

ANNUAL GENERAL MEETING



17TH MAY 2019

Presenter

John Karantzis, CEO

*“ISX has now evolved into a wholesale **neobank**, differentiated by its unique digital identity and banking services for (regulated) businesses and financial institutions in Australia and the EEA.”*



EEA Authorised
EMI #115.1.3.17



BÖRSE
FRANKFURT

ico.

PRINCIPAL
MEMBER:

VISA



Diners Club
INTERNATIONAL

DISCOVER

AGGREGATION
PARTNER:



Disclaimer

Important Notice

This Presentation (Presentation) has been prepared and issued by iSignthis Ltd ABN 93 075 419 715 (ISX)

This Presentation must not be copied or distributed to other persons without the prior written consent of ISX, which may be given or withheld in its absolute discretion.

This document is not a prospectus and does not contain all of the information which would be required to be disclosed in a prospectus.

Summary Information

The information contained in this Presentation is of a general nature and in summary form. Neither ISX (nor any of its respective officers, employees, related bodies corporate, affiliates, agents or advisers) guarantees or makes any representation or warranty, express or implied, as to, or takes responsibility for, the accuracy, or reliability of the information contained in this document. ISX does not represent or warrant that this document is complete or that it contains all material information about ISX or which a prospective investor or purchaser may require in evaluating a possible investment in ISX or acquisition of ISX shares.

It is not intended to be relied upon as advice to investors or potential investors, and does not contain all information relevant or necessary for an investment decision or that would be required in a prospectus prepared in accordance with the Corporations Act.

Statements in this Presentation are made only as of the date of this Presentation unless otherwise stated and information in this Presentation remains subject to change without notice.

Not an Offer

This Presentation is not a prospectus, disclosure document, product disclosure statement or other offering document under Australian law and does not constitute an invitation to subscribe for or buy any shares in ISX, including in any jurisdiction in which it would be unlawful, or a solicitation to engage in or refrain from engaging in any transaction.

Not investment advice or a recommendation

This Presentation does not constitute investment or financial product advice, nor is it a recommendation to acquire shares in ISX. It is not intended to be used as the basis for making a financial decision, nor is it intended to constitute legal, tax, accounting or other advice. In particular, this Presentation is not intended to be relied upon as advice to any person and does not take into account the financial situation, objectives or needs of any person. This Presentation may not be relied on to make an investment or other financial decision, and you should make your own assessment and take independent professional advice in relation to the information, before making any investment decision in relation to ISX.

Financial amounts

All dollar values are in Australian Dollars (A\$) and financial data is presented as at the date of this presentation unless stated otherwise. ISX's results are reported under Australian International Financial Reporting Standards, or AIFRS.

Future performance

This Presentation contains certain 'forward looking statements' including statements regarding or based on ISX's current belief, intent, assumptions or expectations with respect to the financial condition and performance, results and operations, business plans and objectives or management, capital adequacy, risk management practices and specific or general provisions.

Forward looking statements can generally be identified by the use of forward looking words such as 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'will', 'could', 'may', 'target', 'plan' and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on future earnings, distributions or financial position or performance are also forward looking statements. The forward looking statements contained in this Presentation involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of ISX, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

There can be no assurance that actual outcomes will not differ materially from these forward-looking statements.

Disclaimer

No party other than ISX has authorised or caused the issue, lodgement, submission, dispatch or provision of this Presentation, or takes any responsibility for, or makes or purports to make any statements, representations or undertakings in this Presentation. Any information or representations not contained in this Presentation may not be relied upon as having been authorised by ISX.

Nothing contained in this document nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or future. Past performance information given in this document is given for illustrative purposes only and should not be relied upon as (and is not) any indication of future performance.

To the maximum extent permitted by law, ISX, officers, employees, agents and advisers disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of this presentation being inaccurate or due to information being omitted from this Presentation, whether by way of negligence or otherwise, make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of the information in this Presentation.

The information in this Presentation remains subject to change without notice.

iSignthis Ltd

iSignthis is publicly listed on the Australian Securities and Frankfurt Stock Exchange (ASX : ISX | DE_FRA : TA8).

We are the only neobank offering payments, eMoney deposit taking and identity verification across multiple jurisdictions.

As a neobank, we are authorised as an EEA authorised Monetary Financial and Payment Institution, with license to issue emoney, IBAN bank accounts, and operate transactional banking and card services across Europe and which will soon also be available in Australia.

We provide services to cross border, regulated and high value businesses, which includes a complete customer onboarding solution, remote identity verification, credit scoring to payment processing, settlement, spot FX and deposit taking emoney services.

Our inhouse developed Paydentity™, Probanx® and ISXPay® platforms make delivery of these services possible. We have identified more than 1.6m customers to a full AML KYC standard using our patented technology. Most of these customers would be considered high middle to upper income category or high net worth individuals.

The iSignthis Probanx® platform now underpins core banking and core networking software to more than 25 banks, credit unions, and payment institutions in North America, Asia Pacific and the EU/EEA, as well as to iSignthis itself in the EU and Australia (as an ADI applicant) .

iSignthis Limited (ASX: ISX / DE : TA8) SWIFT / BIC : ISEMCY22

iSignthis is the only neobank, offering payments, eMoney deposit taking and identity verification across multiple jurisdictions.

Capital structure – Australian Securities Exchange

Ordinary shares - quoted on ASX 1,082,146,224*

Performance Rights – staff (not as yet vested) 2,612,167

Total Shares (incl not as yet vested performance rights) **1,084,758,391**

Unlisted advisor options (various expiry and strike prices) 11,500,877

Share price (@ 4pm 16th May 2019) A\$0.445/share

Market Capitalisation* A\$483m

(*Market Capitalisation based on ASX quoted shares)

ASX Share Price Chart – past 12 months



Source : Commsec

iSignthis Ltd – European Regulatory & Scheme Status



CENTRAL BANK OF CYPRUS
EUROSYSTEM



LIETUVOS BANKAS
EUROSISTEMA

eMoney and Payment Services authorisation granted March 2017.
Passported to all EEA member states. Central Banking + issue of IBAN's.



Finalising submissions for use of Company's patented solutions for September 2019 PSD2 Strong Customer Authentication mandate. Further unique advantages to be exploited for additional revenue streams.



Voting Board member of the <https://www.e-csg.eu/about>



Scheme participant alongside 4300 other interconnected EEA banks



Scheme participant with SWIFT BIC ISEMCY22XXX.

iSignthis Ltd – Australian ADI application Update



Licensing as an ADI anticipated late Q2 2019



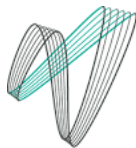
ASIC
Australian Securities &
Investments Commission

AFSL application lodged late August 2018 (with ADI).
Expecting license issue contemporaneous with ADI
license.



RESERVE BANK OF AUSTRALIA

Exchange settlement Account (ESA) anticipated Q2.



Australian
Payments Network
Connect Inspire Thrive

Membership & access to core payments systems
(BECS + BSB allocation) subject to ADI license or ESA



Member.

Principal Member of Major Card & Payment Schemes

A principal member of:

- Visa
- Mastercard
- JCB
- CUP/UIP
- AMEX
- Diners Club
- Discover



As we move towards finalising ChinaUnionPay, Amex, Diners and Discover technical integrations, iSignthis will have a world class card payment channel capability, that boasts not only being more extensive than Australia's Big 4 banks, but is comparable to card payment channel capability offered by the world's largest banks.

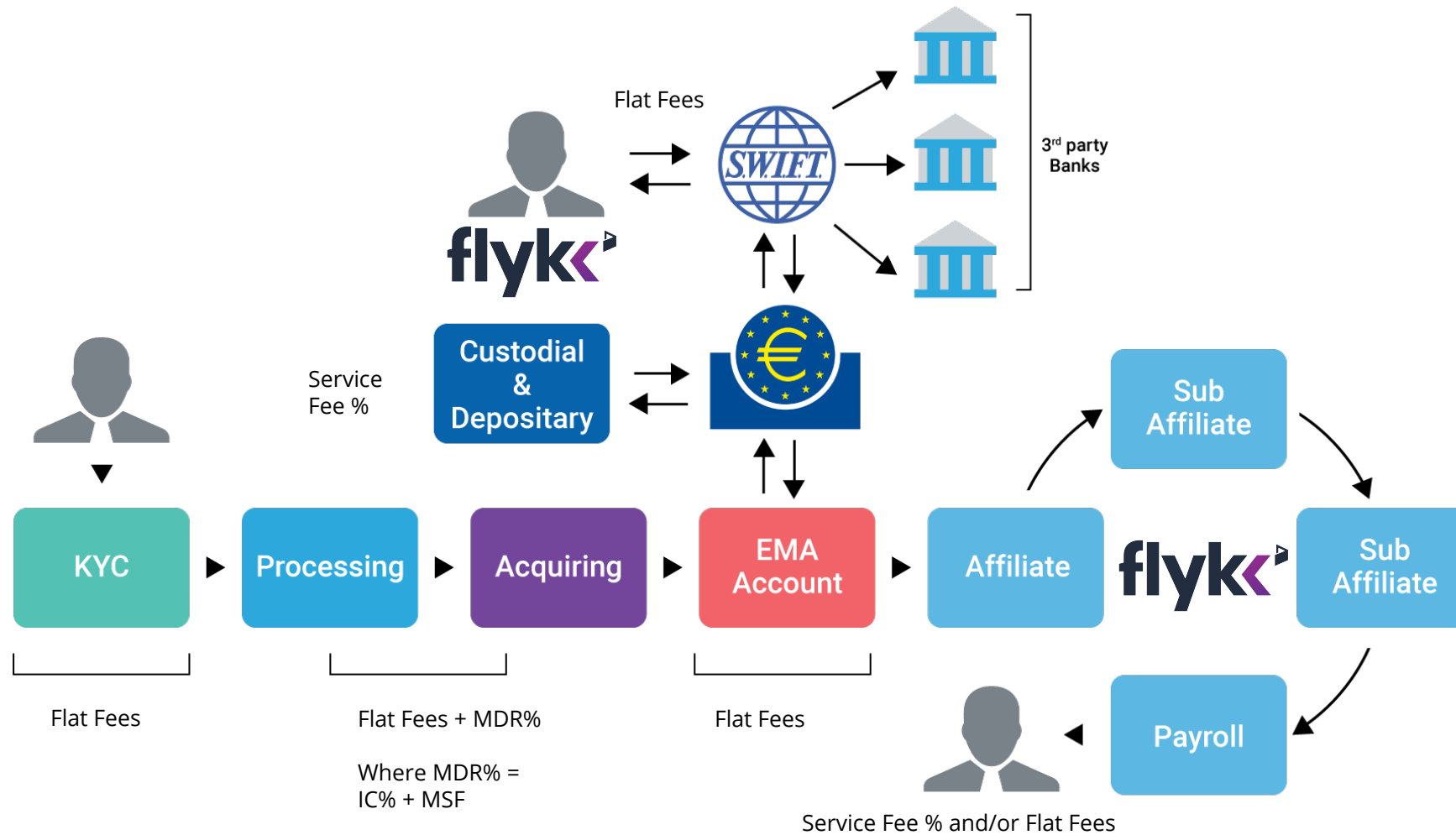
Bank to Bank Capabilities

- SWIFT
- SEPA CT
- SEPA DD
- SEPA B2B
- SEPA Instant
- EFT
- BPAY



What do we do?

Payidentity™ ecosystem



AUTHORISED BY THE
CBC # 115.1.3.17
ISIGNTHIS EMONEY LTD



**BÖRSE
FRANKFURT**
CODE: ISX
CODE: TA8

PRINCIPAL MEMBER



What's unique about iSignthis?

Onboarding speed and reach is critical. Payidentity provide a means for banked/financially included customers to be 'passport' to other financial services. Payidentity can reach, identify, verify and take payment at the same time from 4.2bn persons, or 69% of the worlds population. A poor onboarding process can deter more than 80% of prospective customers when regulatory requirements such as AML/CFT Know Your Customer apply.

Speed to checkout and payment choice are critical too. ISXPay peers the leading global payment service providers globally, and is far more advance than any other Australian Bank. ISXPay has reached terms with all the major card schemes in the EU and/or Australia, including Visa, Mastercard, China UnionPay, Diners, Discover, JCB, and American Express, as well as a number of alternative payment methods (APM's).

Speed to payout is emerging as the next most important aspect for the customers of our financial services merchants. The ability to move funds quickly and to a variety of destination accounts is a critical selling point for merchants to their customers.

Serious Multi-currency choice – we offer between 16-23 currencies natively to our merchants, such that they can accept and we will settle in many of the worlds most popular currencies (with some exotics!)

Deposit taking capability, IBAN accounts, zero credit risk facilities with Eurosystem Authorised central banking. Use of IBAN account to link all the above services via a customer.

Multi Region Capabilities – our customers primarily operate in the UK, the EEA and Australia. ISX is positioned to offer solutions via a single relationship and technical integration.

Our own technology : We've researched, patented, designed and developed our own key platforms inhouse. We can leverage our products to maximise our opportunities, without paying royalties & fees for core services.

Growth Strategy – Monetary Financial Services

- **New Products**

- Further expansion of the Paydentity™ ecosystem (already in the pipeline and budgeted)
- Extend all our EU services fully into Australia post ADI license, including OCT for payouts direct to existing 3rd party issued credit or debit card.
- Explore linking Paydentity and IBAN / BSB+AC to credit cards* and debit cards so our (prospective) high net worth retail customers have financial mobility inside and outside the ISX ecosystem.

- **Market Growth**

- Target greater share of existing merchant GPTV – cross sell inter regional and products.
- Continue contracting new merchants and deposit product business customers
- Indirectly expanding our retail customer base via merchant referral by use of Paydentity™
- Conversion of our massive potential retail base of 1.6m++ already KYC'd high net worth customers into transactional banking and card services, whilst continuing with our zero credit risk business model of no loans, mortgages or credit* (other than cards) to retail customers.

- **New Markets**

- Explore APAC, LATAM and US/CA markets > commence development of one new market this FY.

Technology Group : Probanx Systems Ltd & UAB Baltic Banking Services (BBS)

iSignthis is now a leading provider in cloud based core banking & networking. The iSignthis technology group services financial institutions by offering a complete CORE banking banking software solution (CorePLUS®) together with CoreConnect networking. The services are available as SaaS, leasing and licensing.



Corporate
Banking



Retail
Banking



Payment
Institutions



Private
Banking



Electronic Money
Institutions

The iSignthis technology group brings together the strengths of Probanx and BBS, and now supplies CORE banking solutions and networking software to more than 25 banks, credit unions, EMI's & payment institutions across the **EMEA, APAC and Oceania**.



Q1 FY 2019 Financial Performance

iSignthis Group

- Revenues : \$1.85m **UP**↑ 78% from \$1.042m (from Q4 2018)
- Cash Receipts : \$1.4m **UP**↑ 55% from \$0.9m (from Q4 2018)
- Recurring costs consistent with budget expectations.
- One off (non recurring) costs this quarter included Scheme and APRA related infrastructure/audits/setup.

ISXPay

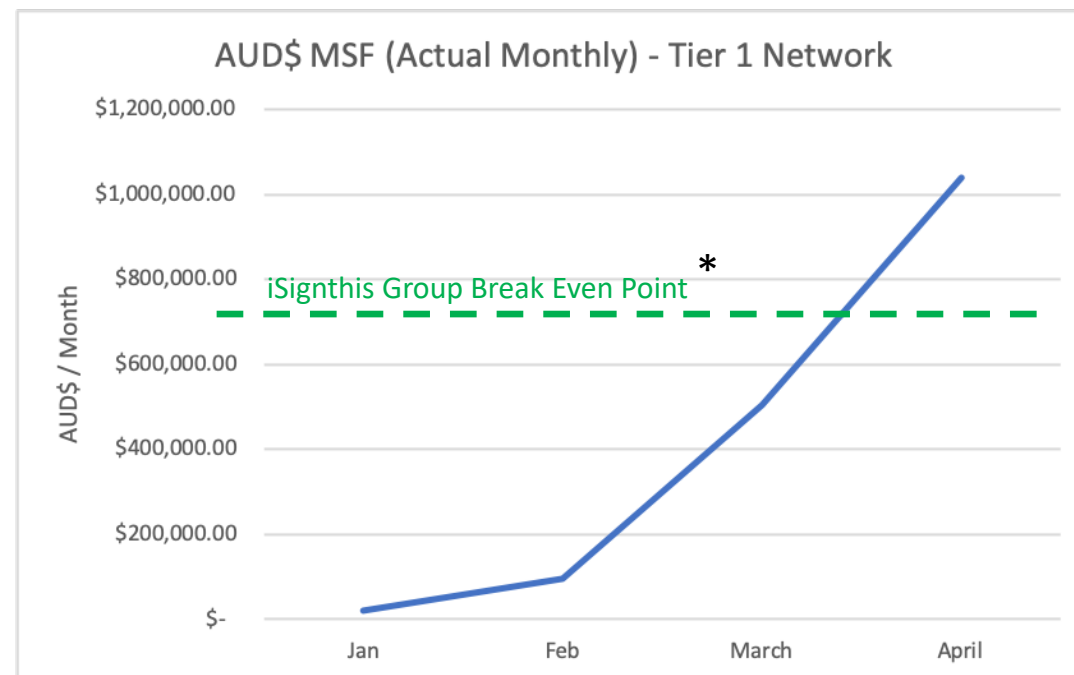
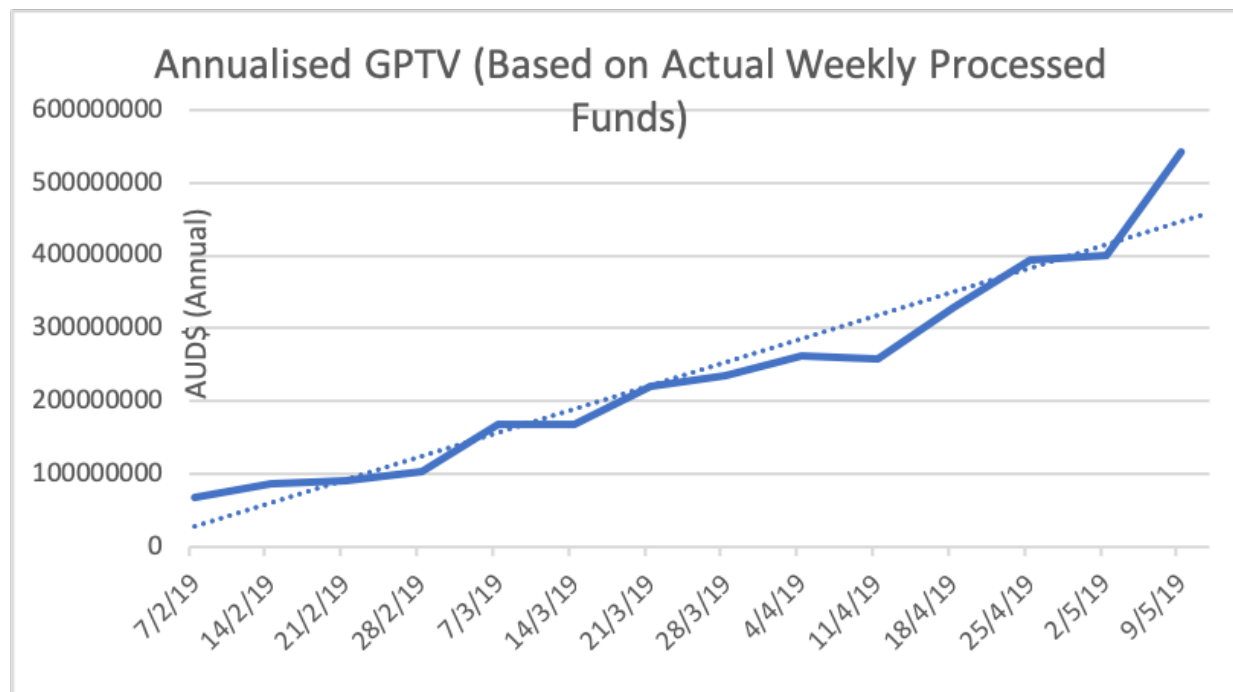
- End Q1 > Annualised GPTV \$380m > as at 9/5/19 Ann GPTV \$542m (based on actual weekly run rate)
- MSF% (average) greater than 125bps
- ISXPay Card Processing : Gross Profit contribution of \$620k, with a major reduction in COGS

Technology Group (Probanx + BBS)

- Technology Group : Positive EBIT contribution of \$286k to group by Probanx + BBS

Note : MSF% = Merchant Services Fee is applied across each merchants Gross Processed Transaction Volume (GPTV) and is gross profit for card services

Card Acquiring Performance Q1 through Early May FY2019

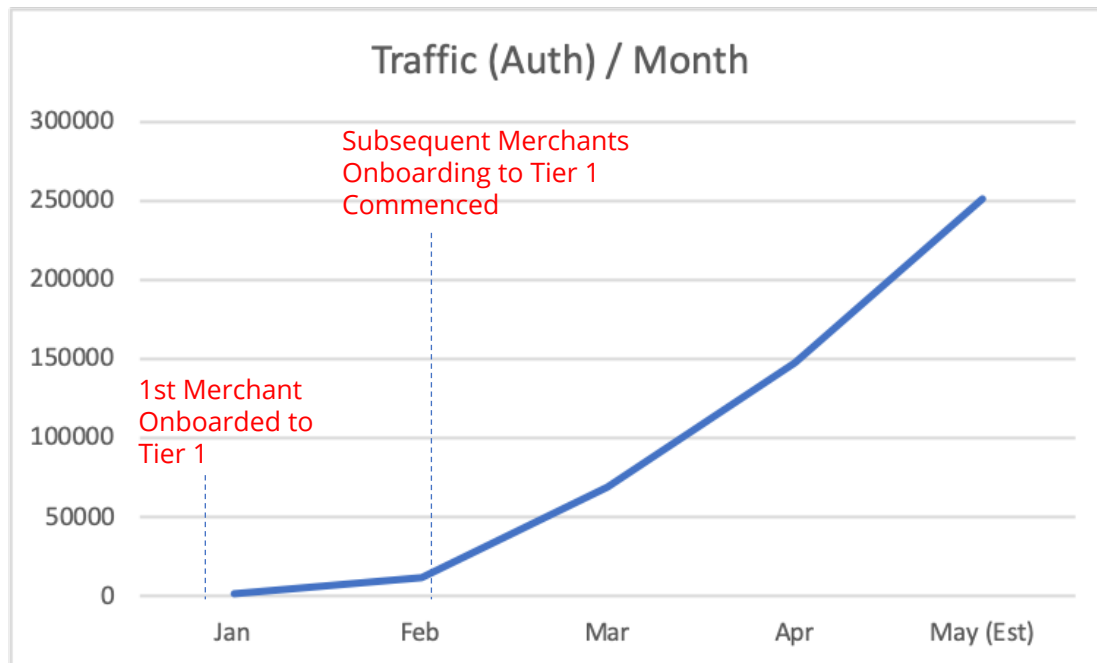


AUD\$ Gross Processed Transaction Volume (GPTV) on our Tier 1 (Principal member) network has increased 130% in just over a month from Start Q2 to 9/5/19

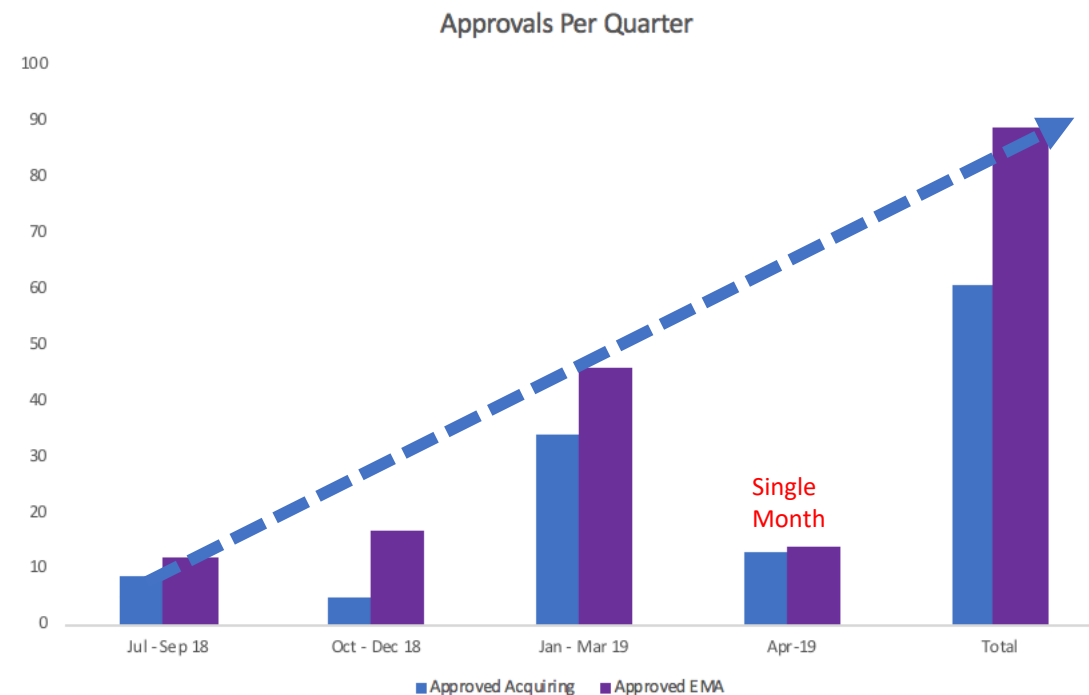
MSF is the gross profit contribution attributable to ISXPay providing card acquiring services. Above does not include gross profit contribution from Probanx, BBS, Payidentity, EMA's and ancillary fees.

* Group (operating) break even point excludes one off expenses and assumes no further strategic acquisitions, new product lines or expansion into additional regions.

Financial Performance Q1 to Early May > FY2019



Monthly Transaction Growth of 113% from 31st March to 30th April 2019



New Customer Approvals (Actual) Q1 2019 up 171% from previous quarter Q4 FY18

iSignthis Group Guidance (EBIT target restated “as is”)

- **Card Processing/ Acquiring** : 1st Quarter **actual** average GP margin greater than 125bps (MSF%). GPTV is expected to *at least* recur annually per merchant, and grow with new merchants.
- **eMoney accounts (EMA)** : *average* GP margin of 100bps (EMA%).
- **Other Revenue Streams** : include Paydentity, Probanx, BBS, fixed fees, set up charges, transfer fees, FX fees.
- **Cost Base** – now increased to circa \$8.75m pa to include Probanx, BBS and new product initiatives (but offset by new revenue streams of Probanx and BBS).
- **Licensing** : (Negligible) Contribution of ADI license from late Q2 factored into forecasts.
- **CY/FY2019 EBIT Target : ~AUD \$10.7m**

*revenue projections based on customer due diligence of existing contracts/ costs based upon scope of operations remaining substantially “as is”. Does not take into account any one off costs associated with strategic, product or regional expansion (if any), or increased operating costs / additional revenues arising therefrom .

Thank you

iSignthis (ASX : ISX | DE_FRA : TA8)

AU Investor Relations

Chris Northwood, e : chris.northwood@isignthis.com, +61 (0) 458 809 177

EU Investor Relations :

Dr. Eva Reuter, e : e.reuter@dr-reuter.eu +49 (0) 69 1532 5857

iSignthis®