

2021 Full Year Results

29 March 2022

Jon Prideaux

Keith Butcher



Presentation Team



Jon Prideaux, CEO

CEO since 2014

Formerly EVP at VISA and
Deputy CEO at Secure Trading



Keith Butcher, CFO

Director from 2017, CFO from 2019

Formerly CFO of LSE listed
payments companies
DataCash and Paysafe

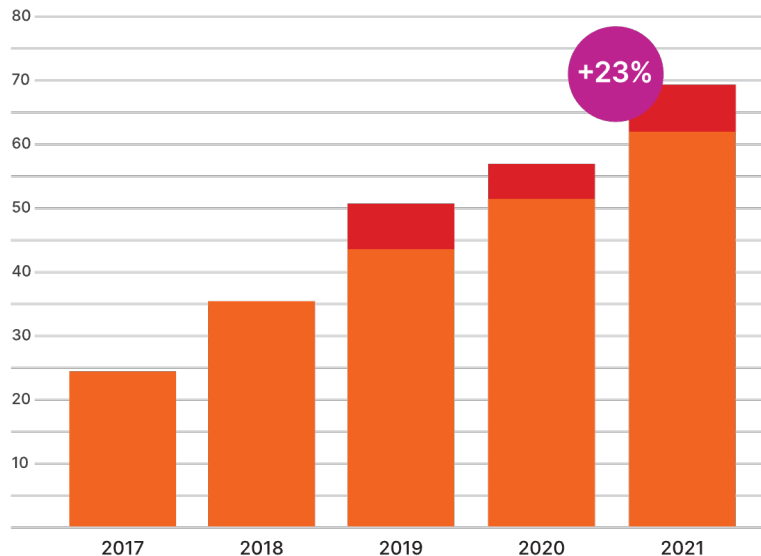
Highlights

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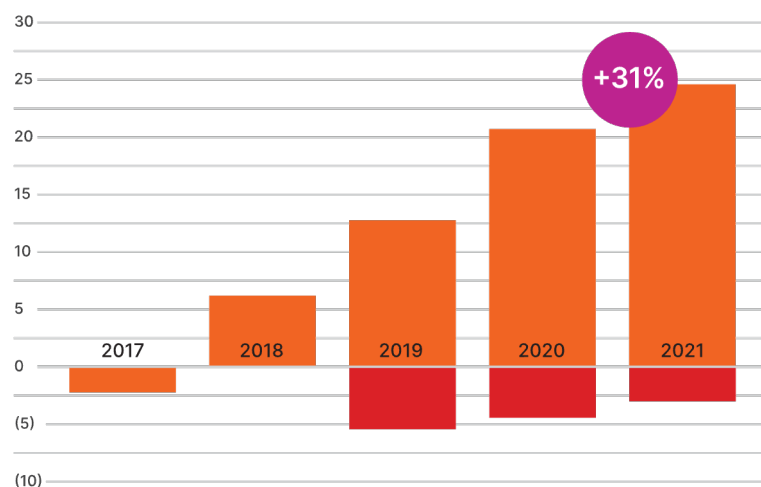
- Growth in Revenues, EBITDA, Profit and Cash
- Profitable, cash generative, with sticky, recurring revenues
- Disposal of Identity: now pure-play Payments
- Strong relationships with the world's largest digital merchants
- Continuing strength in Direct Carrier Billing (DCB)
- Expansion of M1ST network: more accounts and regulated markets
- Fastest growth in eWallets and other local payment methods (LPMs)
- First LPM only customers

2021 results

Revenue (\$USD millions) ■ Payments ■ Identity



EBITDA (\$USD millions)

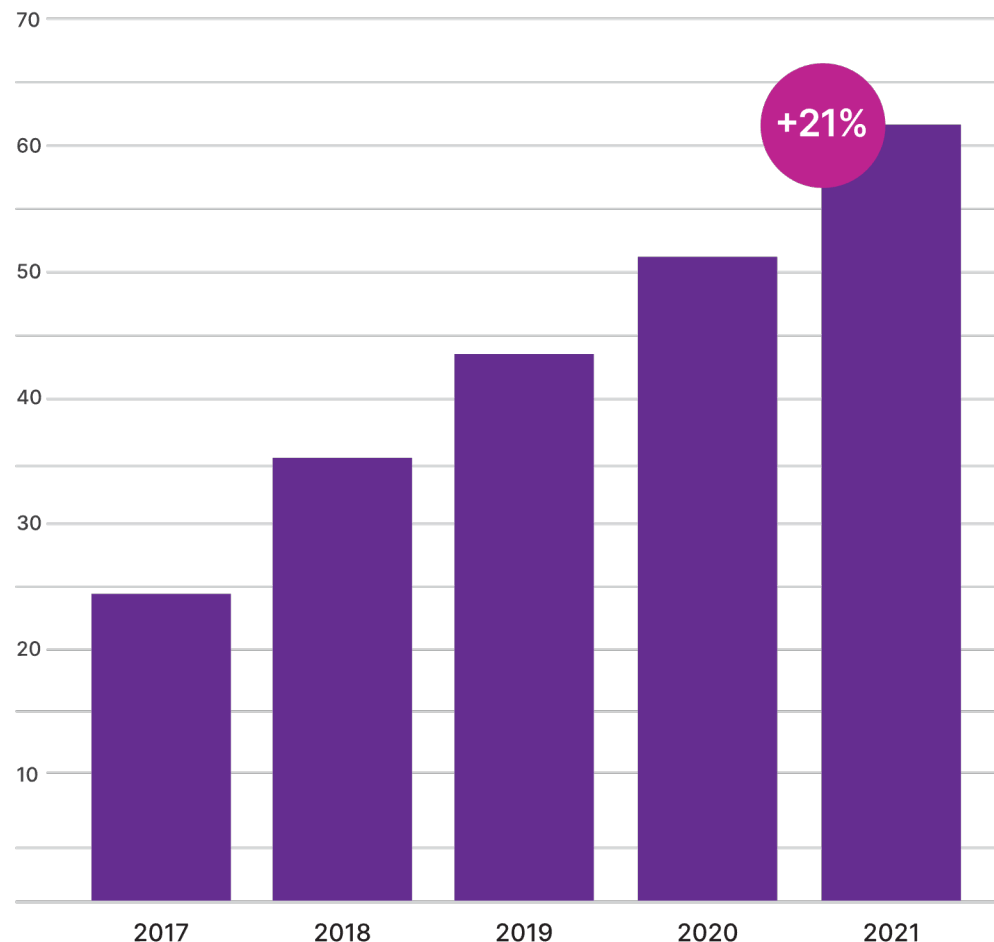


Boku - 2021 Results - Group

- **Group revenues up 23% to \$69.2m** (2020: \$56.4m)
 - Payments \$62.1m; Identity \$7.1m
- **Group Adjusted EBITDA up 31% to \$20.0m** (2020: \$15.3m)
 - Constant currency - revenues and EBITDA both \$2.3m higher
- **Net Profit before Tax: \$4.4m** (2020: \$17.3m loss).
- **Sale of Identity division to Twilio for \$32.3m on 28 Feb 2022**
- **Cash balance \$62.4m at year end** (30 June 2021: \$48.6m)
 - \$26.2m from Identity sale to Twilio after year end
 - \$8.1m term loan paid down in full from proceeds
- **Monthly average cash balances \$50.8m in December 2021** up from \$38.0m in June 2021.
- **Cash generated from Operations before working capital changes \$19.5m** (2020: \$11.5m).

2021 results – Payments division

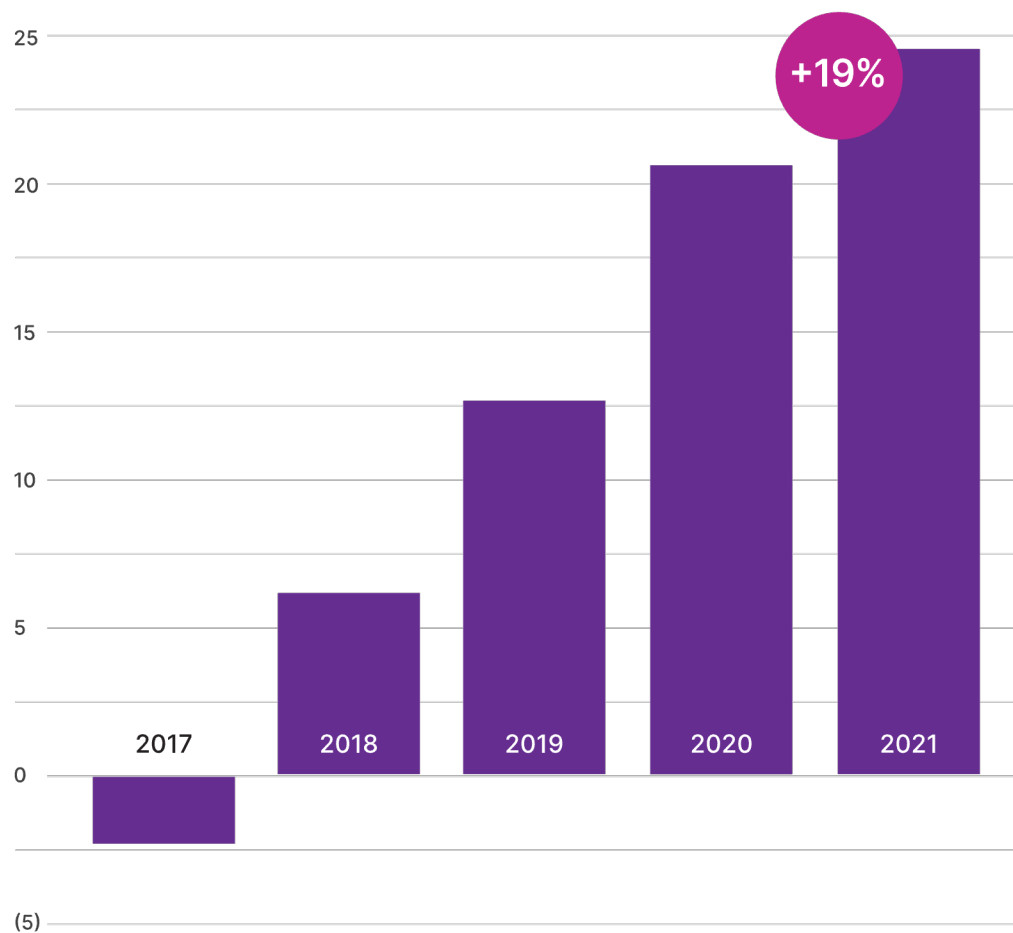
Revenue (\$USD millions)



- **Payments Revenues up 21% to \$62.1m** (2020: \$51.2m)
- **Payments Adjusted EBITDA up 19% to \$22.9m** (2020: \$19.2m)
- **Constant currency: revenues/EBITDA c.\$2.3m higher** (c.\$1.6m in H2)
 - TPV c.\$360m higher (c.\$250m in H2)
- **Total Payment Volume (TPV) up 18% to \$8.2bn** (2020: \$6.9 billion)
- **Monthly Active Users up 3.5m to 32.3m** (2020: 28.8m).

2021 Results – Payments division

EBITDA (\$USD millions)



- **Full suite of launches in 2021**
 - Various business lines: DCB, Bundling, eWallets and RTP
 - Key merchants: Amazon, DAZN, Epic Games, Facebook, Google, Microsoft, Netflix, Riot Games, Sony, Spotify, and Tinder
- Fastest growth in LPMs
- Investment in 2021, continuing into 2022
- **Continued operating leverage in Payments model**
 - Strong drop through to EBITDA

Updates

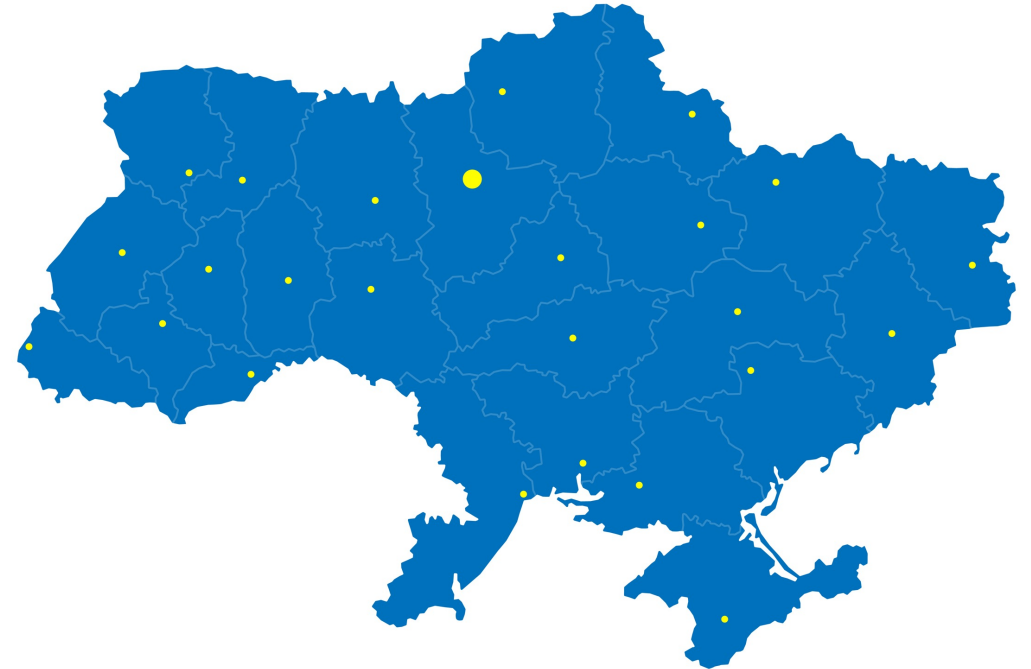
Boku Identity: Results and Disposal to Twilio

- ❑ Revenues: \$7.1m +37%; Reduced EBITDA loss: \$2.9m
- ❑ Deal closed 28 February 2022 for \$32.3m
 - ❑ \$26.2m received on closing
 - ❑ \$6.5m held for 18 months – against possible future claims
- ❑ Invest some of proceeds into M1ST Payments network
- ❑ Outstanding term loan with Citibank \$8.1m - repaid in full
 - ❑ Group now debt free
 - ❑ \$10m revolver facility (currently unused) to be retained.
- ❑ **Boku now pure play Payments company**
 - ❑ Immediately earnings enhancing for Boku.
 - ❑ Identity results not consolidated for 2022 – Payments only results



Russia/Ukraine impact - Payments

- ❑ Limited Exposure
 - ❑ Boku operates in 91 countries
 - ❑ No merchants domiciled in Russia, Belarus or the Ukraine.
 - ❑ No active bank accounts domiciled in Russia
 - ❑ No employees/infrastructure in Russia, Belarus or the Ukraine
- ❑ Financial impact
 - ❑ Termination of all settlement model merchant connections to Russian carriers
 - ❑ 2021 results – 1% from Russia/Ukraine
 - ❑ 2022 revenue impact: max 2% or \$1.5m to revenues/ EBITDA
- ❑ No disruption to Estonian operations
- ❑ Substantial donations to Ukrainian humanitarian relief

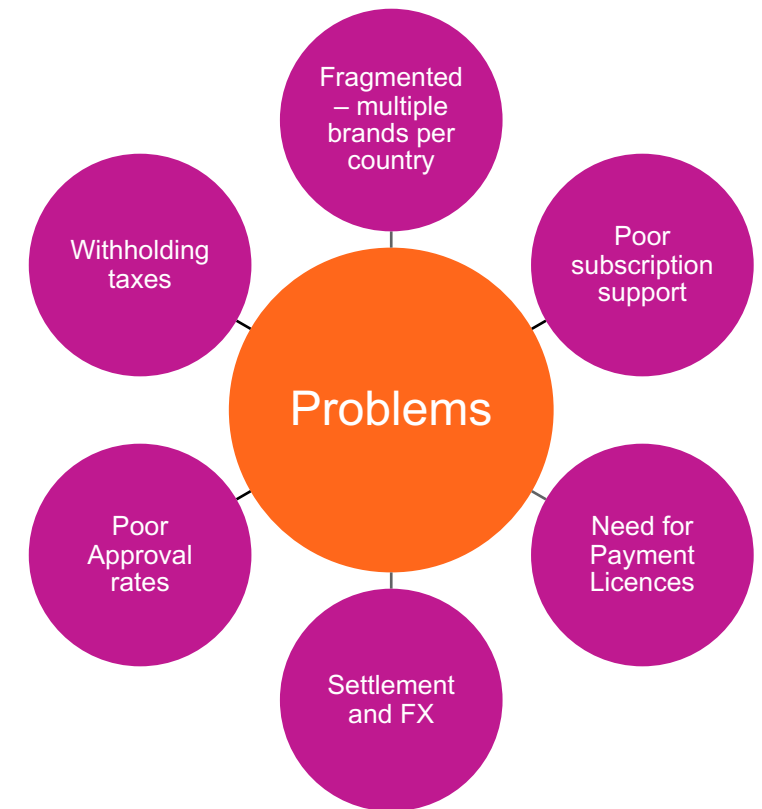
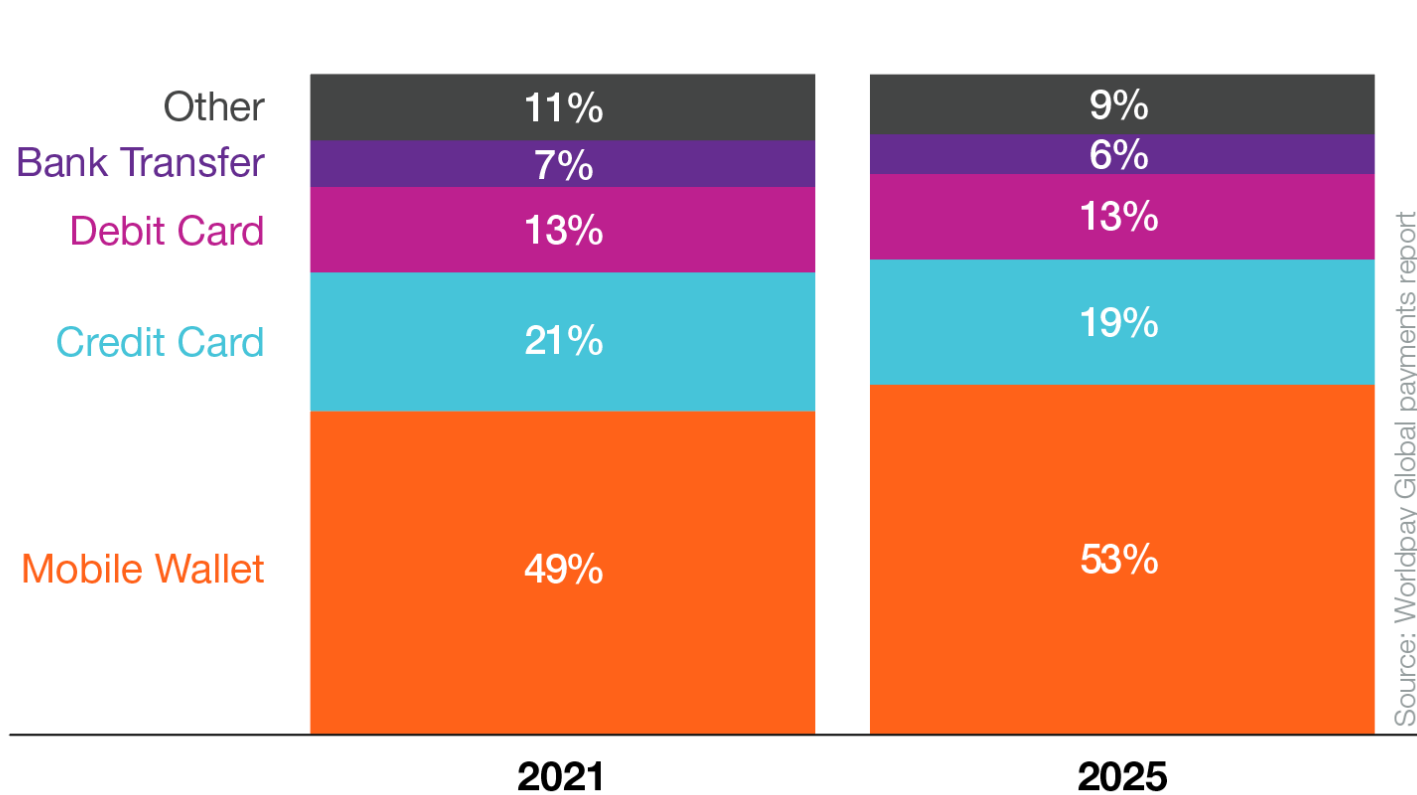


Strategy

A new world of payment outside card rails

Most ecommerce doesn't use cards, esp. outside the west...

but it's not easy to get right.



A Big Opportunity

Global eCommerce

\$12 Trillion c. 15% growth
Opportunity: ~\$6 Trillion

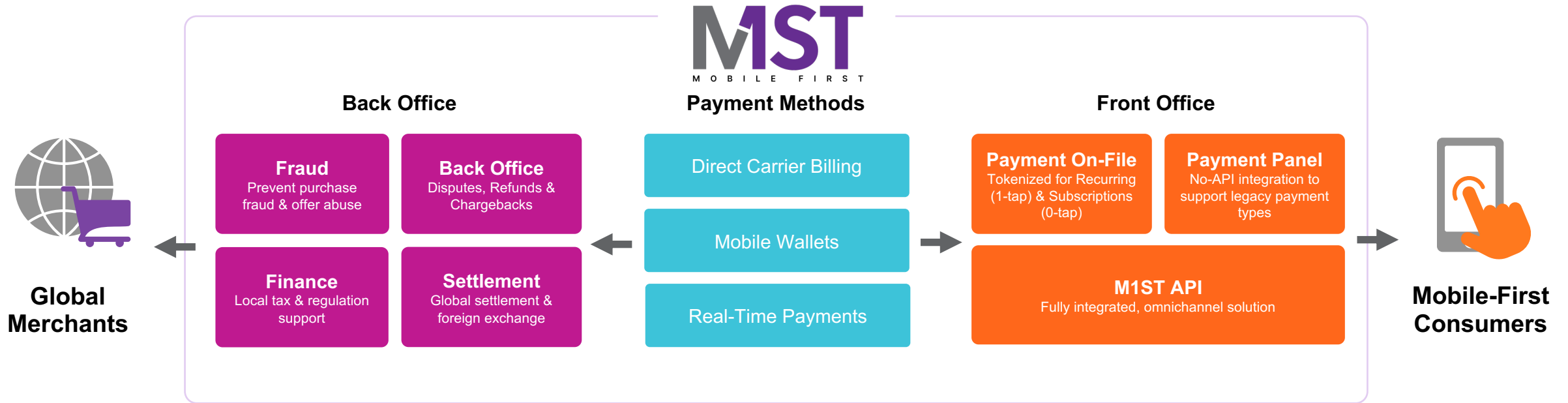
Digital Commerce

\$600 Billion c. 10% growth
Opportunity: ~\$90 Billion

Current TPV \$8 Billion

Mobile First Payment Network

One Connection to Reach up to 7 Billion Accounts



91 Countries

Transacting DCB: **84** LPMs: **13**

Regulated Capability: **50**

7bn Accounts

4bn DCB **3bn LPMs**

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

\$12B market cap

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

stripe

\$95B valuation

checkout.com

\$40B valuation

adyen

\$70B market cap

Specialist PSPs

boku

Global Merchant Focus
(delivering mobile-first consumers)

d.local

\$10bn 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

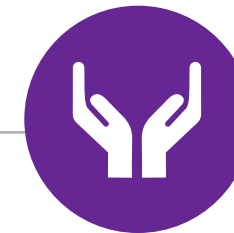
Sales Channel Focus
(Primarily PSP customers)

Why Boku?



Reach

More issuers reaching more users in relevant countries



Breadth of Offering

Acquisition: One tap enrol, Bundling
Retention: Smart retry, Boku Spark



Quality

Direct integrations
Support for subscriptions
Merchant control of User Interface



Performance

Better Approval and Renewal rates
Faster Transactions
Superior Monitoring

Trusted by Leading Merchants

DCB, Wallets, Real Time Payments and Bundling

App Stores



Video Streaming



Music Streaming



Advertising



SaaS Software



Console Gaming



Gaming



Growth

Sales Efforts



Average merchant reaches 10% of the network
New merchant pipeline



New Verticals

SaaS Software
B2B Digital



New Countries

Large Population
markets opened by LPMs



Inorganic

Capability
& consolidation

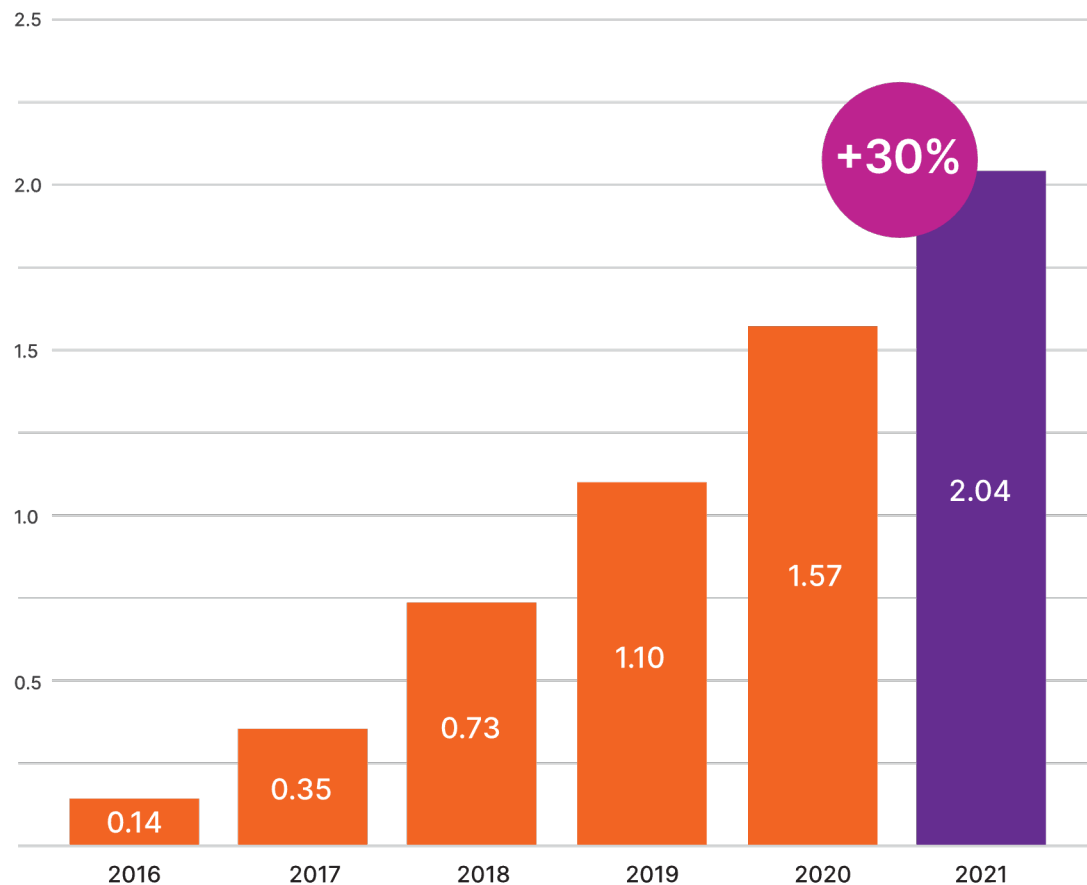


New Issuers

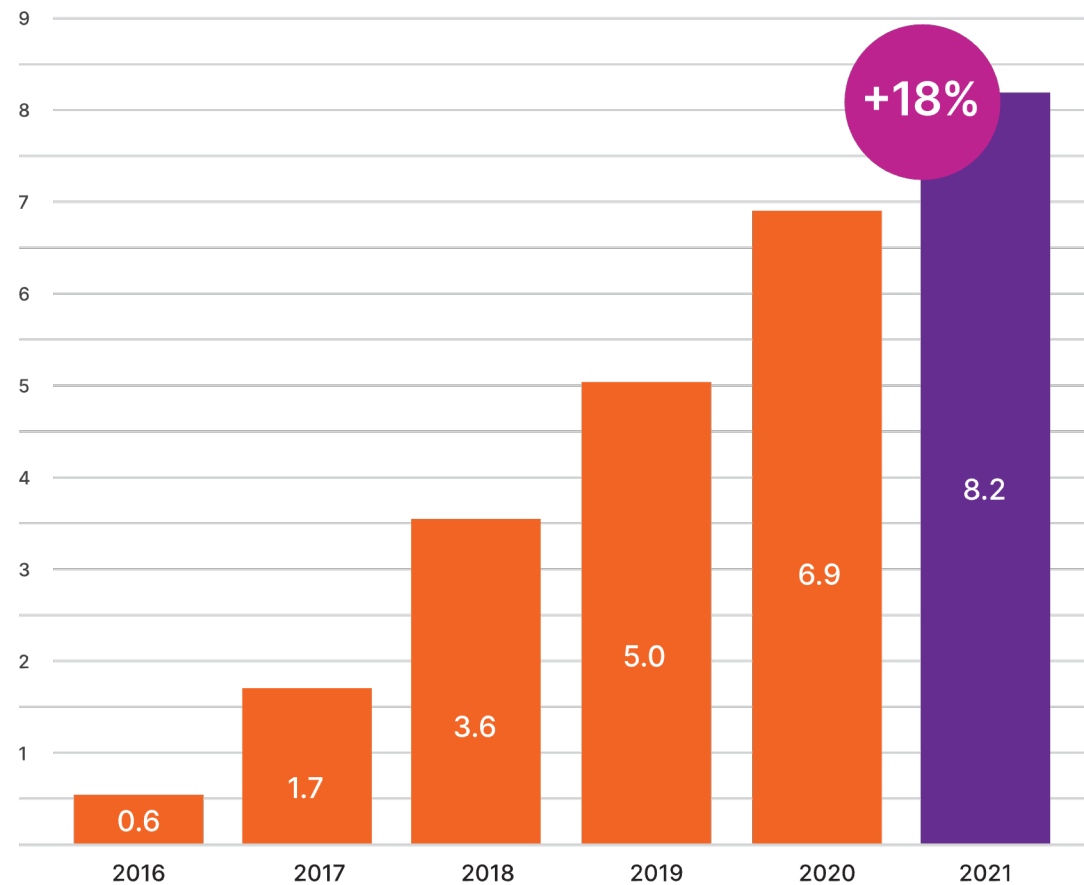
Wallets • Real Time Payments • Local cards • Vouchers

Growth in users and volumes on the Boku platform

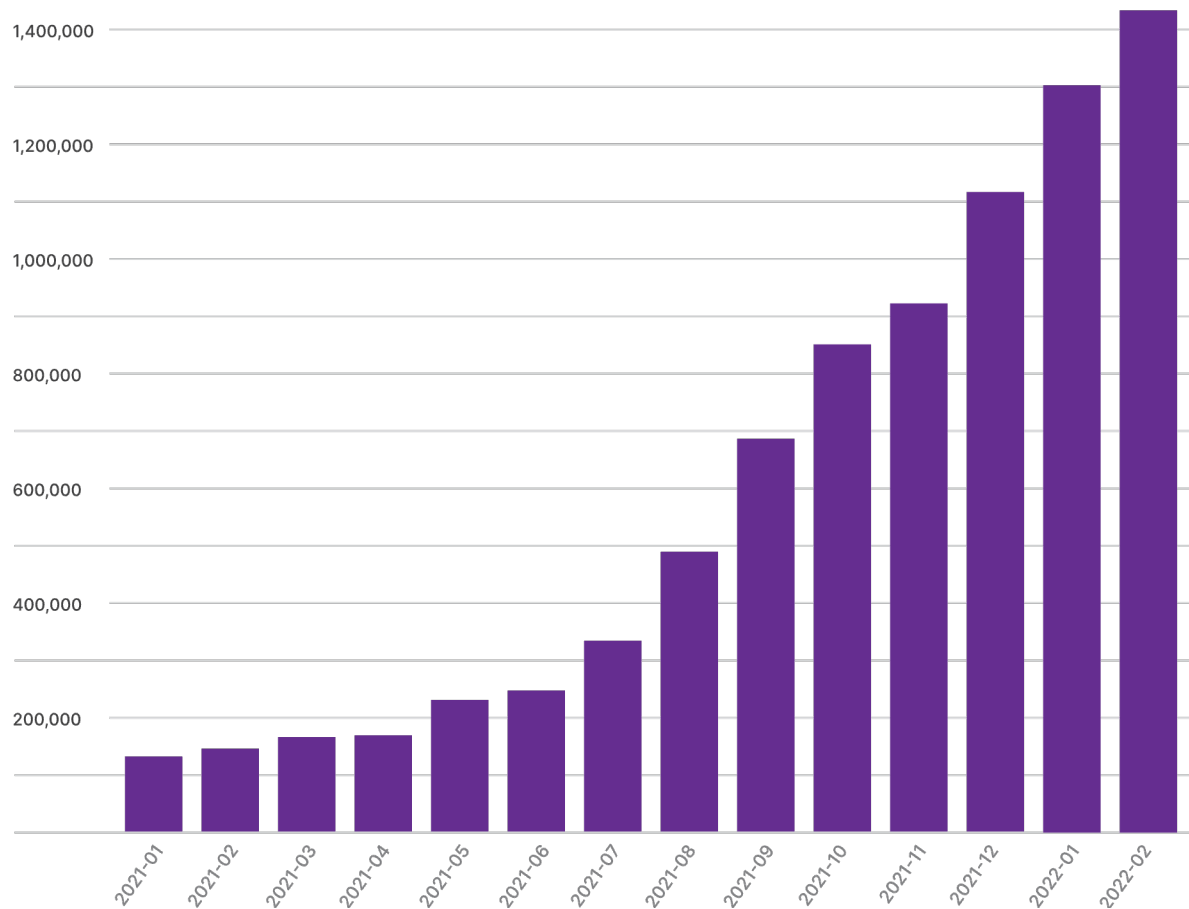
Average Daily Active Users (millions)



TPV (\$USD billions)



Growth in Monthly Users of eWallets



Fast growth in eWallets

- **7bn end user accounts**
(42% are eWallets/RTP)
in expanded M1ST payments network
- **10X increase in MAUs**
from eWallets and Real Time Payments
- **eWallet and RTP Customers – global companies:**
 - digital advertising,
 - streaming music/video,
 - games and games consoles

Summary and Outlook

Strong Growth in 2021 supports focus on M1ST in 2022

2021 Summary

- Disposal of Boku Identity for \$32.3m
 - Immediately accretive
- 23% Revenue Growth to \$69.2m
- 31% EBITDA Growth to \$20m
- Maiden Full year net profit before tax \$4.4m
- Strong growth across all payment metrics, especially eWallets and Real Time Payments

2022 Outlook

- Continued growth in DCB, eWallets and Real Time Payments
- Limited impact of Russia / Ukraine
- 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**