

Payments Growth + Optionality over Digital Bank

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Novatti Group Limited (ASX:NOV)

- Proven, Robust Financial Technology
- Strong Growth Profile
- Successful financial processing business
- Bank Licence Application Underway

Corporate Overview

Key Metrics	
ASX Ticker	NOV
Market cap @ \$0.18 (as at 29 Aug 2019)	\$30.04m
Ordinary shares on issue	167.51m
FY19 sales revenue (unaudited)	\$8.9m
Cash (as at 30 June 2019)	\$1.8m
52 week high-low	\$0.31 - \$0.145
Top 20 Shareholders	81.27%

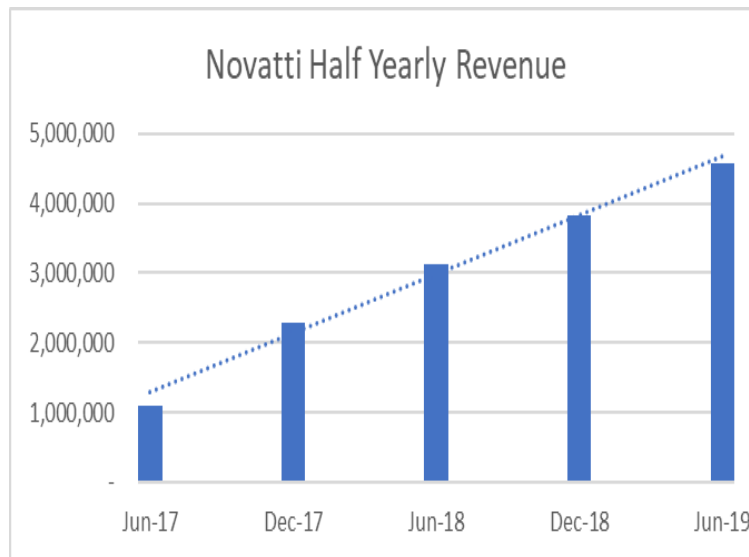


Financial Update

Revenue \$8.9m in FY19, up 39% from \$6.4m in FY18

Revenue \$4.5m in H2 FY19, up 46% on H2FY18

Cash on hand at 30 June 19 - \$1.8m



Growth from multiple lines of business

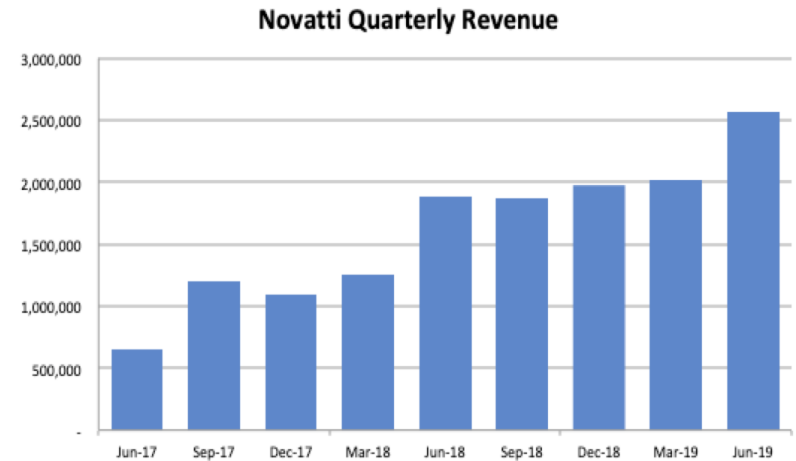
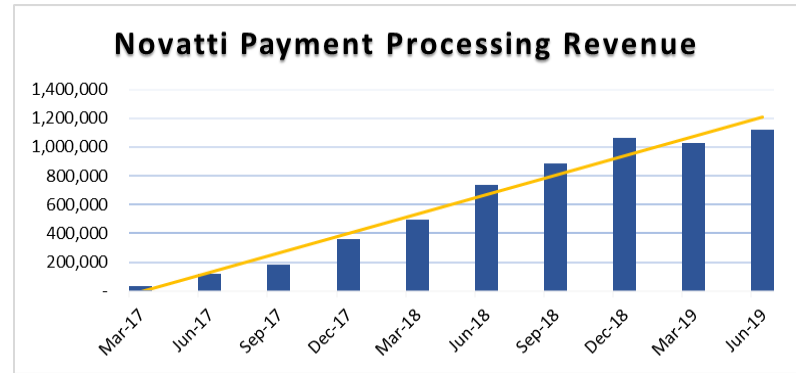
Financial Update

Record quarter for payment processing

Payment processing for Q4FY19 up 52% from Q4FY18

Strong upward trend

Q4FY19 – First quarter of \$2.5m revenue



Bank Licence Optionality

Simple Equation

- Novatti Technology
- + Financial Processing
- + Licences + Compliance
- + Customers

Perfect Positioning



DIGITAL TECHNOLOGY



Royal Commission

into Misconduct in the Banking, Superannuation
and Financial Services Industry

MARKET DISRUPTION



Australian Prudential Regulation Authority

APPLICATION PENDING

APRA Banking Licence

Novatti lodged its application to APRA for a Restricted Authorised Deposit-Taking Institution (RADI) or banking licence in November 2018. The focus of such a banking licence is to offer new banking services to Australian customers with a focus on migrants. Novatti is currently building future banking services customers by way of its remittance services, Vasco prepaid card services and its China Payments bill payment services. In line with its growth strategy, the Company intend to apply for a full non-restricted ADI in due course.

Access to a Megatrend

- Digital Banking
- New Services
- Lower Cost of Operations
- Regulatory Change
- Global Banking Needs
- Servicing Migrants

**“We saw the
opportunity and
we jumped”**

Building our Customers Now

- Migrant focused financial services
- Continue to grow our customer base
- Cross border payments
- Commercial networks



Migrant Focused

- Focused on aspirational migrant market
- Market segment overlooked by others
- Non-core focus for the major banks
- Building commercial relationships into the migrant sector now

**~200,000
new migrants each year**

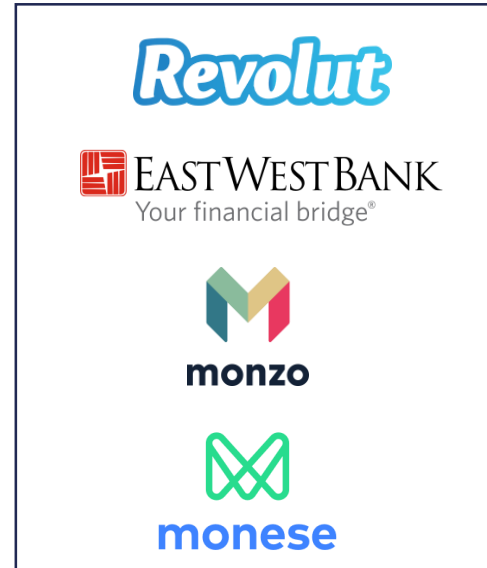
**~7 million
migrants in Australia**

**~\$9 billion
per year sent overseas**

**~\$7 billion
of this to China and India**

Established Market Trends

- Digital banks achieving high valuations
- Numerous success stories
- Supportive regulation
- Leveraging new technology
- Mobile first, digital, low cost of operations



Investment Opportunity

- Existing fintech business with strong revenue growth
- Building our customer base now
- High growth
- Successful financial operations and processing in place now
- Strong compliance experience
- Proven, Robust Financial Technology
- Restricted ADI Application underway
- ASX Listed Opportunity



OUTLOOK



Banking Services

Customers + Licences + Technology

B2B Customers

Strategic relationships with other financial processors
Flexewallet Remittance Network
Flexepin Voucher Network

B2C Customers

ChinaPayments
Vasco Reloadable Cards

Licences

AFSL License
Austrac registration
Appointed Representative of an E-money Issuing License

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