

ASX Announcement

17 March 2021

Novatti's fintech underpins record-breaking hybrid social media platform LITT

Highlights

- Novatti's fintech is underpinning LITT's innovative hybrid social media platform by providing members access to Visa Prepaid cards
- Highlights increasing convergence between social media and fintech platforms, as payments and transactions are placed at the centre of users' daily life
- LITT's recent \$1.5m record equity crowd source funding raise highlights strong interest in this sector
- Revenues for Novatti based on leveraging the existing digital banking and payments ecosystem while continuing to increase B2C exposure

Novatti Group Limited (ASX:NOV) (Novatti or Company), a leading digital banking and payments company, is pleased to announce that its fintech is underpinning LITT, the Australian social media platform that just raised \$1.5m in record time.¹

LITT (<https://home.thelittapp.com/>) highlights the growing convergence of fintech and social media, as the platform combines e-commerce, advertising, and digital payments to connect people, businesses, and local communities. In an innovative approach, the platform also enables members to be paid to view ads, which is different to other social media platforms where revenue for users is typically generated by posting content, influencing or selling.

LITT has more than 18,000 members and 500 local businesses that are able to connect with each other. Notably, when Facebook banned news content in Australia during February, LITT saw an 83% increase in members signing up and an 85% increase in new businesses joining the platform, highlighting its recent growth. It is also supported by a number of high-profile ambassadors, including West Coast AFL Player, Josh Kennedy, and Matt Wright, the host of National Geographic show the Outback Wrangler.

Novatti's fintech provides LITT's members with access to a digital Visa Prepaid card and integration to instore and online payments networks, underpinning the connection created between social media and daily life transactions. This collaboration will see Novatti earn fees for project setup, transactions, and card issuing based on the take up of LITT's services.

Earlier this month, LITT raised \$1.5m through what it notes to be the fastest maximum equity crowd source funding raise in Australia, highlighting the high level of interest in this platform and the sector more broadly.² LITT will now seek to expand to new communities in Australia across 2021, with a view to also expanding overseas in future.³

¹ See LITT: <https://home.thelittapp.com/blog/litt-csf-record-1-5m-from-640-investors/>

² See LITT: <https://home.thelittapp.com/blog/litt-csf-record-1-5m-from-640-investors/>

³ See LITT: https://home.thelittapp.com/LITT_Pitch_Deck.pdf

Novatti's Managing Director, Peter Cook, said: "Novatti's collaboration with LITT is another example of how we are creating new potential revenue opportunities by leveraging our existing digital banking and payments ecosystem. This ecosystem has now helped propel several new and innovative businesses, including Novatti's Digital Payments Accelerator, Lifepay, with its commercial launch last week, and now LITT.

"Each of these opportunities has tapped into Novatti's digital banking and payments ecosystem to bring an innovative new product to market quickly. They also further Novatti's strategy of connecting to new payment networks to drive overall growth while continuing to increase Novatti's B2C exposure.

"The collaboration between Novatti and LITT also highlights the growing convergence of social media and fintech platforms, as payments are placed at the centre of users' daily lives. This convergence creates even more opportunities to see daily life transactions powered by Novatti's fintech to deliver users a more innovative experience.

"We are excited to see the strong level of interest LITT is generating, particularly through its recent record fund raise, and look forward to collaborating for further growth between us going forward."

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

- Supporting innovative fintech platform Lifepay to move to a full commercial launch⁴
- Record half-year sales revenue of \$7.35m, up 49% year-on-year, highlighting consistent, long term growth⁵
- New record quarterly sales revenue of \$3.79m, up 52% year-on-year⁶
- Novatti's Visa Prepaid cards now being supported by Apple Pay⁷

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.

⁴ Novatti ASX Announcement – *Lifepay moves to commercial launch* – 16 March 2021

⁵ Novatti ASX Announcement – *Half year update and Appendix 4D* – 25 February 2021

⁶ Novatti ASX Announcement – *Another quarter of record revenue as investment in platforms delivers growth* – 29 January 2021

⁷ Novatti ASX Announcement – *Novatti's Visa Prepaid cards now supported by Apple Pay* – 22 January 2021

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.