

ASX Announcement

11 March 2021

Lifepay moves to commercial launch

Highlights

- New, innovative fintech platform, Lifepay, moves to commercial launch
- Strong demand saw soft launch expanded with extensive positive feedback received
- Lifepay to continue to leverage Novatti's technology and licences going forward, creating new revenue opportunities
- Lifepay's Series A funding at pre-money of \$20.5m, implies Novatti shareholding valued at \$5.125m

Novatti Group Limited (ASX:NOV) (Novatti or Company), a leading digital banking and payments company, is pleased to announce that Lifepay, the new, innovative fintech platform that leverages Novatti's technology and licences, is moving to a full commercial launch following the success of its soft launch.

Lifepay's integrated financial platform enables users to manage their daily life transactions, personal and social finances simply and effectively from their mobile device. In doing so, it provides consumers with access to the latest technology in banking and payments.

Lifepay's planned soft launch for up to 200 consumers was expanded to 300 participants over the past few weeks due to strong demand. In addition, Lifepay has seen interest in the platform from significant retailer groups and consumers channels. As part of the application, Lifepay consumers go through a compliance check and then are issued a prepaid Visa card from Novatti into their digital wallet. This prepaid Visa card ensures that the Lifepay digital wallet has near ubiquitous access to Australian merchants.

This strong demand has supported Lifepay's move to full commercial launch, with planning also underway to expand Lifepay's services to include international money transfers and value added merchant services. The longer term roadmap includes connectivity to additional fintech services and value add consumer services.

Novatti remains a major shareholder in Lifepay Pty Ltd, holding 25% of its shares prior to the Series A funding. Lifepay has now secured a Series A investment of up to \$2.5m at a pre-money valuation of \$20.5m, implying a valuation of \$5.125m for Novatti's shareholding. This investment is being progressively drawn down against the business plan and, if fully drawn down, Novatti's shareholding will reduce to approximately 22%.

Novatti's Managing Director, Peter Cook, said: "We are excited to see Lifepay move to a full commercial launch after the strong interest in the platform shown during its soft launch. The strong, positive feedback received from trial customers has also highlighted its quality.

"Novatti's digital banking and payments ecosystem has played a key role in seeing Lifepay move to a commercial launch as the platform will continue to leverage Novatti's technology and licences. We look forward to continuing to support Lifepay in its development and growth going forward."

This announcement follows some of Novatti's other recent growth-focused achievements, including:

- Record half-year sales revenue of \$7.35m, up 49% year-on-year, highlighting consistent, long term growth¹
- New record quarterly sales revenue of \$3.79m, up 52% year-on-year²
- Novatti's Visa Prepaid cards now being supported by Apple Pay³
- Being licenced by Visa to issue prepaid cards in New Zealand⁴

Novatti invites investors to keep up to date with company news, events and industry research by joining the Novatti mailing list at: <https://www.novattigroup.com/subscribe>

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This announcement has been approved for release to the ASX by Peter Cook, Managing Director.

About Novatti Group Limited (ASX:NOV)

Novatti is a leading digital banking and payments company. Its fintech, billing, and business automation platforms make payments fast, simple, and secure. Payments services include card issuing, merchant acquiring, payment processing and settlements, and enable our customers to thrive as we shift to a cashless economy. Novatti holds all necessary regulatory licences and registrations, including an Australian Financial Services Licence (No 448066) through its subsidiary Flexewallet Pty Ltd, registration in New Zealand as a Financial Services Provider (FSP613789) through subsidiary Flexewallet (NZ) Limited, is registered with AUSTRAC as a Remittance Network Provider, and has applied to APRA for a restricted banking licence through its subsidiary Novatti IBA Pty Ltd.

¹ Novatti ASX Announcement – *Half year update and Appendix 4D* – 25 February 2021

² Novatti ASX Announcement – *Another quarter of record revenue as investment in platforms delivers growth* – 29 January 2021

³ Novatti ASX Announcement – *Novatti's Visa Prepaid cards now supported by Apple Pay* – 22 January 2021

⁴ Novatti ASX Announcement – *Visa licences Novatti to issue cards in New Zealand* – 20 January 2021