



Money in Motion

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**EML Payments Limited**

23 October 2019

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**ASX Market Announcements**

20 Bridge Street  
SYDNEY NSW 2000

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## Investor Presentation

**EML PAYMENTS LIMITED (ASX: EML)** ("EML") is pleased to provide investors with the following 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 1,200 programs across 21 countries in North America, Europe and Australia.

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

For further information, please contact:

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Group CFO

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# Investor Presentation

October 2019

EML.

Money in Motion



# Tom Cregan

Managing Director  
& Group CEO

# Rob Shore

Group CFO

## 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.

## 01 Our History

## 02 Our Product

## 03 Our Growth

## 04 Q&A

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 twelve months ended 30 June 2019 (‘FY19’), and is presented in Australian Dollars. Unless otherwise stated, the prior comparative period refers to the twelve months end 30 June 2018 (‘FY18’ or ‘PCP’).

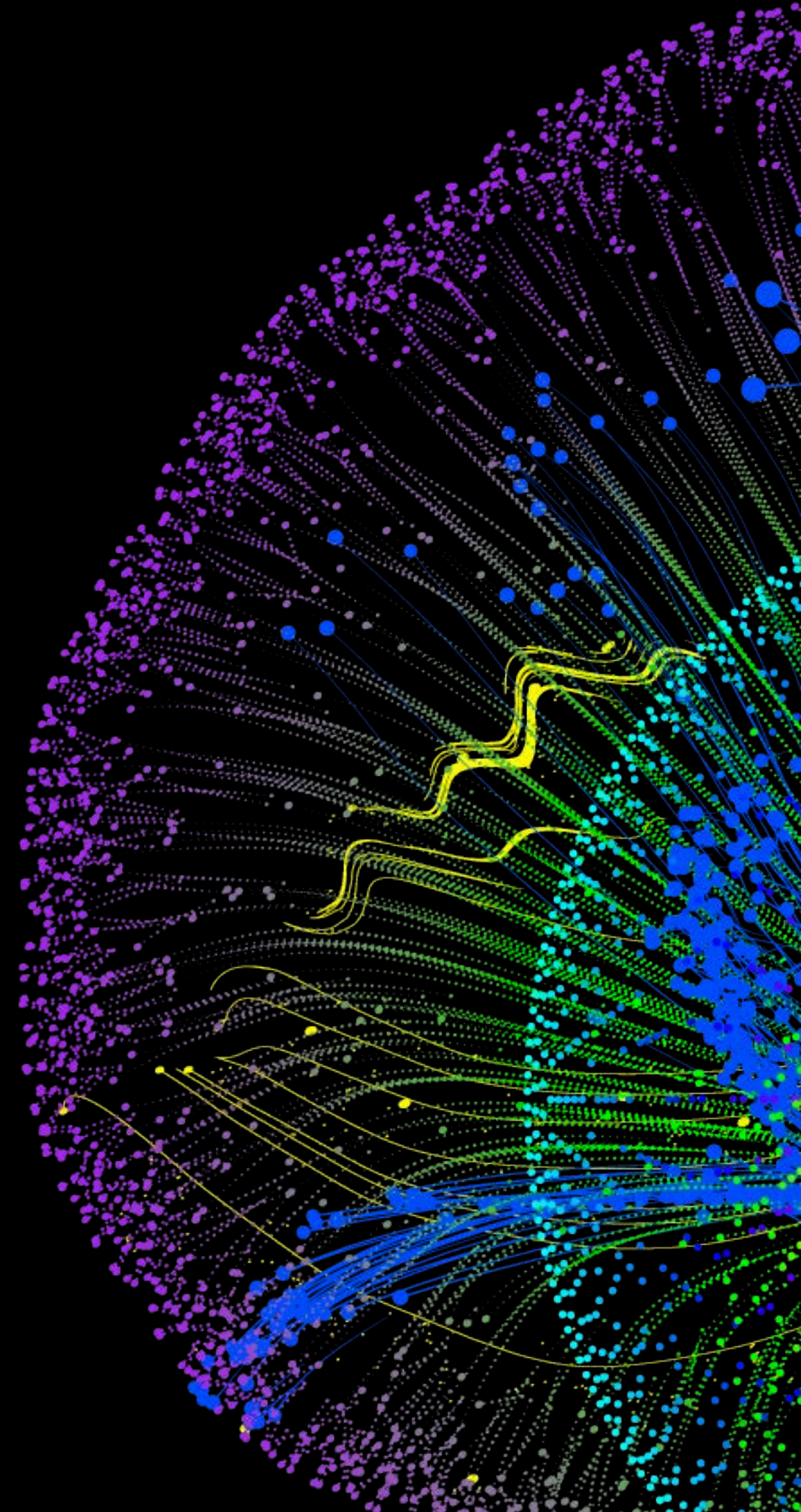




## EML Mission Statement

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

**EML.**



# About Us – EML Snapshot

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

GROUP GDV (FY19)

**\$9.03bn**

↑ 34%

GROUP REVENUE (FY19)

**\$97.2m**

↑ 37%

GROUP EBITDA (FY19)

**\$29.1m**

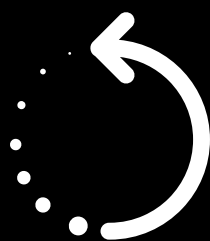
↑ 40%

## Australia

Head Office  
Brisbane, Australia  
Melbourne, Australia



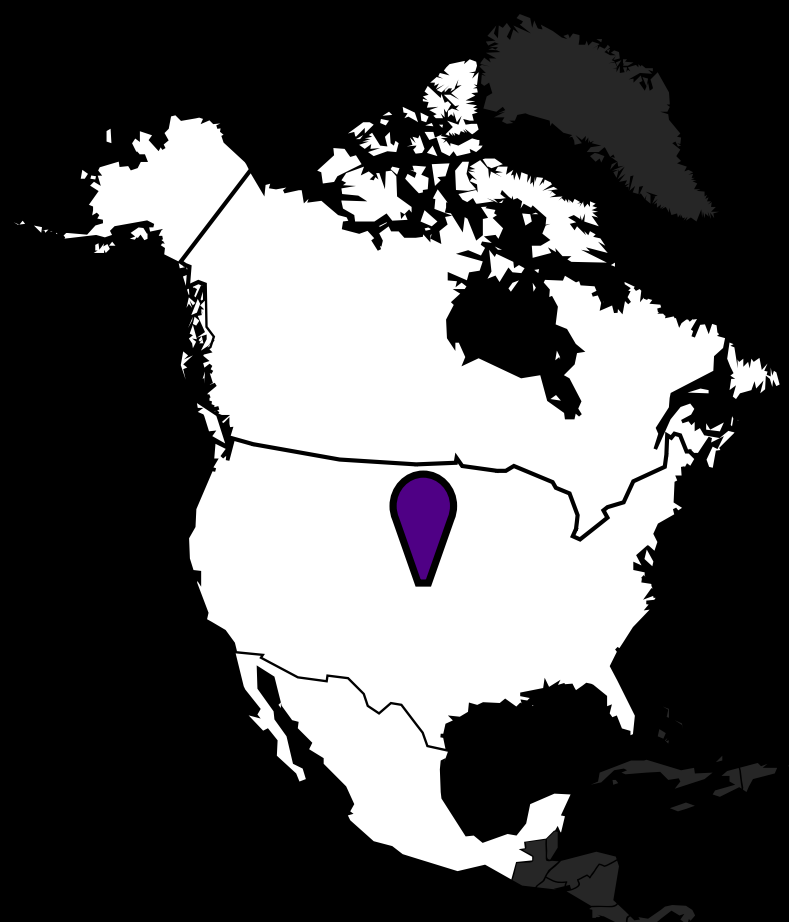
Australia



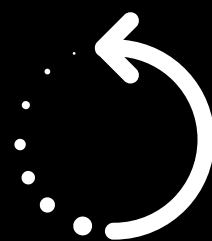
One processor

## Americas

Kansas City, USA



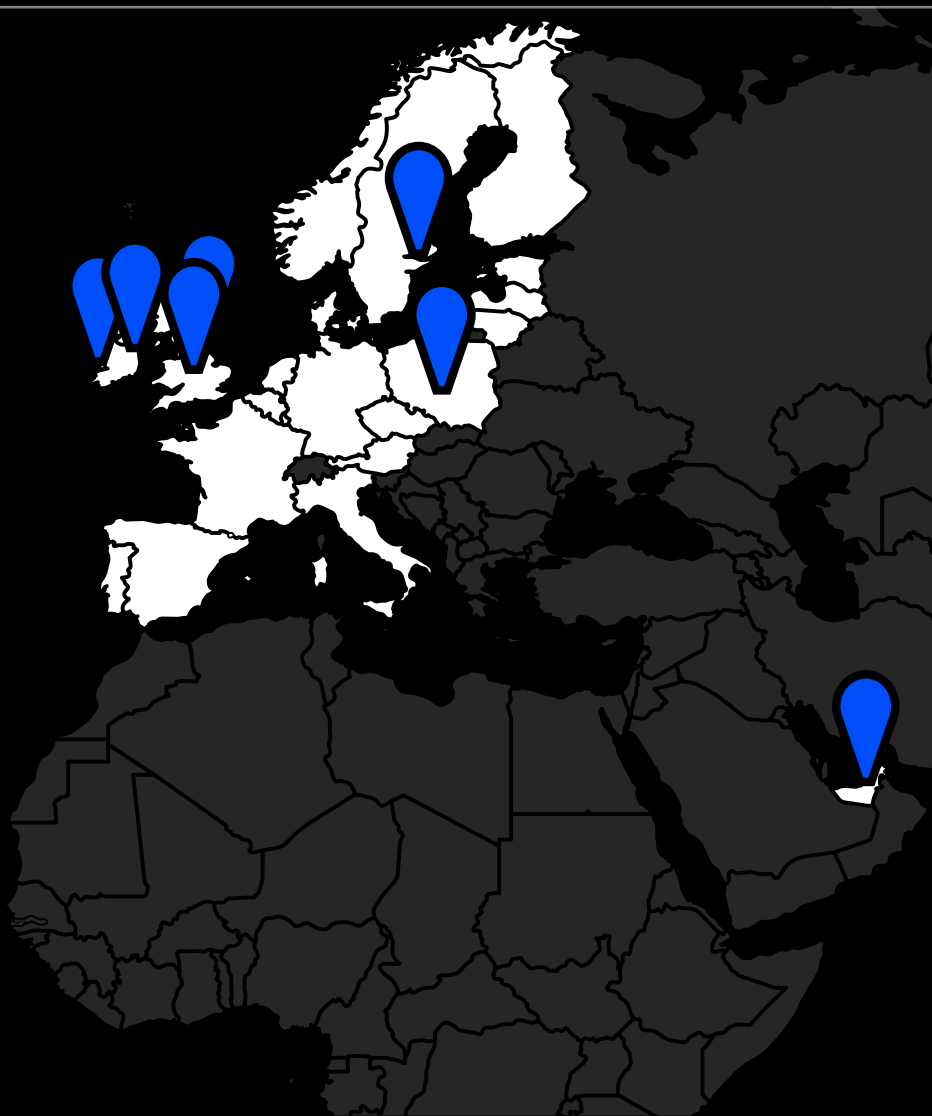
Rest of the world



One processor

## Europe & Middle East

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





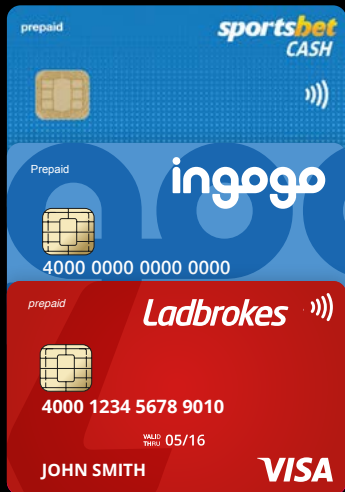
# Our Journey

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Incentives  
+ B2B & B2C Cards



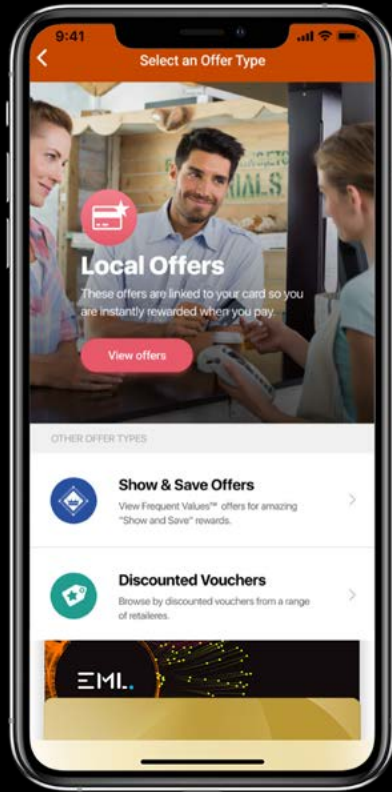
Launch of GPR  
in Australia



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  
+ Delegated authority  
+ Instant mobile gift



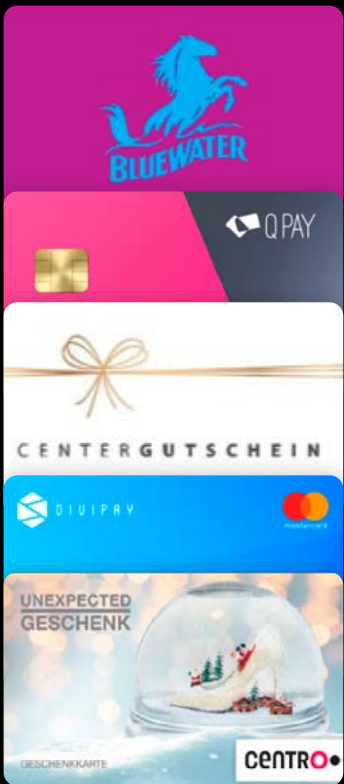
2011 2012 2013 2014 2015 2016 2017 2018 2019



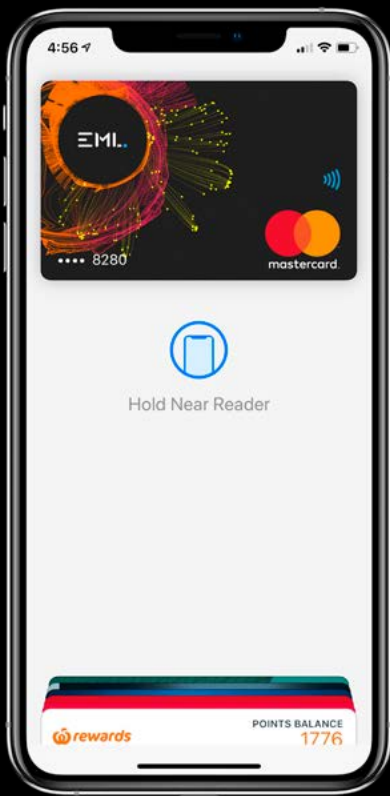
Heritage-Issued  
Visa Integration



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



EML Payments Investor Presentation

# FY19 Business Update

## Gift & Incentive

GDV	Revenue	
\$1.06bn	\$66.4m	627bps
\$0.74bn (FY18)	\$46.6m (FY18)	

### Product

- Run rate at June '19 - \$87m p/month
- Single load multi factor (plastic, virtual, mobile) giftcards available instantly.

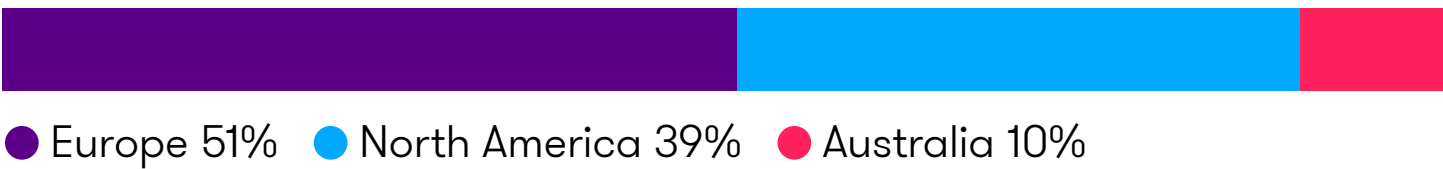
### Partners



### Growth drivers

- Adoption of instant gift
- New mall programs and maturity of recently added programs
- Geographic expansion into Eastern Europe and Middle East
- Adoption of pays technology for incentives vertical

### Segmentation by region



## General Purpose Reloadable (GPR)

GDV	Revenue	
\$2.74bn	\$23.9m	86bps
\$3.35bn (FY18)	\$21.6m (FY18)	

### Product

- Run rate at June '19 - \$225m p/month
- Reloadable cards, linked to a 3rd party funding source, accessed physically, virtually or by mobile, for everyday use

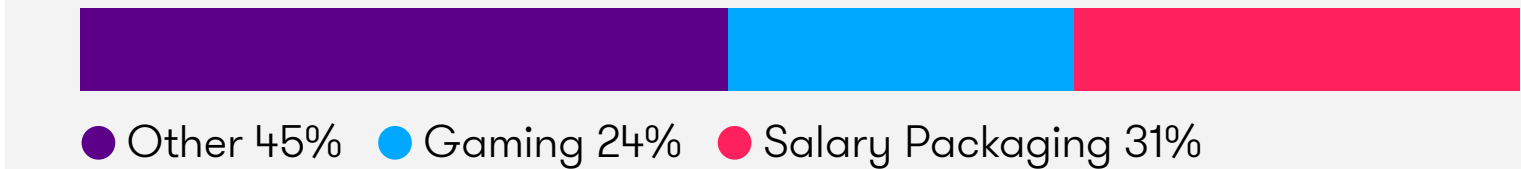
### Partners



### Growth drivers

- Transition of salary packaging
- Expansion of gaming solution in Europe and North America
- Rollout of delegated authority solution to existing markets

### Segmentation by vertical



## Virtual Account Numbers (VANS)

GDV	Revenue	
\$5.23bn	\$6.4m	12bps
\$2.67bn (FY18)	\$2.4m (FY18)	

### Product

- Run rate at June '19 - \$700m p/month
- Quick and easy payment solution moving funds from one payer to multiple recipients using virtual card accounts

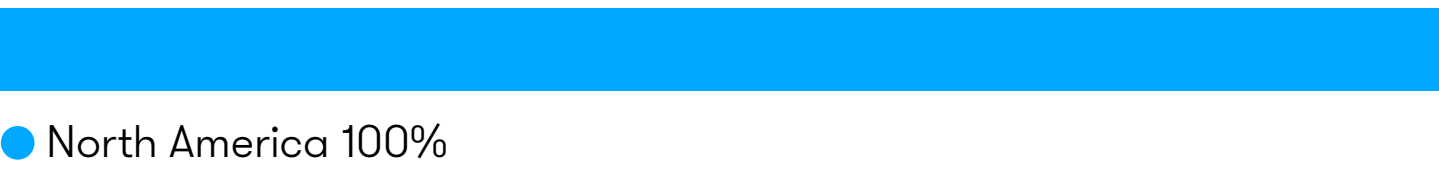
### Partners

- 30+ programs in market

### Growth drivers

- Volume growth through servicing payment aggregators

### Segmentation by region



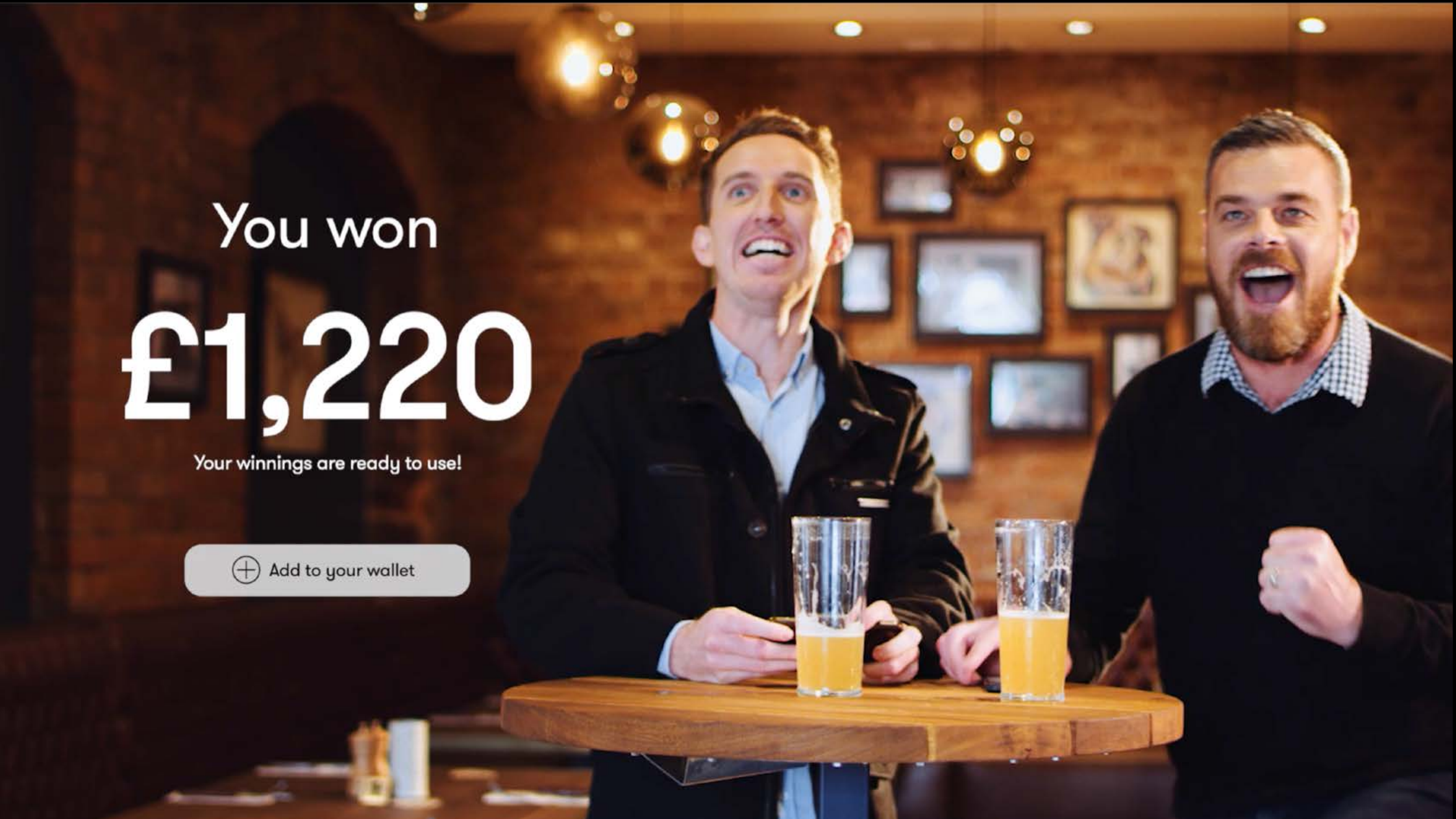


## EML Salary Packaging



▶ Watch the video here

## EML Pays



▶ Watch the video here



# Consumer finance with delegated authority

**Digital Payment Solution**

**Delegated authorisation**

**Real time load and settlement**

## EML's innovative solution

Through delegated authorisation EML provides revolutionary instant access to a funding facility, provided by the partner, for real time POS, ATM and Online Purchases.

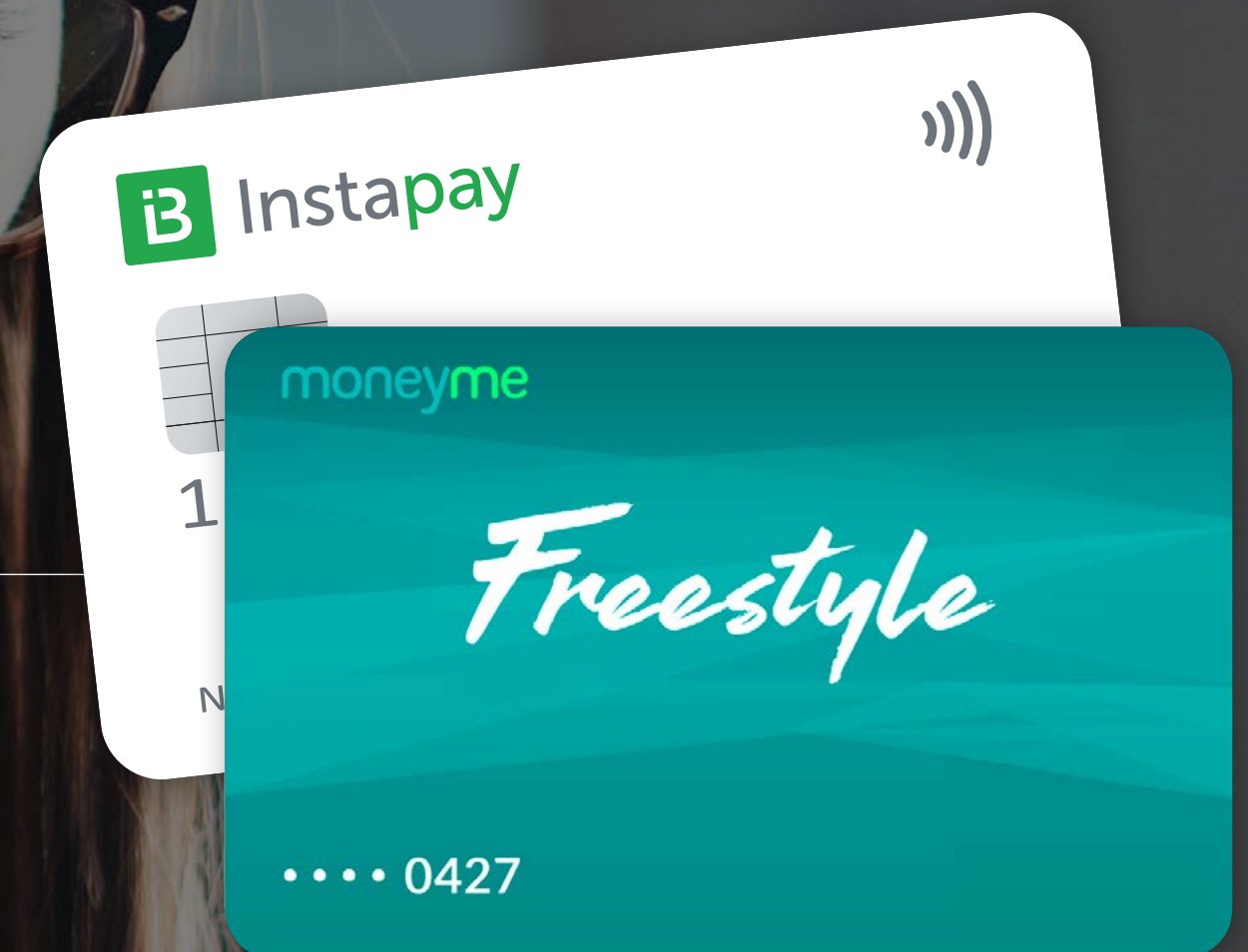
EML, the partner, or both can assess the transaction against rules including merchant, merchant category, type of transaction and available funds before approving or declining the transaction in real time.

With Instabank, consumers can instantly access credit on the go from Instabank at POS, online or ATM. (anywhere Mastercard is accepted)

Consumers experience a seamless transaction that moves funds in real-time via EML's Delegated Authorisation Webservices API to the Instapay card from the Instabank Flexible Loan balance.

Instabank is a registered bank regulated by the Norwegian FSA.

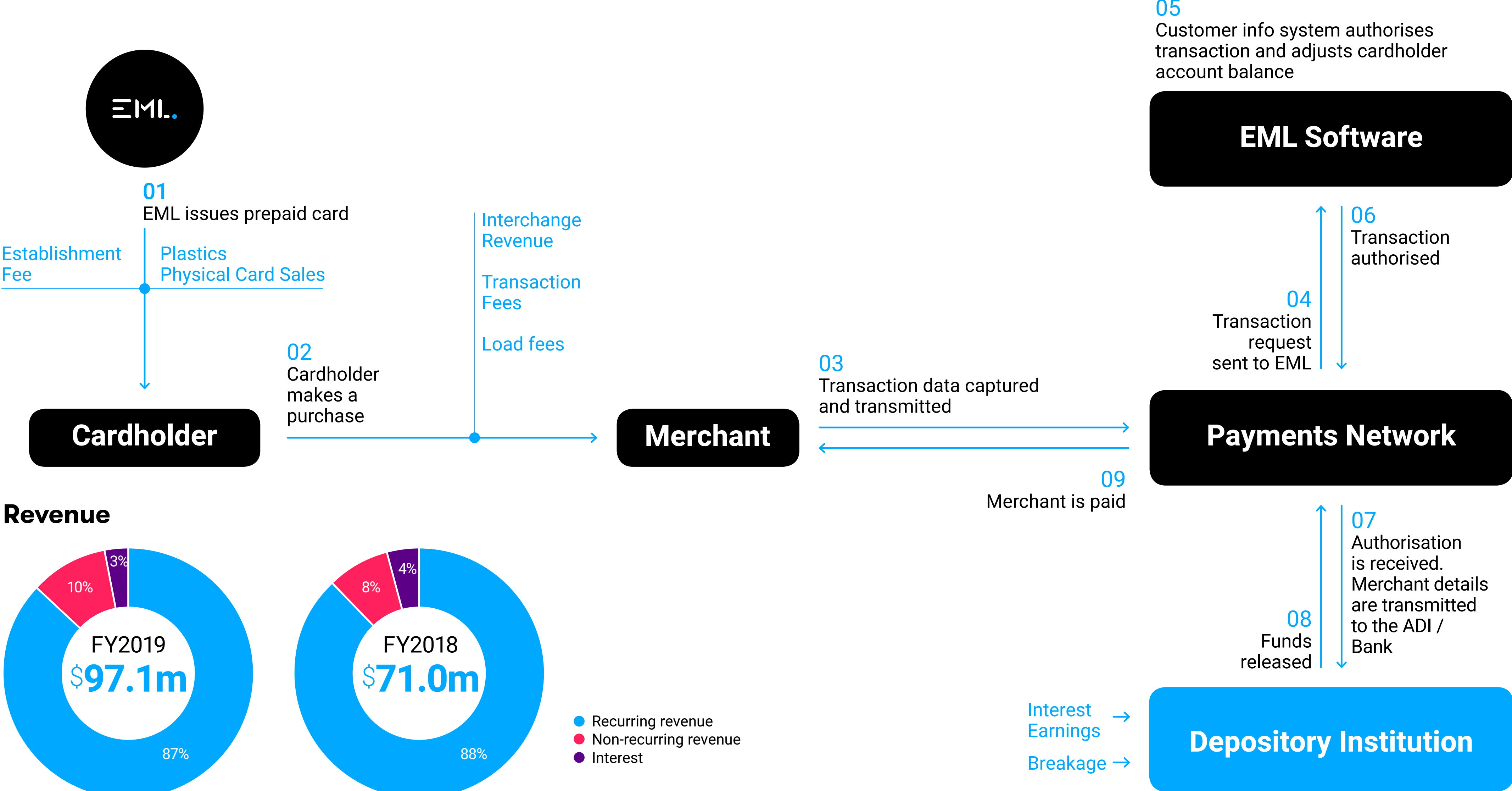
In July 2019, EML signed a contract with MoneyMe, an Australian company who will use our delegated authorisation and Pays technology to launch an innovative solution enabling instant access to a line of credit. MoneyMe expect to launch early in FY20.





# Business Model - Sources of revenue

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# 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

EML.

## 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

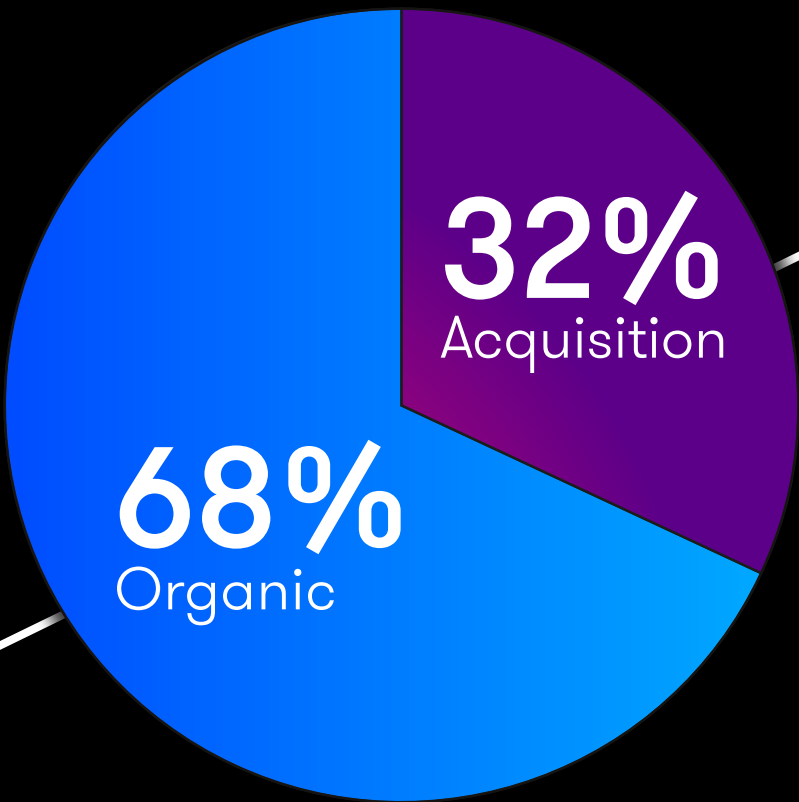
**REALTIME ID**  
decision & action on suspect card transactions

**3D** Secure Capability

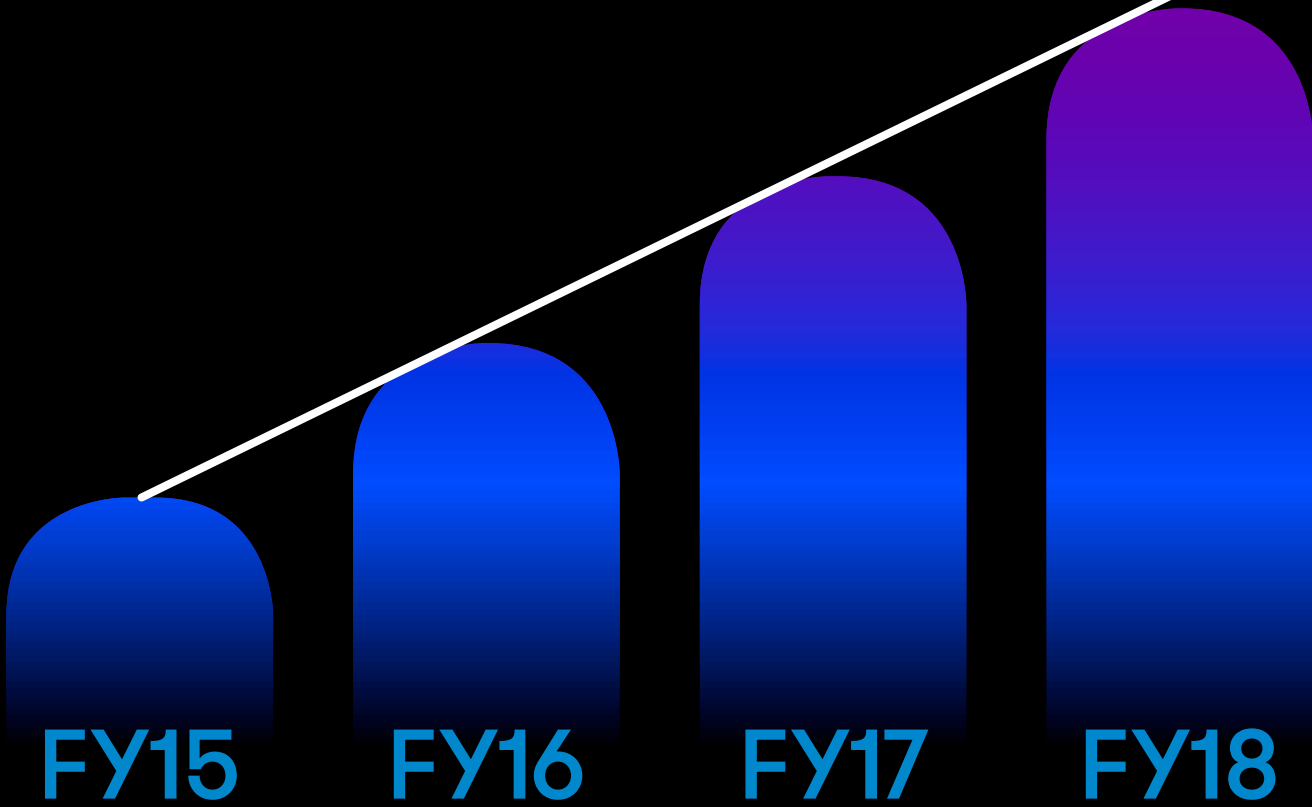


# Track Record of Growth

82%  
5 YR  
EBITDA  
CAGR



+\$8.3m  
FY19 EBITDA Growth



GDV	\$0.5B	\$1.0B	\$4.4B	\$6.8B
REVENUE	\$14.4m	\$23.3m	\$58.0m	\$71.0m
EBITDA	\$2.6M	\$5.0M	\$14.5M	\$20.8M
HEADCOUNT	55	150	170	182
COUNTRIES	10	13	13	21

FY19	\$9.0B
	\$97.2m
	\$29.1M
	275*
	23

# Growth Drivers

- Gaming**  
Expand European and North American programs
- Salary Packaging**  
Transition contracted benefit accounts
- Gift and Incentive**  
Expand mall programs and use of instant gift
- Delegated Authority**  
Launch delegated authority to new verticals
- VANS**  
Processing plus solution gaining traction

run rate at June 19	
G&I	\$87m p/month*
GPR	\$225m p/month
VANS	\$700m p/month

\*G&I is a seasonal segment and June run rate is not representative of seasonal peaks



# How we think about growth

## Strong Organic Growth

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

### Constant Growth Drivers



## Acquisitions





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**Q&A**  
**Thank you**



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