



2022

July – Sept '22 Quarterly Update



FCA Authorised EMI
FRN #901034



EEA Authorised
EMI #115.1.3.17



3Q22 Summary

- For the first 9 months of 2022 was **€1.6 million profit after tax, up 56% on an annualised basis to the prior year.**
- Cash at bank remains stable, even taking into account investment of A\$1.6m into NSX, and repayment of the convertible note A\$2.3 with A\$4.3m outstanding to SP1.
- Our 2022 focus has been in growing open banking revenues from new and existing clients, with October 2022 open banking volume projected to be 53% up versus September 2022.
- We continue to see incremental unit economics expand as customers elect to route transactions over ISX proprietary rails. ISXF's rails are working and driving growth and they are extremely scalable on current cost base.
- The Group continues to focus on growth through our UK EMI licence, with a focused sales leader for flykk to be appointed in 4Q.

3Q22 Financial Update

Consolidated Statement of profit or loss and other comprehensive income – ISXFEU Historicals and Unaudited 30 September 2022 9mth YTD

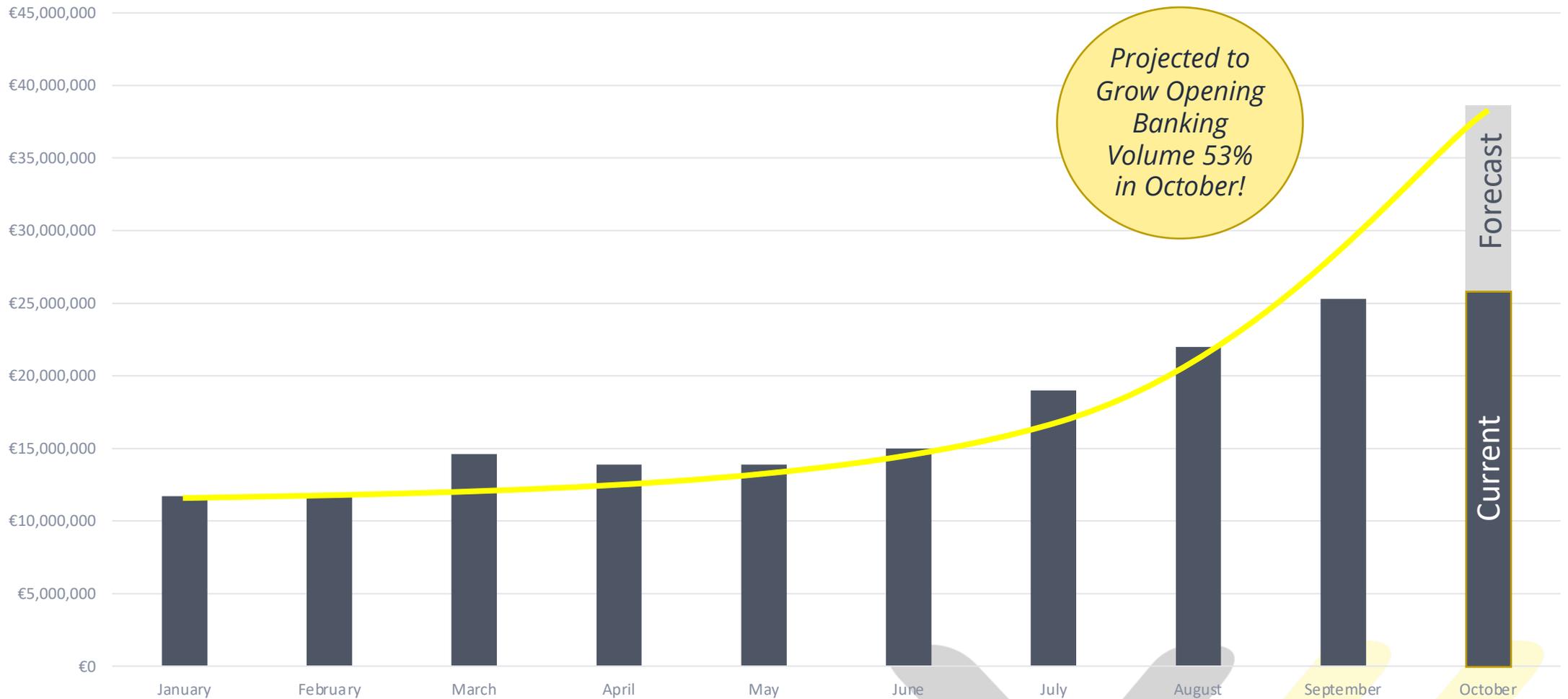
	31-Dec-20	31-Dec-21	30-Sep-22	9mths YTD	
	Full Year	Full Year	9mth YTD	Annualised v FY21	
	eur	eur	eur	eur	%
Revenue from Customers	21,823,061	22,726,382	19,862,464	3,756,904	16.5%
Other income	511,802	118,071	38,013	(67,387)	-57.1%
Expenses	(18,191,439)	(20,355,119)	(17,764,149)	(3,330,414)	16.4%
Profit/(loss) before income tax expense	4,143,424	2,489,333	2,136,328	359,104	14.4%
Income tax expense	(876,812)	(1,140,853)	(560,152)	393,984	-34.5%
Profit/(loss) after income tax expense for the year	3,266,611	1,348,480	1,576,176	753,088	55.8%
Profit/(loss) after income tax expense for the year - Excluding NSX Write Downs	3,572,050	2,810,508	2,942,159	1,112,371	39.6%

Key Metrics

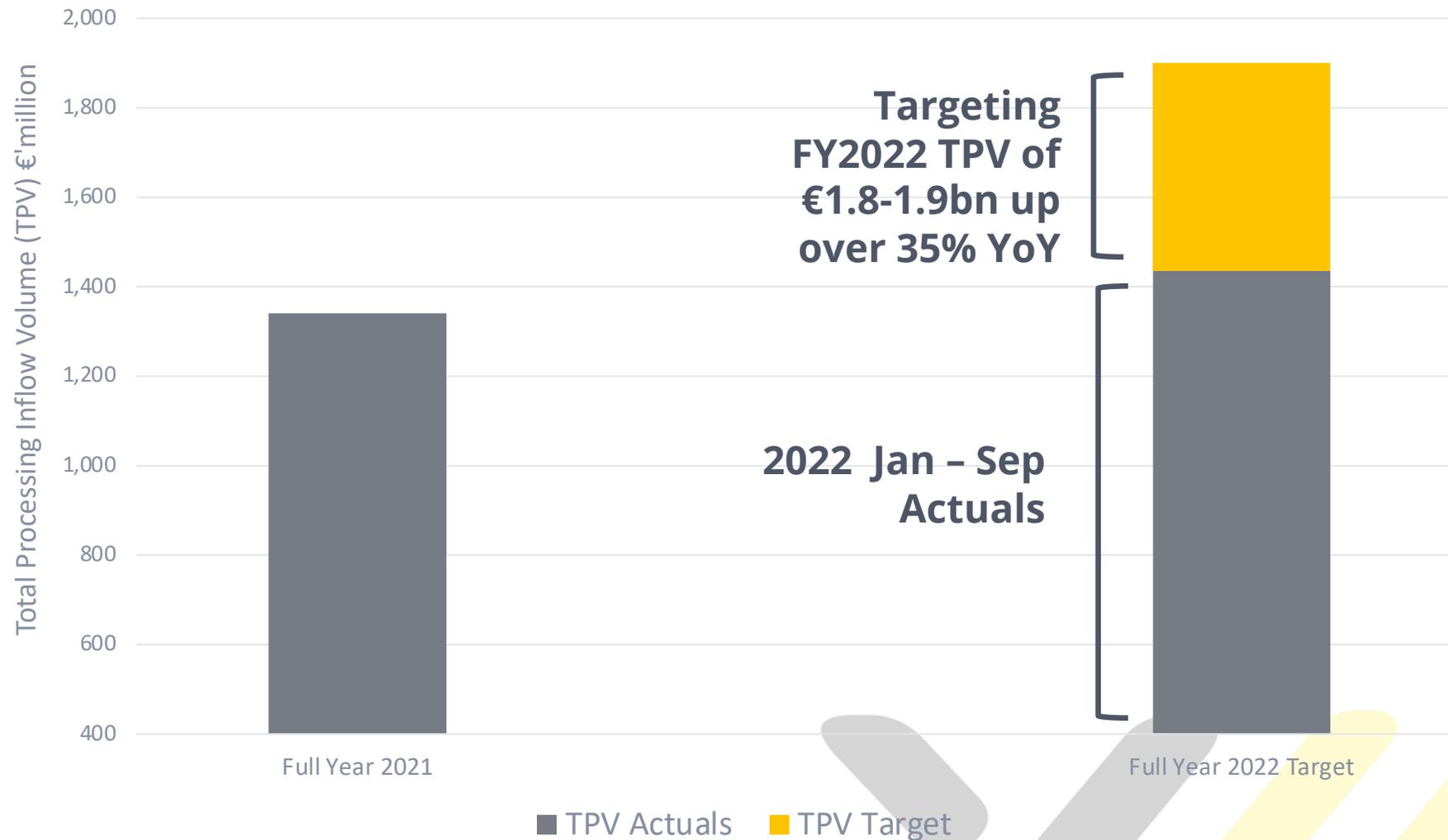
	31-Dec-20	31-Dec-21	30-Sep-22	9mths YTD	
	Full Year	Full Year	1H22	Annualised v FY21	
	eur	eur	eur	eur	%
Earnings before Interest, Tax, D&A, FX and Impairments	5,036,784	5,545,544	5,297,092	1,517,245	27.4%
Gross Profit	12,631,475	15,924,216	14,746,402	3,737,653	23.5%
Cash and Cash Equivalents	8,342,312	4,968,402	4,571,141	(397,261)	-8.0%
Funds held on behalf of merchants	62,021,528	94,097,050	89,229,672	(4,867,378)	-5.2%
Total Processing Volume (TPV)	811,656,854	1,340,182,074	1,432,427,291	569,720,981	42.5%

- For the first 9 months of 2022, ending 30 September 2022 (9mths YTD), the Group has reported a **€1.6 million profit after tax, up 56% on an annualised basis to the prior year**. Excluding impairments 9mth YTD the Group has reported a €2.9 million profit, up 40% versus the prior year, due to solid revenue growth.
- In the 9mth YTD the Group has seen **revenue growth up 17% versus the prior year**, due to growth in new products, higher revenue from existing clients and new client revenues. The Group saw slightly softer revenues in the third quarter due to a combination of factors including August holidays in Europe, the loss of a client and delays in getting new clients onboarded.
- Excluding the impairments in the NSX investment in the period, the Group's expenses grew 16% due to higher employee costs, increased depreciation and amortisation costs as we continue to invest in building out the Group's technology stack. **Operating costs, which include variable payment scheme costs were broadly flat** as the Group continues to focus its growth on lower cost payments schemes, and away from card acquiring.
- Cash and cash equivalents ended the 9mth YTD September at €4.6m, €0.4m below 31 December 2021, **with €4.3m cash flows generated from operating activities, offset by €2.2m in payments for intangible assets** as we continue to invest in building out the Group's technology stack, a €1.1 million investment in NSX and €1.5m in repayments of borrowings.

Open Banking Volume



2021-2022 TPV Inflow – The bigger picture



Looking Ahead

- ISXF has created a transformational business that is improving payment infrastructure in the worlds largest economic bloc.
- We continue to build out the functionality within flykk, our Retail customer offering, including international transfers and personal QR codes for quick transfers.
- Our longer-term focus is North America, where our payment infrastructure approach (aka "rails") will be replicated on the incoming FedNow service.
- Fintrac Canada notified Money Service Business (MSB) application was successful.
- Banking License applications under preparation in two key jurisdictions



Thank you

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