

2021 Trading Update and Disposal of Boku Identity

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Presentation Team

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Boku Identity – Sale to Twilio

Boku Identity: Disposal to Twilio for \$32.3m

Identity division – sale to Twilio

- ❑ Twilio, Inc. (“Twilio”) is a leading cloud communications platform
- ❑ The Disposal allows Boku to become a pure-play payments business focusing its resources on exploiting the mobile payments opportunity,
- ❑ Boku will invest part of the proceeds in its M1ST Payments Network to take advantage of the substantial opportunity.
- ❑ Outstanding term loan with Citibank to be repaid in full
 - ❑ \$10m revolver facility (currently unused) to be retained.
- ❑ Balance retained for working capital purposes.
- ❑ The Disposal is expected to be immediately earnings enhancing for Boku.

Boku Identity: Disposal to Twilio for \$32.3m

Identity division to be sold to Twilio for maximum Transaction Value of \$32.3m

- ☐ Subject to customary adjustments for cash, debt, working capital and closing third party expenses

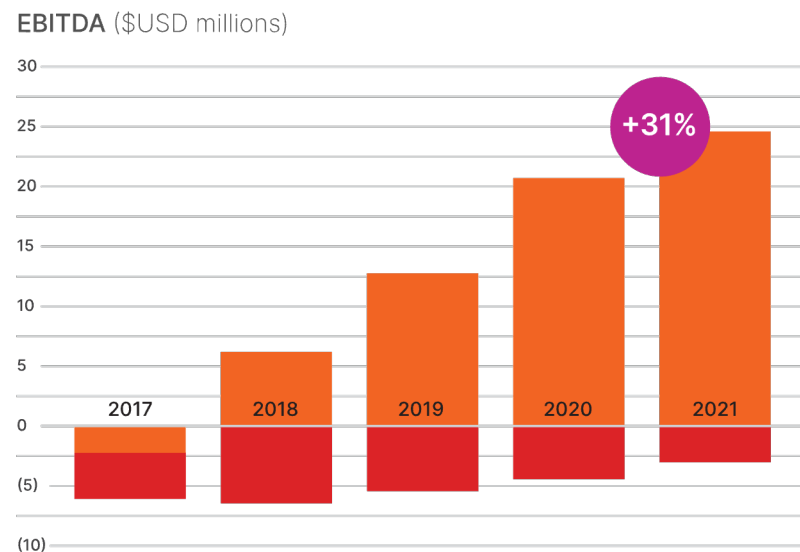
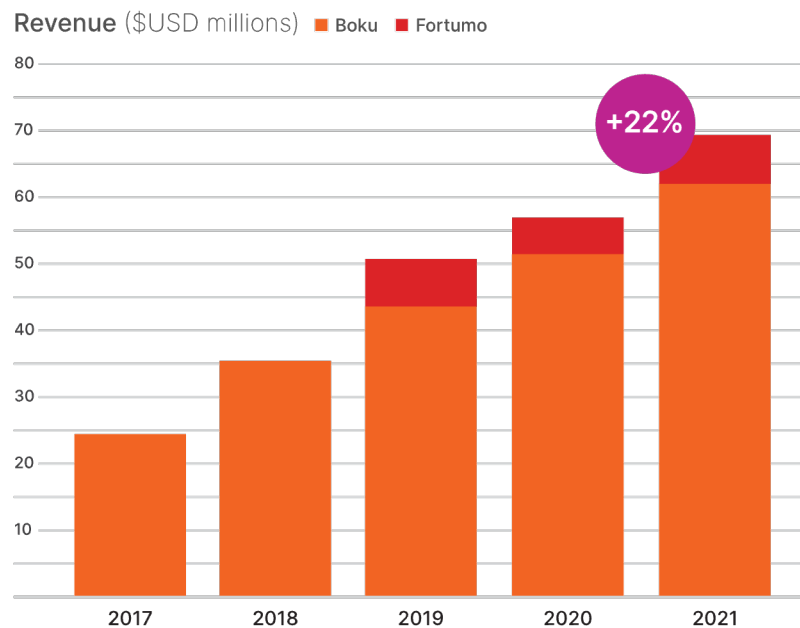
Deal terms

- ☐ Signed on 18th January 2022
- ☐ Closing expected within 60 days

Payment terms

- ☐ **\$32.3m Transaction value**
- ☐ **\$26.1m Payable on Closing** subject to customary adjustments for cash, debt, working capital and closing third party expenses
- ☐ **\$6.2m** to cover future claims for up to 18 months from closing

2021 Trading Update Highlights

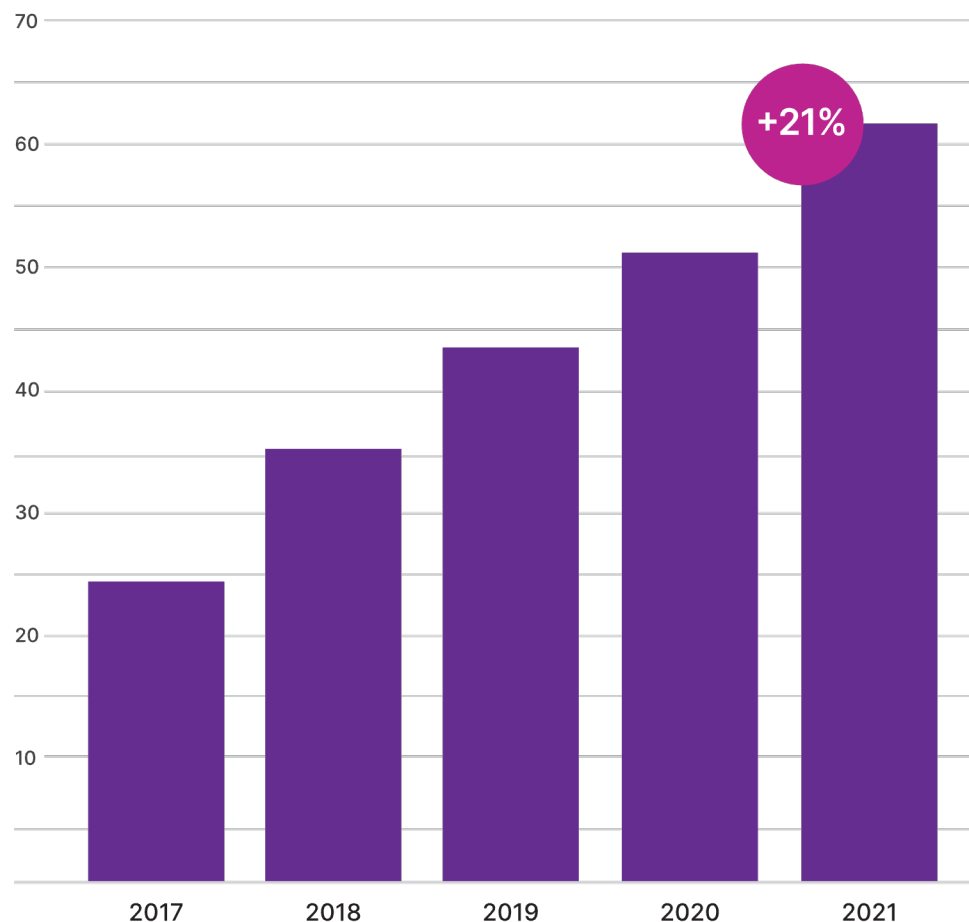


Summary

- **Volumes up 14% to over \$4.9bn** on a constant currency basis***
- **Monthly Active Users (“MAUs”) up 22% to 46.3m** in June
- **Strong growth in new local payment types**
 - Volumes up 11x
 - New users up 6x
- **Revenues up 7% in constant currency**
 - Covid bump in Q1 2021 comparatives
- **Identity division sold** to Twilio for \$32.3m in February

2022 H1 Trading Update - Payments

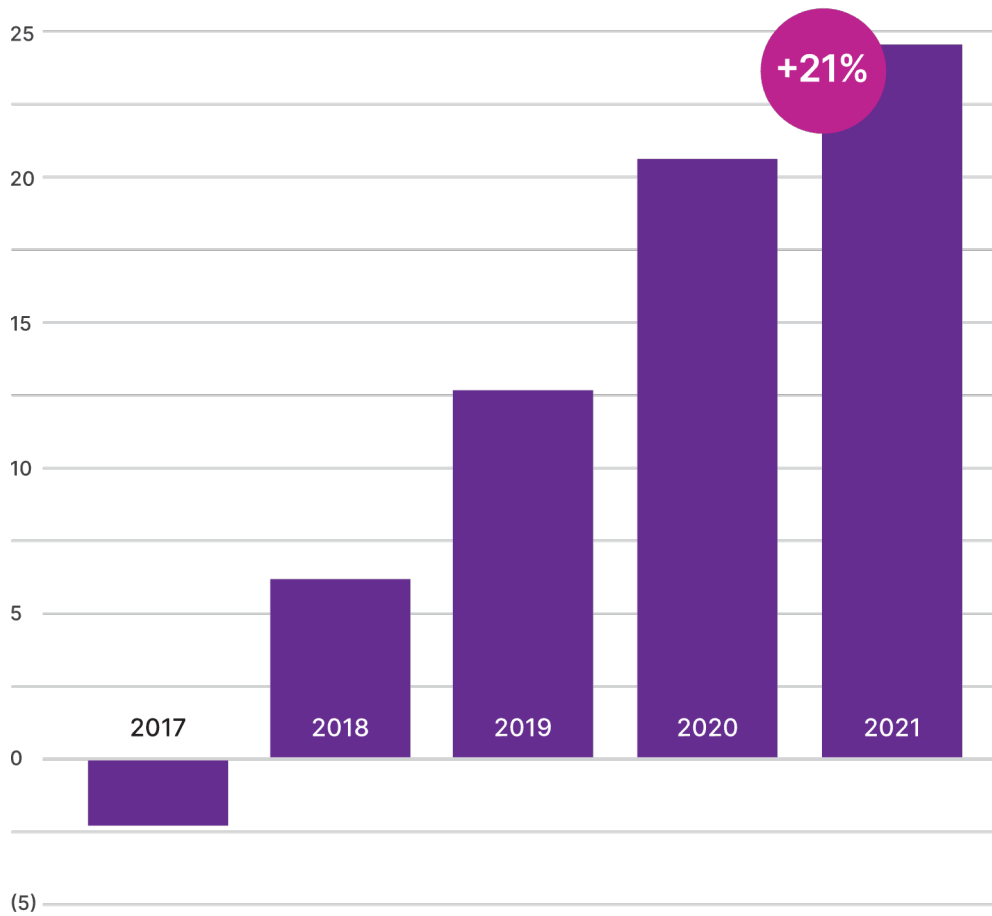
Revenue (\$USD millions)



- **Payments revenues \$30.3m up 7%** on constant currency basis due to strong dollar (H1 2021: \$30.7m)
 - H1 2021 comparative had covid 'bump'
- **Payments adj. EBITDA* approx \$9.5m** with FX headwind impact of c. \$1.0m ((2021 H1: \$11.1m) and investment in mobile first network
- **Group Profit before tax of approximately \$29.5m** (H1 2021: \$1.9m) - includes the profit on disposal of Boku's Identity division of \$24.0m, (net of disposal costs).
- **Group cash of \$67.8 million at 30 June 2022** (30 June 2021: \$38.0m). Debt free
 - Sale of Identity division and operating cash generation
- **Average daily cash balance \$63.3m** in June 2022 (June 2021: \$38.0m).

2022 H1 Trading Update - Payments

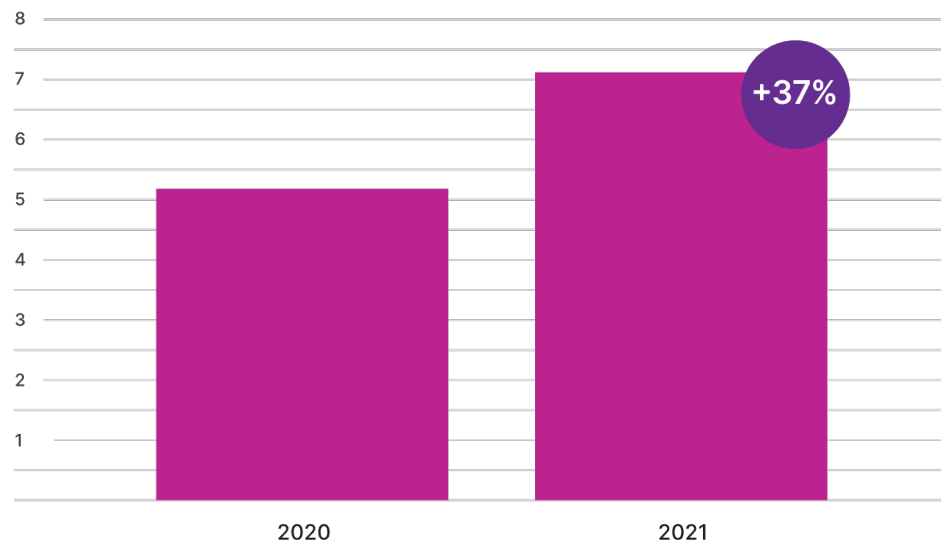
EBITDA (\$USD millions)



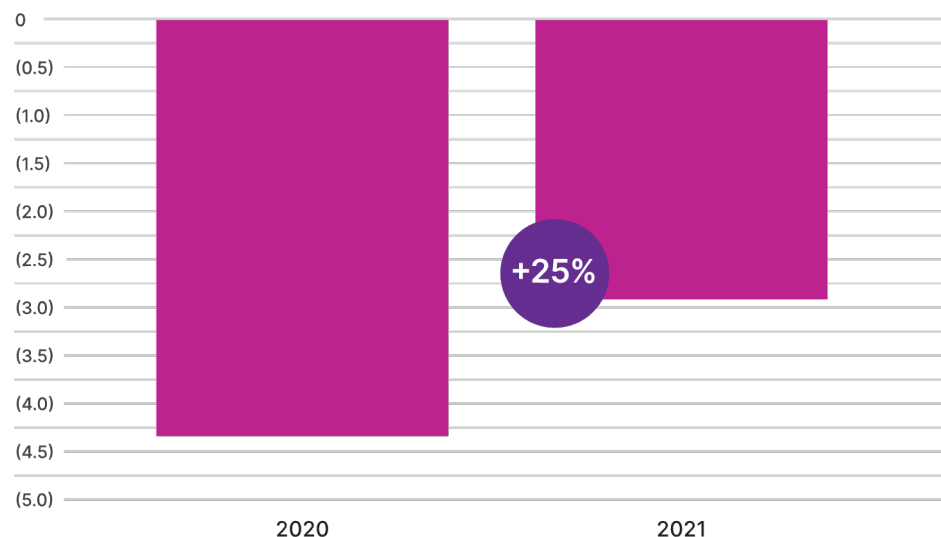
Payments division - progress on DCB, eWallets and Real Time Payments

- Monthly Active Users up 3.8m to 32.3m in December 2021 (December 2020: 28.6m).
- M1ST payments network expanded to over 7bn end user accounts (42% of which are non-DCB)
- Volumes processed from eWallets and Real Time Payments increased 5x during the year
- Non-DCB Customers now include leading global companies in digital advertising, streaming music, streaming video, games and games consoles
- Take rate stable at 0.7%, in line with H2 2020 (including Fortumo volumes)

Revenue (\$USD millions)



EBITDA (\$USD millions)



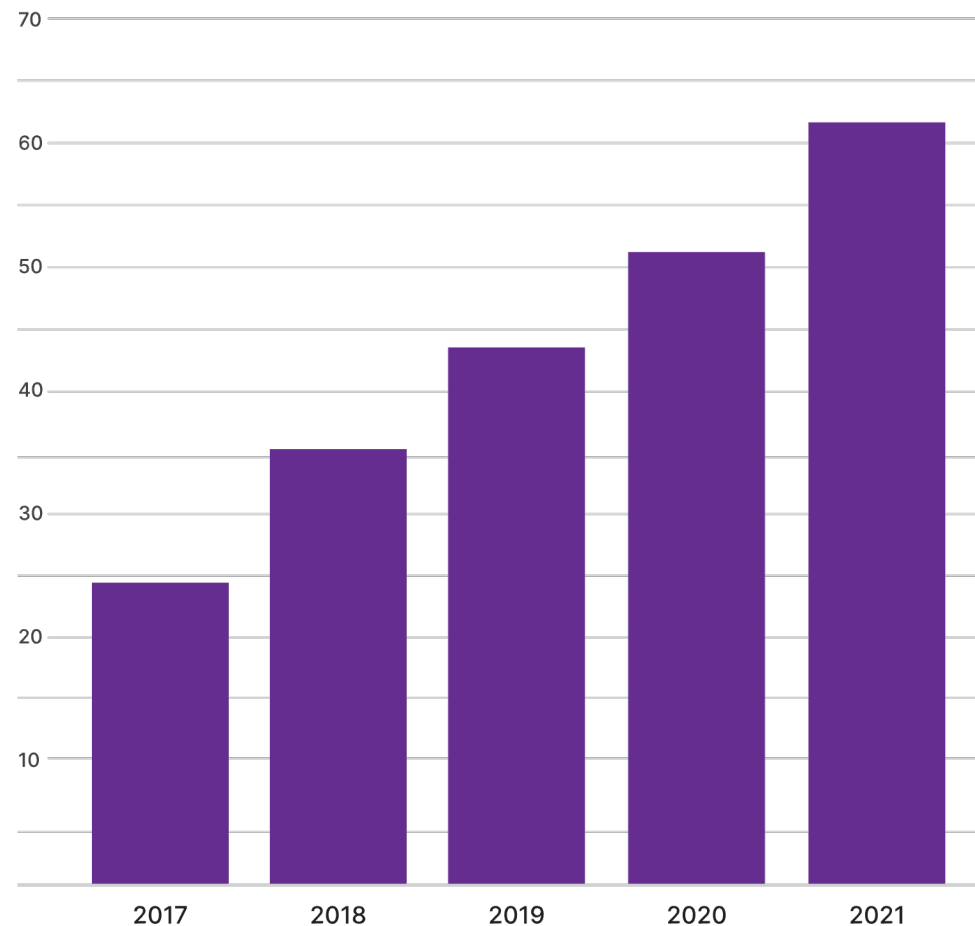
Boku Identity: 2021

Identity division – Improved performance

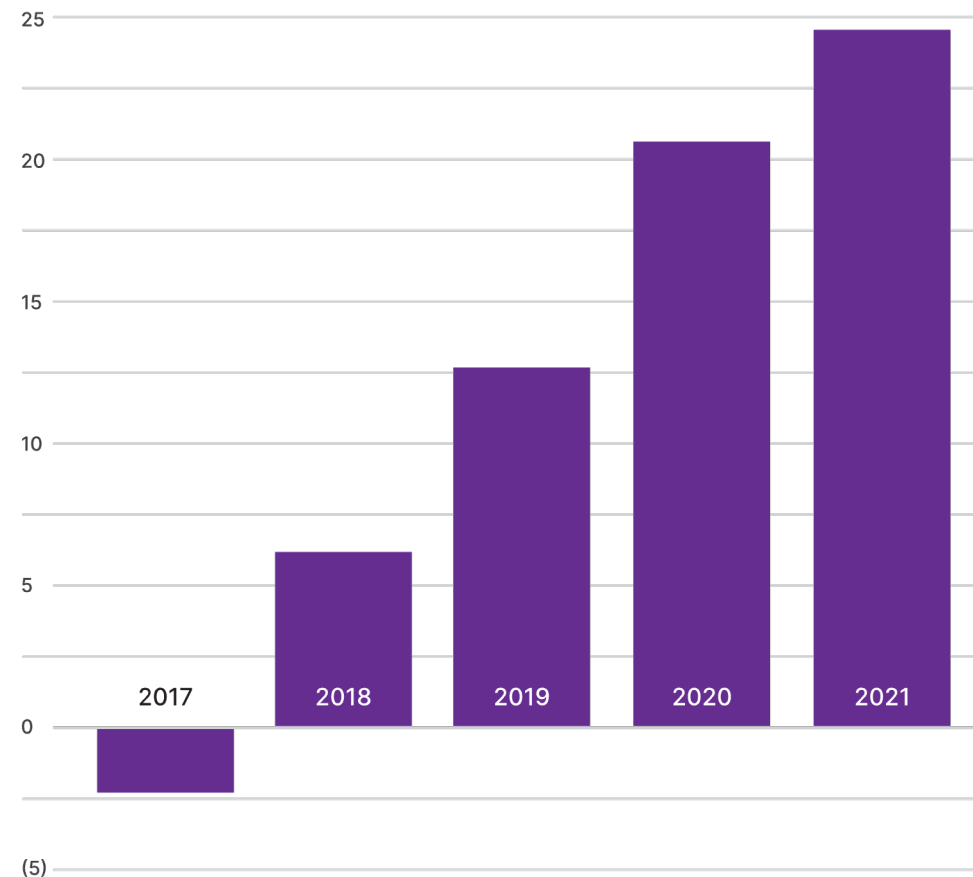
- Revenues up 37% to approximately \$7.1m (2020: \$5.2m)
 - Strong growth outside of US
- EBITDA losses reduced to estimated \$2.9m (2020:\$3.9m loss)
- Connections added in Germany, Spain, Italy and Indonesia drove increased usage
- Identity division to be sold to Twilio for maximum consideration of \$32.3m

Operating Leverage - Payments

Revenue (\$USD millions)



EBITDA (\$USD millions)



Note: Data displayed is for ongoing Payments business only.

Strategy Update

Stage is Set for Unprecedented Growth in eCommerce

But relying on the traditional cards playbook will not reach these new consumers

**Global Middle Class
has doubled and
is expanding**

160M

**new entrants to the global
middle class every year**

- Growth from **1.8B** in 2008 to **3.5B** in 2017
- Asia accounts for **88%** of the new middle class

Source: Brookings Institute

**They have
smartphones &
don't have credit cards**

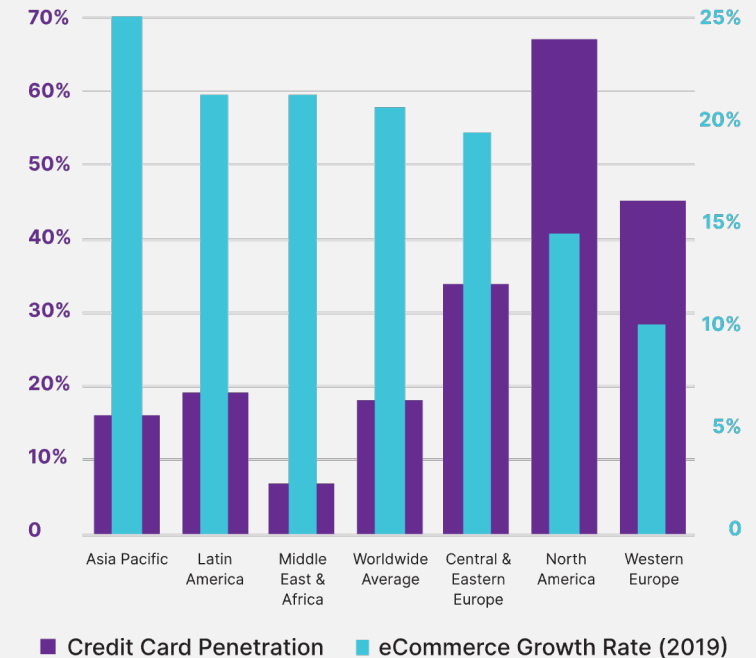
10%

**Average Credit Card
ownership in emerging markets**

- **74%** of 2021 smartphones sales in emerging markets
- **80%** - Projected smartphone penetration by 2025

Sources: World Bank, GSMA, Statista

Mobile-First Payments are essential



Sources: World Bank, eMarketer

Mobile payment acceptance is critical to eCommerce,
but acceptance is a big challenge



Global Online Payments Market

Boku provides merchants with the most global and mobile-first payment options

Generalist PSPs

Global Giants
(Highly-established players)

cybersource
A Visa Solution

CHASE

worldpay
from FIS

Worldline

\$43B acquisition

\$28B market cap

Technology-Led Challengers
(Developer-centric, API-based onboarding)

stripe

\$95B valuation

 **checkout.com**

\$40B valuation

adyen

\$63B market cap

Specialist PSPs

 **boku**

Global Merchant Focus
(delivering mobile-first consumers)

d.local

\$8bn market cap

Geographic Focus
(Primarily Latin America)

 **EBANX**

\$2B valuation

Rapyd

\$5B valuation

Market Segment Focus
(Primarily B2B transactions)

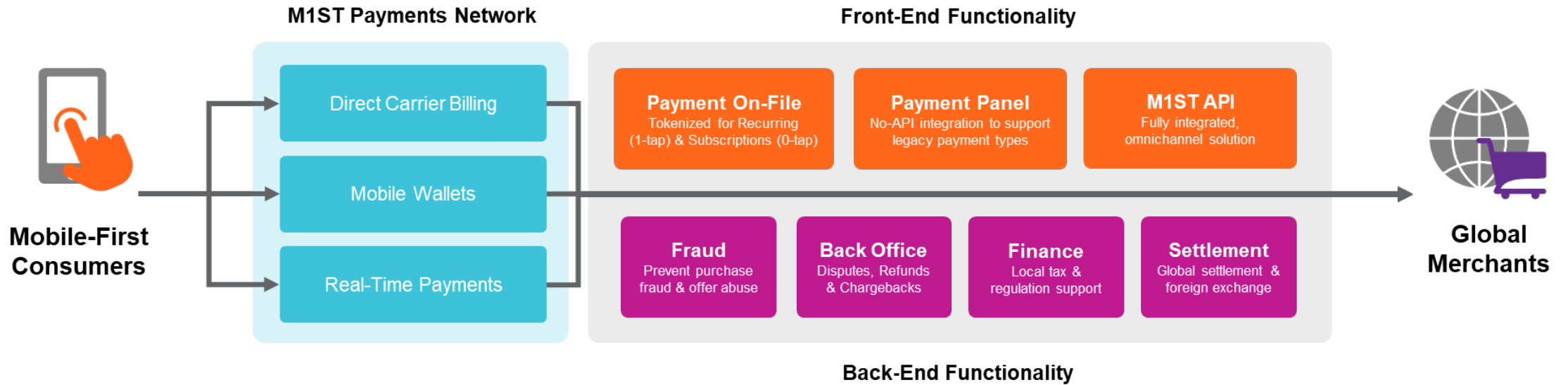
Thunes.

\$60M series-B

ppro

\$1B+ valuation

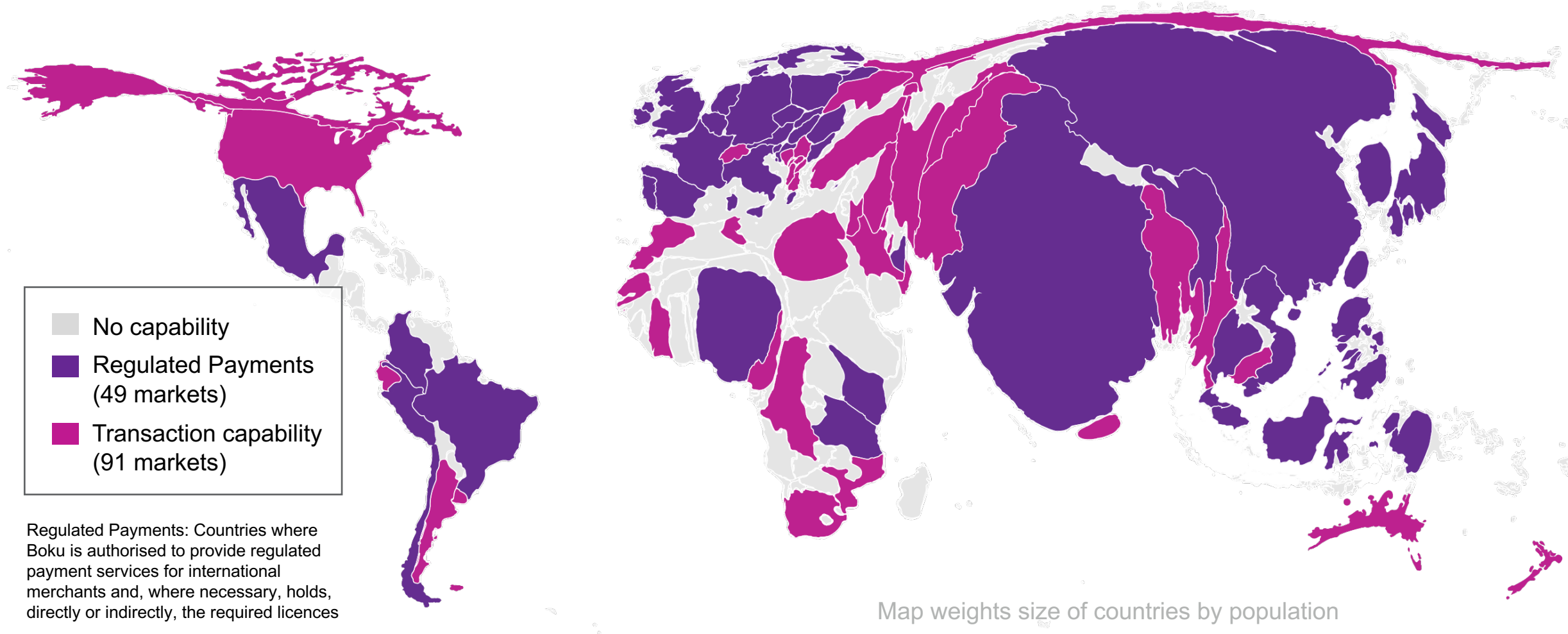
Sales Channel Focus
(Primarily PSP customers)



91 Countries
341 Payment Methods

7bn Accounts
4bn DCB 3bn eWallets

Boku Has Broad Payments Capabilities



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



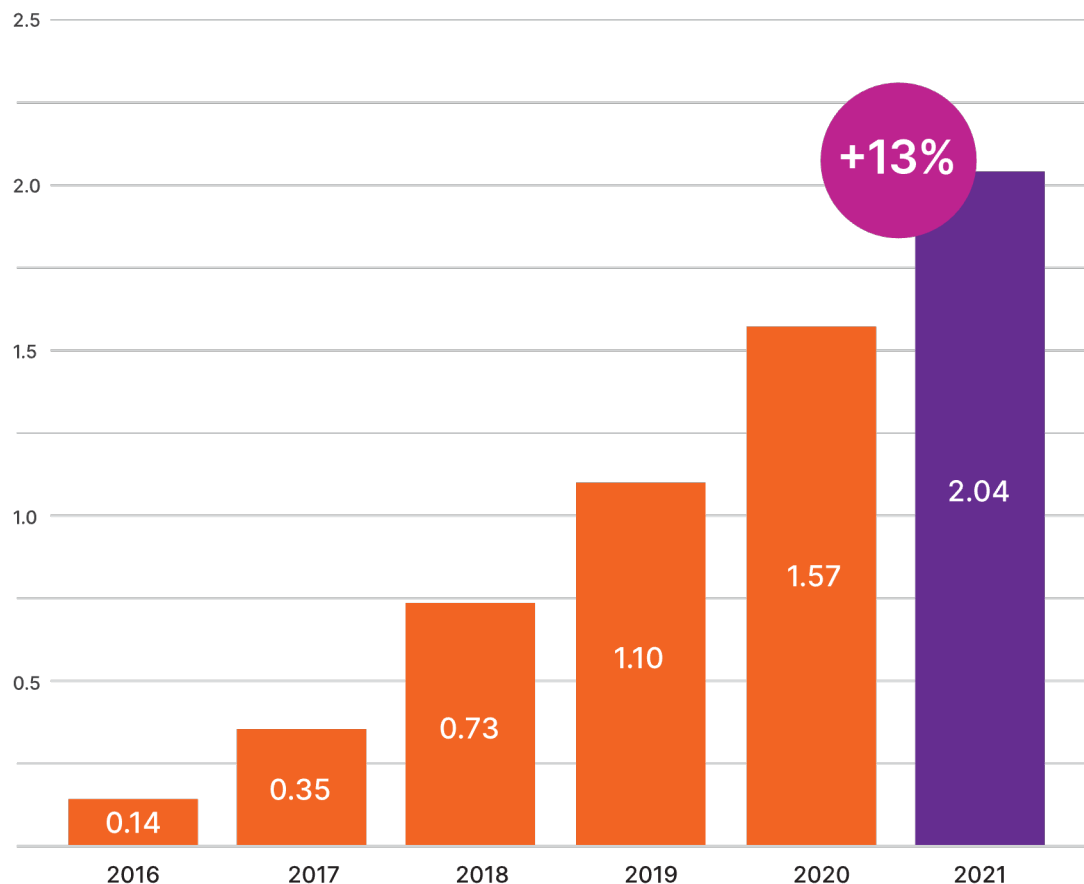
#8 Global Games
Sole DCB Provider

Boku has worked with tier one brands for years, delivering them millions of new users.

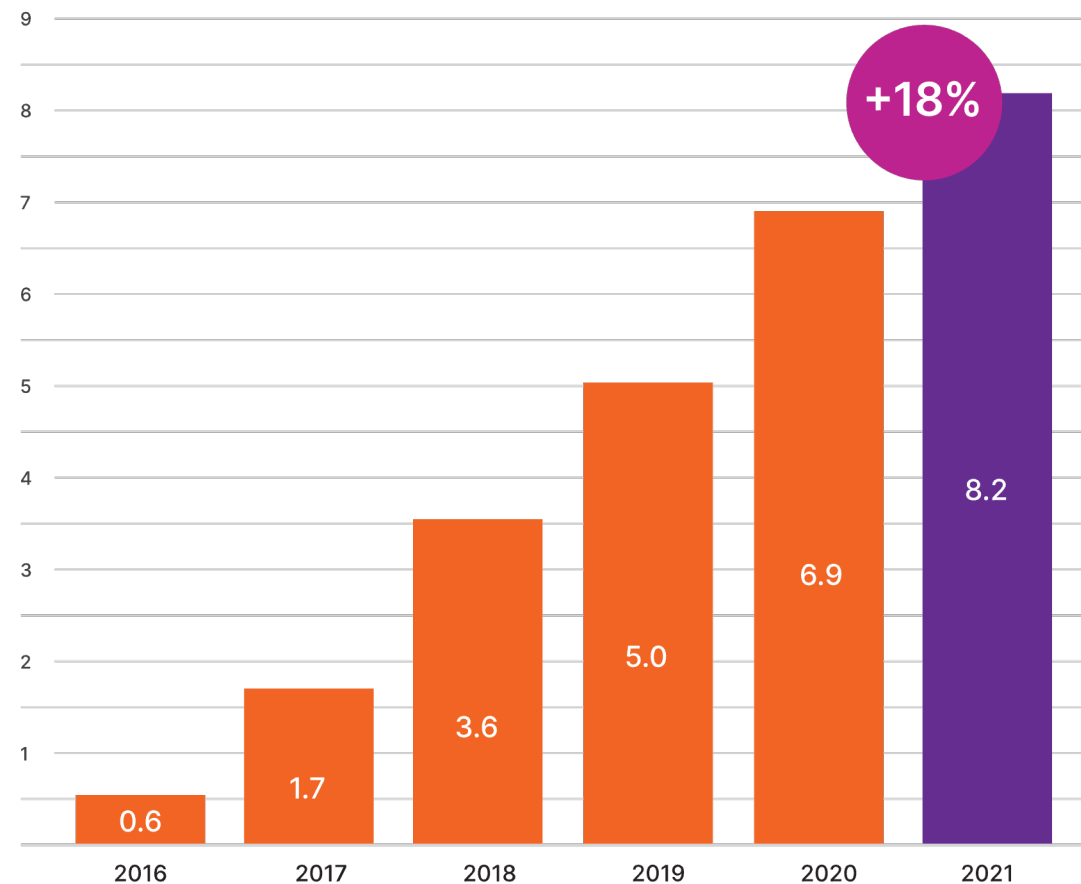
Five of these tier one merchants now use Boku for eWallets or Real Time Payments in addition to DCB

Growth in users and volumes on the Boku platform

Average Daily Active Users (millions)



TPV (\$USD billions)

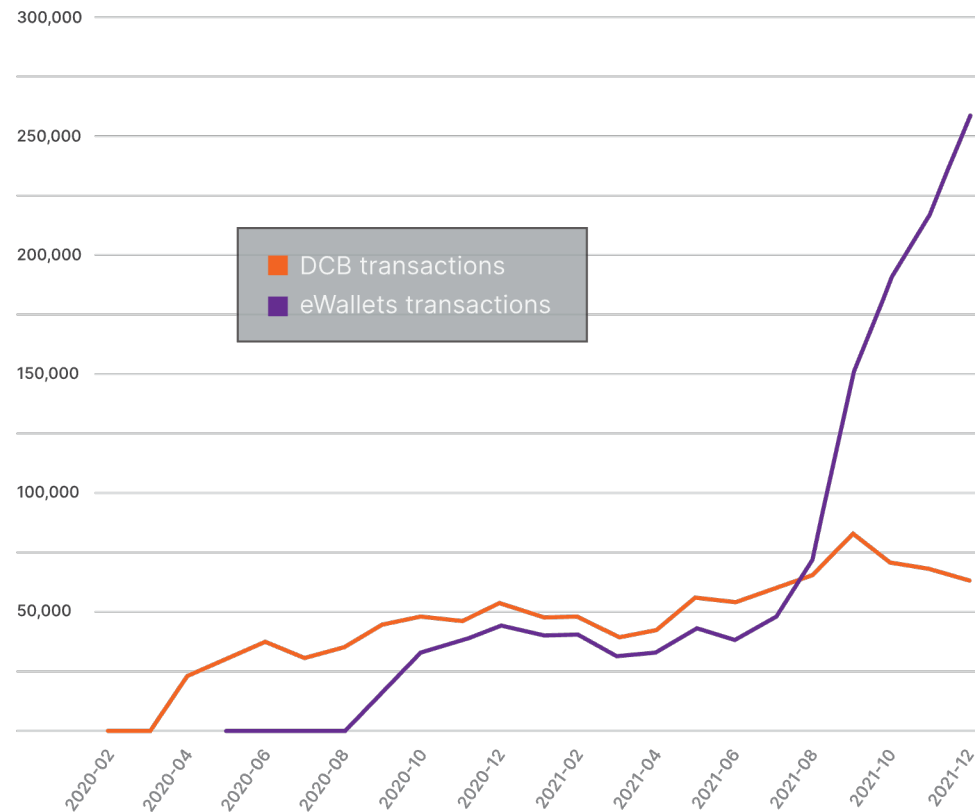


Boku's M1ST Payments Network – Case Studies

Boku delivers new users and more successful transactions

Growth in eWallets: country case study

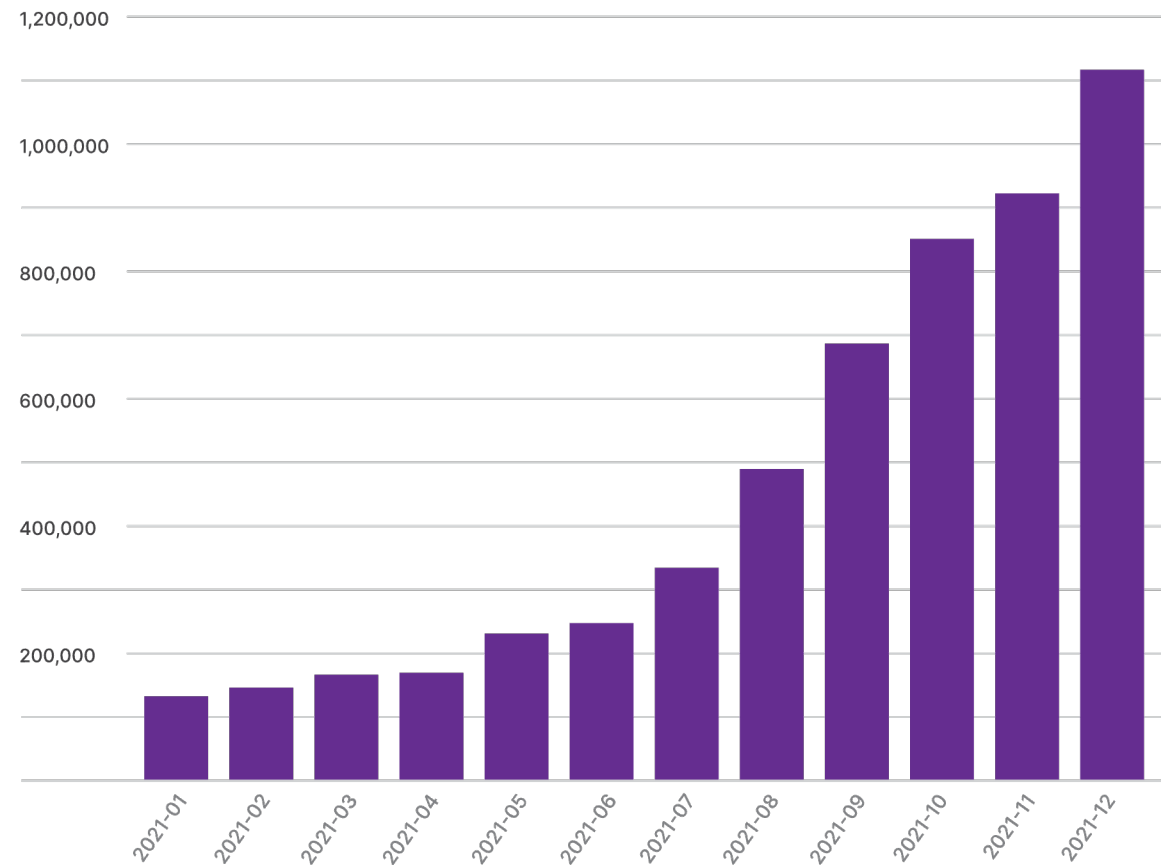
Successful Transactions - Data from multiple merchants



Source: Boku Data

Growth in Monthly Users of eWallets

MAUs (non DCB)



Driven by launches with leading global companies in:

- video streaming,
- digital advertising,
- music streaming,
- games and gaming consoles

Five-fold growth in TPV

9X growth in eWallet MAUs to exceed 1m

Summary and Outlook

Strong Growth in 2021 supports focus on M1ST in 2022

2021 Summary

- Disposal of Boku Identity for \$32.3m
 - Immediately accretive
- 22% Revenue Growth to c.\$69m
- 31% EBITDA Growth to c.\$20m
- Strong growth across all payment metrics, especially eWallets and Real Time Payments

2022 Outlook

- Continued growth in DCB, eWallets and Real Time Payments
- Continued investment in M1ST in 2022

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**