

Interim Results

for the half year ended 30 June 2022

27 September 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

Boku 2022 Interim Results Highlights

Core KPIs growing strongly

- **Monthly Active Users up 8.4m (22%) to 46.3m** in June 2022 (June 2021: 37.9m)
- Most of Boku's global merchants now also taking LPMs via Boku
- **Over 50 new launches in H1 2022** inc: Netflix, Meta, Amazon, Spotify, Samsung, Sky and EA Games

LPM investment reaping rewards

- **New multi year contract with Amazon Payments** for new Local Payment Methods only (non DCB)
- First launch in **China** of major existing customer with **Alipay**
- **Netflix** credits subscriber growth in Asia to **DCB and wallet payments (via Boku platform)**
- **Strong growth in Volumes and MAUs on new payment types**
eWallets and Real Time Payments volumes up 11x yoy

Highlights

Trusted by leading merchants

Direct carrier billing, eWallets, real-time payments and bundling

App Stores



Video Streaming



Music Streaming



Advertising



SaaS Software



Console Gaming



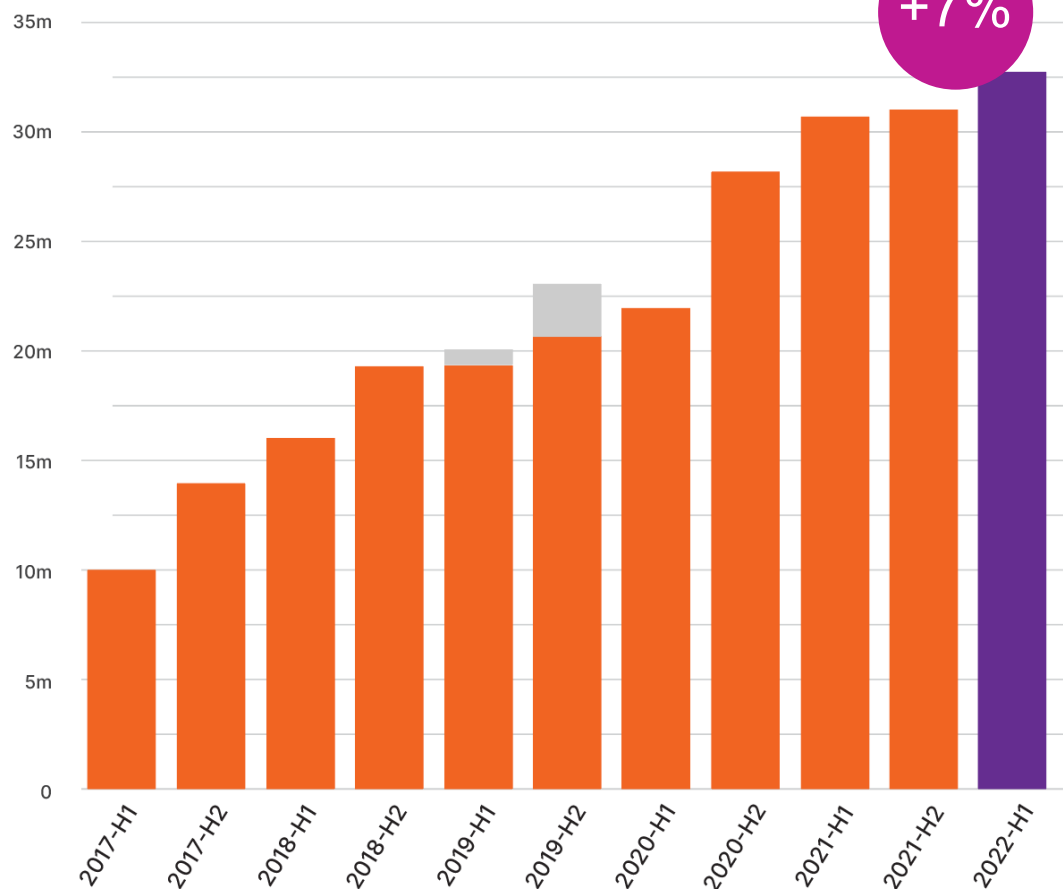
Gaming



2022 H1 Trading Update – Key financials

Payments revenue (\$m)

■ Revenue (underlying) ■ Non Recurring



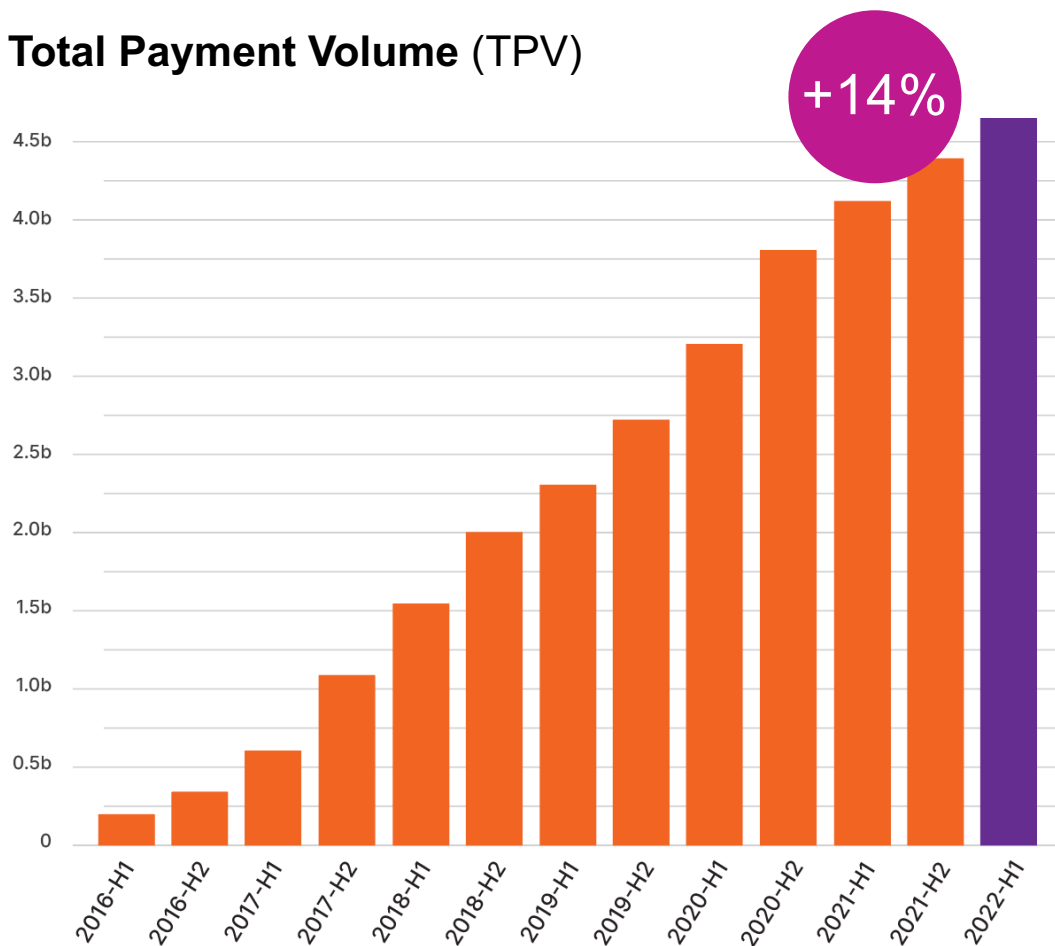
Revenue in constant currency in 2022-H1



- **Payments revenues \$30.3m. FX Headwind of \$2.5m, constant currency growth of 7% (H1 2021: \$30.7m)**
 - H1 2021 comparative also had covid 'bump'
- **Payments adj. EBITDA \$9.5m (H1 2021: \$11.2m)**
 - FX headwinds
 - continued investment in mobile-first network
- **Sale of Identity division for \$32.5m in February**
 - Now pureplay Payments company
- **Group Profit after tax of \$28.0m (H1 2021: \$1.7m)**
 - Inc. profit on disposal of Identity division of \$25.2m
- **Group cash of \$67.8m at 30 June 2022 (30 June 2021: \$46.8m). Now debt free**
- **Average daily cash balance \$63.3m in June 2022 (June 2021: \$38.0m).**

2022 H1 Trading Update – operational KPIs

Total Payment Volume (TPV)



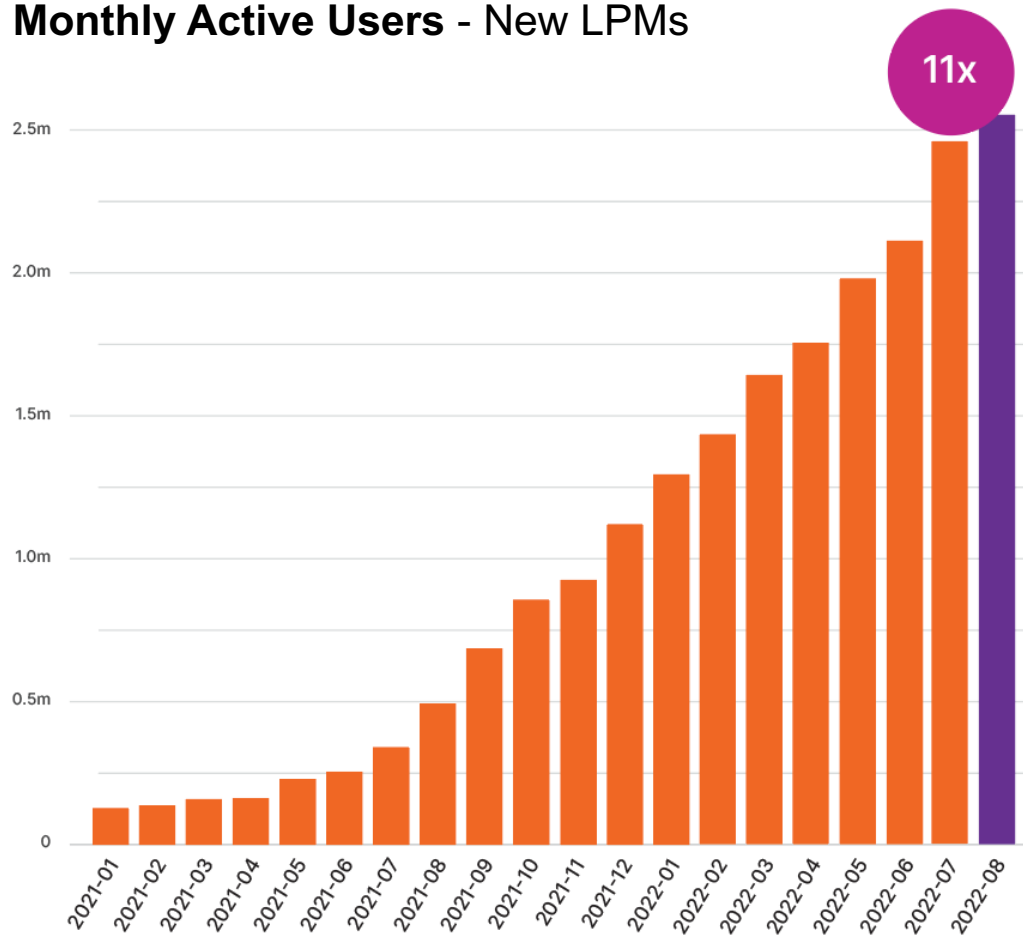
TPV in constant currency in 2021 and 2022-H1. TPV is the US\$ value of transactions processed by the Boku platform and includes transactions from DCB, Bundling, eWallets and Real Time Payments. Prior periods excluded bundling.

Underlying Payment metrics healthy

- **Monthly Active Users up 8.4m (22%) to 46.3m** in June 2022 (June 2021: 37.9m)
- **28.8m new users** made their first payment or bundling transaction with Boku in H1 2022
- **TPV up to \$4.3bn – higher in constant currency** (H1 2021: \$4.0bn)
- **Over 50 new launches in H1 2022** inc: Netflix, Meta, Amazon, Spotify, Samsung, Sky and EA Games
- **Mobile-first network reaches over 7bn end user accounts** (42% non-DCB)
- **Regulated Payment capabilities now cover 50 countries** inc. new Philippines licence

2022 H1 Trading Update – strong growth in new payment types

Monthly Active Users - New LPMs



MAUs in month of period end, includes eWallets and Real Time Payments

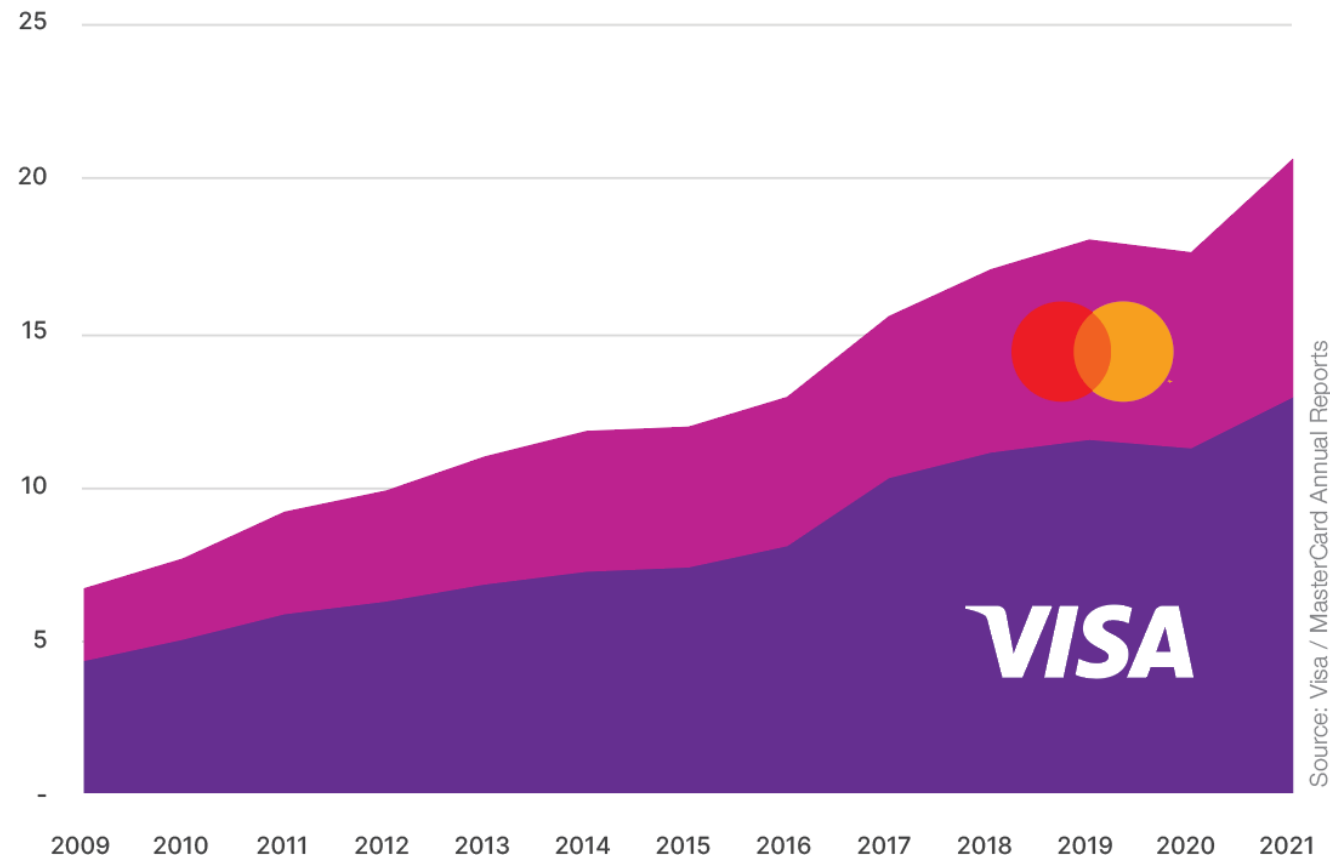
Strong growth in **new** payment types
eWallets and real-time payments

- **11x increase in volumes in H1** processed from eWallets and real-time payments compared with H1 2021
- **MAUs of eWallets and real-time Payments increased to over 2.5m** in August 2022
- **6x increase in new users of these LPMs to 3.1m in H1 2022** (H1 2021: 0.5m)

Strategy Update

Visa and MasterCard - An unstoppable juggernaut?

Total Payment Volume (\$USD Tn)



Constant growth, pushing out cash and cheques

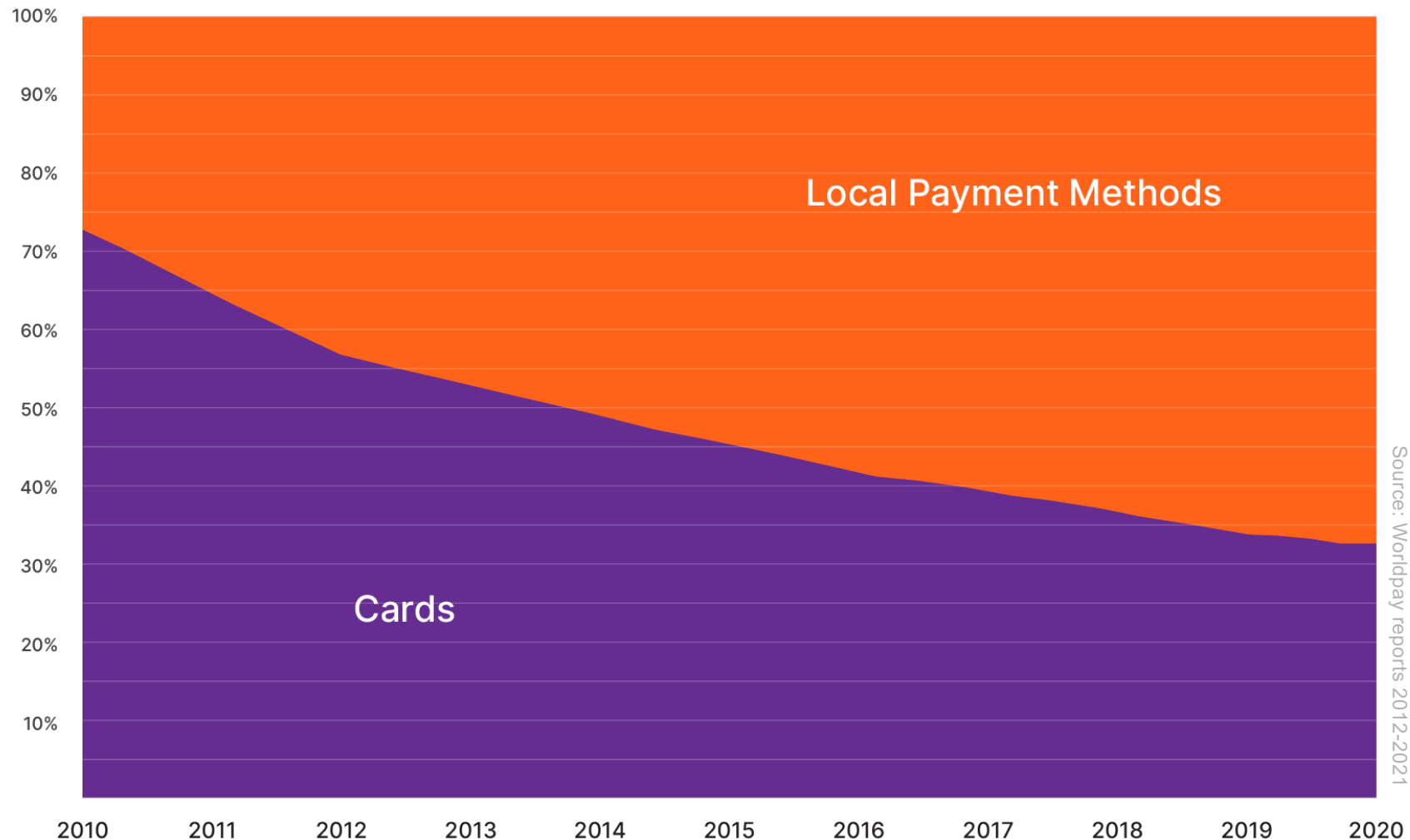
Flexible

- reimagined for eCommerce
- support recurring transactions
- contactless

Duopoly with pricing power

- Which legal, regulatory and merchant pressure has not been able to break

... globally, absolute growth masks relative decline



Local payment methods are complicated

- Local cards
- Account to Account Payments
- Carrier Commerce
- Mobile Wallets
- Buy Now Pay Later
- Cash on delivery
- Prepaid vouchers / Giftcards
- Direct Debit

Complexity of LPMs means:

- **Merchants are sticky:**
very hard to switch
- **Prices are higher:**
Boku take rate: 71bps (Adyen: 17)



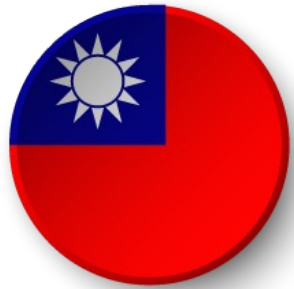
Boku standardises non-standard local payment methods globally

Boku Core Proposition: aggregate and simplify

Reach 7 billion mobile payment accounts,
300+ payment methods in over 90 countries

One Integration - One Contract - One Settlement

Mobile-first network expansion



Taiwan



Nigeria



Thailand



Pakistan

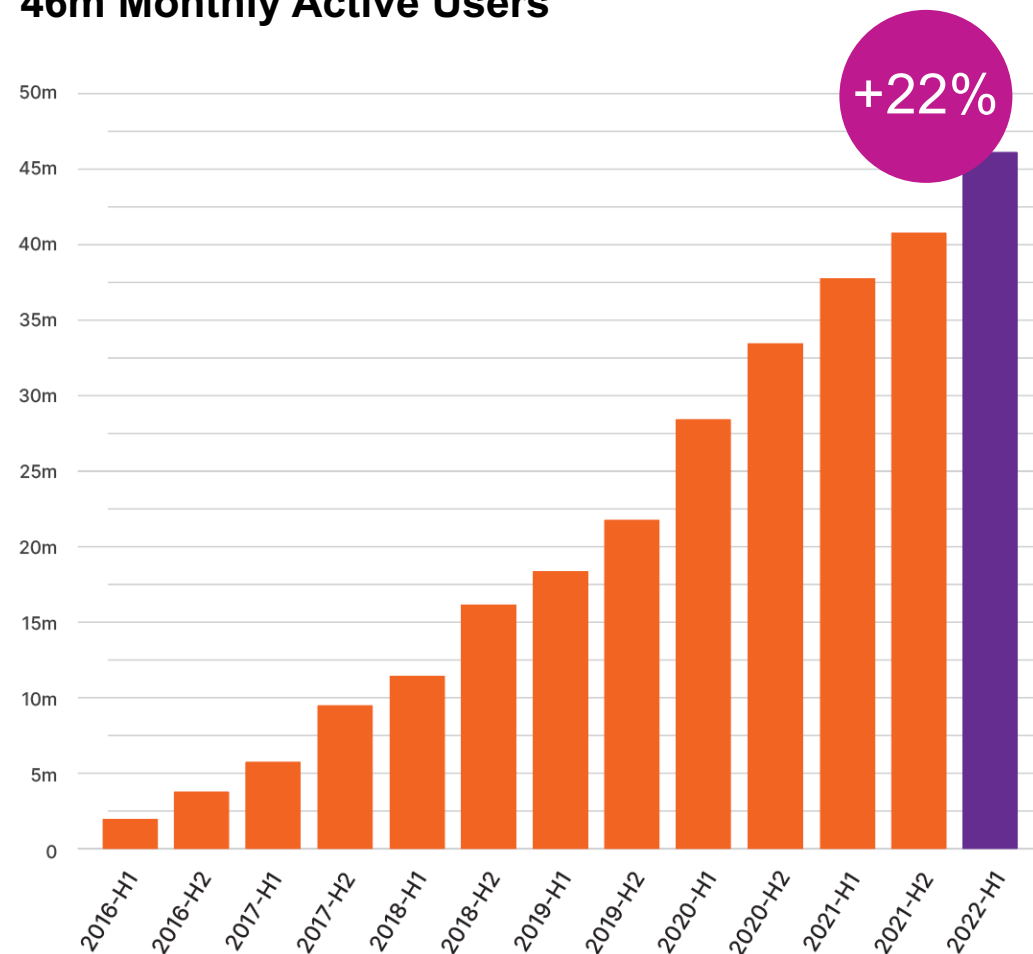


Philippines
Payment License



Growth in users and volumes on the Boku Platform

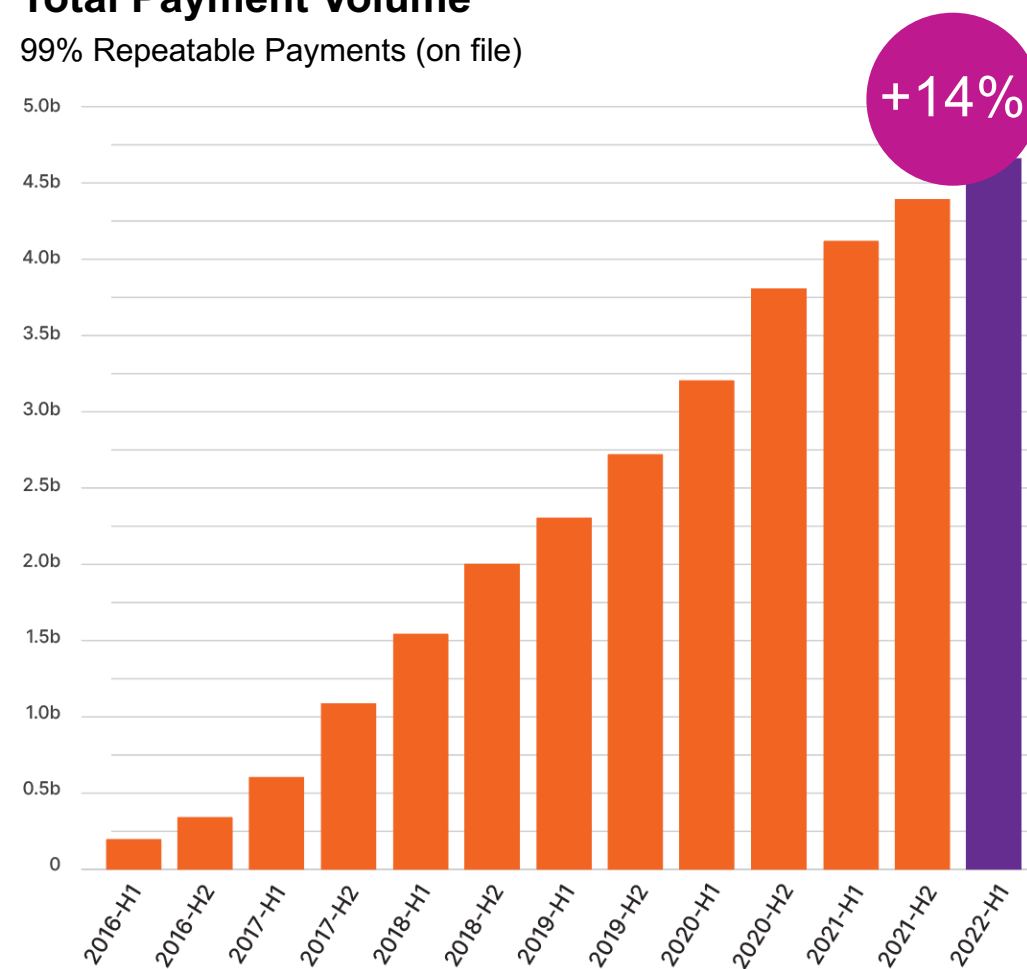
46m Monthly Active Users



MAUs in month of period end, includes bundling








Total Payment Volume

99% Repeatable Payments (on file)



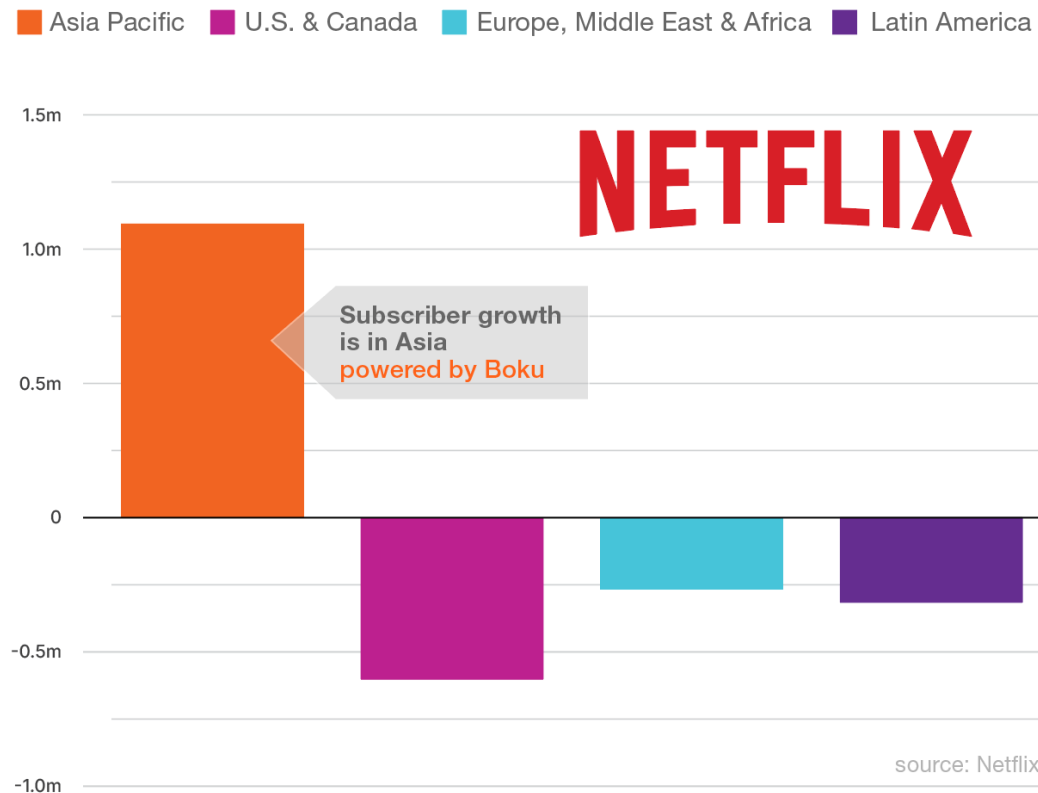
TPV in constant currency in 2021 and 2022-H1. TPV is the US\$ value of transactions processed by the Boku platform and includes transactions from DCB, Bundling, eWallets and Real Time Payments. Prior periods excluded bundling.

Boku now has major contracts with all world's digital giants

	Merchant	Carrier Commerce	New Local Payments
	Amazon	Bundling only	New major LPM contract
	Sony	✓	✓
	Meta/Facebook	✓	✓
	Netflix	✓	✓
	Spotify	✓	✓
	Google	✓	✓
	Microsoft	✓	

Boku drives Netflix subscription growth in Asia

Net Subscriber Addition - Q1 2022



Bloomberg

[...] Netflix is going beyond that to attract **sign-ups through innovative payment methods**, like allowing users to include their subscription fees in their **monthly phone bills or pay via digital wallets**.

Netflix offers a wider range of payment choices in Asia than competitors... **The number of new members signing up last year using alternative payment methods more than tripled** from the previous year, and these measures have been adopted in other markets after their successful launch in Asia, according to Netflix.

[Netflix's \(NFLX\) Plan to Fix Its Subscription Crisis Starts in Asia – Bloomberg](#) June 27, 2022

Multi-year contract with Amazon

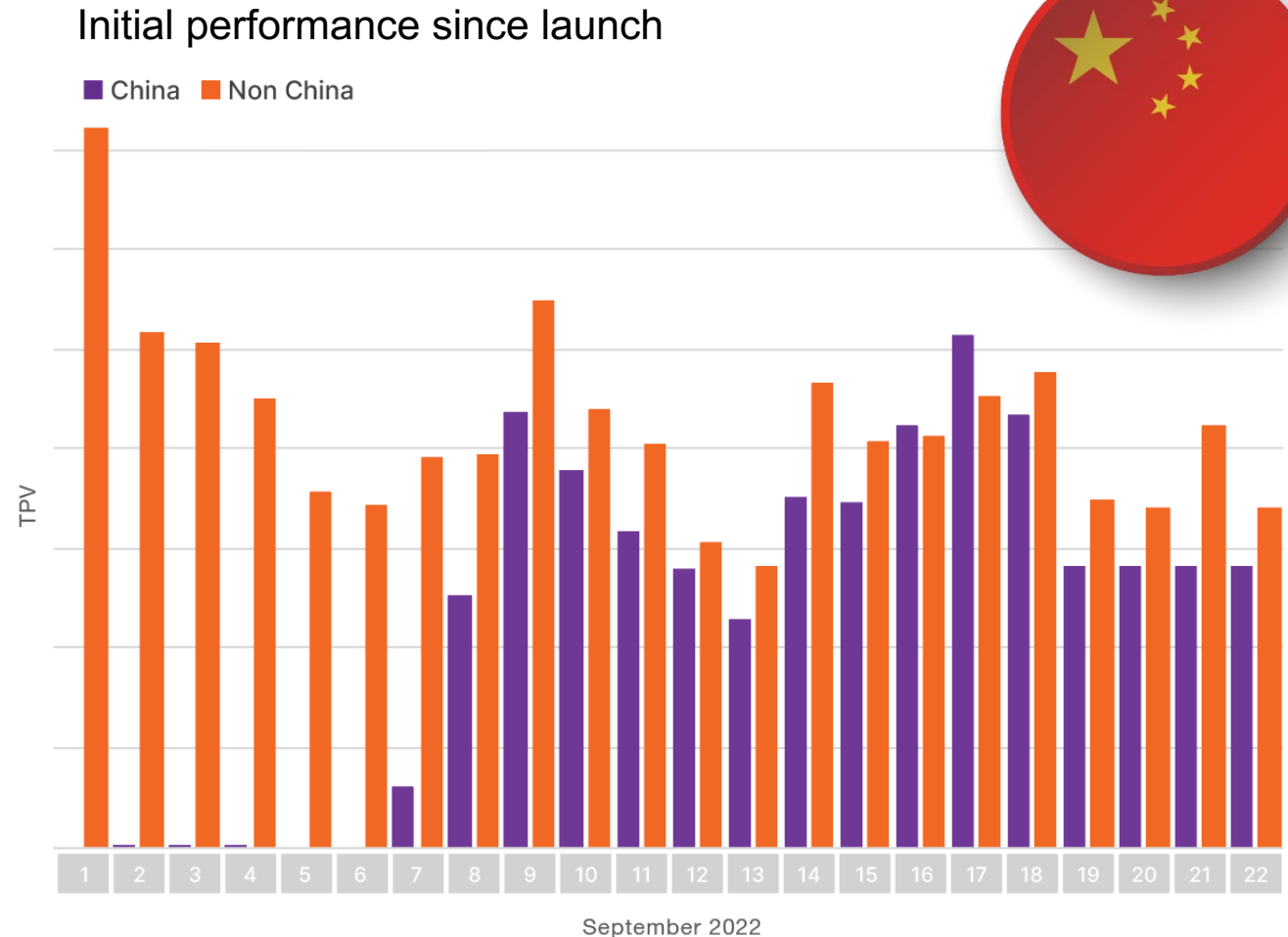
amazon



- New contract for **LPMs only** in Asia/Africa
- Won against **significant competition**
- **Warrants** of maximum 3.75% for hitting **transformational levels of revenue over 7 years**
- Expected launch in 3-4 months
- 12 wallets in 5 countries
- Amazon Prime initially – expansion expected

First China launch - major existing merchant

- **1st launch** of major existing customer into **China** in September
- Using **Alipay wallet** – world's largest eWallet
- Initial performance – **significant volume increase**
- Further expansion with merchant to include other Chinese and non Chinese wallets expected



Summary and outlook

2022-H1: Strong growth in core business and new LPMs

- Core metrics strong – TPV and new users - strong growth
- Solid growth in constant currency – Revenue and EBITDA
- Strong growth in **new** payment types - eWallets and real-time payments (11x)
- Investment in expanded mobile first network - 50 new launches
- Significant cash balances – cash generative

Investment in Local Payment Methods (LPMs) paying dividends

- Global giants now taking new LPMs from Boku
- New Amazon LPM contract – validates LPM investment
- First wallet launch in China – immediate major volumes
- Boku – now has **major** contracts with ALL the global digital giants

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.

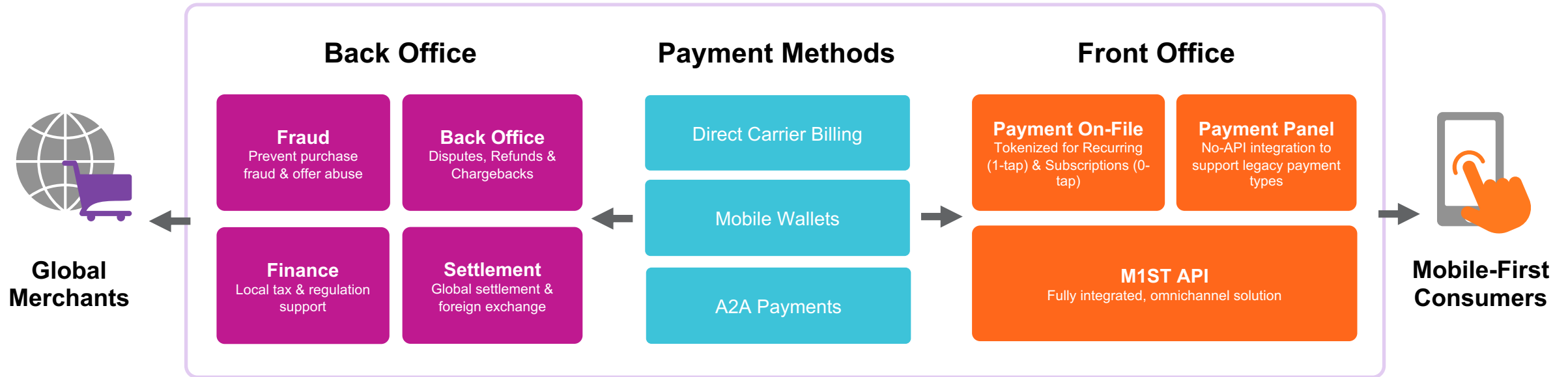
BE AMBITIOUS

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

Appendices

Mobile-first payment network

One connection to reach up to 7 billion accounts

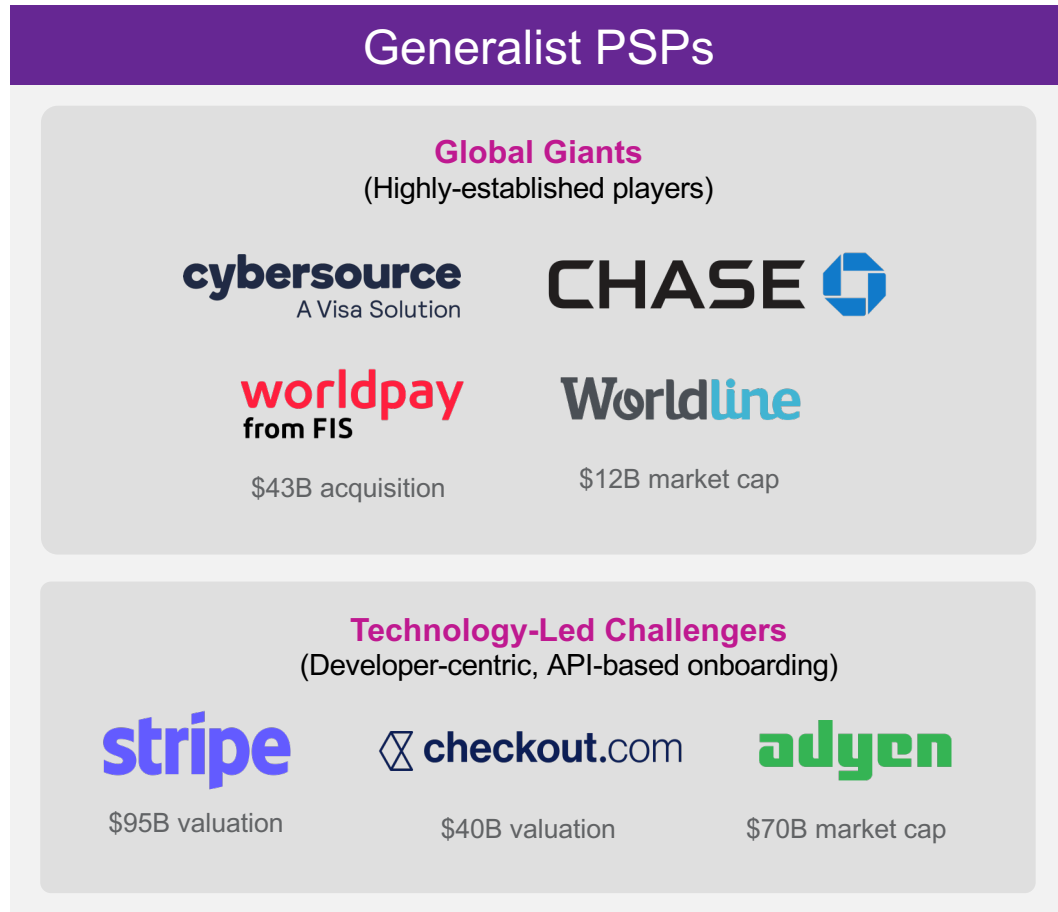


92 Countries
Regulated Capability: **50**

7bn Accounts
4bn DCB **3bn LPMs**

Global online payments market

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



• **boku**