



Money in Motion

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Level 12  
333 Ann Street  
Brisbane QLD 4000

**EML Payments Limited**  
ACN 104 757 904

25 February 2020

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**ASX Market Announcements**  
20 Bridge Street  
SYDNEY NSW 2000

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## Investor Presentation

**EML Payments Limited (ASX: EML)** will be presenting to numerous investors in the following two weeks, please find attached the Investor Presentation.

### About EML Payments Limited

With EML, you will be empowered with more control, transparency and flexibility over your payment processes. Whether you serve businesses or consumers, EML makes your payment processing more efficient and secure from start to finish, while helping you improve customer service and increase brand loyalty.

Our portfolio offers innovative financial technology that provide solutions for payouts, gifts, incentives and rewards, and supplier payments. We issue mobile, virtual and physical card solutions to some of the largest corporate brands around the world, processing billions of dollars in payments each year, and manage more than 1,500 programs across 23 countries in North America, Europe and Australia.

For more information on EML Payments Limited, visit:  
[EMLpayments.com](http://EMLpayments.com)

**This ASX announcement has been authorised for release by the Board.  
For further information, please contact:**

#### **Rob Shore**

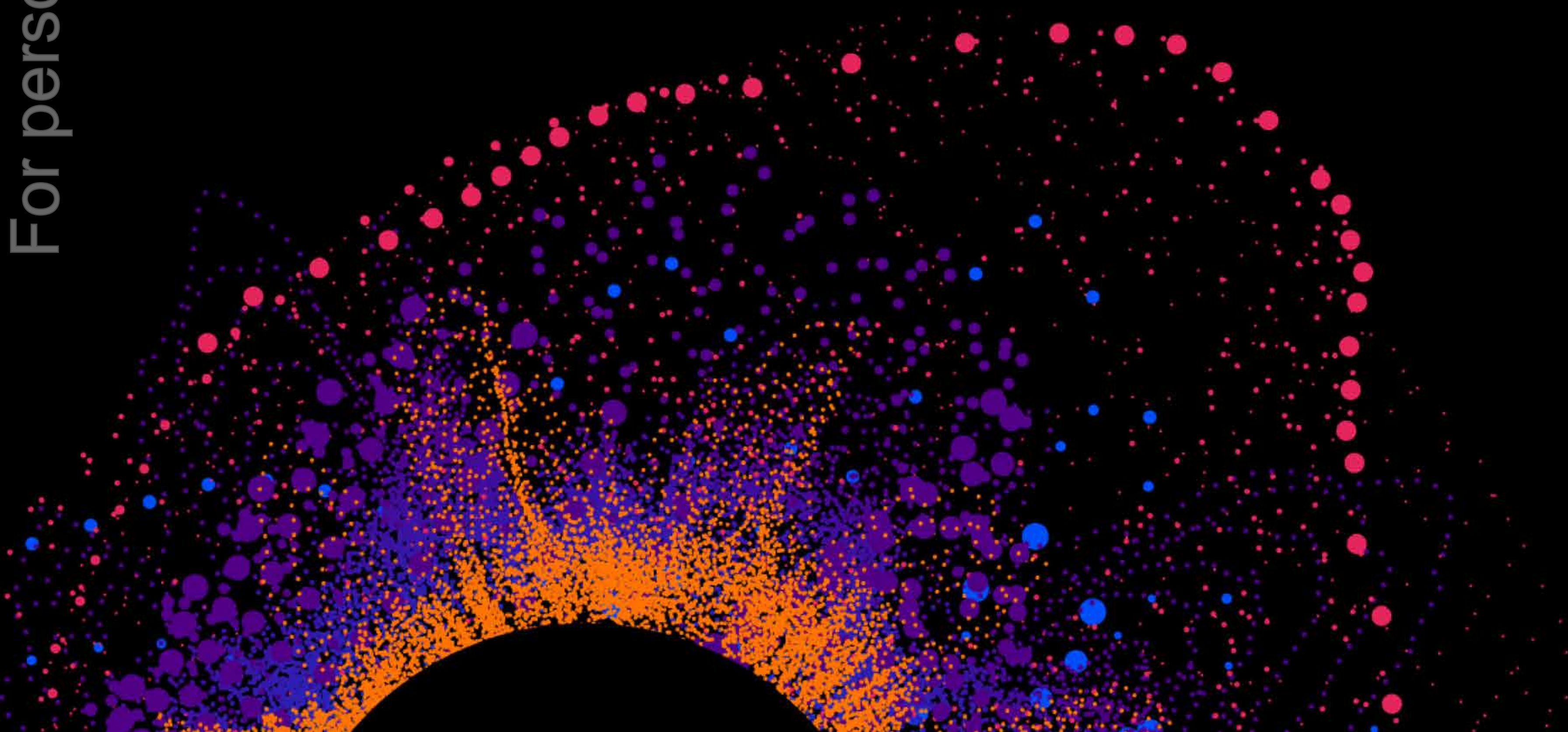
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EML Payments Limited  
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# EML Payments

February 2020



Money in Motion

**Tom Cregan**  
Managing Director  
& Group CEO

**Rob Shore**  
Group CFO

# 01 Business Model & Update

# 02 H1 FY20 Financial Results Review

# 03 Outlook & FY20 Guidance

# 04 Q&A

## Important Notice

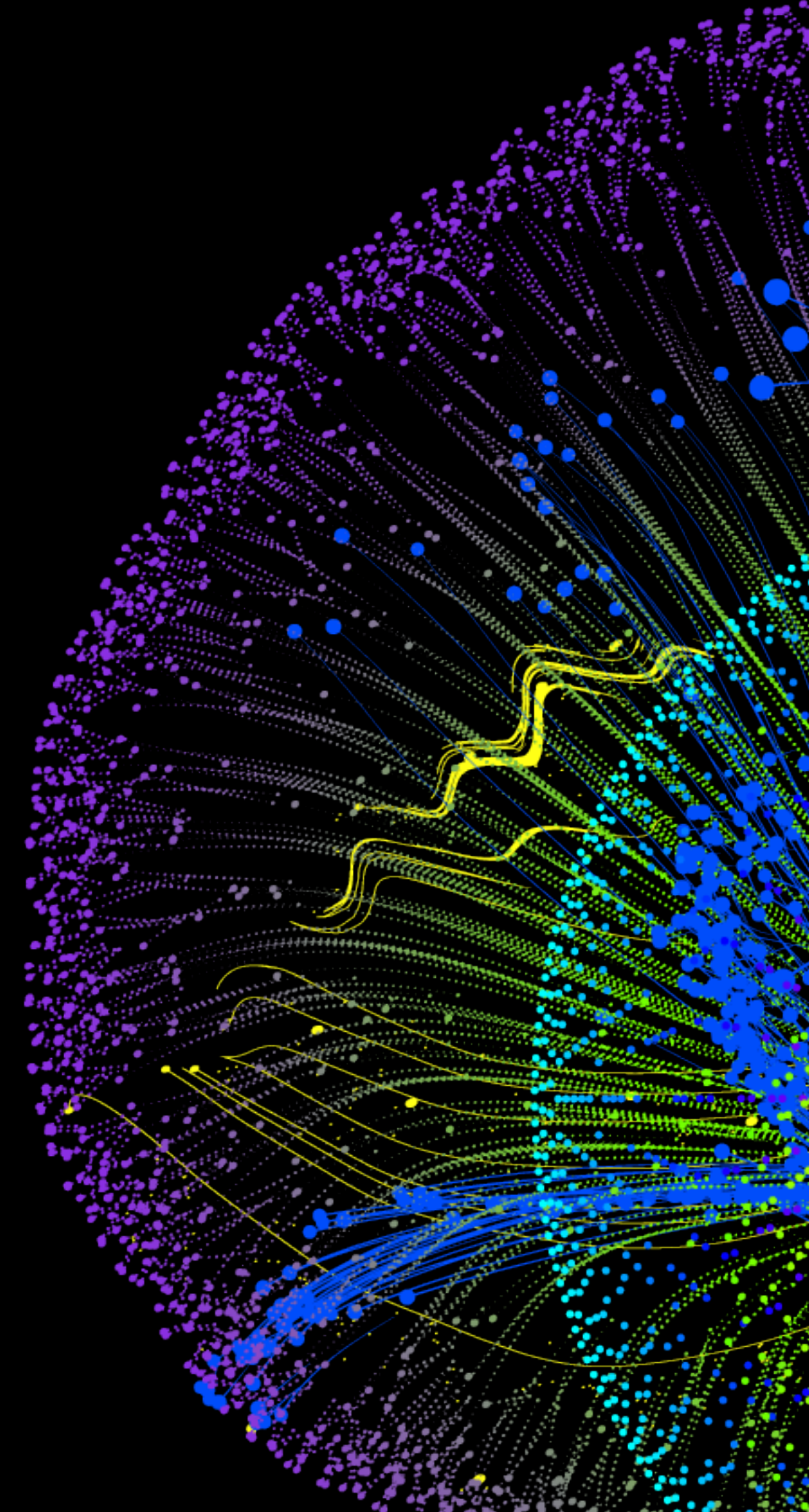
This investor presentation has been prepared by EML Payments Limited ABN 93 104 757 904 (EML) and is general background information about EML's activities current as at the date of this presentation. This information is given in summary form and does not purport to be complete. Information in this presentation should not be considered as advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities and does not take into account your particular investment objectives, financial situation or needs. Before acting on any information you should consider the appropriateness of the information having regard to these matters and seek independent financial advice. An investment in EML securities is subject to known and unknown risks, some of which are beyond the control of EML. EML does not guarantee any particular rate of return or the performance of EML.

This presentation may contain forward looking statements including statements regarding our intent, belief or current expectations with respect to EML's businesses and operations, market conditions, results of operation and financial condition, capital adequacy, specific provisions and risk management practices. Readers are cautioned not to place undue reliance on any forward looking statements. Unless otherwise specified all information is for the six months ended 31 December 2019 ('H1FY20'), and is presented in Australian Dollars. Unless otherwise stated, the prior comparative period refers to the six months end 31 December 2018 ('H1FY19' or 'PCP'). H1FY20 results exclude Prepaid Financial Services (Ireland) Limited which EML has entered into a binding agreement to acquire subject to satisfaction of certain conditions precedent, including regulatory change of control approvals.

## Our Mission

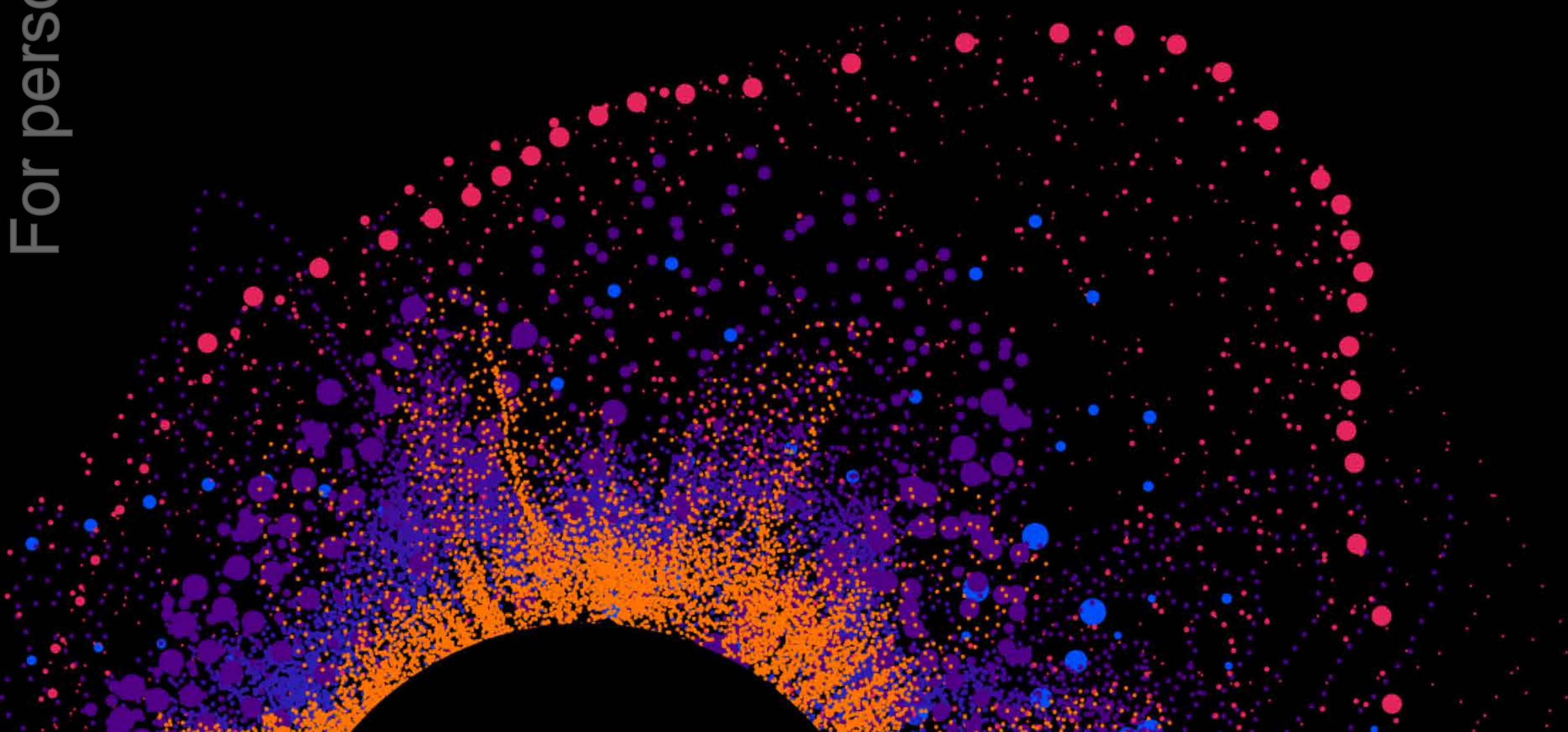
**We create awesome, instant and secure payment solutions that connect our customers to their customers, anytime, anywhere, wherever money is in motion.**

**EML.**



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# Business Model & Update



Money in Motion

# About Us – EML snapshot

(6 months to 31 December)

EML is an ASX listed (ASX:EML) fintech specialising in prepaid stored value products with offices in Australia, United Kingdom, Europe, United Arab Emirates and the United States of America.

GROUP GDV (H1FY20)

**\$6.62bn**

↑ 60%

GROUP REVENUE (H1FY20)

**\$59.2m**

↑ 25%

GROUP EBITDA (H1FY20)

**\$19.7m**

↑ 42%

GROUP NPATA (H1FY20)

**\$16.0m**

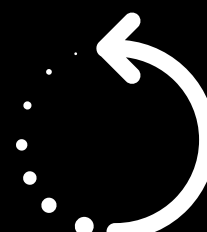
↑ 70%

## Australia

Head Office  
Brisbane, Australia  
Melbourne, Australia



Australia



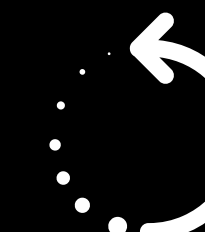
One processor

## Americas

Kansas City, USA



Rest of the world



One processor

## Europe & Middle East

Birmingham, England  
Dublin, Ireland  
Newcastle, England  
Galway, Ireland  
Stockholm, Sweden  
Dubai, UAE  
Czestochowa, Poland



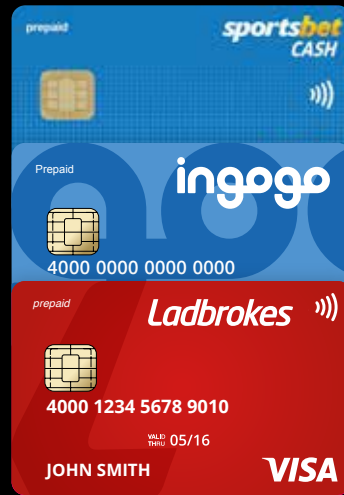
# Our Journey

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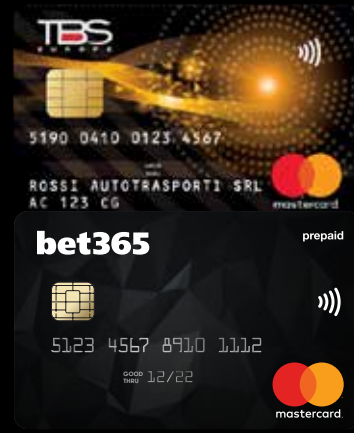
Incentives  
+ B2B & B2C Cards



Launch of GPR  
in Australia



Launch of GPR in  
UK and Europe  
+ Mastercard licence



Launch of GPR in  
North America  
+ Launch of  
Mobile Rewards  
+ Expansion into  
Scandinavia

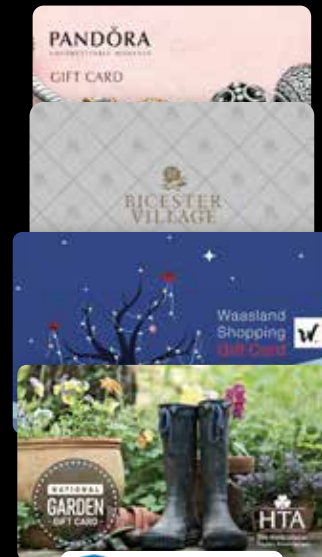


Launch of largest European  
mall program  
+ Expand into Poland and  
UAE  
+ Expanded technology use  
cases  
+ EML ControlPay Launched  
+ Instant mobile gift

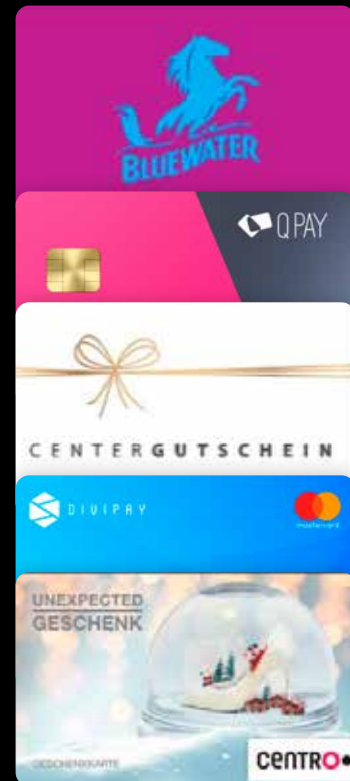
2011 2012 2013 2014 2015 2016 2017 2018 2019 2020



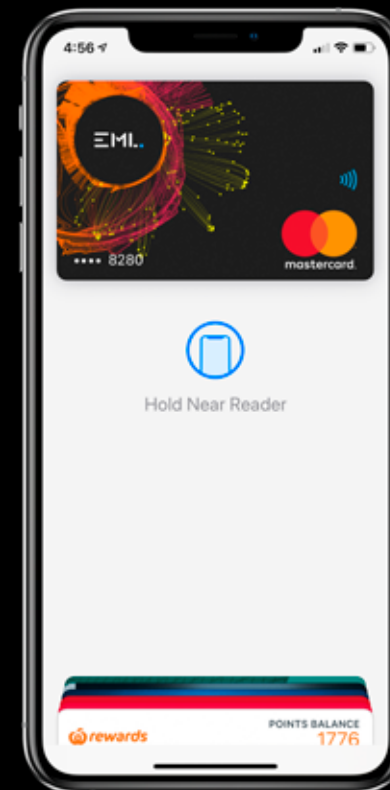
Heritage-Issued  
Visa Integration



Expansion into the  
UK and Europe



Expansion into the  
USA and Canada  
+ Obtain MC licence  
in Australia



Launch of  
mobile payments  
+ Obtain E-money  
licence in Europe



Launched program with Simon  
Property Group into 150 US Malls  
+ Launch mobile program with  
Clevergift  
+ Launched MoneyMe who use our  
EML ControlPay solution  
+ Binding contract to acquire  
Prepaid Financial Services,  
expanding into digital banking  
services

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## EML Salary Packaging



▶ Watch the video here

<https://www.youtube.com/watch?v=bMatmaPns1c>

## EML Pays



▶ Watch the video here

<https://www.youtube.com/watch?v=-LRx0NfkJt8>



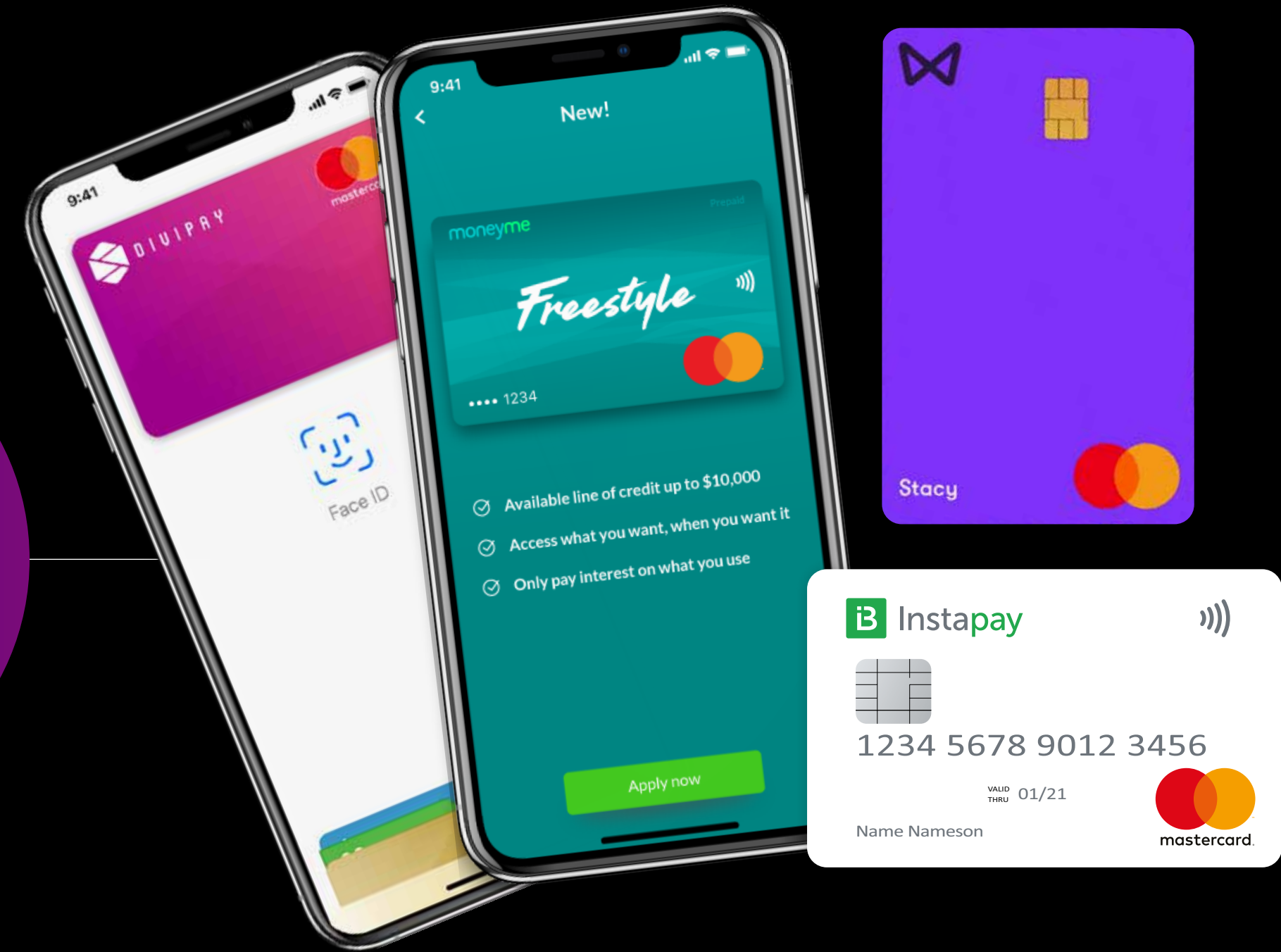
# Consumer finance with Innovative EML ControlPay

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**Digital Payment Solution**

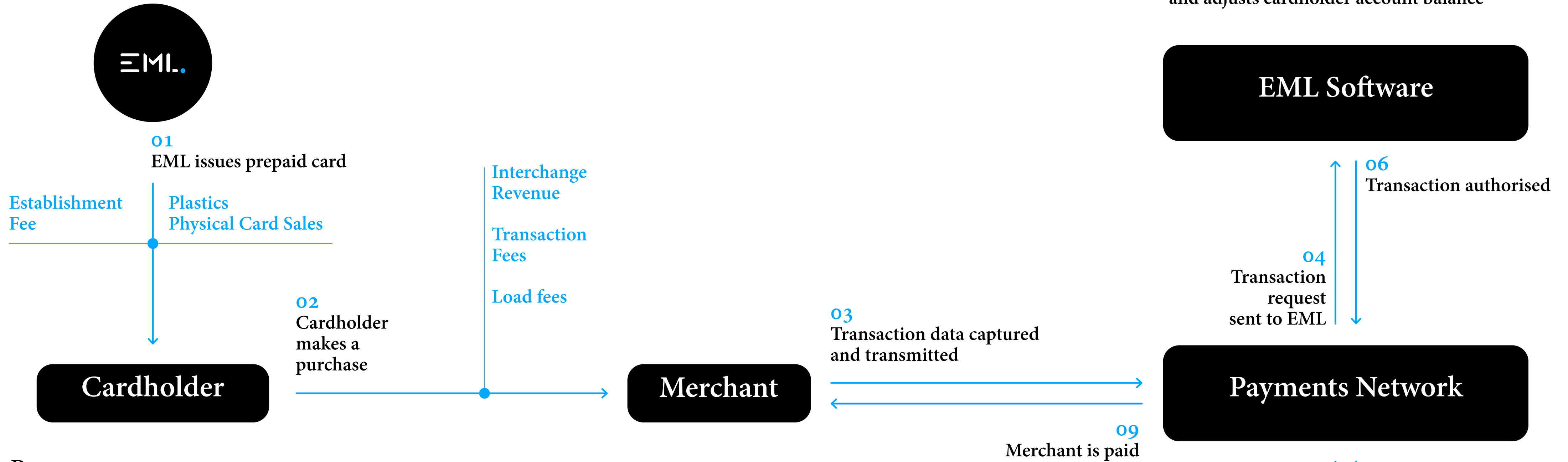
**Delegated authorisation**

**Real time load and settlement**

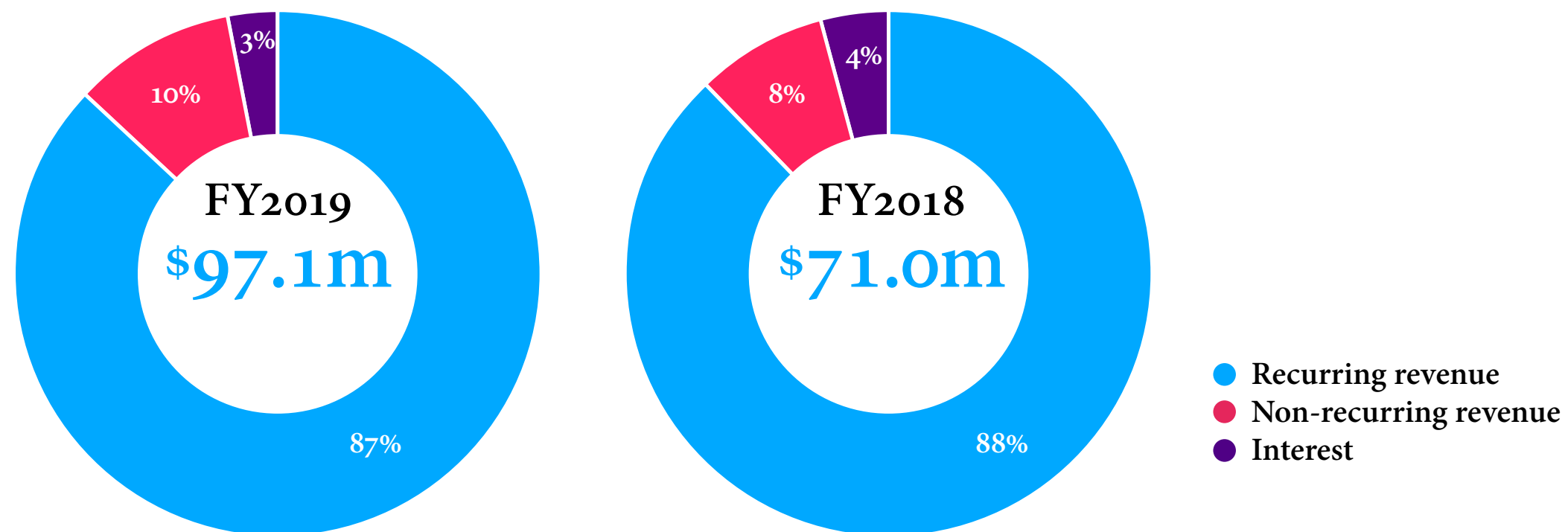


# Business Model - Sources of revenue

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Revenue



# Business Model - Barriers to Entry

## End to end

End to End payment processing platform  
(card issuing, transaction processing, fraud control, settlement and reconciliation)



Customers



Merchants



## Regulatory and compliance across the globe

**9** Issuing bank agreements

**52** Abiding by over 52 regulations / laws

**21** Compliance with regulatory authorities

**5 Major licences**  
→ AFSL (Australia)  
→ MasterCard membership (Australia)  
→ BPay (Australia)  
→ Mastercard private label issuance (UK and Europe)  
→ European eMoney

## People

**275** Employees servicing 23 countries

**200** Over 200+ years prepaid experience in group leadership team

## Information Technology

**2** In-house, prepaid, processing platforms

**LEVEL 1**  
PCI-DSS Level 1 compliant

**4** Data Centres

**~\$30m**  
Over ~\$30m invested in our platforms to date

**30%** Staff are IT based

**5** Connectivity to 5 major card schemes

**MULTI** Multi-currency, Multi-factor (Plastic, Virtual, Mobile) & Multi-lingual

## Fraud Monitoring

**24-7**  
Fraud Monitoring & Detection across 14 different currencies

**REALTIME ID**  
decision & action on suspect card transactions

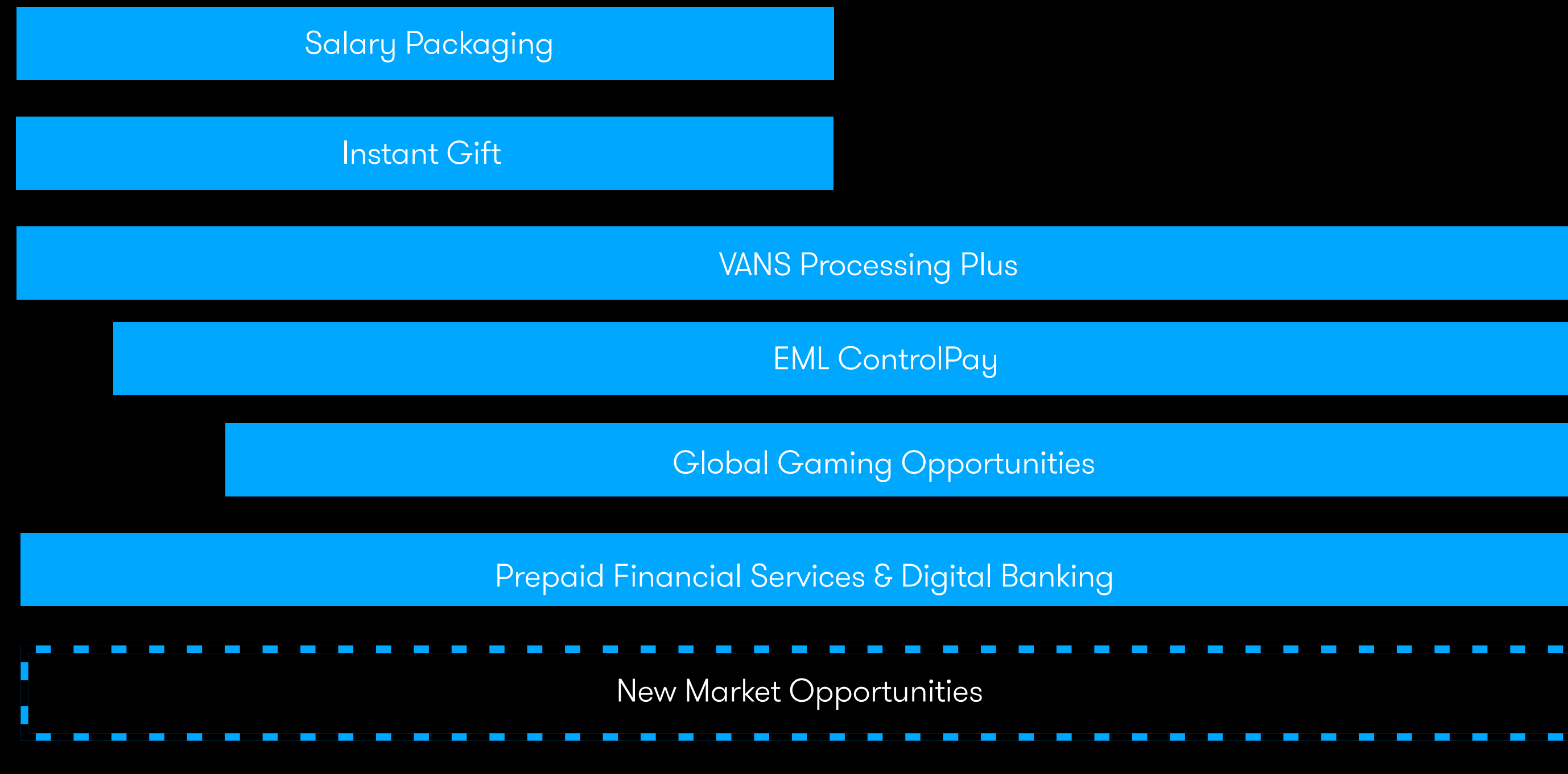
**3D** Secure Capability

# How we think about growth

## Strong Organic Growth

GDV growth from existing customers in FY19 at \$2.0bn

## Constant Growth Drivers



## Acquisitions

	17.5x Acquisition Multiple (2019) Acquisition pending completion of conditions precedent
	9.7x Acquisition Multiple (2019)
	↑ 4.9x 2019 EBITDA Multiple Acquisition Multiple 13.4x (2018)
	↑ 5.9x 2019 EBITDA Multiple Acquisition Multiple 16.6x (2018)
	↑ 3.2x 2019 EBITDA Multiple Acquisition Multiple 9.9x (2016)
	↑ 2.7x 2019 EBITDA Multiple Acquisition Multiple 10.8x (2014)
	↑ 2.2x 2019 EBITDA Multiple

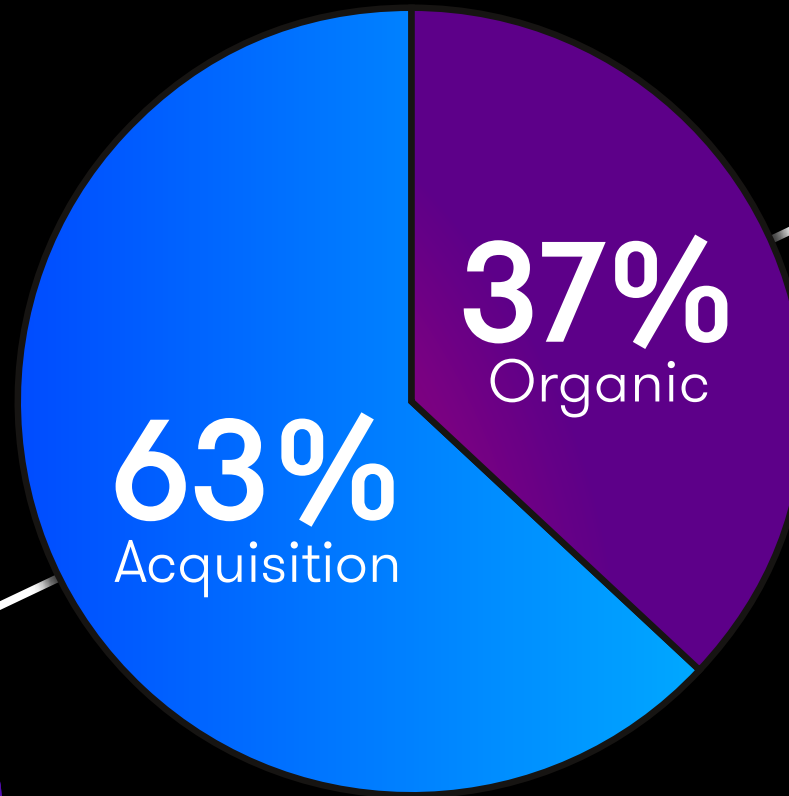
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Short Term

Long Term

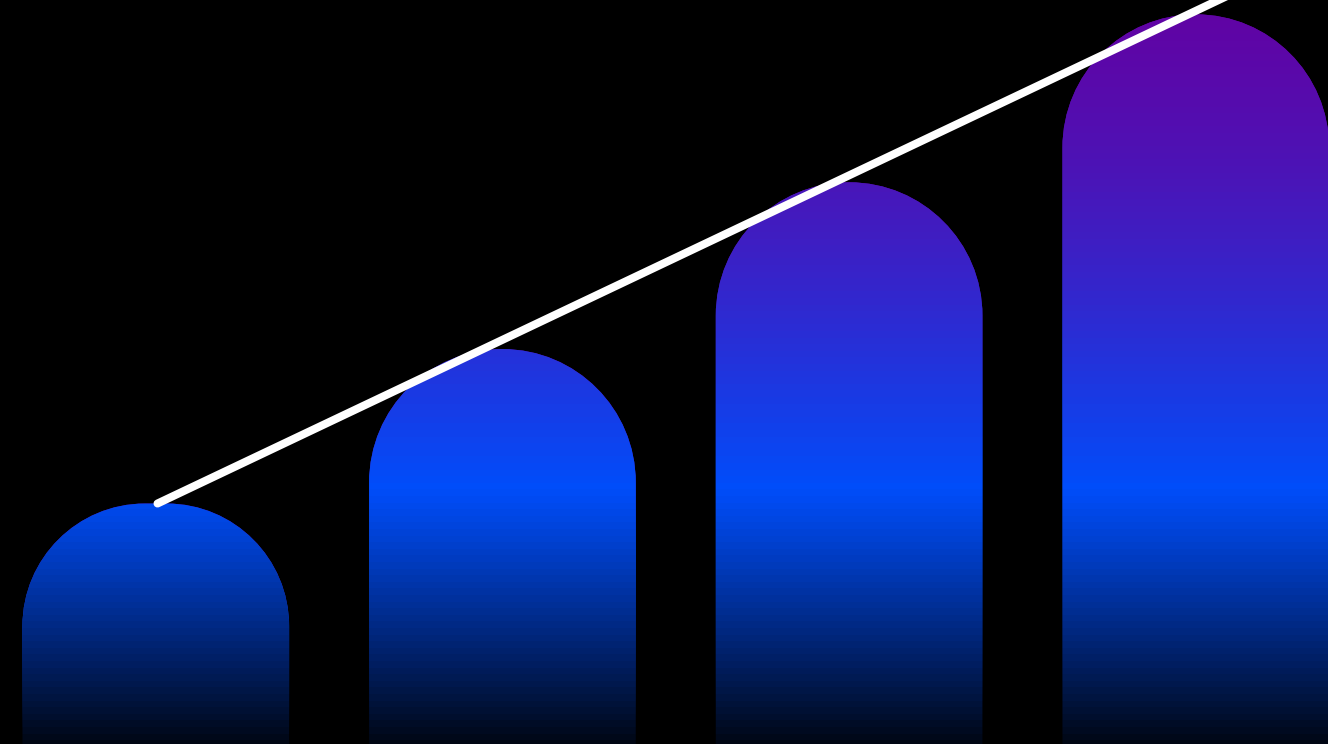
# Track Record of EBITDA Growth

**59%**  
5 YR FIRST HALF EBITDA CAGR



**+\$5.8m**

HY20 EBITDA Growth



HY16    HY17    HY18    HY19

<b>GDV</b>	\$0.4B	\$1.9B	\$3.6B	\$4.2B	
<b>REVENUE</b>	\$10.6m	\$27.9m	\$33.9m	\$47.2m	
<b>EBITDA</b>	\$3.1M	\$5.5M	\$9.3M	\$13.9M	
<b>HEADCOUNT</b>	55	150	184	236	
<b>COUNTRIES</b>	10	13	13	21	
					<b>HY20</b>
					<b>\$6.6B</b>
					<b>\$59.2m</b>
					<b>\$19.7M</b>
					<b>272</b>
					<b>23</b>

## Growth Drivers

### Gaming

Expand global gaming programs

- Launched RoundPeak (USA), bet365 (USA), Star Casino (Italy) and SuperSports (Croatia)

### Salary Packaging

Transition contracted benefit accounts

- All major customers contracted to transition to Self issuance
- SmartGroup transition on track with c. 70k accounts to transition
- NSW Ministry of Health contract signed, 50k accounts to transition

### Gift and Incentive

Expand mall programs and use of instant gift

- Signed Simon Malls - launched Jan 20
- Launched CentreParcs UK & ROI in H1
- Launched Pays Instant gift with CleverGift

### EML ControlPay

Launch ControlPay solution to new verticals

- Launched MoneyMe, and signed multiple contracts expected to launch within 12 months

### VANS

Processing plus solution gaining traction

# H1 FY20 Business Update

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## Gift & Incentive (G&I)

GDV	Revenue
<b>\$0.84bn</b>	<b>\$40.1m</b>
\$0.66bn (H1FY19)	\$32.4m (H1FY19)

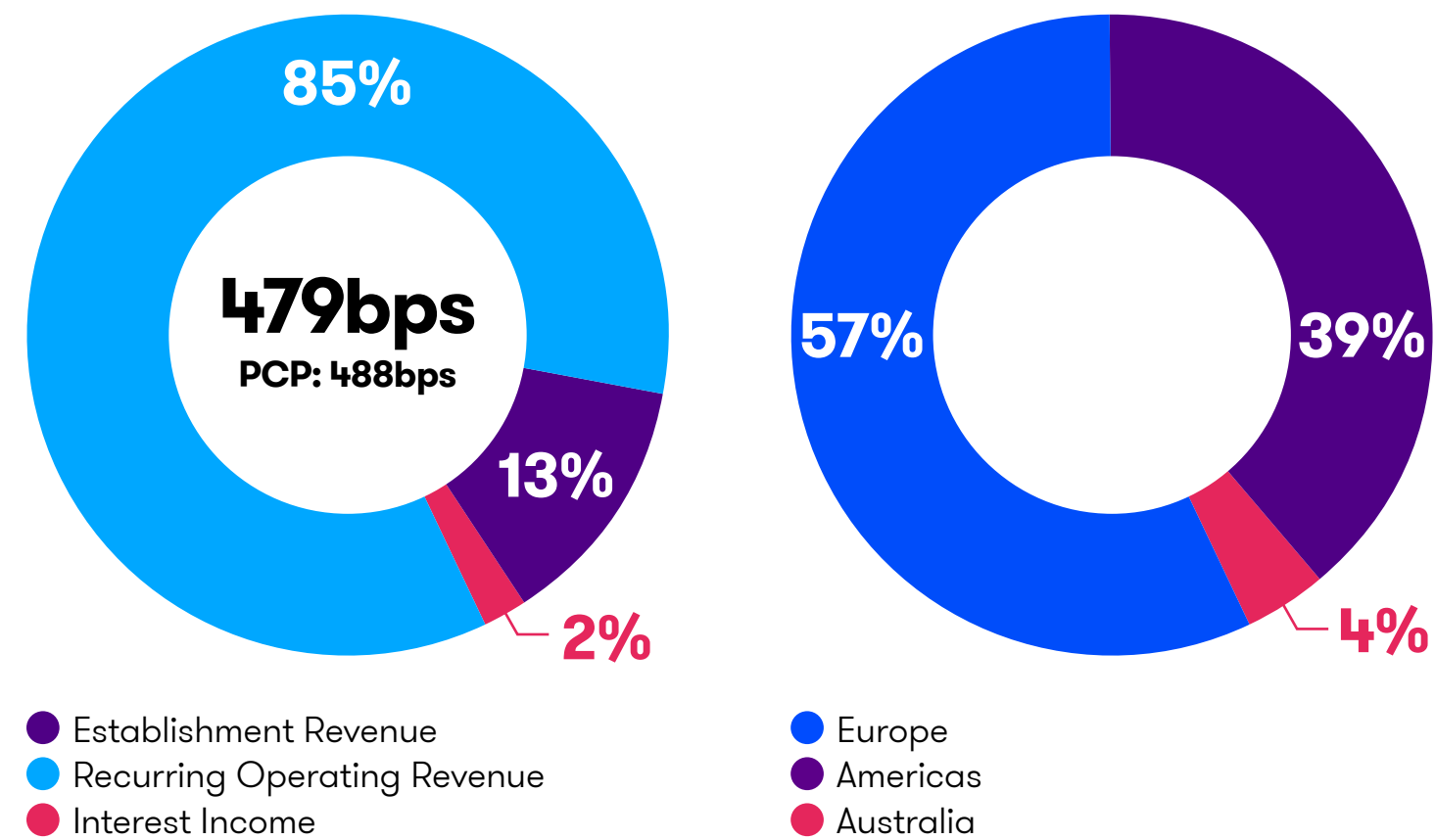
## General Purpose Reloadable (GPR)

GDV	Revenue
<b>\$1.47bn</b>	<b>\$13.2m</b>
\$1.40bn (H1FY19)	\$12.3m (H1FY19)

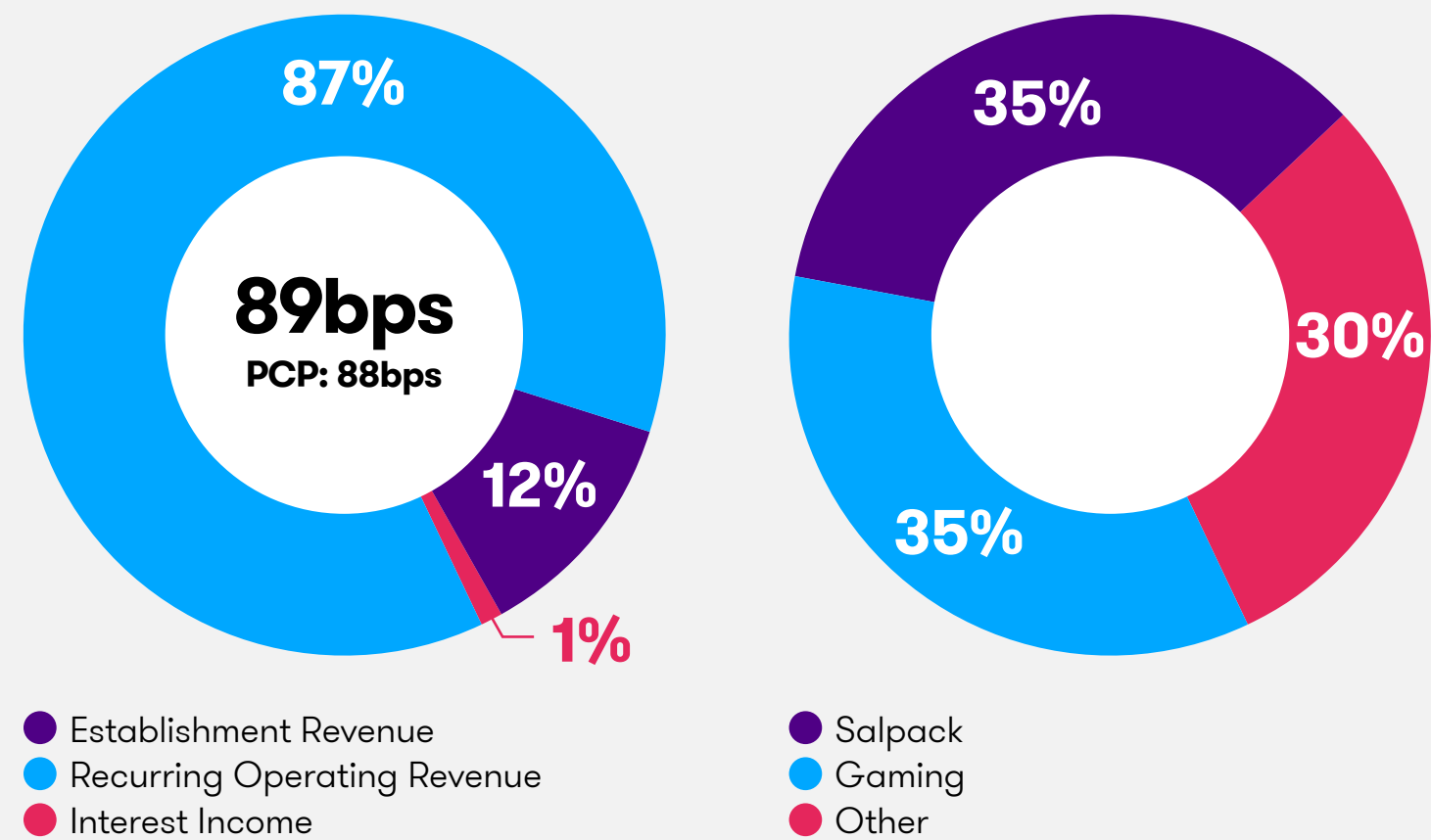
## Virtual Account Numbers (VANS)

GDV	Revenue
<b>\$4.31bn</b>	<b>\$5.5m</b>
\$2.09bn (H1FY19)	\$2.0m (H1FY19)

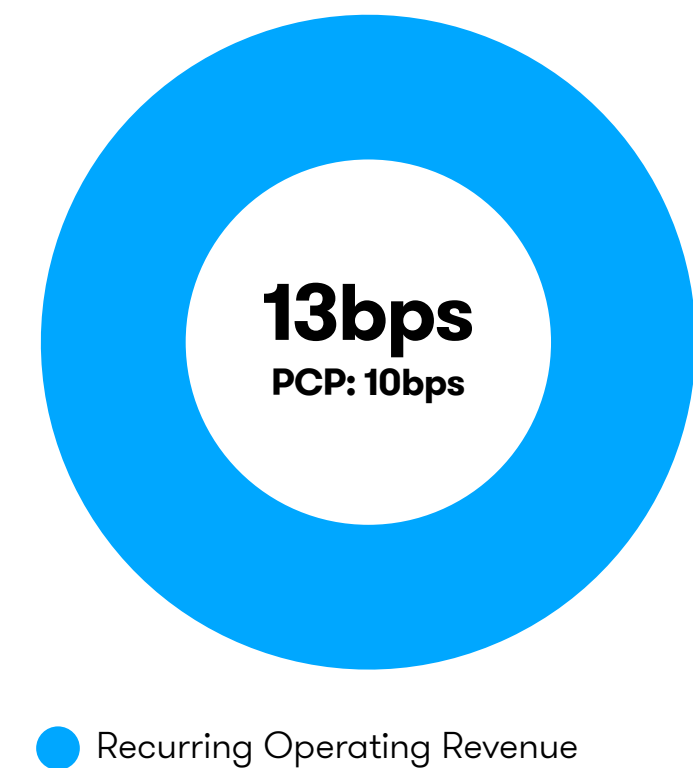
Sources and Drivers of revenue



Sources and Drivers of revenue



Sources of revenue



# Acquisition of Prepaid Financial Services (Ireland) Limited ('PFS')

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<b>Transaction Details<sup>1</sup></b>	<ul style="list-style-type: none"> <li>— EML has entered into a binding agreement to acquire 100% of PFS for an enterprise value of <b>£226 million</b> (A\$423 million) (<b>Upfront Enterprise Value</b>), plus an earn-out component of up to <b>£55m</b> (A\$103 million) (<b>Earn-out Consideration</b>) (together the <b>Acquisition</b>). Earn out is contingent on PFS achieving agreed annual EBITDA targets during the 3 year period (CY2020 - CY2022)</li> <li>— Implied upfront Acquisition multiple of approximately <b>17.5x</b> Upfront Enterprise Value / FY20 EBITDA based on PFS's forecast EBITDA for the 12 months ending 30 June 2020 of <b>£12.9m</b>, and approximately <b>14.0x</b> taking into account the full year impact of synergies expected to be realised post completion of the Acquisition<sup>2</sup></li> <li>— Upfront Enterprise Value of <b>£226 million</b> (A\$423 million) comprising <b>£41 million</b> (A\$77 million) in EML shares to the vendors<sup>4</sup>, issued at A\$3.55 per share, and <b>£185 million</b> (A\$346 million) cash</li> <li>— Completion of the Acquisition is subject to change of control regulatory approvals from the Financial Conduct Authority (FCA) (United Kingdom) and the Central Bank of Ireland (CBOI)</li> <li>— The Acquisition is expected to complete in late Q3 or early Q4 FY2020</li> </ul>
<b>PFS Overview</b>	<ul style="list-style-type: none"> <li>— PFS was founded in 2008 and has evolved into a leading provider of white label payments and Banking-as-a-Service (<b>BaaS</b>) technology in support of the FinTech sector and the evolution of Open Banking in Europe</li> <li>— PFS provides prepaid payments and digital banking capabilities, e-wallets and payout / distribution programs, regulatory Electronic Money Institution (<b>EMI</b>) status and flexible software to enable financial institutions and non-financial institutions alike to deliver feature-rich transactional banking and other payment services to their end-user base</li> <li>— PFS' key customer segments include blue-chip financial institutions, non-financial corporates, SMEs, FinTech companies, public sector and NGO bodies</li> </ul>
<b>Transaction Strategic Rationale</b>	<ul style="list-style-type: none"> <li>— <b>Leading Global Player:</b> Post-completion of the Acquisition, the combined Group is expected to become one of the largest FinTech enablers in open banking and prepaid globally, with the Group expected to process in aggregate ~A\$18bn GDV in FY20</li> <li>— <b>Broadens Solution Suite:</b> Adds digital banking and multi-currency offerings to EML's solution suite; ability to cross-sell PFS's digital banking and multi-currency offerings into EML's global market footprint</li> <li>— <b>Customer Diversification and Revenue Mix:</b> Further diversifies EML's customer footprint; shifts segment mix on a net revenue basis towards GPR going from 25% → 54% of pro forma FY19 net revenue<sup>3</sup></li> <li>— <b>Operating Leverage:</b> Brings scale to European operations, enabling greater operating leverage</li> <li>— <b>Financially Attractive:</b> The post-Acquisition combined Group is expected to have an attractive 3 year pro forma net revenue CAGR of 25%+ from FY18 – FY20 and strong 30%+ pro forma EBITDA margin for FY20; expected to be mid-teen pro forma EPSA accretive in FY20, prior to synergies</li> <li>— <b>Management Team Alignment:</b> The earn-out structure and vendor scrip component of the Acquisition incentivises the management team of PFS</li> </ul>

1. GBP / AUD conversion rate of 1.87

2. Net run-rate synergies of approximately A\$6m per annum expected to be partially realised in FY21 and fully realised from FY22

3. Pro forma FY19 net revenue comprises EML's net revenue for FY19, and PFS's net revenue for the 12 months ended 30 June 2019, and assumes completion of the Acquisition on 1 July 2018

4. EML shares issued to the vendors will be restricted from sale until EML releases its financial results for the year ending 30 June 2020 in August 2020  
Refer acquisition presentation, dated 11 November 2019, for further details

# PFS at a Glance

PFS' prepaid payments and digital banking capabilities, regulatory Electronic Money Institution status in the UK and Europe alongside flexible software enables financial institutions and non-financial institutions. PFS deliver feature-rich transactional banking and other prepaid payment services to their end-user base

**£2.5 Billion**

CY19E Gross Debit Volume

**£12 Million**

CY19E Adj. EBITDA<sup>1</sup>

**£40 Million**

CY19E Adj. Net Revenue<sup>1</sup>

**↑ 33%**

CY16 – CY19E Revenue CAGR



FCA regulated as an e-money institution and approved credit issuer



Licensed by the CBOI as an e-money institution



Principal Member Programme Manager Certified Acquirer



Principal Member Certified Acquirer



Indirect Participant Ability to offer Partial Current Account Switching Service in the UK



Indirect Participant of EPC to provide SEPA Credit Transfers and Indirect Debits in 16 European Countries

Source: Vendor Due-Diligence Report, Financial Due-Diligence Report, Management Estimates

1. PFS financials are restated on the basis of EML accounting policies. Refer acquisition announcement dated 11 November 2019.

2. PFS's financial year ends on 31 December, and is labelled as CY. PFS's results, where presented as FY, have been calendarised to a 30 June year end

# Key Investment Highlights



## Leading e-Money company and Banking-as-a-Service provider

Pan-European footprint with strong underlying growth of existing business partner accounts and continued growth of core sector verticals



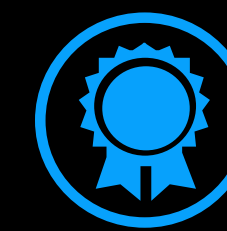
## Attractive client base

Deep-rooted client relationships including blue-chip financial institutions, non-financial corporates, SMEs, FinTech companies, public sector and NGO bodies



## BaaS technology embeds sticky, long term relationships

End-to-end service from digital / mobile banking, program management, analytics, reporting and issuing



## Regulated entity

FCA and CBOI regulated status as issuer of e-money for UK and SEPA region<sup>1</sup>



## Highly attractive financial profile

Fast growing non-bank issuer of Mastercard physical and virtual accounts



## Platform for growth

Proven track record of new business pipeline delivery  
Live in 24 countries across Europe

1. SEPA = Single Euro Payments Area

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# PFS Solution Suite

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## Digital Banking & Current Accounts

**43%** of GDV

Online / mobile banking and real-time payments

Issuance of IBANs

Partial current account switching services



## Government, Local Authority & NGO

**42%** of GDV

Issuance to unbanked and underbanked individuals

Online banking and real-time payments

Real-time, secure funds distribution and bulk payment



## Corporate Solutions & Incentive Schemes

**7%** of GDV

Customised e-money and digital banking solutions

End to end payment services

Full programme design and management

Reward and loyalty programmes



## Multi-Currency Travel Cards

**6%** of GDV

Multi-currency cards or e-wallets

Direct integration with numerous FX suppliers

Single / multi-use virtual cards

P2P / youth centric products



## Instant Issue & GPR

**1%** of GDV

Full programme design and management

White labelled end-user interfacing

Card issuing

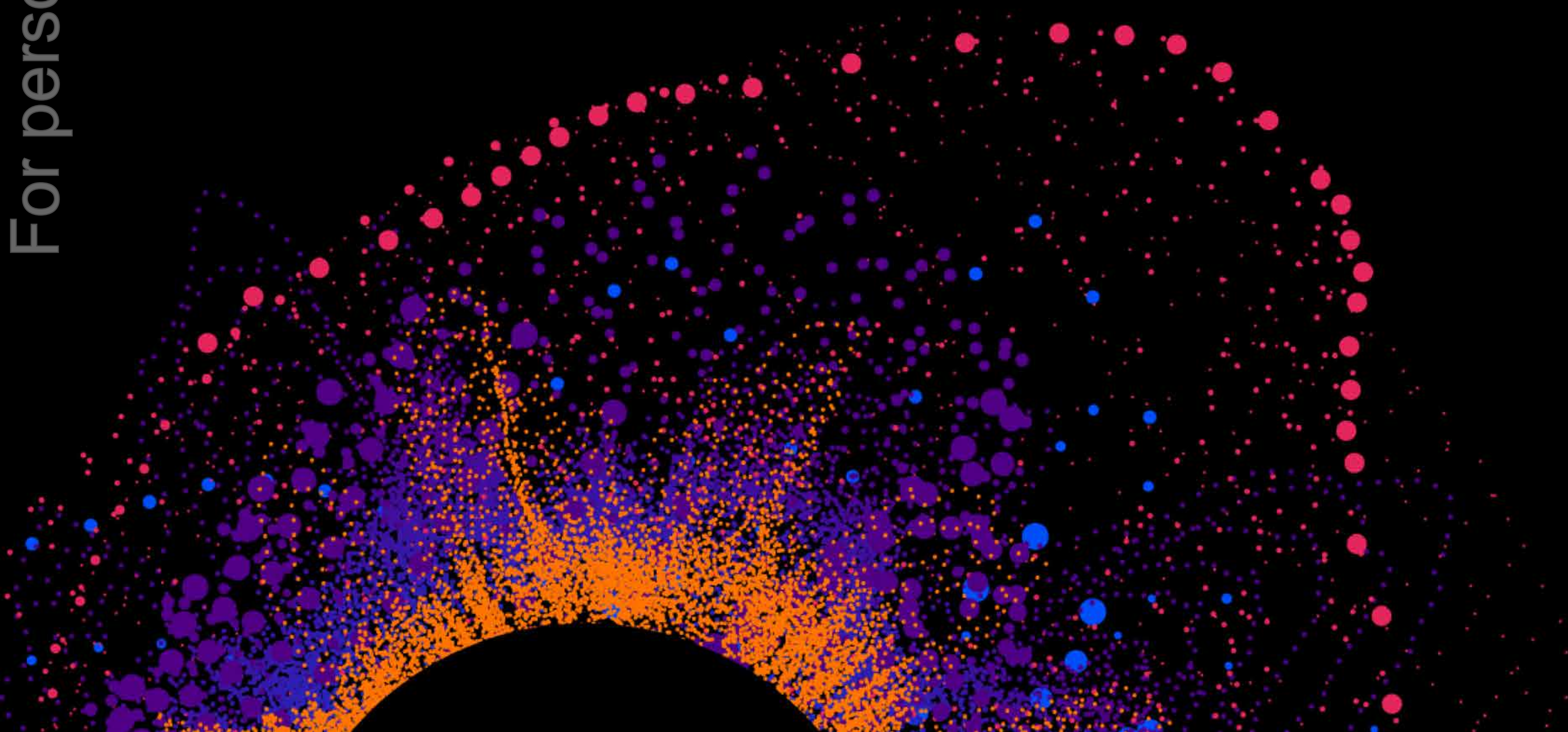
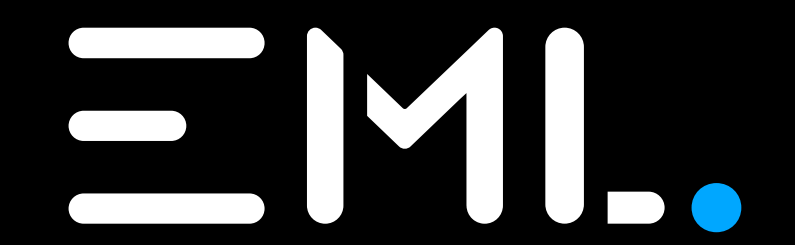
GPR both B2B and B2C programmes



1. GDV represents CY18A GDV. May not add to 100% due to rounding

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# H1 FY20 Financial Results Review



Money in Motion

# Financial Overview – Profit & Loss

(\$'000s)	H1FY19	H1FY20	GROWTH
GDV	\$4.14B	\$6.62B	60%
<b>TOTAL REVENUE</b>	<b>47,194</b>	<b>59,156</b>	<b>25%</b>
Revenue conversion bps	1.14%	0.89%	(21%)
<b>GROSS PROFIT</b>	<b>34,450</b>	<b>44,803</b>	<b>30%</b>
GP margin	73%	76%	3%
<b>OVERHEAD EXPENDITURE (Incl. R&amp;D tax offset)</b>	<b>(20,586)</b>	<b>(25,081)</b>	<b>22%</b>
<b>EBITDA (Incl. R&amp;D tax offset)</b>	<b>13,864</b>	<b>19,722</b>	<b>42%</b>
EBITDA margin	29%	33%	4%
Acquisition costs	(123)	(3,373)	2,646%
Share-based payments	(2,028)	(4,706)	132%
Depreciation and amortisation expense	(5,012)	(6,768)	35%
Other non-cash charges	(2,838)	57	(102%)
Add back R&D offset incl. in EBITDA	(300)	(500)	67%
<b>Net Profit / (Loss) before tax</b>	<b>3,563</b>	<b>4,432</b>	<b>24%</b>
Tax (including Research and Development tax offset)	(995)	(127)	(87%)
<b>Net Profit after tax</b>	<b>2,568</b>	<b>4,305</b>	<b>68%</b>
Add back: Amortisation on acquisition intangibles	3,680	4,832	31%
Add back: Share Based Payment expenses and Finance costs on contingent consideration (other non cash charges) related to acquisitions	3,029	3,485	15%
Add back: Acquisition Costs	123	3,373	2,646%
<b>NPATA<sup>1</sup></b>	<b>9,400</b>	<b>15,995</b>	<b>70%</b>

**\$6.62bn**

Record Gross Debit Volume, up 59% on prior year driven by G&I and VANs segments

**89bps**

The mix of GDV by segment reduced Group revenue yield. Immaterial movements in each segment

**\$59.2m**

Record revenue growth in all segments through organic and acquisition growth

**43.2%**

Cash Overheads declined to 43.2% of revenue (44.3% in H1FY19) including impact of Flex-e-Card acquisition

**\$19.7m**

Record EBITDA up 42% on prior period. EBITDA now excludes acquisition costs with the prior period represented

**\$3.4m**

Acquisition costs incurred in the year, now excluded from EBITDA principally relating to PFS acquisition

<sup>1</sup> NPATA represents the profit generated by the business excluding all acquisition related costs including; amortisation, contingent considerations, share based payments and cash expenses that relate to acquisitions.

<sup>2</sup> NPATA Share based payment expense adjustment is inclusive of a one off \$2.0m share based payment to buy back a contractual agreement with a Salary Packaging consultant (announced 22 July 2019).

# Balance Sheet

(\$'000s)	30 June 2019	31 December 2019	% CHANGE
Cash and cash equivalents	33,085	256,812	676%
Contract asset	31,828	32,713	3%
Other receivables and other assets	34,408	32,146	(7%)
Deferred tax asset	22,653	27,098	20%
Receivables from financial institutions	244,824	429,999	76%
Plant and equipment	5,355	11,769	120%
Goodwill and intangibles	104,554	111,560	7%
<b>TOTAL ASSETS</b>	<b>476,707</b>	<b>902,097</b>	<b>89%</b>
Trade and other payables	65,337	65,139	0%
Liabilities to stored value account holders	244,824	429,999	76%
Deferred tax liabilities	7,315	7,638	4%
Interest-bearing borrowings	15,000	0	(100%)
<b>TOTAL LIABILITIES</b>	<b>332,476</b>	<b>502,776</b>	<b>51%</b>
<b>EQUITY</b>	<b>144,231</b>	<b>399,321</b>	<b>177%</b>

Cash on hand of \$256.8m, with no debt following the repayment of \$15m in December 2019. EML raised approx. \$241.6m net of costs in connection with the acquisition of Prepaid Financial Services (Ireland) Limited which is expected to complete in the second half of the year subject to certain conditions precedent, including regulatory approvals.

The contract asset (breakage) accrual increased \$0.9m, due to growth in the G&I segment.

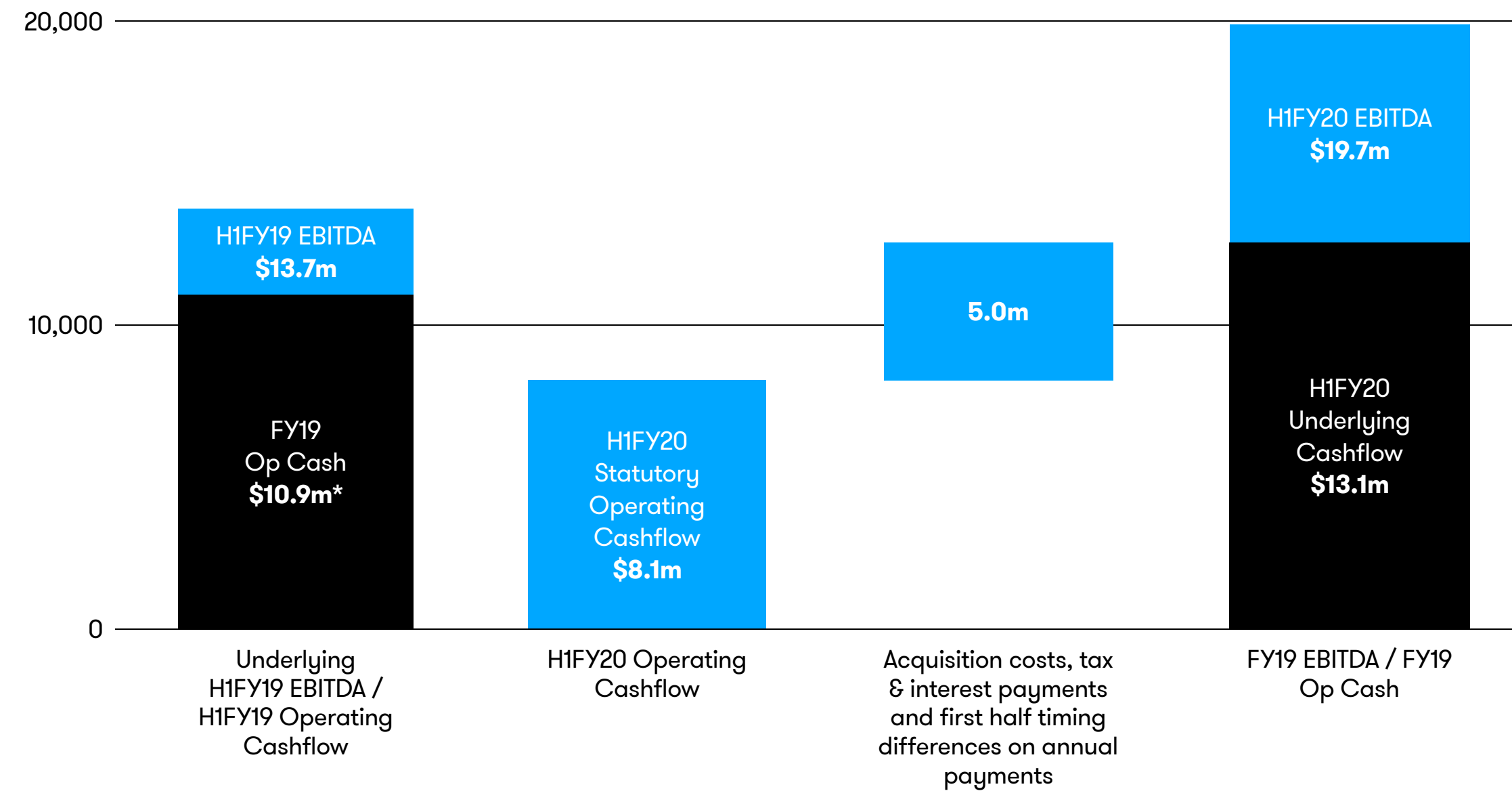
Receivables from financial institutions and the offsetting liabilities to stored value account holders increased by 76% as the Group continued to switch programs to self issuance in Australia & Europe

Deferred tax asset relates to tax losses primarily in Australia, USA and the UK

Trade & other payables includes \$12.8m of contingent consideration on the acquisitions of EML Payments AB (Presend) and PerfectCard DAC

# Financial Overview – Cash flow

## H1 FY20 Underlying Cashflow Movements



(\$'000s)	31 December 2019	31 December 2020	% CHANGE
Cashflows from operating activities*	17,008	8,121	(52%)
Cashflows used in investing activities	(5,864)	(6,055)	3%
Cashflows from financing activities	350	221,642	63226%

\* \$6.1m of accelerated breakage receipts relating to the restructuring of the timing of North American breakage receipts. This is deducted to arrive at underlying cashflow for the period

## CASH & CASH EQUIVALENTS

**\$256.8m** ↑676%

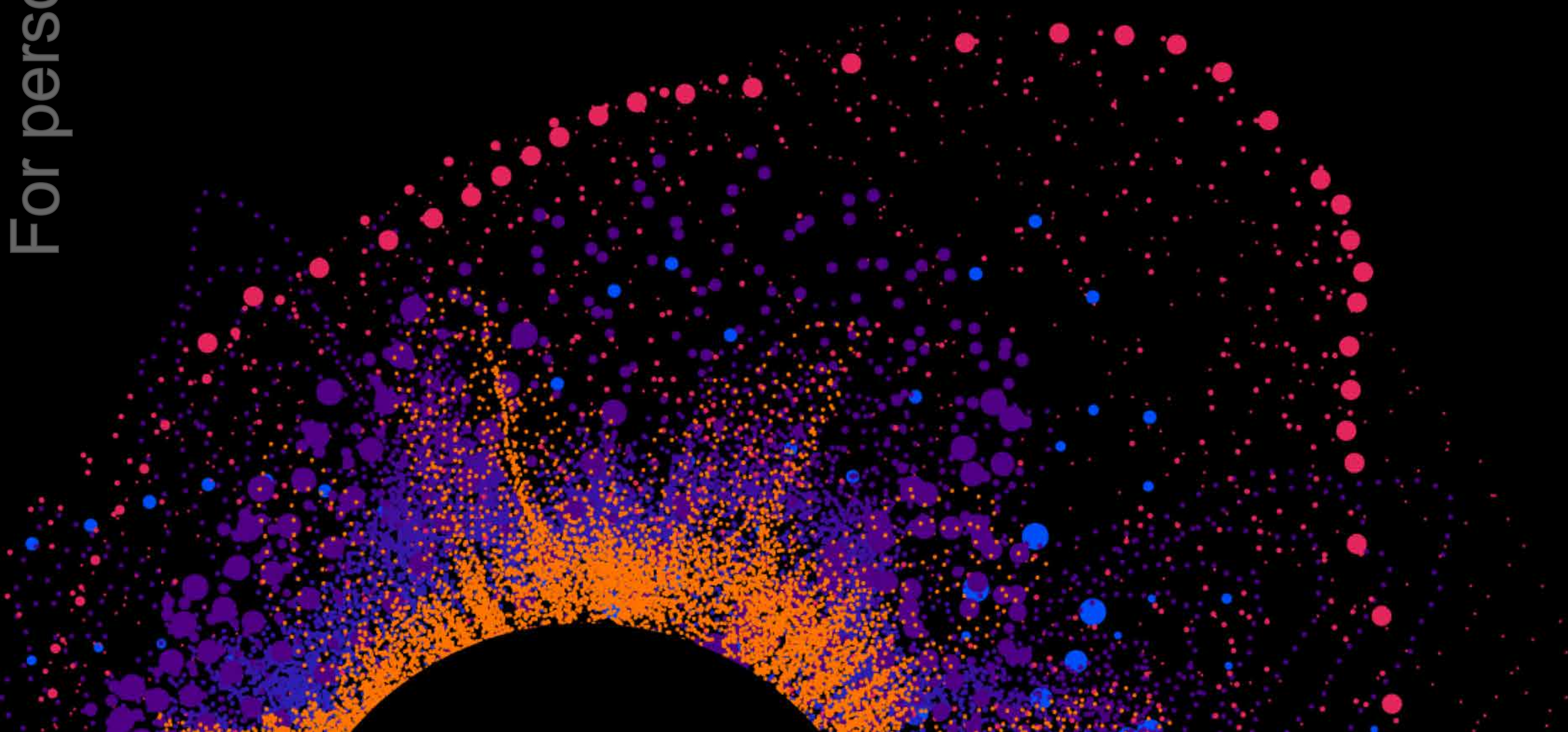
Cash & Cash equivalents increased \$223.7m from 30 June 2019 including cash inflows from a capital raise of \$241.6m net of transaction costs in relation to the acquisition of PFS. The Group repaid a \$15.0m debt facility in December 2019 prior to the expected draw down of a syndicated financing agreement upon completion of the PFS acquisition.

Full year cash conversion to be in line with management expectations of between 70-80%

The Group has a signed letter of commitment for a debt facility of up to \$175.0m in connection with the acquisition of PFS and for ongoing corporate purposes. No debt was drawn on this facility in the period.

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# Outlook & FY2020 Guidance



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# FY2020 - Financial Guidance excluding PFS

The Group expects EBITDA<sup>1</sup> to be in a range of

**A\$39.5m - \$42.5m**

for FY20

Represents growth of

**36-43%**

over pcp of \$29.7m excluding acquisition costs.

## FY20 Updated Guidance (excluding PFS)

Revenue **\$120m - \$129m**

EBITDA **\$39.5m - \$42.5m**

NPATA **\$27.5m - \$30.5m**

Operating cash flow **70% - 80%**

## Assumptions:

01

Underlying EBITDA now excludes acquisition costs in FY20 and prior year comparatives

02

FX rates remain in line with December 2019 rates, partially offsetting interest rate headwinds

03

Declining global interest rates negatively impacting interest income in all regions by \$1.0m. No significant movement in rates for remainder of the year.

04

No impact included for the acquisition of PFS, announced on 11 November. Guidance will be updated following completion of acquisition

## FY20 Original Guidance

Revenue \$116m - \$132m

EBITDA \$38.5m - \$42.5m

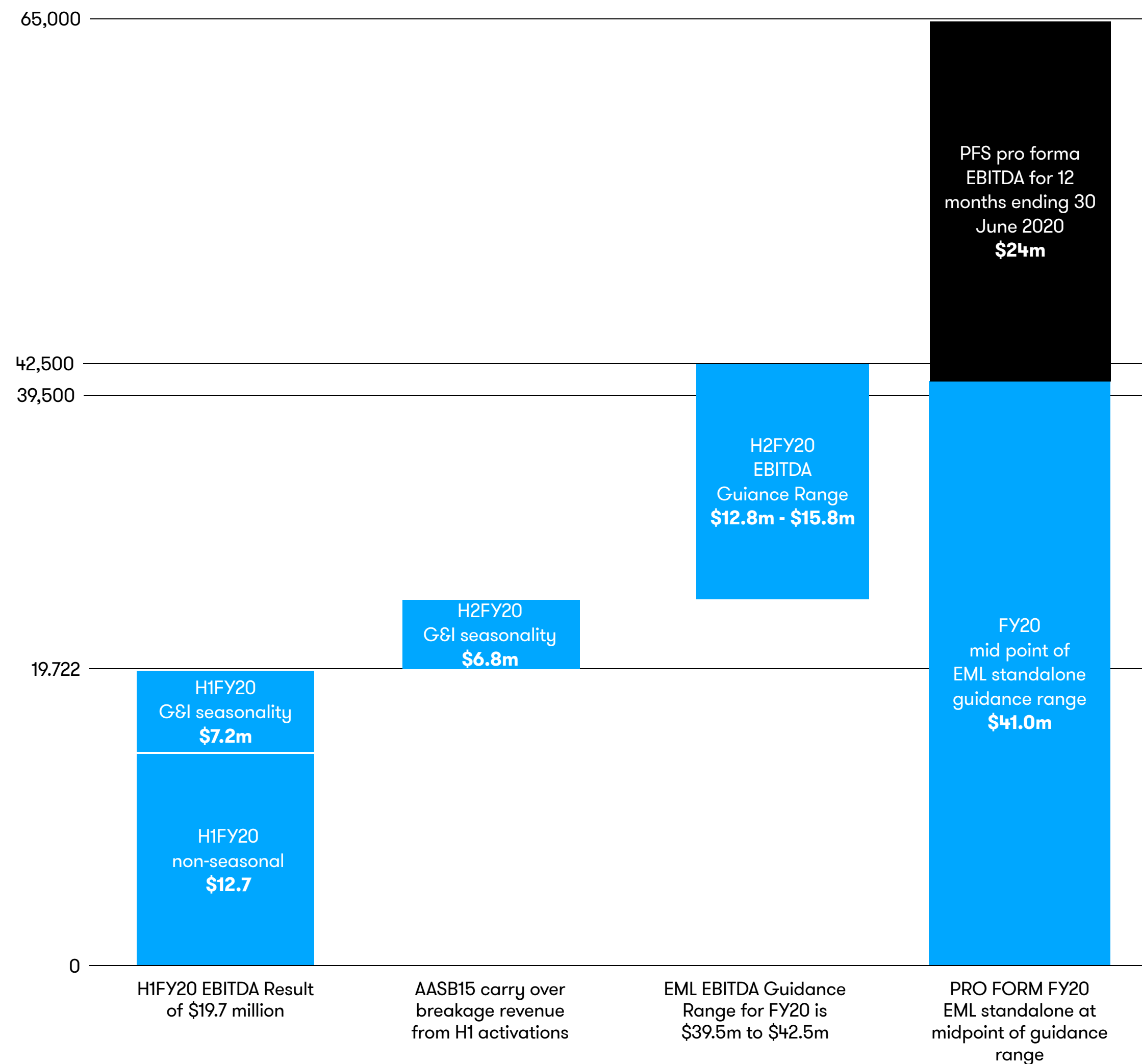
NPATA \$26.2m - \$29.4m

Operating cash flow 70% - 80%

1 EBITDA is equivalent to the net profit/(loss) for the period including R&D tax offset and excluding share based payments, depreciation and amortisation expense, acquisition expenses and non-cash unrealised foreign exchange included within the Statement of Profit or Loss and Other Comprehensive Income. EBITDA presented in the FY19 results included acquisition cost of \$0.6m now excluded given the materiality of costs incurred in acquiring Prepaid Financial Services.

2 NPATA represents the profit generated by the business excluding all acquisition related costs including; amortisation, contingent considerations, share based payments and cash expenses that relate to acquisitions.

# Financial Guidance - pro forma including PFS



- 01 Acquisition of PFS is subject to satisfactory completion of certain conditions precedent, including regulatory approval from CBol (Ireland) and FCA (UK)
- 02 Pro forma view presents the estimated results for the combined group, had the acquisition been completed on 1 July 2019
- 03 Seasonality estimates are based on the approximate additional GDV related to the November & December peak trading period for the Gift & Incentive segment.

## ANALYST COVERAGE

**5** EML does not endorse any analyst reports, views or other communications

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1 EBITDA is equivalent to the net profit/(loss) for the period including R&D tax offset and excluding share based payments, depreciation and amortisation expense, acquisition expenses and non-cash unrealised foreign exchange included within the Statement of Profit or Loss and Other Comprehensive Income. EBITDA presented in the FY19 results included acquisition cost of \$0.6m now excluded given the materiality of costs incurred in acquiring Prepaid Financial Services.



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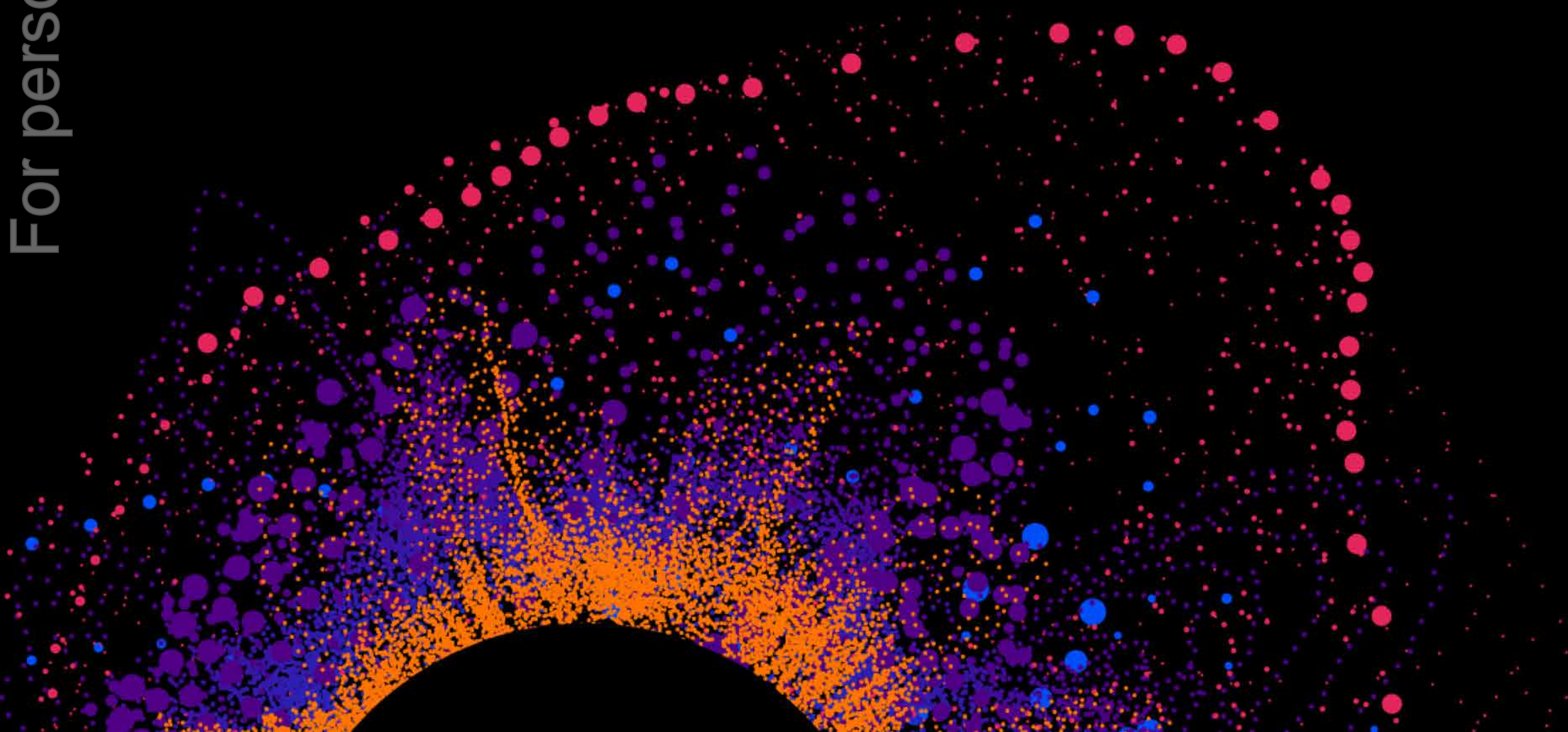
# Q&A and Thank you



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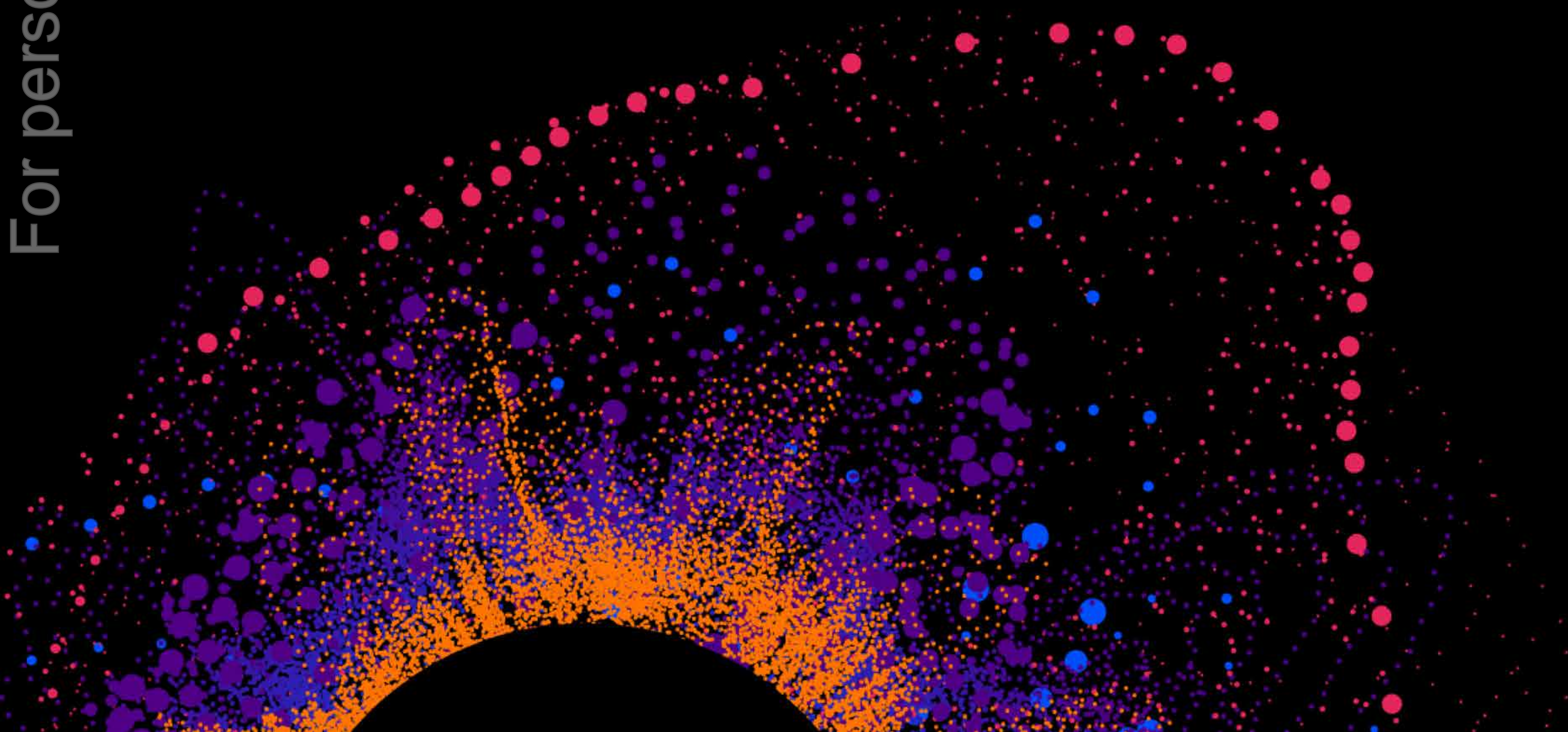
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# Key Data

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# Key Data - 3 Years

Key Metrics (\$'000s)	H1 2018A	H2 2018A	FY2018A	H1 2019A	H2 2019A	FY2019A	H1 2020A
	6mths	6mths	12 mnths	6mths	6mths	12 mnths	6mths
Headcount (closing)	184	182	184	236	275	<b>275</b>	272
Average Headcount for the period	174	185	180	223	221	<b>219</b>	264
<b>Gross debit volume (GDV)</b>	<b>\$3,583,289</b>	<b>\$3,168,912</b>	<b>\$6,752,201</b>	<b>\$4,148,106</b>	<b>\$4,882,805</b>	<b>\$9,030,911</b>	<b>\$6,616,240</b>
Gift & Incentive	\$467,085	\$270,287	\$737,372	\$664,133	\$395,850	<b>\$1,059,983</b>	\$838,729
General Purpose Reloadable	\$1,840,281	\$1,508,166	\$3,348,447	\$1,392,659	\$1,346,678	<b>\$2,739,337</b>	\$1,465,909
Virtual Account Numbers	\$1,275,924	\$1,390,459	\$2,666,382	\$2,091,314	\$3,140,277	<b>\$5,231,591</b>	\$4,311,602
<b>Total Stored Value</b>	<b>\$514,521</b>	<b>\$411,069</b>	<b>\$411,069</b>	<b>\$636,216</b>	<b>\$495,400</b>	<b>\$495,400</b>	<b>\$710,671</b>
Interest on Stored Value (exc Group funds)	\$1,116	\$1,227	\$2,343	\$1,522	\$1,029	<b>\$2,325</b>	\$872
Effective Interest Rate (%)	0.43%	0.60%	0.57%	0.24%	0.42%	<b>0.47%</b>	0.25%

\* H1FY18 has been re-presented to show pro forma adjusted results as if the Group had reported under AASB15 Revenue from contracts with customers. A reconciliation is provided in the appendices to this presentation.

## Key Data - FY18-FY20

Key Financials (\$'000s)	H1 2018	H2 2018	FY2018	H1 2019	H2 2019	FY2019	H1 2020
	6mths	6mths	12 mths	6mths	6mths	12 mths	6mths
<b>Revenue</b> (includes interest income)	<b>\$33,908</b>	<b>\$37,112</b>	<b>\$71,020</b>	<b>\$47,194</b>	<b>\$50,001</b>	<b>\$97,195</b>	<b>\$59,156</b>
Gift & Incentive	\$21,753	\$24,470	\$46,223	\$32,380	\$33,985	\$66,365	\$40,149
General Purpose Reloadable	\$10,886	\$10,711	\$21,597	\$12,251	\$11,685	\$23,936	\$13,106
Virtual Account Numbers	\$1,042	\$1,383	\$2,425	\$2,319	\$4,096	\$6,415	\$5,522
Group interest & adjustments	\$227	\$548	\$775	\$244	\$235	\$479	\$379
<b>Gross profit</b>	<b>\$24,376</b>	<b>\$28,925</b>	<b>\$53,301</b>	<b>\$34,450</b>	<b>\$38,565</b>	<b>\$73,015</b>	<b>\$44,803</b>
Gift & Incentive	\$16,237	\$20,383	\$36,619	\$24,529	\$27,844	\$52,373	\$32,287
General Purpose Reloadable	\$7,192	\$6,969	\$14,161	\$8,092	\$7,705	\$15,797	\$8,738
Virtual Account Numbers	\$871	\$1,198	\$2,069	\$1,561	\$2,805	\$4,366	\$3,447
Group interest & adjustments	\$76	\$375	\$452	\$244	\$235	\$479	\$331
Overheads (excl acquisition costs)	(\$15,601)	(\$18,037)	(\$33,638)	(\$20,886)	(\$23,709)	(\$44,595)	(\$25,581)
Research and development credit	\$605	\$772	\$1,377	\$300	\$981	\$1,281	\$500
<b>EBITDA</b>	<b>\$9,380</b>	<b>\$11,660</b>	<b>\$21,040</b>	<b>\$13,864</b>	<b>\$15,837</b>	<b>\$29,701</b>	<b>\$19,722</b>
EBITDA margin	27%	31%	29%	29%	31%	30%	33%
<b>NPATA</b>	<b>\$2,876</b>	<b>\$9,787</b>	<b>\$12,663</b>	<b>\$9,400</b>	<b>\$10,634</b>	<b>\$20,034</b>	<b>\$15,995</b>
<b>Cash opening</b>	<b>\$39,872</b>	<b>\$34,697</b>	<b>\$39,872</b>	<b>\$39,006</b>	<b>\$50,113</b>	<b>\$39,006</b>	<b>\$33,085</b>
Operating activities	(\$3,361)	\$9,733	\$6,372	\$17,131	\$11,908	\$29,039	\$8,611
Investing activities	(\$1,835)	(\$4,802)	(\$6,637)	(\$5,987)	(\$43,708)	(\$49,695)	(\$6,547)
Financing activities (incl FX)	\$21	(\$622)	(\$601)	(\$37)	\$14,772	\$14,735	\$221,663
<b>Cash closing</b>	<b>\$34,697</b>	<b>\$39,006</b>	<b>\$39,006</b>	<b>\$50,113</b>	<b>\$33,085</b>	<b>\$33,085</b>	<b>\$256,812</b>

\* FY18 has been re-presented to show pro forma adjusted results as if the Group had reported under AASB15 Revenue from contracts with customers, there is no impact on full year values, half year split only