

H1 2021 Trading Update

20 July 2021

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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

Highlights

2021-H1 Trading Update

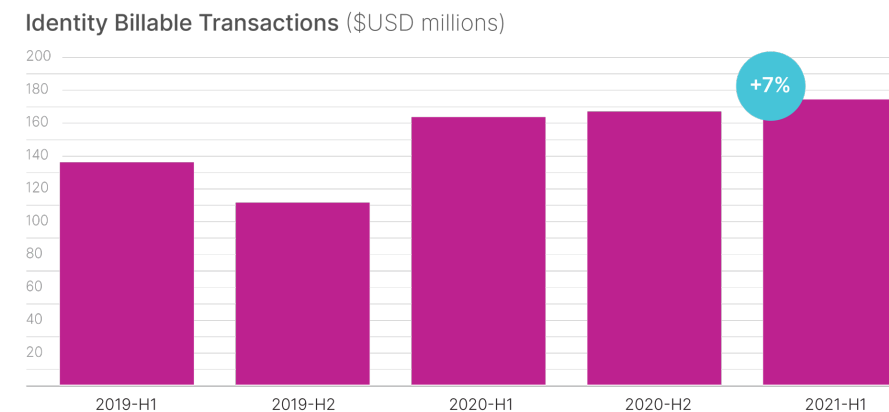
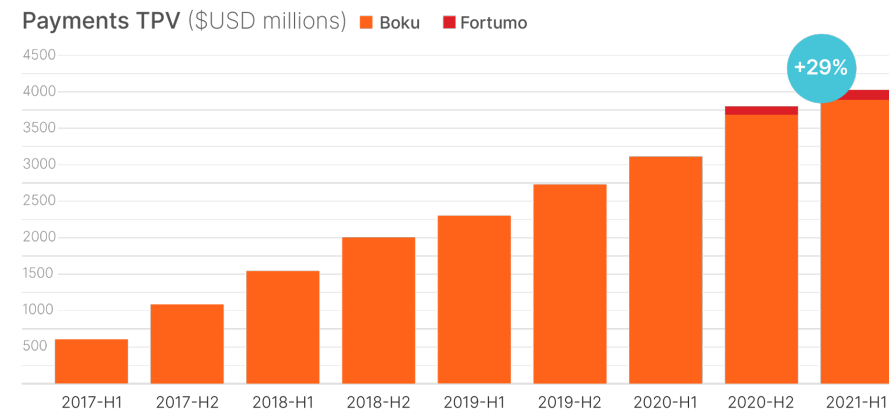
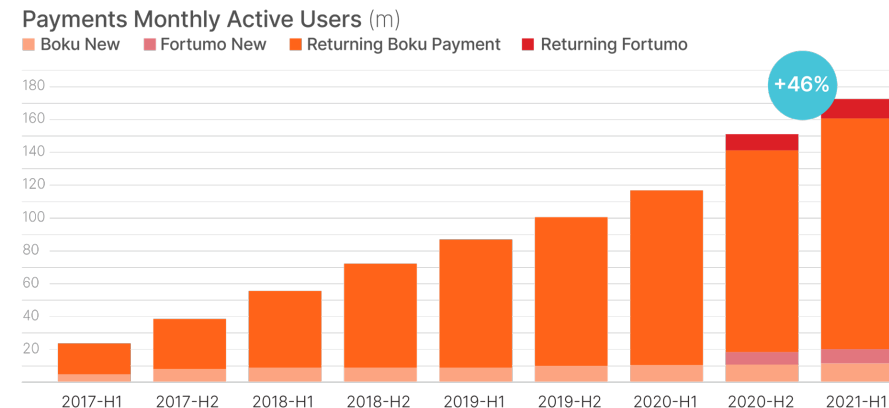
Substantial growth across both divisions

Payments

- Launches in H1 2021 - Google, Netflix, DAZN, Spotify, Epic Games, Amazon, Riot Games and Tinder across Carriers and Wallets
- 29.7m Monthly Active Users (“MAUs”) in June 21 – up 46% vs. H1 2020
- Total Payment Volume ("TPV") of \$4.0 bn – up 29% (H1: \$3.1 bn)

Identity

- Record Billable transactions 175m +7%
- New customers in new territories

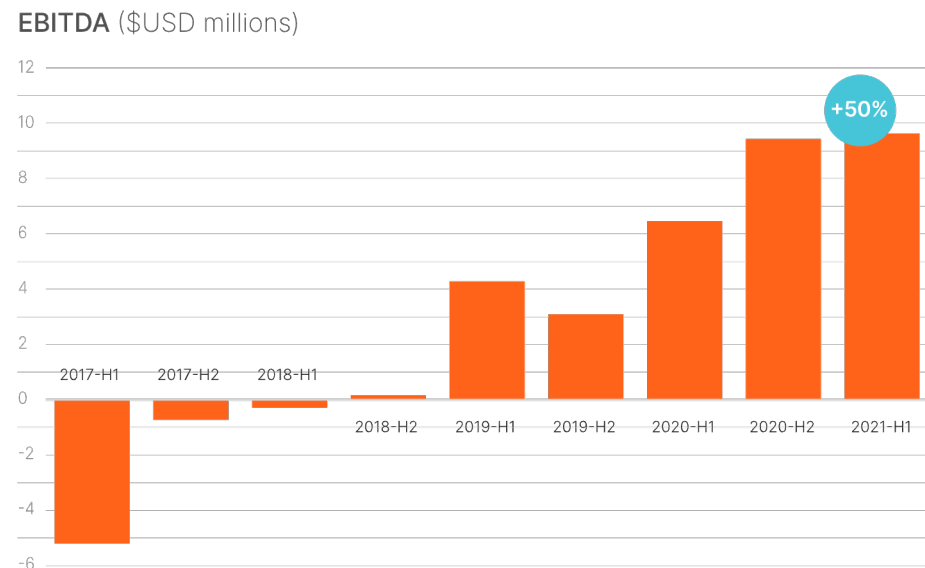
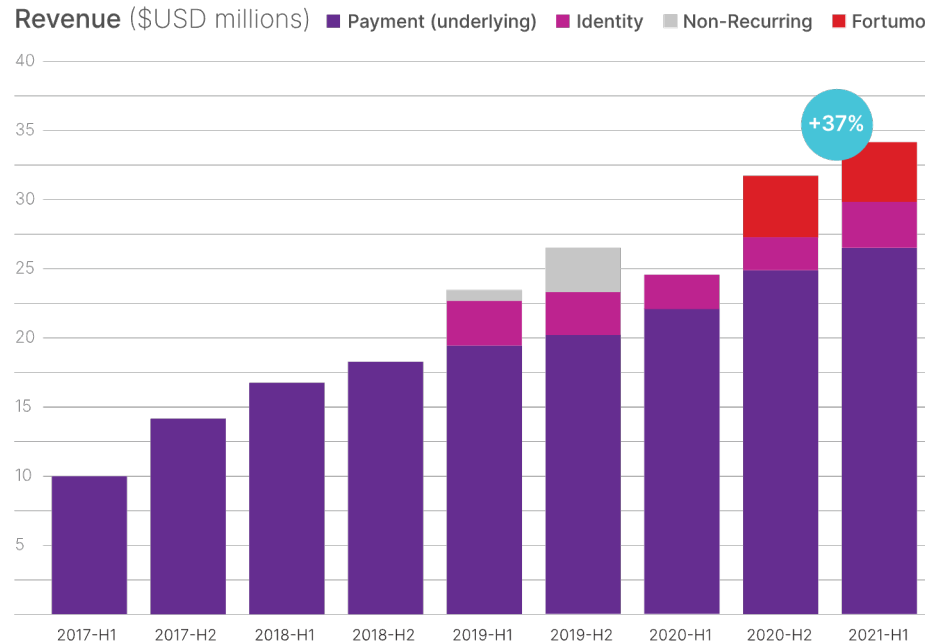


H1 2021 Trading Update

Group Financials

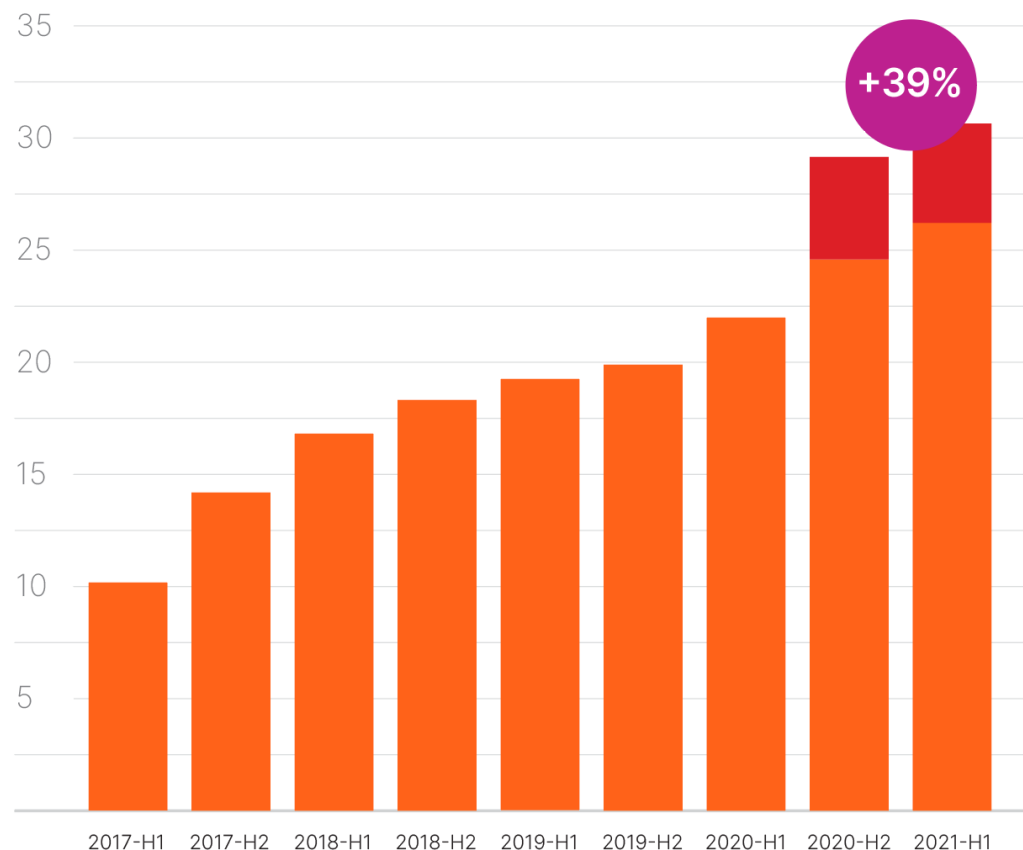
- Revenue: at least \$34.0m – up 37% vs. H1 2020
 - underlying revenue growth 21%
 - underlying cost growth 12%
 - Fortumo results included from 1st July 2020
- EBITDA up 50% to at least \$9.6m (2020: \$6.4m)
- Group cash of \$48.6m at 30 June 2021 (30 June 2020: \$36.2m*)
 - \$10.6m of the \$20m debt used to acquire Fortumo paid down
- Average daily cash balance - \$38.0m in June 2021 (June 2020: \$25.7m)

Group revenues and adjusted EBITDA for the full year expected to be ahead of current expectations.



2021 H1 Trading Update - Payments

Revenue (\$USD millions) ■ Boku ■ Fortumo



Payments division

- Revenues increased by 39% to at least \$30.5m (H1 2020: \$22.0m)
- Underlying Payments revenue* growth of 20.0% (excluding Fortumo revenues acquired 1 July 2020)
- H1 take rate stable at 0.7%, in line with H2 2020 (including Fortumo volumes)

Fortumo earnout

- Fortumo's twelve-month earnout period ended 30 June 2021.
- \$5.4m held in escrow.
- Payout based on challenging EBITDA targets
- Expected payout 50% or less
- Payout to Fortumo shareholders by 30 September 2021
- Balance of escrow to be returned to Boku

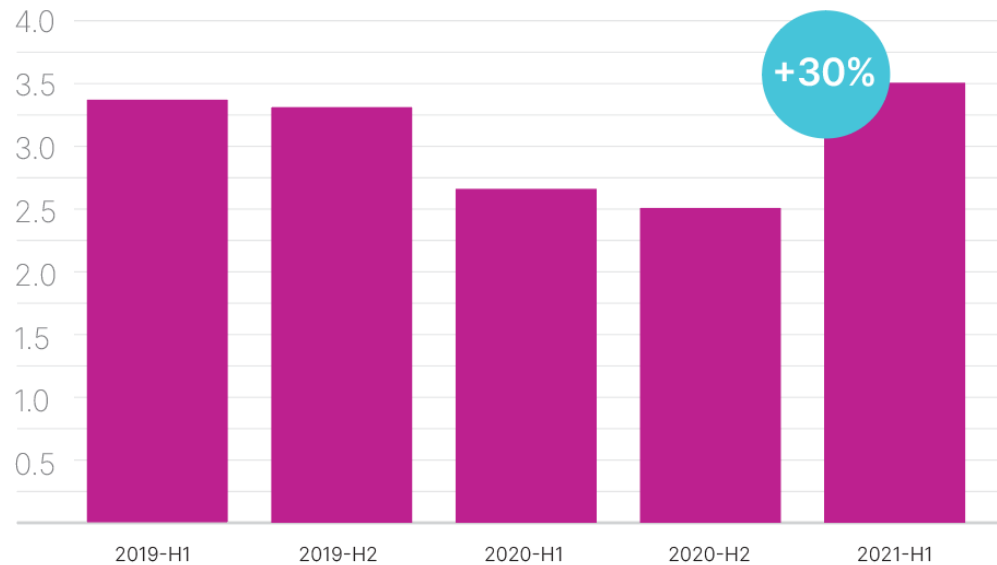
* 2019 Group and Payments revenue excludes impact of \$3.2m non-recurring item

Identity: Improving performance

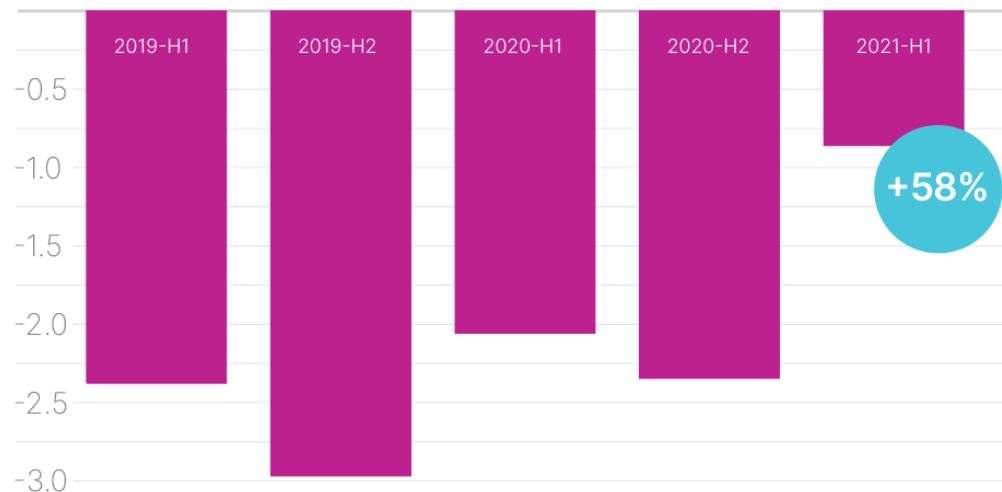
Identity division

- Revenues up 30% to approximately \$3.5m (H1 2020: \$2.7m) and EBITDA losses reduced from H1 2020
- Full year Identity revenues and adjusted EBITDA expected to be in line with current market expectations
- Connections added in Spain, Italy and Indonesia, together with a strengthening of the global partnership with Vodafone group.
- Growth from new customers in new markets
 - new mobile wallet customers in Indonesia

Revenue (\$USD millions)

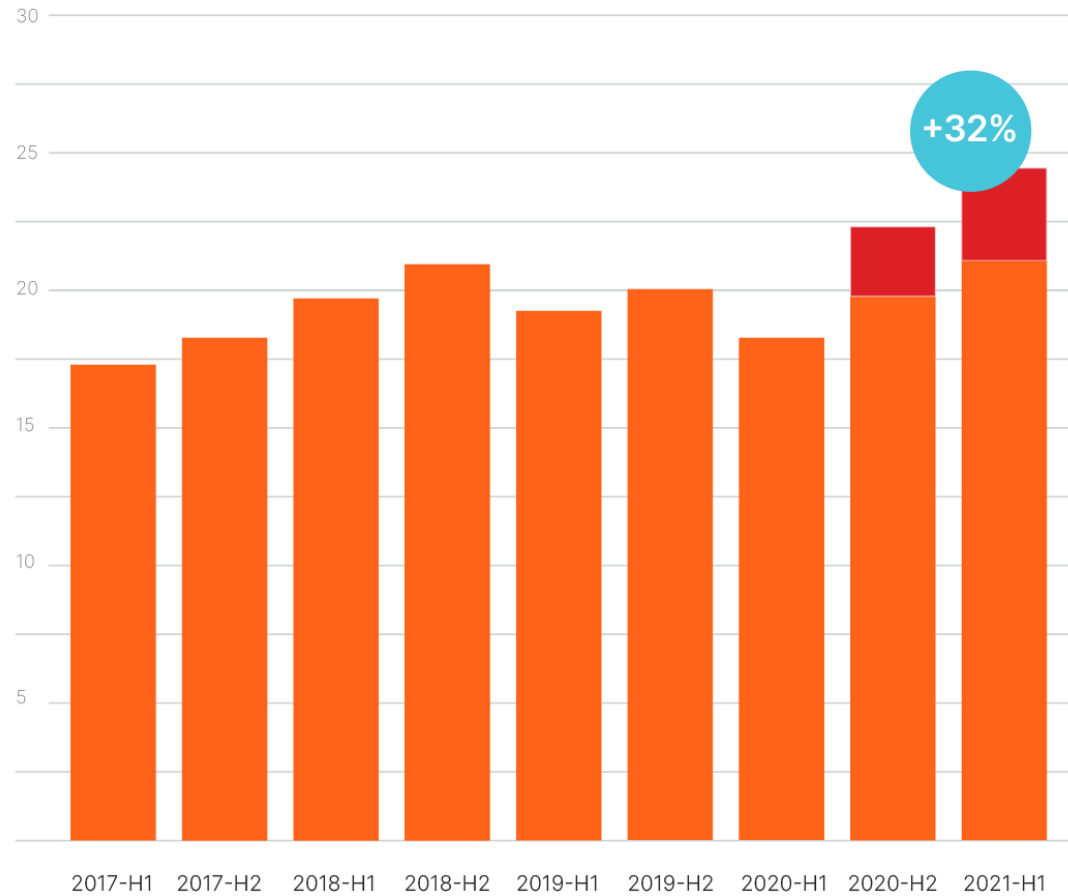


EBITDA (\$USD millions)

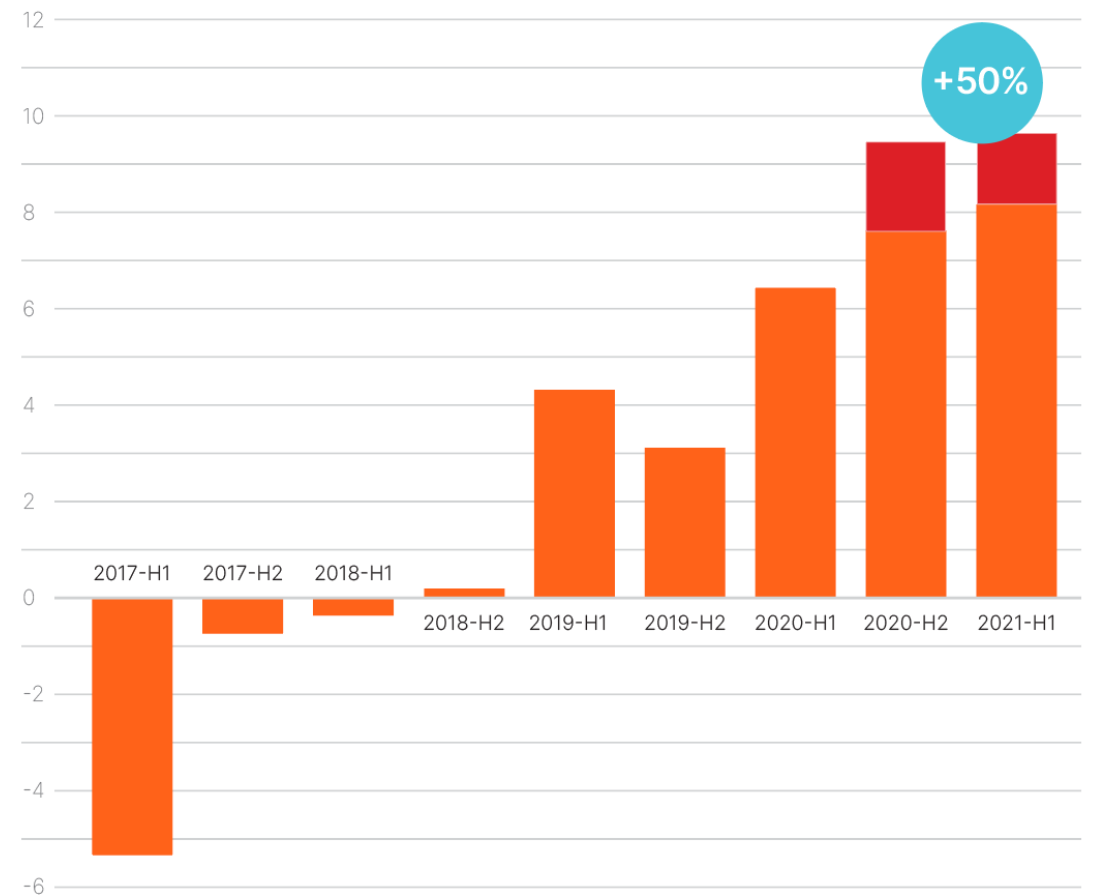


Group Operating Leverage

Cost (\$USD millions) ■ Boku ■ Fortumo



EBITDA (\$USD millions) ■ Boku ■ Fortumo



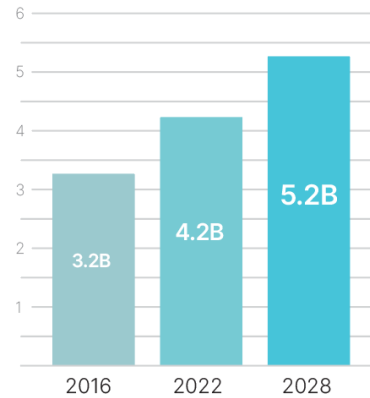
Note: Underlying Cost growth 12%, underlying EBITDA growth 34%

Strategy Update

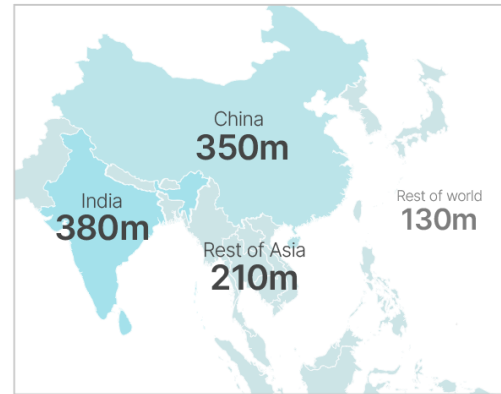
The Importance of the Mobile-First (M1ST) Consumer

The billions in the **new middle class** are driving global spending. Most of them don't have credit cards...

Global Middle Class



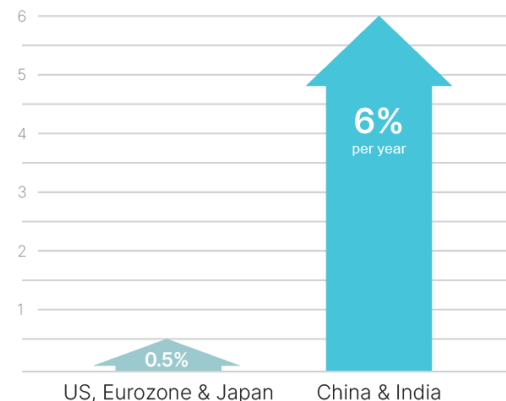
Emerging Middle Class population, 2030



Growth in Spending by the Middle Class



Spending Growth, Middle Class



...but they do have smartphones



49%

Smartphone penetration across all emerging markets

Credit card penetration across all emerging markets



10%

Boku Connects Global Merchants to Mobile-first (M1ST) Consumers

Acquisition, Monetisation And Retention

Tier 1 Customer Base

facebook

Microsoft

Google NETFLIX

amazon Tencent 腾讯

BLIZZARD
ENTERTAINMENT

DA
ZN

SONY

DEEZER

Spotify



M1ST Payments Network

支付宝
ALIPAY

O₂

LINE Pay

verizon

paytm

MTS

Jio

GrabPay

vodafone

GCash

mercado
pago

TIM

M-PESA

T-Mobile

Claro

Telefonica

kakaopay

ROGERS

gopay

orange

AT&T

微信支付
WeChat Pay

Enabling global companies to collect payments through carrier billing, mobile wallets and local payment methods

Boku delivers Mobile-first consumers to the world's largest brands

Trusted today by six of the seven most valuable companies in the world

Mobile Apps



#2 App Store
Official DCB Provider

Streaming Video



#1 Streaming Video
Sole DCB Provider



#2 Streaming Video
Official Bundling Provider

Music Streaming



#1 Music Streaming
Sole DCB Provider

Gaming



#1 Social Network
Sole DCB Provider



#2 Social Network
DCB Provider



#1 Console Gaming
Sole DCB Provider



#2 Console Gaming
Primary DCB Provider



#1 PC Game
Sole DCB Provider

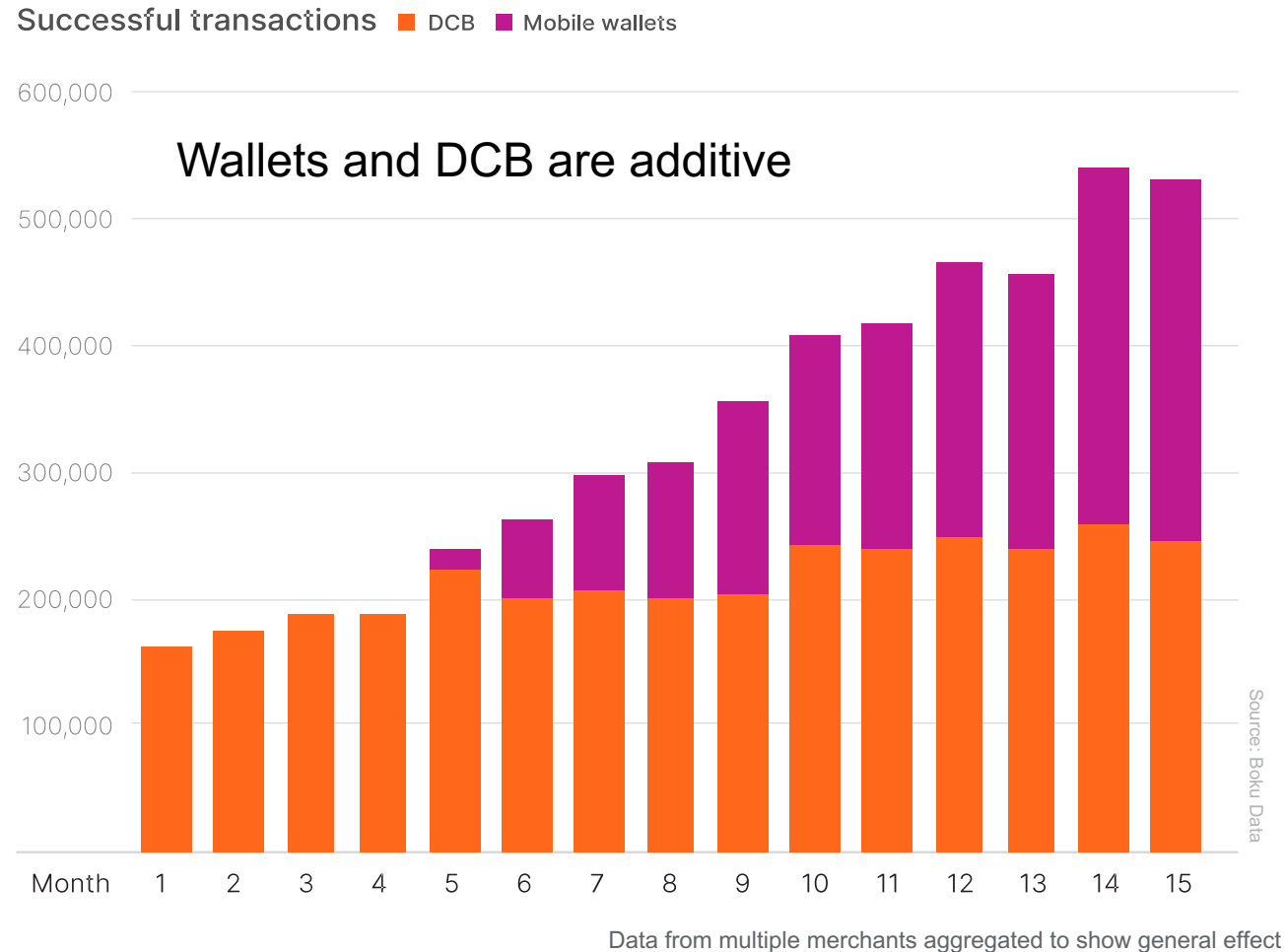


#8 Global Games
Sole DCB Provider

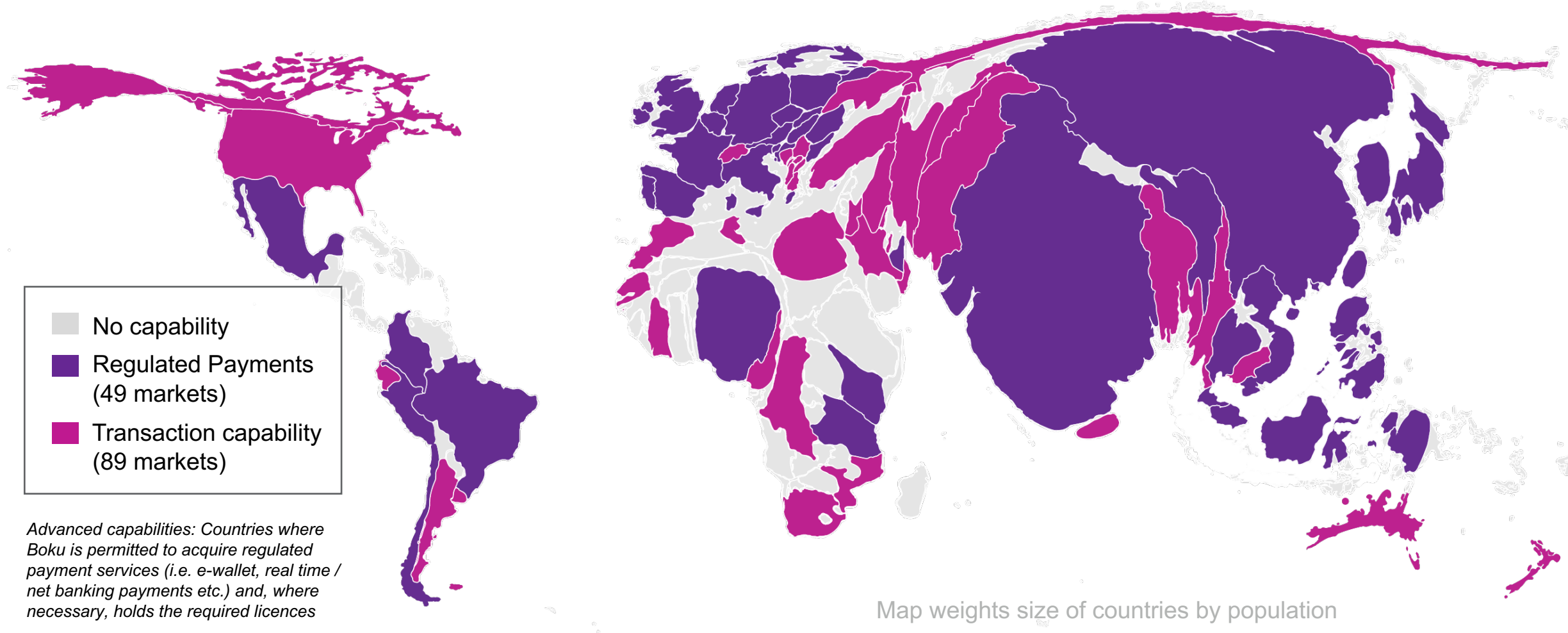
As the clear leader in mobile payments, Boku has been delivering long-term value for global, tier one consumer brands for years

Boku's M1ST Payments Network – Case Studies

Boku delivers new users and more successful transactions



Boku Has Broad Payments Capabilities



M1ST

M O B I L E F I R S T



Payment Methods are eager to join Boku's M1ST Network

Boku provides access to global brands, know-how & scale

- Payment providers want access to brands like Amazon, Facebook, Google, etc.
- Reaching global merchants is critical for payment method growth
- Boku works with payment method providers to ensure they meet the specifications of our merchants and network

Boku's M1ST Payments Network

Simplicity + Reach that doesn't exist in the market today

Generalist PSPs

One stop shop for All Payments
Credit-card centric



\$95B valuation



\$78B market cap

Specialist PSPs

Focus on Local Payment Methods
Increase reach with more difficult payment types



\$15B market cap

Geographic Focus

(Emerging Markets, Primarily Latin America)



\$1B+ valuation

Sales Channel Focus

(Primarily PSP customers)



M O B I L E F I R S T

Consumer Focus

(Mobile-First Consumers)

Boku's Mobile Identity Suite

Using mobile operator data to seamlessly secure online services

Verify – Customer Onboarding



Great! The next step is to verify your address.

To ensure a secure and trusted environment for your neighborhood website, all members must verify their address.

Verify your address using one of the methods below

[Not your address? Click here to update your address.](#)



Phone (instant and free)

We will call your home or mobile phone to verify your account.

Phone number

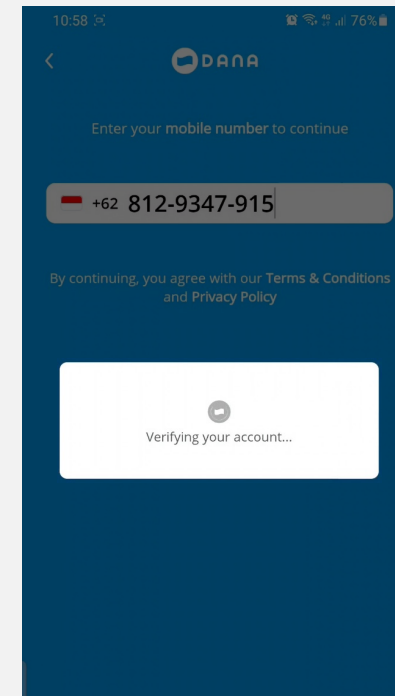
We will not share your number without your permission.

[Your mobile phone plan's billing address must match the address you used to join Nextdoor](#)

Verify »

- Instant verification maximizes sign-up conversion
- Verifies user address at lowest cost to Nextdoor
- Maintains the security of the social network

Authenticate – Secure Account Access



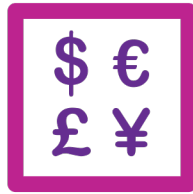
- Instant authentication maximizes sign-on conversion rate
- PIN-less authentication reduces customer support costs
- PIN-less authentication is more secure; reducing fraud
- Boku delivers better authentication experience at comparable cost to SMS OTP

Boku has key assets in place

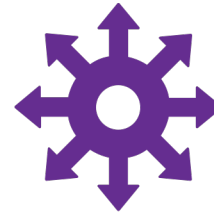
to deliver the market potential of M1ST



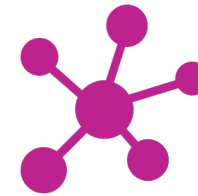
Established relationships with 500 customers globally



Unique multi-jurisdictional regulatory infrastructure



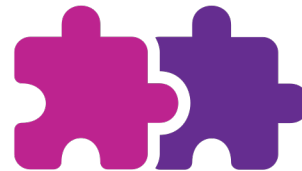
Robust scalable technology with years of uninterrupted expansion



Payment methods with 330 connections in 89 countries



3 years of track record as a public company



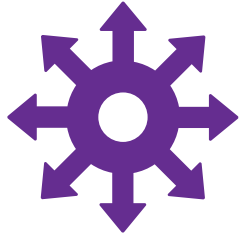
Easy API integration and addition



Payment fraud management

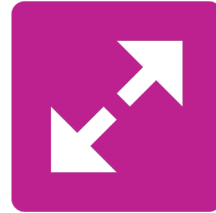
Proven Growth Strategy

Wide & Deep



Build the M1ST payments network to contain the payment types that deliver mobile-first consumers

Land & Expand



Recruit customers with unique capabilities, expand footprint through M1ST Network

Plug and Play



Investment to simplify onboarding, expansion, operations, clearing and settlement

Boku helps the world's largest
companies to **acquire, monetize**
and **retain** mobile-first consumers

Our Values

CUSTOMERS FIRST

We're committed to the long-term growth of our customers, even if it costs us more in the short run.

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.

• **boku**