



2022

# Oct – Dec '22 Quarterly Update (unaudited)



FCA Authorised EMI  
FRN #901034



EEA Authorised  
EMI #115.1.3.17



# 4Q22 Summary

- Profit after tax (unaudited) for the year 2022 was €4.1m, **increased by 206% compared to the prior year.**
- Cash at bank **increased by circa €1m**, even taking into account investment of A\$1.6m into NSX, and early repayment of the convertible note of A\$2.3m (€1.5m).
- Our 2022 focus has been in growing open banking revenues from new and existing clients. During 4Q22 open banking volume of €134.4m increased by 103% compared to 3Q22, and increased by 600% compared to the same quarter of prior year.
- 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 1Q23. ISX has determined it has a clear advantage over incumbents, and a new website detailing our unique offering in this market will be launched at [www.paidbybank.com](http://www.paidbybank.com) imminently.

# 4Q22 Financial Update (Unaudited)

## Consolidated Statement of profit or loss and other comprehensive income – ISXFEU Historicals and Unaudited 31 December 2022 Full Year

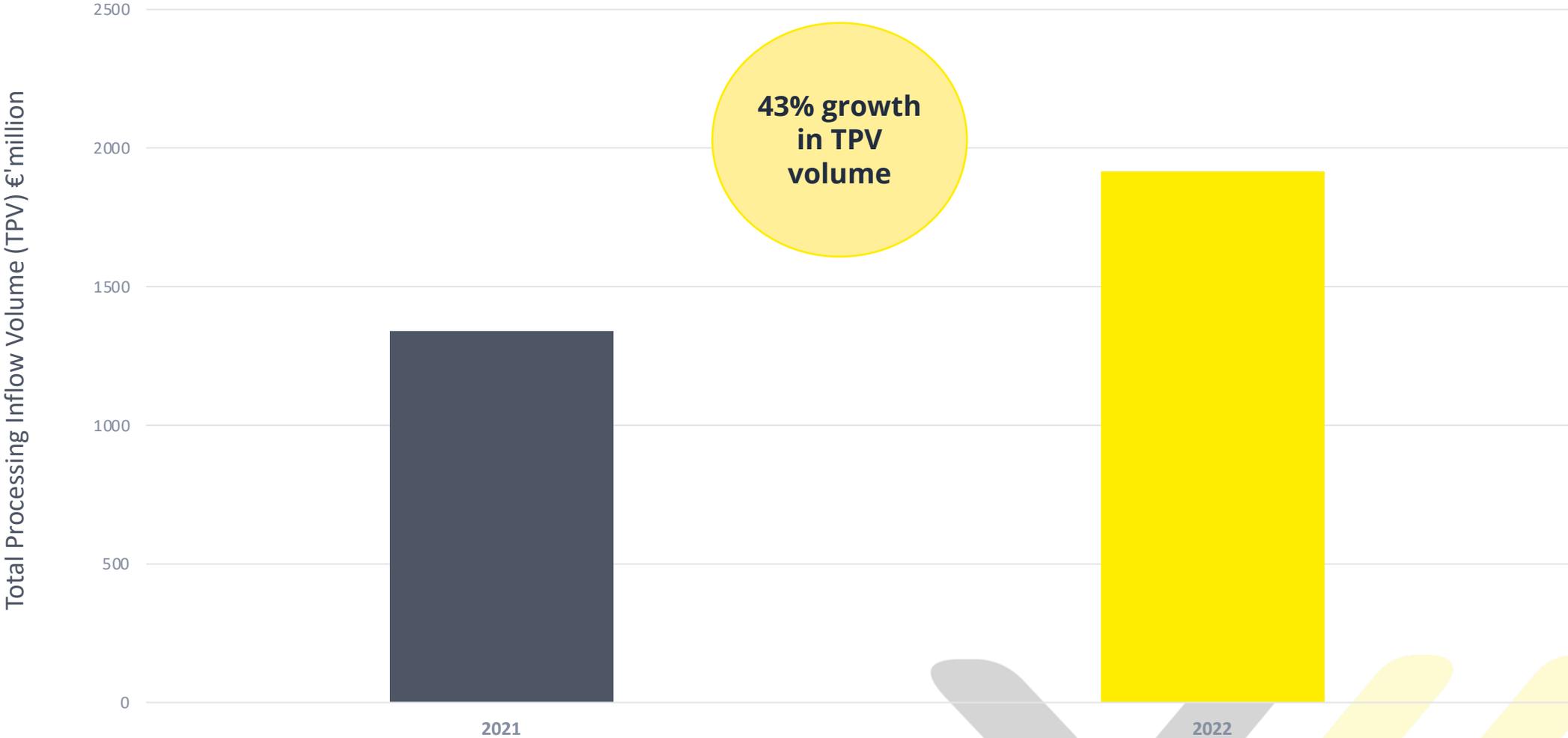
	31-Dec-20	31-Dec-21	31-Dec-22	Full Year	
	Full Year	Full Year	Full Year	FY22 v FY21	
	eur	eur	eur	eur	%
Revenue from Customers	21,823,061	22,726,382	27,435,546	4,709,165	20.7%
Other income	511,802	118,071	65,437	(52,634)	-44.6%
Expenses	(18,191,439)	(20,355,119)	(22,382,872)	(2,027,754)	10.0%
Profit/(loss) before income tax expense	4,143,424	2,489,333	5,118,111	2,628,777	105.6%
Income tax expense	(876,812)	(1,140,853)	(987,125)	153,728	-13.5%
Profit/(loss) after income tax expense for the year	3,266,611	1,348,480	4,130,986	2,782,506	206.3%
Profit/(loss) after income tax expense for the year - Excluding NSX Write Downs	3,572,050	2,810,508	4,307,925	1,497,417	53.3%

## Key Metrics

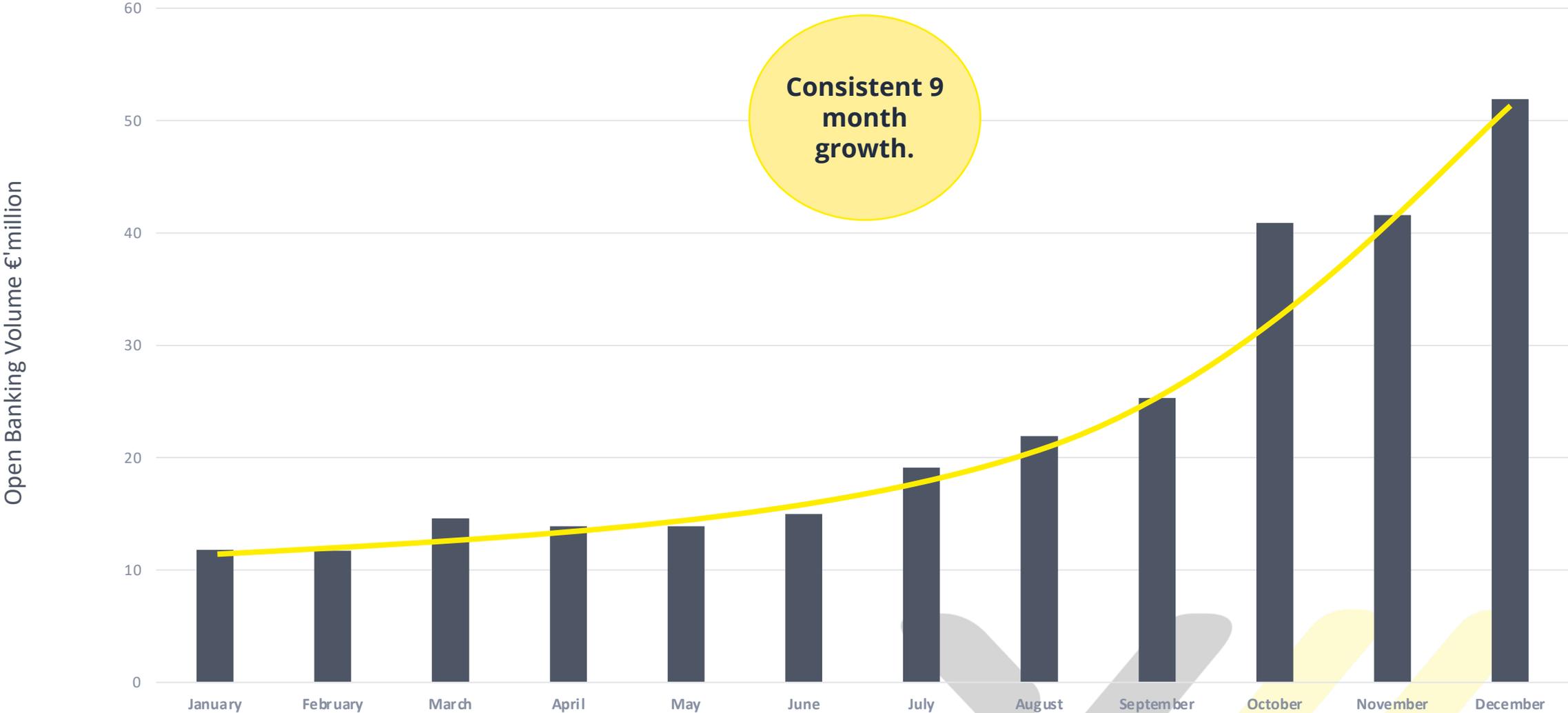
	31-Dec-20	31-Dec-21	31-Dec-22	Full Year	
	Full Year	Full Year	Full Year	FY22 v FY21	
	eur	eur	eur	eur	%
Earnings before Interest, Tax, D&A, FX and Impairments	5,036,784	5,545,544	7,735,272	2,189,728	39.5%
Profit After tax, excluding Impairments	3,572,050	2,810,508	4,307,925	1,497,417	53.3%
Cash and Cash Equivalents	8,342,312	4,968,402	5,983,161	1,014,759	20.4%
Funds held on behalf of merchants	62,021,528	94,097,050	104,006,452	9,909,401	10.5%
Total Processing Volume (TPV)	811,656,854	1,340,182,074	1,915,941,481	575,759,407	43.0%

- For the full year 2022, the Group has reported a **€4.1 million profit after tax, up 206% compared to the prior year** due to solid revenue growth and much smaller impairment charge from investment in NSX compared to 2021 (Impairment charge 2022: €0.2m; 2021: €1.5m). Excluding impairments, the Group has reported a €4.3 million profit, up 53.3% versus the prior year.
- For the full year 2022, the Group has seen **revenue growth up 20.7% versus the prior year**, due to growth in new products, higher revenue from existing clients and new client revenues. Open banking revenue increased significantly in 4Q, 90% higher than 3Q open banking revenue.
- Excluding the impairments in the NSX investment in the period, the Group's expenses grew 17.5% 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 as at 31 December 2022 was €5.9m, increased by €1m compared to 31 December 2021, **with €6.6m cash flows generated from operating activities, offset by €2.9m 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.

# 2021-2022 TPV Inflow – The bigger picture



# 2022 Open Banking Volume



# Looking Ahead

- ISXF continues to develop a transformational business that is improving payment infrastructure in the world's largest economic bloc, and shortly also the UK.
- We continue to build out the functionality within flykk, our Retail customer offering, including international transfers and personal QR codes for quick transfers.
- Mid term focus is on our USA and Canadian partner agreements which are under negotiation. These will allow us to replicate the unique aspects of our EEA services into North America. As EU and UK grow, we plan to establish our operations to consolidate our early mover advantage in Open Banking into North America.
- Our longer-term plan in North America is for our EU payment infrastructure (aka "rails") to be replicated on the upcoming US FedNow service, removing reliance on partners.
- Banking License applications under preparation in two key jurisdictions, with preliminary meetings and positive feedback received from a globally significant jurisdiction's banking regulator.



Thank you

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