



## **Interim Results for the half year ended 30 June 2020**



# Presentation Team

**Jon Prideaux, CEO**



CEO since 2013  
Formerly EVP at VISA and  
Deputy CEO at Secure Trading

**Keith Butcher, CFO**



Formerly CFO of LSE listed  
payments companies  
DataCash and Paysafe

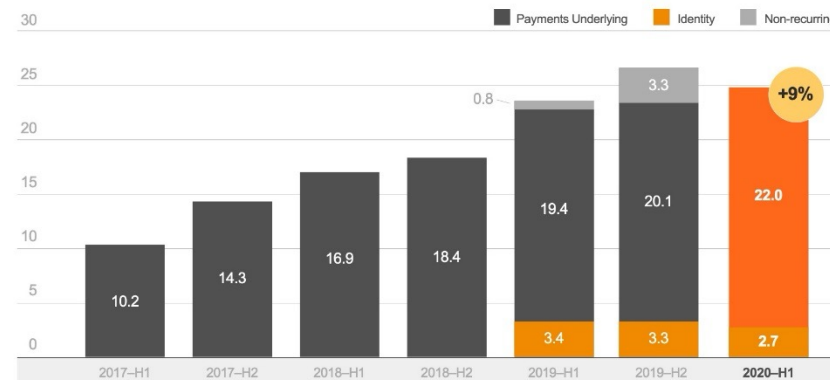


# Group Financial Performance

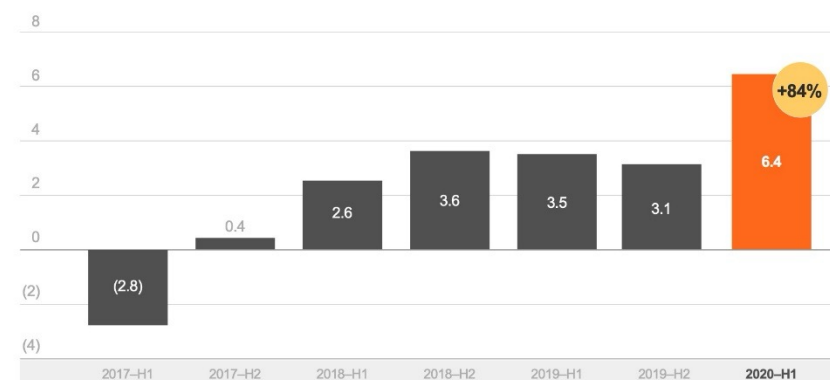
# Group Interim Results

- **Underlying Group Revenues up 9% to \$24.7m (H1 2019 \$22.7m\*)**
  - Payments - Underlying revenue growth +13.7% at \$22.0m (H1 2019: \$19.4m)
  - Identity revenue of \$2.7m (H1 2019: \$3.4m)
- **Adj. Opex flat at \$16.0m (H1 2019: \$16.3m)**
  - Coronavirus savings - Group T&E/Identity headcount
- **H1 2020 underlying Group Adj. EBITDA up 84% (+\$2.9m) to \$6.4m (H1 2019: \$3.5m\*)**
  - Payments \$8.4m, up \$2.6m +45% (H1 2019: \$5.8m)
  - Identity – reduced EBITDA loss of \$2.0m (H1 2019 \$2.3m)
- **Operating Profit for H1 2020 of \$0.2m (+\$2.5m) vs. an Operating Loss of \$2.3 million for the same period in 2019.**

Revenue (m \$ USD)



Group Underlying EBITDA (m \$ USD)

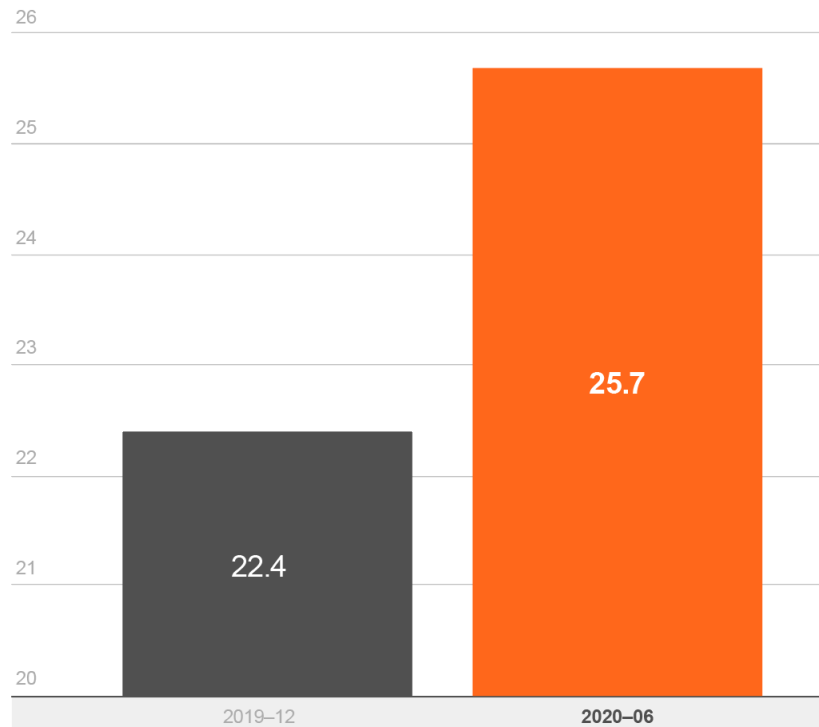


\* Revenues and EBITDA restated to exclude the impact of \$790k of non-recurring revenue

# Group Interim Results

- ❑ **Acquisition of DCB payments company Fortumo Holdings Inc ('Fortumo') completed on 1 July.**
  - Financing: \$25.1m placing funds plus \$20.0m new debt facility (Citibank)
    - ❑ \$10m term loan
    - ❑ \$10m revolver
- ❑ **Group cash of \$80.7m at 30 June 2020**
  - Included \$44.5m of cash to pay for the acquisition.
  - \$36.2m excluding acquisition cash (31 Dec: \$35.6m)
- ❑ **The average daily cash balance - \$25.7m in June 2020 (December 2019: \$22.4m)**

Group Average Daily Cash Balances (m \$ USD)







# Payments Financial Performance

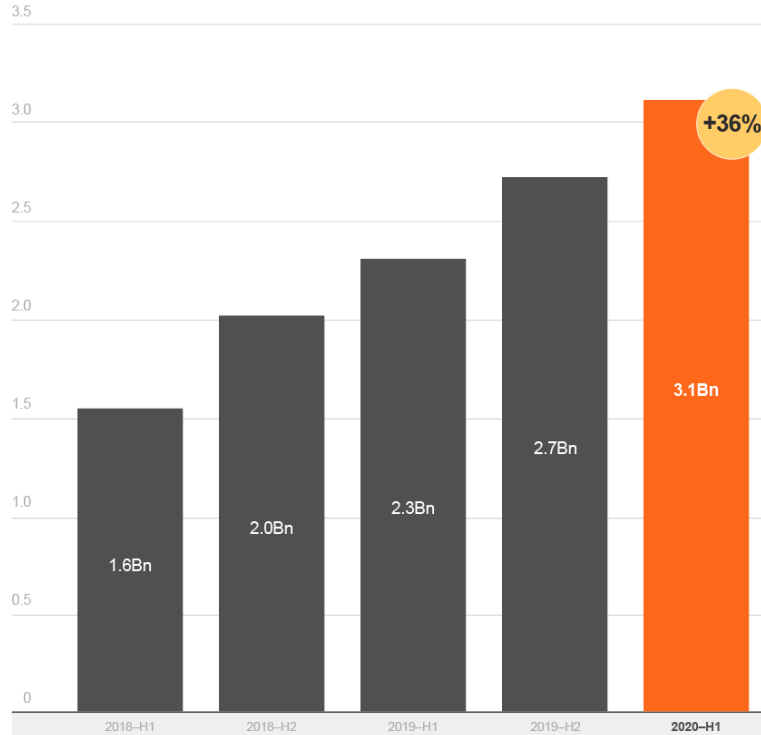
# Payments - Interim Results - highlights

- Underlying revenues increased by 13.7% to \$22.0m (H1 2019 \$19.4m\*)
- Coronavirus impact
  - Revenues - short term impact during lockdown primarily April/May
  - Opex – T&E savings - expected to continue in H2
- Payments Adjusted EBITDA \$8.4m +45% (H1 2019 \$5.8m\*)
  - Total Payment Volume ("TPV") of \$3.1bn +36% (H1 2019: \$2.3bn)
  - 20.3 million Monthly Active Users ("MAU") +33% June 2020 (June 2019: 15.3 million)
- DCB launches in H1 2020 with Google, Netflix, Sony, Spotify and Tencent
- eWallets – good progress
  - nine mobile wallets now live in seven countries
  - including Grabpay, GoPay and Dana and further contracts signed

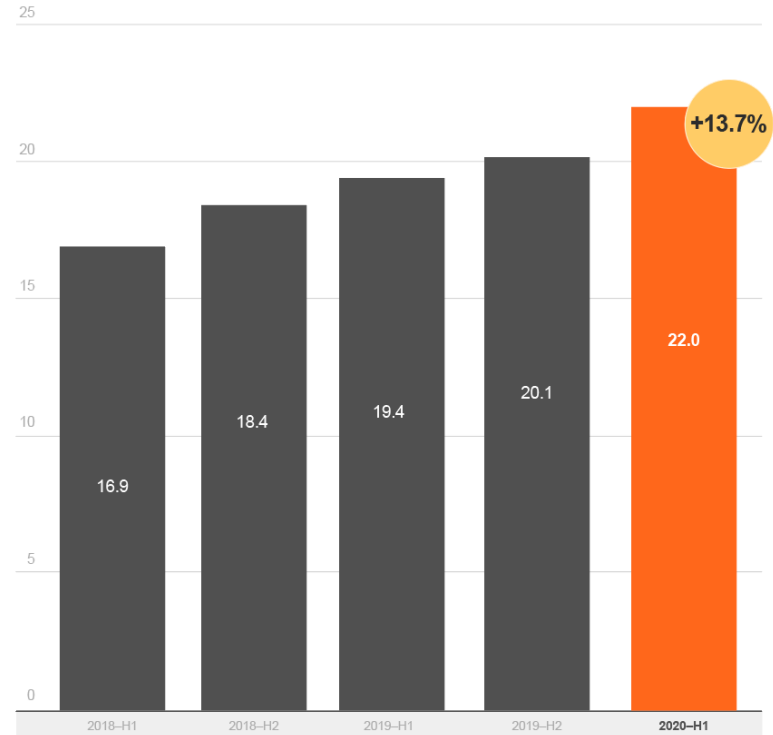
\* adjusted for non-recurring item in H1 2019

# Payments: TPV translates into Revenue Growth...

TPV (Bn \$ USD)



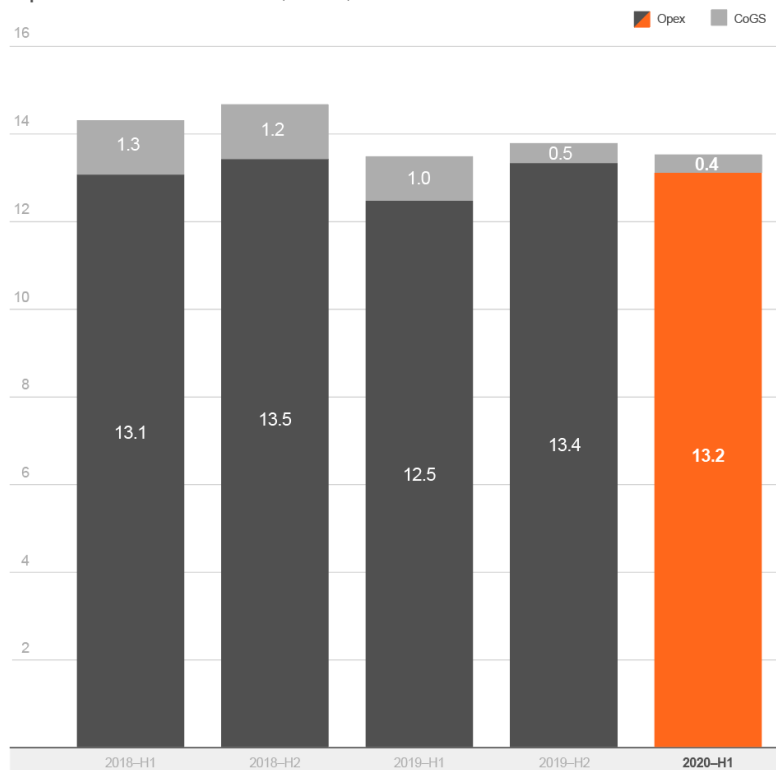
Underlying Payments Revenue (m \$ USD)



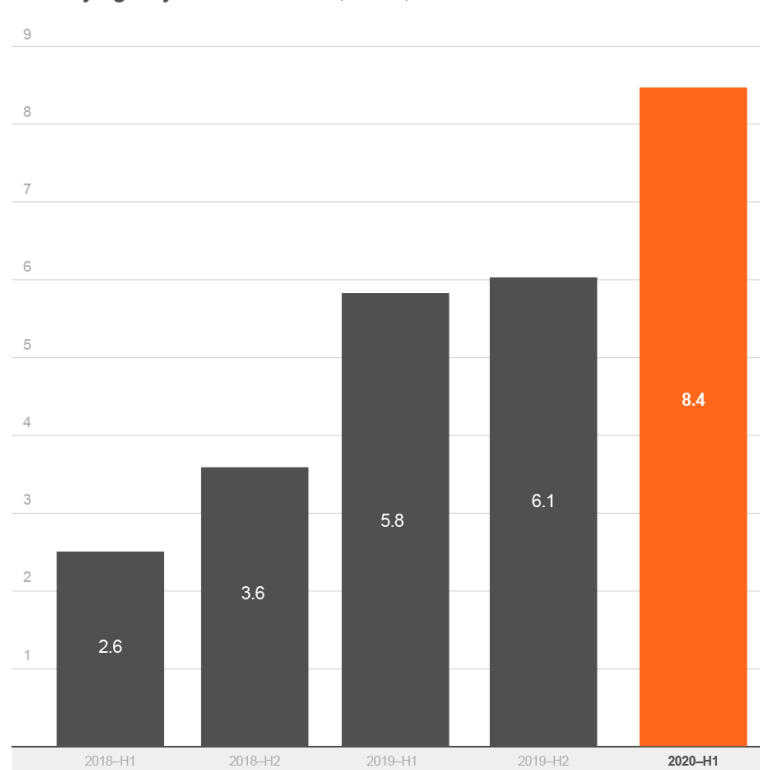


# Operating leverage drives EBITDA growth

Opex and Cost of Goods (m \$ USD)



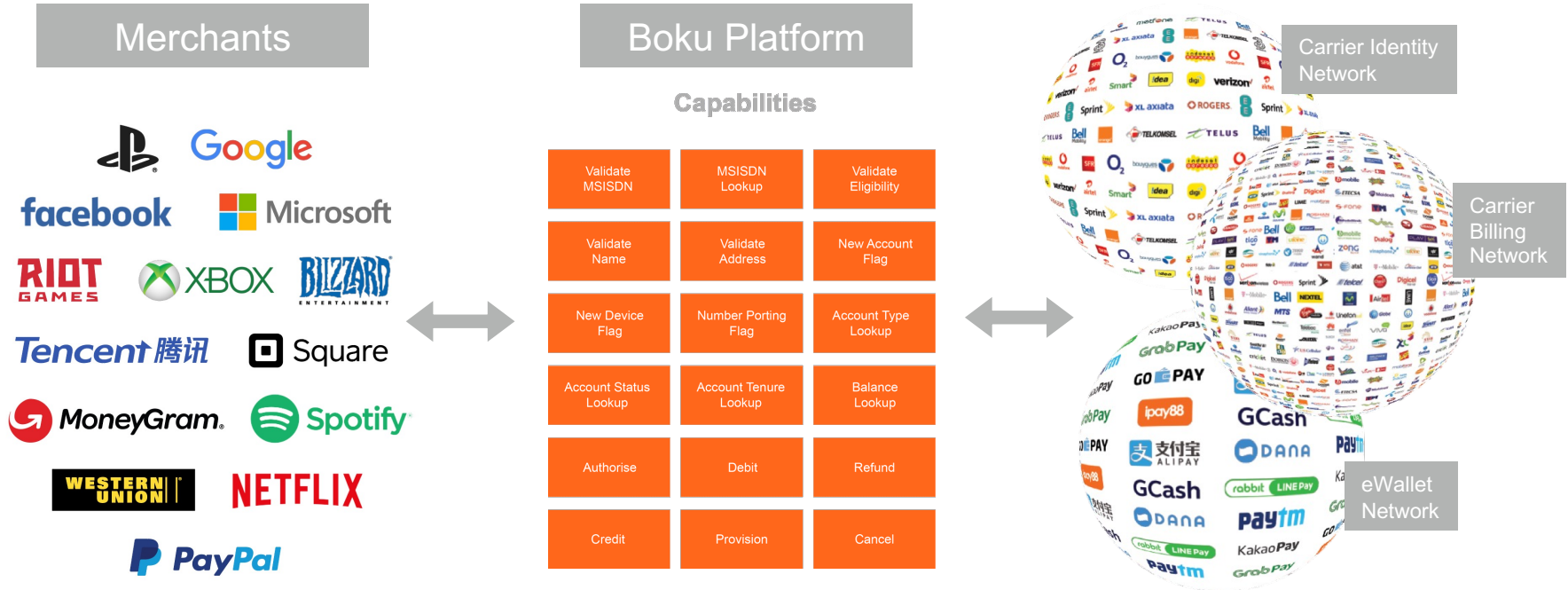
Underlying Payments EBITDA (m \$ USD)





# Strategy

# Boku Platform: Mobile Transactions Made Simple



\* MSISDN: Mobile Station International Subscriber Directory Number or the mobile number

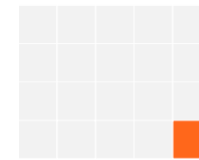
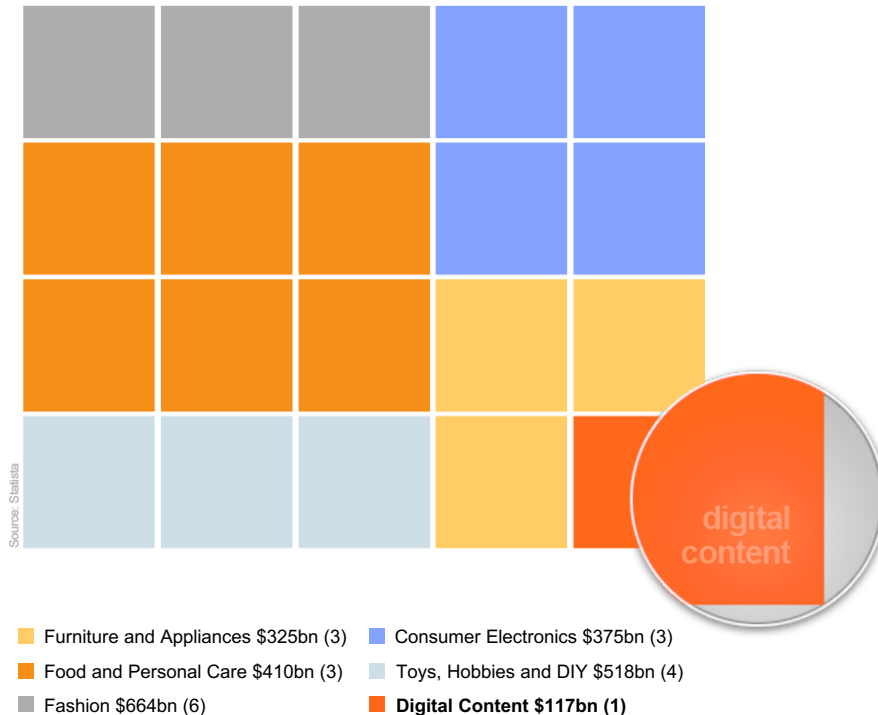
# The Master Plan



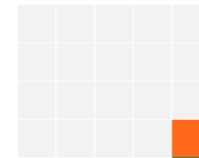
\* MSISDN: Mobile Station International Subscriber Directory Number or the mobile number

# Grow Core Business, Invest for future growth

## E-Commerce: \$2.4tn

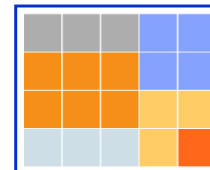


**DCB**  
15-20% share of checkout  
Digital Content



**eWallets**  
40-60% share of checkout  
Digital Content  
+

Other merchant sectors

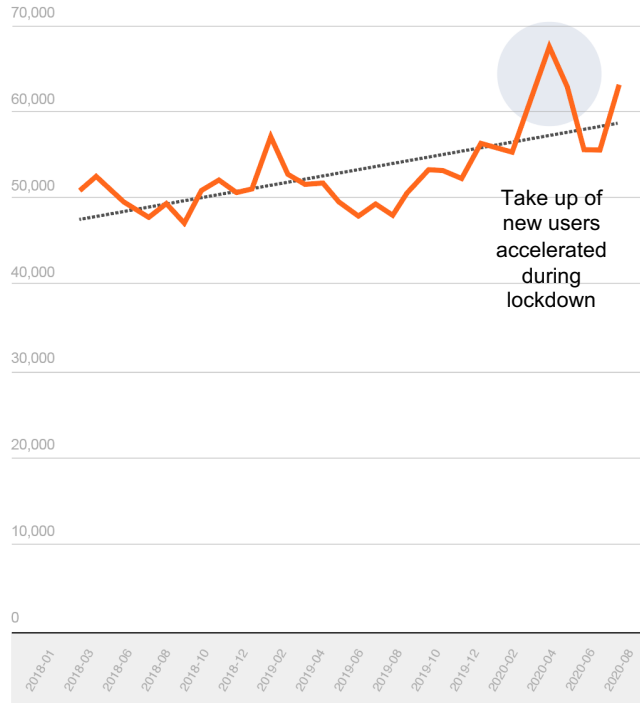


**Mobile identity**  
All merchant sectors

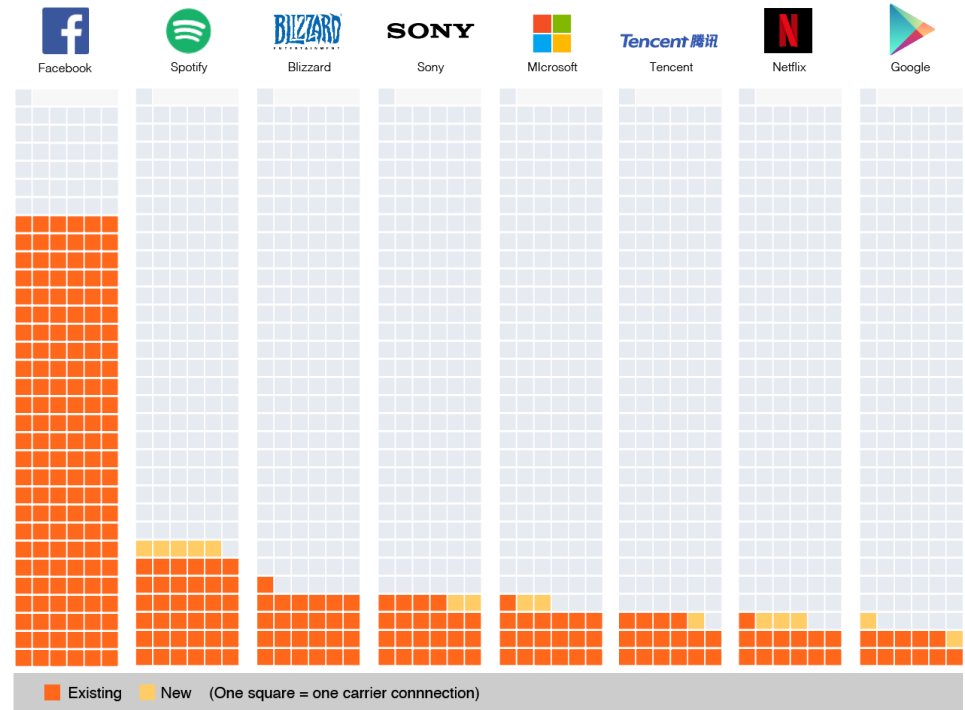


# DCB Growth

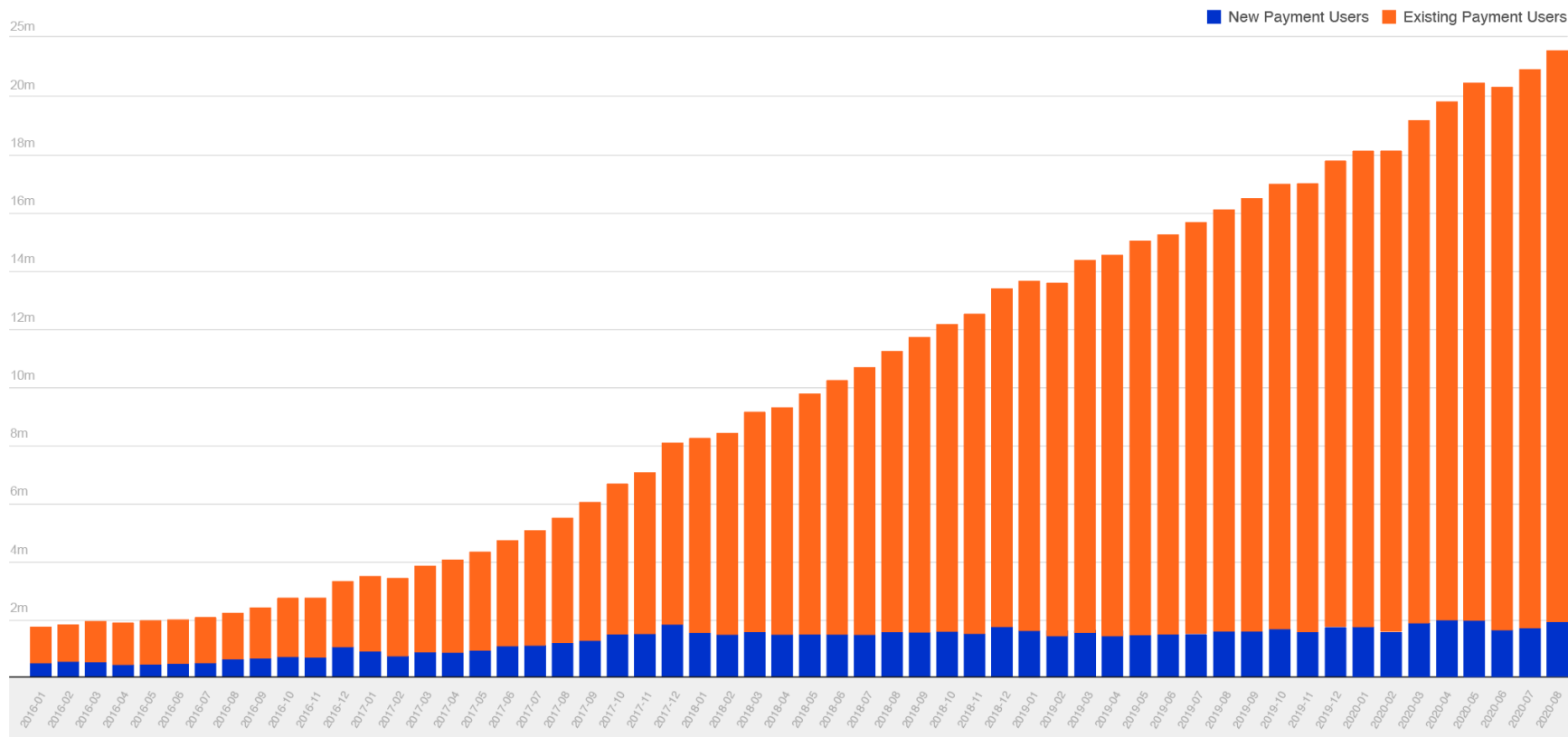
## Growth of existing connections



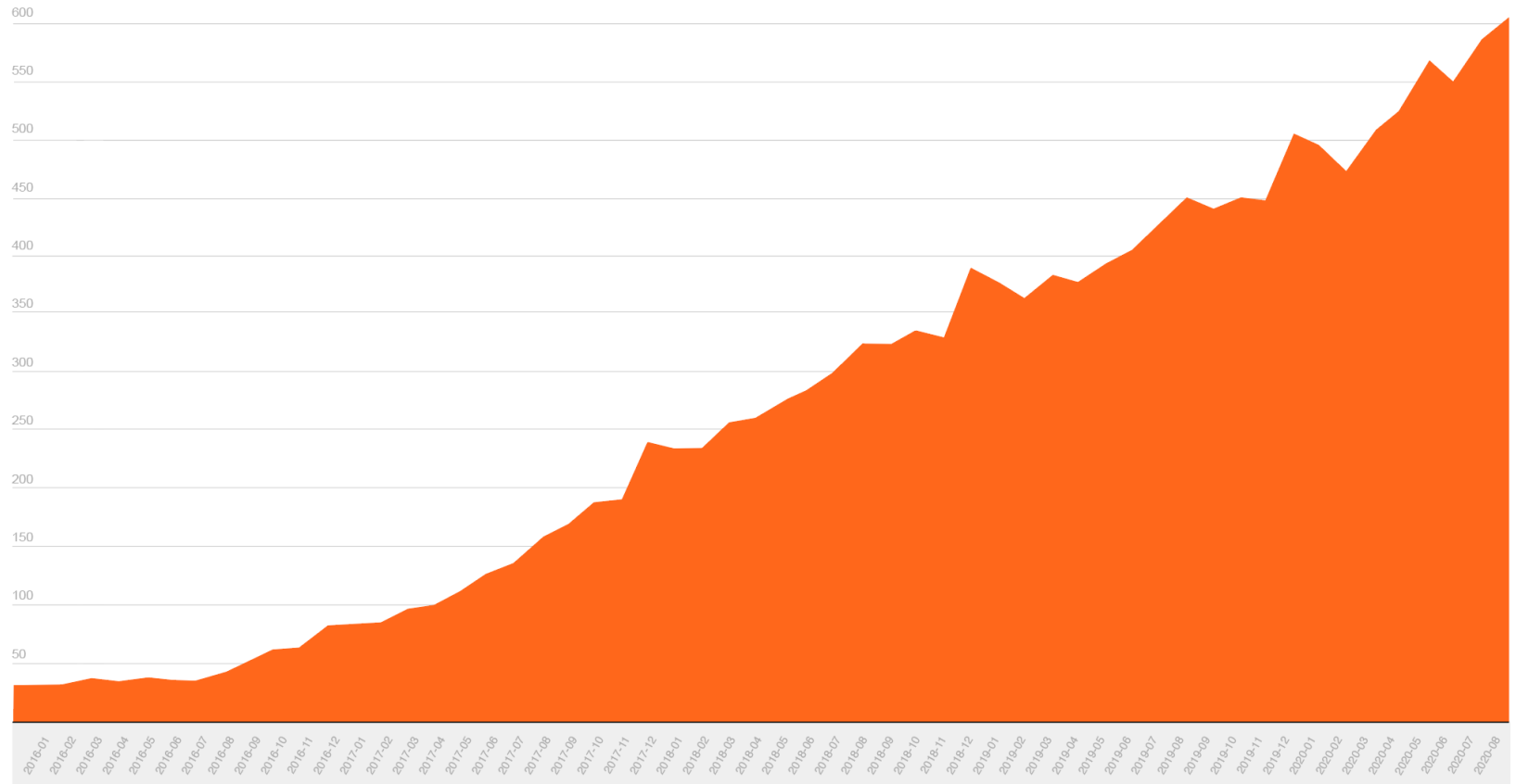
## Growth by adding new connections



# Growth in Monthly Active Users



# Growth in Total Payment Volume



# Growth by market consolidation: Fortumo

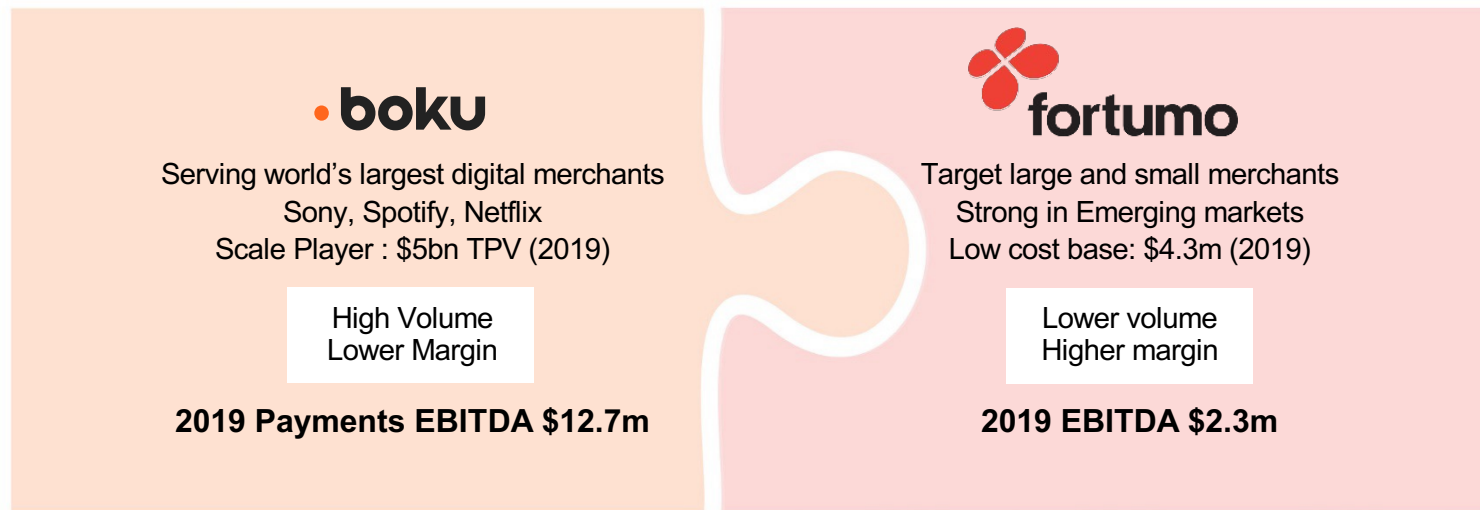
The two most profitable players in the marketplace

Cultural fit and strong management

Compatible technical stacks

Compatible market focus ➡ limited customer overlap

Potential cost synergies both directions ➡ operations & supply-side



# eWallets: a huge opportunity

## Early data is promising

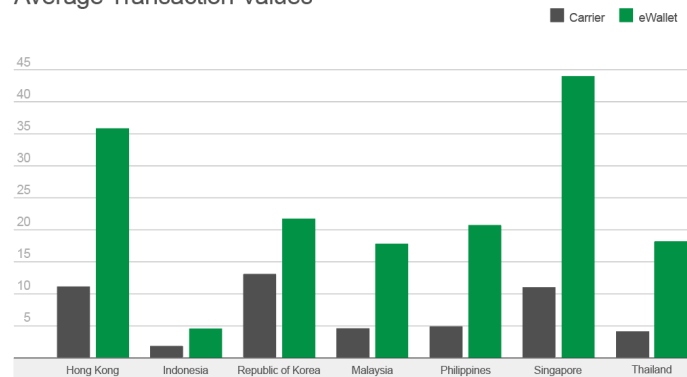
### Strong demand

- Merchants can access DCB and multiple wallets through single API
- eWallets want international merchants

### Early experience

- Four merchants now live across nine wallets in seven countries
- Compared with DCB
  - Higher Average Transaction Values
  - Faster user adoption
  - Higher approval rates

Average Transaction Values



### Nine eWallets Live

AlipayHK™

KakaoPay

DANA

GO PAY

GCash

OVO

GrabPay

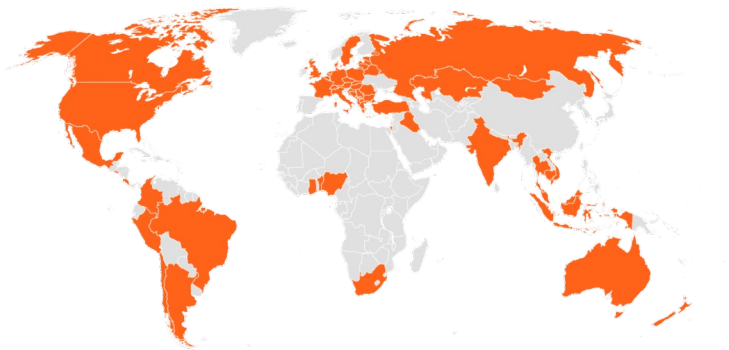
rabbit LINE Pay

Singapore

Malaysia

Thailand

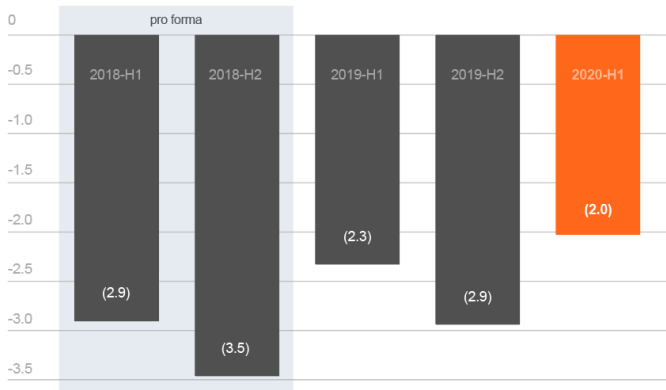




# Identity Interim Results

- Adjusted EBITDA loss reduced to \$2.0m (H1 2019 \$2.3m)
- Revenues of \$2.7m (H1 2019: \$3.4m)
  - revenues and new sales impacted by coronavirus
- Good progress on building out international carrier supply – now available with more than 200 carriers in 57 countries
- Contract wins including FIS (owners of Worldpay) and LexisNexis
- Merchants now live and generating revenues in five countries.
- High valuations for Identity businesses

Identity EBITDA (m \$ USD)



# Identity Customers and Distributors





# Latest Trading and Summary

# Latest trading and contract wins

Fortumo – Amazon Prime



Wallets – Major Console



Identity – Contract wins



Wallets – Music Streaming



# Summary

## Outlook: **Reaffirm guidance for Revenue and EBITDA**

### DCB

- Operating leverage drives 45% increase in underlying Payments EBITDA to \$8.4m
- Fortumo acquisition consolidates Boku's leading position in the DCB market.

### Wallets

- Launches with major merchants in KR and ID; Now live with nine wallets  
More data by year end.
- Revenues largely drop through to EBITDA

### Identity

- Losses reduced to \$2m
- Significant progress on supply
- Strong valuations for Identity businesses



# Our Values

BE FLEXIBLE

Things might not happen as planned.  
Stay calm, alter course and move on.

ASSUME POSITIVE INTENT

Trust and respect each other.  
Encourage others to do the same.

COLLABORATE

Welcome others' opinions and ideas.  
We're all on the same team.

BE AMBITIOUS

We are building a great big global mobile  
platform. Aim for (modest) world domination.



Mobile Transactions Made Simple