

ASX Announcement

24 February 2021

## Lifepay taps into Novatti's ecosystem to launch new B2C fintech platform

### Highlights

- New, innovative fintech platform, Lifepay, launched leveraging Novatti's technology and licences
- Enables users to manage daily life transactions, personal and social finances from a mobile device
- Lifepay has agreed a Series A fundraising with a pre-money valuation of \$20.5m
- Novatti's 25% shareholding, pre Series A funding, followed a technology and services contribution, and implies a valuation of \$5.125m

**Novatti Group Limited (ASX:NOV) (Novatti or Company)**, a leading digital banking and payments company, is pleased to announce the launch of Lifepay, a new, innovative fintech platform that leverages Novatti's technology and licences, while further extending Novatti's B2C reach.

Lifepay's integrated financial platform enables users to manage their daily life transactions, personal and social finances simply and effectively from their mobile device. In doing so, it provides consumers with access to the latest technology in banking and payments.

Lifepay's services include:

- Digital banking - with transactional bank accounts, access to Visa Prepaid cards, real-time fund transfers
- Payments – providing access to multiple payment methods, such as QR codes, Tap and Go and P2P transfer, as well as bill payments (such as BPAY) through card or mobile
- Socialising – connecting friends and family financially without the need for bank details, enabling easy funds transfers

Lifepay is currently conducting a soft launch for up to 200 consumers, with a full commercial launch planned for early March 2021. Lifepay's services are expected to then be extended to include international transfers and connectivity to investment and lending platforms over the following six months.

Novatti is a major shareholder in Lifepay Pty Ltd, holding 25% of its shares prior to the Series A funding. Lifepay has now secured a Series A investment of up to \$2.5m at a pre-money valuation of \$20.5m, implying a valuation of \$5.125m for Novatti's shareholding. This investment is being progressively drawn down against the business plan and, if fully drawn down, Novatti's shareholding will reduce to approximately 22%.

In addition to benefiting as a shareholder from future growth in the platform, Novatti will also earn fees from activity on the Lifepay platform, including compliance services, cross border payments, payment acquiring, and the issuing of Visa Prepaid cards, depending on take up of the service. Lifepay will also act as a channel partner for other Novatti products and services and as a potential customer acquisition channel for Novatti's

banking business, with its application for a restricted banking licence currently being assessed by the Australian Prudential Regulation Authority (APRA).<sup>1</sup>

Novatti's Managing Director, Peter Cook, said: "Novatti's strategy has been to develop a digital banking and payments ecosystem that enables innovative products to leverage Novatti's existing platforms to get to market quickly. This strategy also enables Novatti's platform to scale quickly, providing customer acquisition and value-add channels for our existing businesses, extending our reach into the B2C market, while generating high-margin revenues.

"The launch of Lifepay is an example of Novatti's ecosystem at play and highlights Novatti's broader shift from a development to a monetisation phase for its digital banking and payments platform. This launch saw Novatti leverage its strong in-house experience, creative culture, existing technology and licenses to bring Lifepay's new and innovative services to market, and ultimately create future growth and revenue opportunities for Novatti."

This announcement follows some of Novatti's other recent growth-focused achievements, including:

- New record quarterly sales revenue of \$3.79m, up 52% year-on-year, highlighting consistent, long term growth<sup>2</sup>
- Novatti's Visa Prepaid cards now being supported by Apple Pay<sup>3</sup>
- Being licenced by Visa to issue prepaid cards in New Zealand<sup>4</sup>

Novatti invites investors to keep up to date with company news, events and industry research by joining the Novatti mailing list at: <https://www.novattigroup.com/subscribe>

For further information, contact:

Peter Cook  
Managing Director  
Novatti Group Limited  
[peter.cook@novatti.com](mailto:peter.cook@novatti.com)  
+61 411 111 153

This announcement has been approved for release to the ASX by Peter Cook, Managing Director.

## About Novatti Group Limited (ASX:NOV)

Novatti is a leading digital banking and payments company. Its fintech, billing, and business automation platforms make payments fast, simple, and secure. Payments services include card issuing, merchant acquiring, payment processing and settlements, and enable our customers to thrive as we shift to a cashless economy. Novatti holds all necessary regulatory licences and registrations, including an Australian Financial Services Licence (No 448066) through its subsidiary Flexewallet Pty Ltd, registration in New Zealand as a

<sup>1</sup> Novatti ASX Announcement – *Update on APRA banking licence issuing* – 11 August 2020

<sup>2</sup> Novatti ASX Announcement – *Another quarter of record revenue as investment in platforms delivers growth* – 29 January 2021

<sup>3</sup> Novatti ASX Announcement – *Novatti's Visa Prepaid cards now supported by Apple Pay* – 22 January 2021

<sup>4</sup> Novatti ASX Announcement – *Visa licences Novatti to issue cards in New Zealand* – 20 January 2021

Financial Services Provider (FSP613789) through subsidiary Flexewallet (NZ) Limited, is registered with AUSTRAC as a Remittance Network Provider, and has applied to APRA for a restricted banking licence through its subsidiary Novatti IBA Pty Ltd.