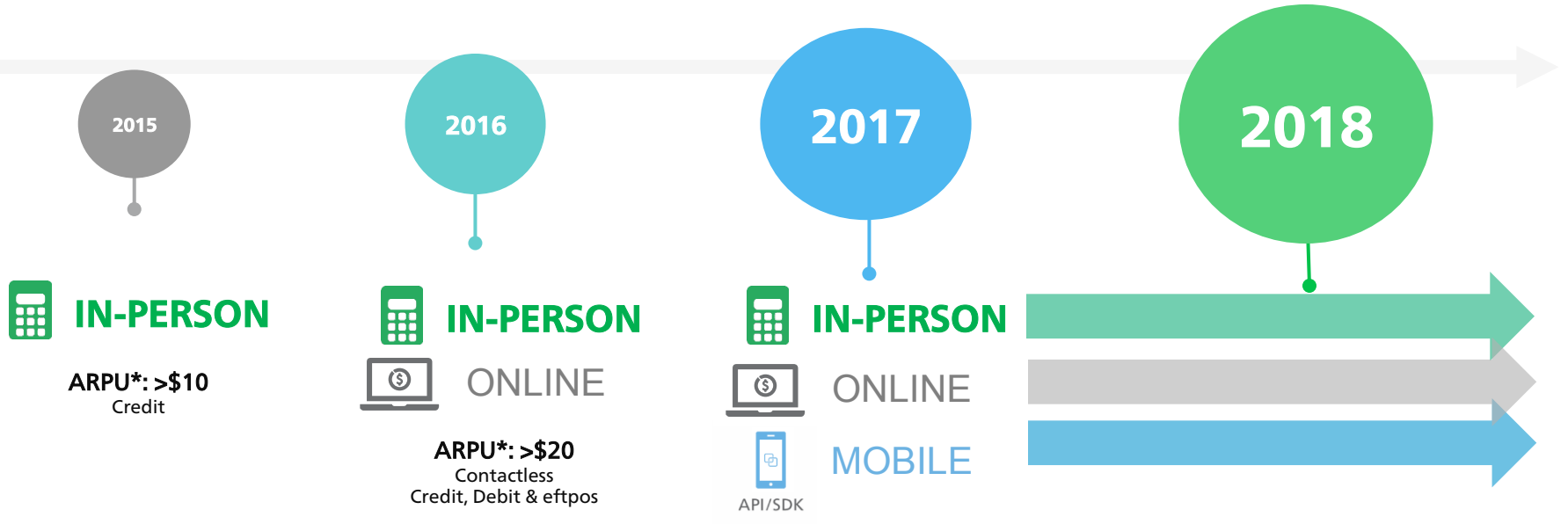
## GROWTH CATALYSTS

April 2015  
BNZ launched chip & PIN, contactless & eftpos

Sep 2015  
MYOB launched contactless

Feb 2016  
Online customer (Tramada) launched

# Strong growth expected from new payment types, new channels and expansion into Asia



\*ARPU is Average Revenue Per User per month

# Case Study (white label mPOS) *Bank of New Zealand*

- New Zealand's largest small business bank with over 100,000 small business customers
- BNZ deployed Mint's white label solution – the first mPOS solution in New Zealand
- PayClip 1 solution live 8 weeks from signing
- Won via competitive tender process
- 5 year agreement signed in Oct 2013
- Since launch of PayClip 2, transaction volumes & usage have increased exponentially with the introduction of eftpos & contactless payment types
- Strategically working with BNZ on new payment methods & types to deliver innovation to the bank



Chip & Sign  
Nov 2013



"White-label" In-Person  
Chip & PIN, Contactless  
& EFTPOS  
April 2015



Upgrade platform to allow  
for Integration with business  
apps and POS systems  
April 2016



Online payments  
Q3 CY2016



# Case Study (integrated): MYOB PayDirect



- Largest accounting software provider in Australia & New Zealand (market leader of accounting software with 60% market share & 1.2 million users)
- MYOB PayDirect turns businesses' smartphones into payment terminals
- Mobile & payments are key pillars of MYOB's growth strategy of making business life easier
- Seamlessly integrated into MYOB's popular accounting software "AccountRight"
- "PayDirect" offers mobile accounting features including invoicing, contacts & accounts receivables
- Mint won the contract via a competitive tender process against major competitors
- 10 year agreement signed in Aug 2013



Seamless integration with  
MYOB apps and core  
Chip & Sign  
Feb 2014

Chip & PIN  
Aug 2014

AMEX/eftpos  
Nov/Dec 2014

Contactless  
Sep 2015

# Partnerships with First Data & ABSS (MYOB Asia)



## Three agreements signed in December 2015



First Data to distribute Mint's mPos solutions to its network of resellers & merchants



First Data to become an acquiring partner for Mint and Mint's distribution partners for In-Person and Online payment solutions



First Data to use partner as a transaction-switching provider, allowing Mint to provide its solutions across any financial institution connected to the partner network



## Licensing & distribution agreement covering 11 countries in SE Asia with initial three year term



ABSS provides access to more than 330,000 business customers – 40-50% market share in key Malaysia & Singapore markets



ABSS to distribute, license & integrate Mint's In-Person and Online payment solutions in its software products



Mint to receive annual license fee + proportion of monthly & transaction fees charged to ABSS customers using Mint's solution

# Regulatory tailwinds sets scene for a \$85B market opportunity

Asia is a rapidly growing and underpenetrated market going through regulatory changes



- Central banks looking to increase card and electronic payments\*
- Regulators mandating move to Chip & PIN and Contactless payments
- Target markets in Asia has >90% mobile/smartphone penetration
- Significant growth in e-Commerce and mobile payments in Asia

**Asia is expected to deliver ~20% of worldwide mobile payments forecast transaction spend in excess of ~USD 85 billion by 2017**

**Mint's track record and experience in Australia and NZ makes it well positioned to address the opportunities in Asia**

\*Example – Malaysia's central bank currently implementing a Payment Card Reform Framework mandating local retail bank's to deploy over 800,000 card terminals in Malaysia by 2020

# NETS Partnership



NETS is owned by Singapore's largest banks (DBS, OCBC, UOB) and processes more than S\$23 billion in transactions annually across ~90,000 acceptance points

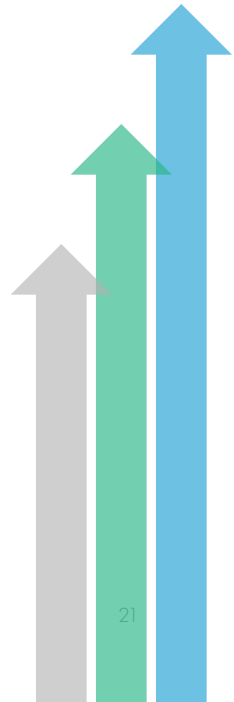
**Minimum five year agreement with Singapore's most widely used electronic payment option giving further momentum to Mint's Asia expansion**

- Mint to deliver Singapore's first unified mPOS to enable merchants to accept both NETS & credit/debit card payments
- Agreement covering In-Person & Online payment solutions
- Partnering with NETS as a transaction switching provider, further enhancing Mint's access to channel partners
- Mint to receive upfront implementation & hardware fees, recurring monthly fee & share in the transaction fees from merchants

# Outlook

## Mint Payments is well positioned for success

- Global mobile & online payments market is growing exponentially
- Market leading position in AU/NZ with all payments technology certified & compliant
- Focus on continued sales conversion in AU/NZ with existing blue chip customers including MYOB & BNZ
- Accelerate deployments & grow recurring revenues by increasing ARPU on active users & broadening the merchant base
- Engage with new contracted distribution partners & customers
- Consolidate recent expansion into Asia through partnerships with NETS & ABSS (MYOB Asia)
- Maintain high growth across key operating metrics – active users, transaction volume & values



# Thank You

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