

ASX Announcement

9 April 2021

Ripple partnership live to Philippines

Highlights

- Ripple integration now live generating transactions to the Philippines
- First monetisation of Novatti's partnership with Ripple
- Discussions underway to add further South East Asia clients to this service
- Leads to increases in revenues and margins for these cross border transactions

Novatti Group Limited (ASX:NOV) (Novatti or Company), a leading digital banking and payments company, is pleased to report that its recently signed partnership with global payments disrupter, Ripple, is now live with revenue-generating transactions taking place.

Ripple uses its decentralised, global financial network, RippleNet, to provide its partners with the ability to process global payments instantly, as well as providing access to emerging, high-growth capabilities, such as blockchain and the digital asset, XRP, a top five global cryptocurrency currently valued at more than USD\$40 billion.¹

Novatti signed a new partnership with Ripple in December 2020 to provide Novatti's fintech customers with access to these capabilities.

The initial focus of the partnership was to target cross-border transactions between Australia and the South-East Asia region, particularly the Philippines. This focus is delivering new customers, with Novatti now partnering with the Australian subsidiary of the Philippines's largest non-bank, Filipino-owned, remittance service provider, iRemit, through RippleNet.² This alone is expected to result in several thousand transactions a month being processed by Novatti through RippleNet. Revenue from this partnership is dependent on take-up of the services. Importantly, discussions are already underway to also expand this service to new financial services clients in South East Asia.

Managing Director of Novatti, Peter Cook, said "We are delighted to see this partnership delivering for both Novatti and Ripple in such a short period of time. The partnership with Ripple not only provides Novatti's customers with access to new, innovative payment solutions, it also highlights how Novatti's partnerships translate into revenue."

"Forming our partnership with Ripple was part of Novatti's broader strategy to develop a banking and payments ecosystem that enables our existing platforms to scale quickly. In addition to Ripple, Novatti's ecosystem now includes partnerships with world-leading payment and fintech companies including Visa, Apple Pay, Alipay, UnionPay International, Google Pay, Samsung Pay, Marqeta, and Decta."

¹ See: <https://bravenewcoin.com/data-and-charts/assets/XRP/price-summary>

² See: <https://www.linkedin.com/company/i-remitinc>.

"The early success of Novatti's partnership with Ripple also highlights the benefits of our broader overseas expansion since the start of this year, with new licences obtained for the New Zealand market and Emersion now up and running in the US. As shown through Ripple, this expansion opens Novatti up to new revenue opportunities, and provides us with greater exposure to the global demand for digital payments that we expect to accelerate going forward."

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

- Completing the on-time launch of Emersion in the US³
- Supporting two innovative B2C platforms in LITT and Lifepay to hit the market with innovative fintech offerings⁴
- Record half-year sales revenue of \$7.35m, up 49% year-on-year, highlighting consistent, long term growth⁵
- Being licenced by Visa to issue prepaid cards in New Zealand⁶

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>

For further information, contact:

Peter Cook
Managing Director
Novatti Group Limited
peter.cook@novatti.com
+61 411 111 153

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.

³ Novatti ASX Announcement – *Emersion launches in US ahead of strong forecast market growth* – 30 March 2021

⁴ Novatti ASX Announcement – *Lifepay moves to commercial launch* – 11 March 2021, and *Novatti fintech underpins record breaking hybrid social media platform LITT* – 17 March 2021

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

⁶ Novatti ASX Announcement – *Visa licences Novatti to issue cards in New Zealand* – 20 January 2021