

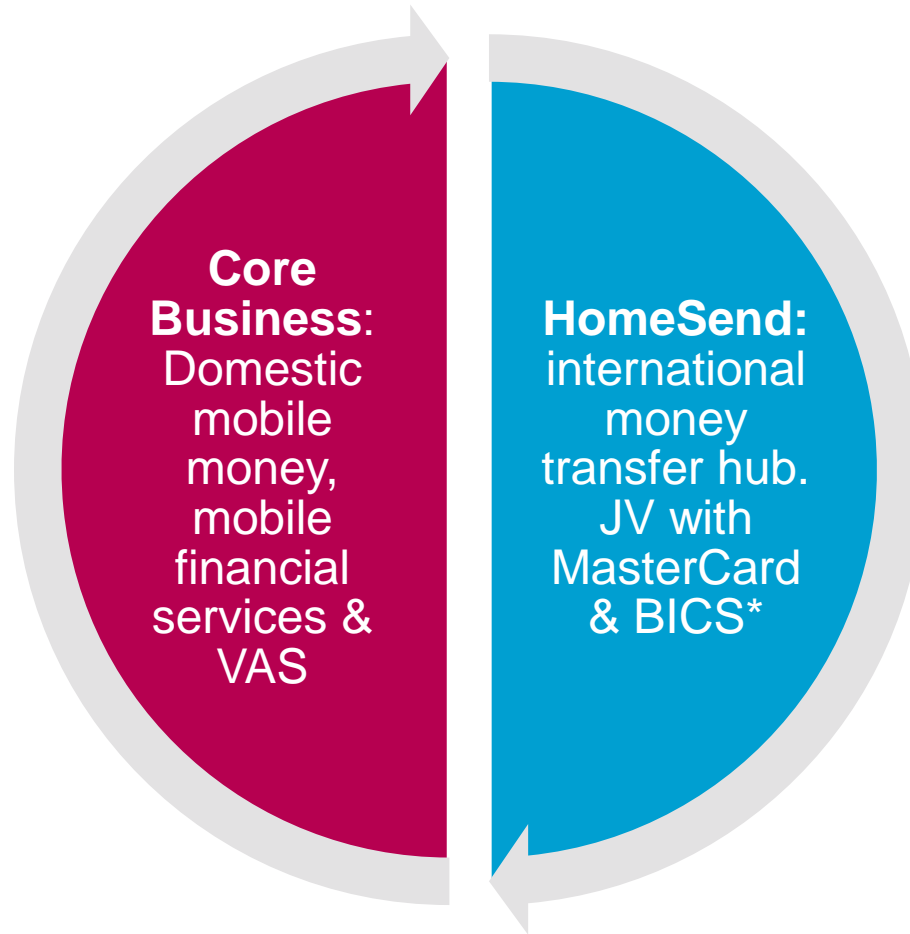


## **Annual General Meeting**

26 March 2014

eServGlobal is an internationally recognised, leading provider of solutions that bridge the telco and financial worlds

# Established end-to-end technology: Distinct but complementary solutions



\* Subject to satisfaction of conditions precedent, please refer to the announcement of 19/12/2013 for details.

# eServGlobal at a glance

65+ customers in  
50+ countries

180+ staff

30 years  
experience

EBITDA  
profitable  
in FY13

Strong  
pipeline

Presence in  
several of the tier 1  
operator groups

**Core  
Business:**  
Domestic  
mobile  
money,  
mobile  
financial  
services &  
VAS

**HomeSend:**  
international  
money  
transfer hub.  
JV with  
MasterCard  
& BICS\*

Joint Venture of eServGlobal,  
MasterCard & BICS\*

Lower cost, more  
convenient & safer  
than traditional  
methods

Currently over  
690 live corridors  
connecting 51  
countries for  
remittances and 76  
countries for airtime.

MasterCard will bring  
connection to 24,000  
financial institutions and  
1.9 billion cardholders

\* Subject to satisfaction of conditions precedent, please refer to the announcement of 19/12/2013 for details.

# Revenue generation

Solutions offered through either traditional capex license model or through a revenue share agreement

Approx 50% of revenues generated from support and SaaS activities

License growth aligned with expansion of customer's subscriber base

**Core Business:**  
Domestic mobile money, mobile financial services & VAS

**HomeSend:**  
international money transfer hub. JV with MasterCard & BICS\*

End-to-end transaction fee of 4.5 – 6.5%, compared to average of 9%  
*(World Bank)*

Revenue derived through interconnection fee.

Revenue split between the hub and the sending & receiving service providers

\* Subject to satisfaction of conditions precedent, please refer to the announcement of 19/12/2013 for details.

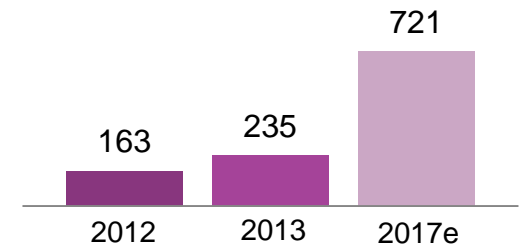
# The mobile money opportunity

Mobile money and mobile financial services is a large and growing space, particularly in emerging markets where mobile penetrations rates are high and access to traditional financial services is limited.

While the number of deployments is growing, there is a **significant untapped market**.

## Mobile payment transactions values worldwide

Per year (Billions \$US)



Source: Gartner

## Key figures:

61 million

The number of active mobile money users worldwide in 2013  
(GSMA MMU)

3.2 billion

The number of unique mobile subscribers worldwide  
(GSMA)

2.5 billion

The number of working-age adults globally who have no access to formal financial services.  
(World Bank)

19.5%

The percentage of mobile money deployments in 2012 which were replacements of existing services – the beginning of the replacement market  
(GSMA)

# FY2013 highlights

- ▶ eServGlobal's core mobile money business added **10 new customers** in **10 markets** in 2013, a significant Group frame agreement with the Zain Group and four projects to deploy new products at existing customers in addition to regular extension projects.
- ▶ The HomeSend JV was announced by MasterCard, eServGlobal and BICS.
- ▶ The business **returned to EBITDA profitability**.
- ▶ **Continued expansion of footprint** within existing customer base.
- ▶ New contracts have contributed to a **healthy backlog of work** which flows through FY14.

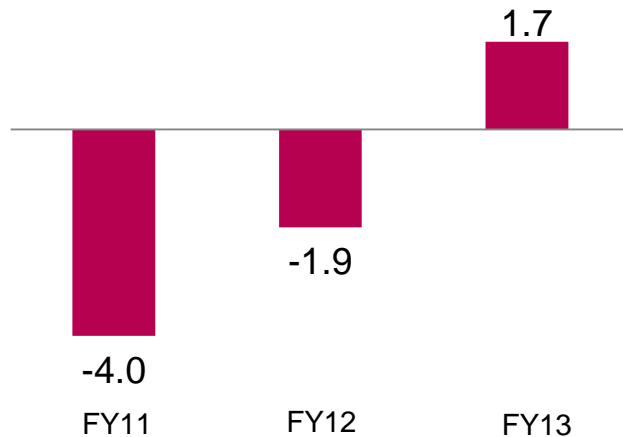
# Strengthening financial position

**Solid core business** with stronger balance sheet and restructuring largely complete:

- ▶ Raised working capital to compete for new projects and accelerate project delivery
- ▶ No debt – shareholders loans have been repaid in full
- ▶ Recurring revenues complemented by predictable typical customer lifecycle

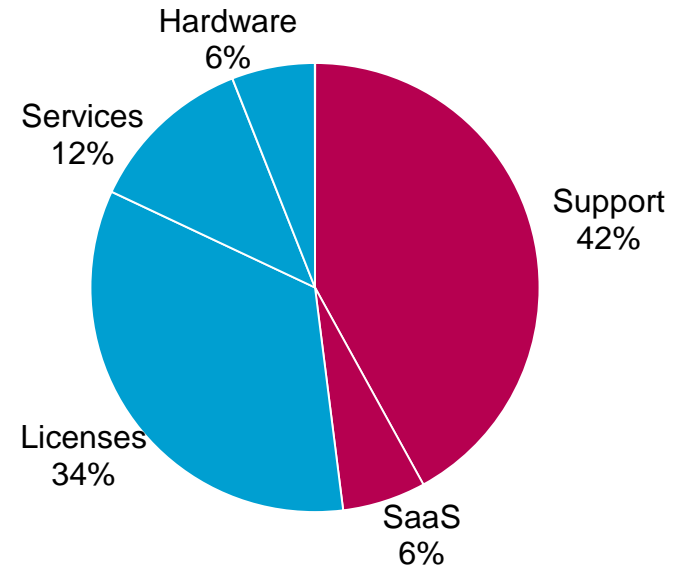
## EBTIDA Performance

*Per year (millions \$AU)*

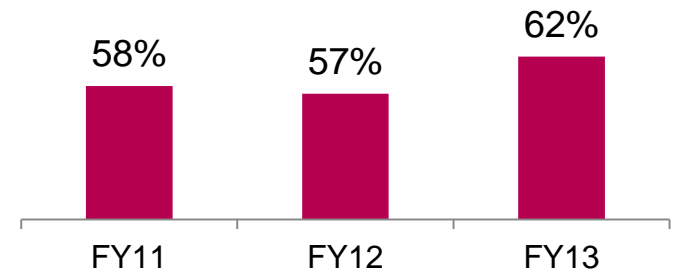


## Revenue breakdown

*Based on FY2013, approximately half of revenues were recurring in nature.*



## Gross margins





# Foundation for take-off:



## ✓ Large growing market

Huge underserved market exists

Large growing core customer base

HomeSend service has reached critical mass and momentum continues to build

## ✓ Established technology leader

Disruptive technology

Recognized industry leader

Existing, successful references in the new mobile money space

## ✓ Strengthening financial position

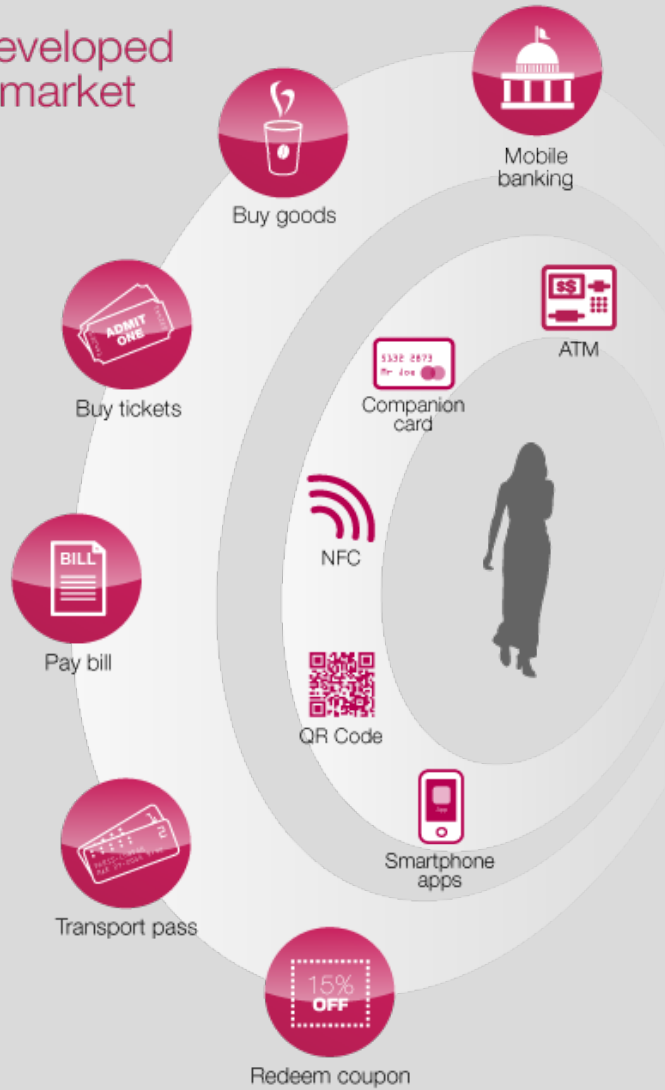
Solid core business with growing presence in domestic mobile money

Stronger balance sheet

Our goal is that any person in the world can use their mobile to simply and safely access financial services.

# Mobile Money in practice

Developed market



HOME SEND  
International money transfer

Micro finance

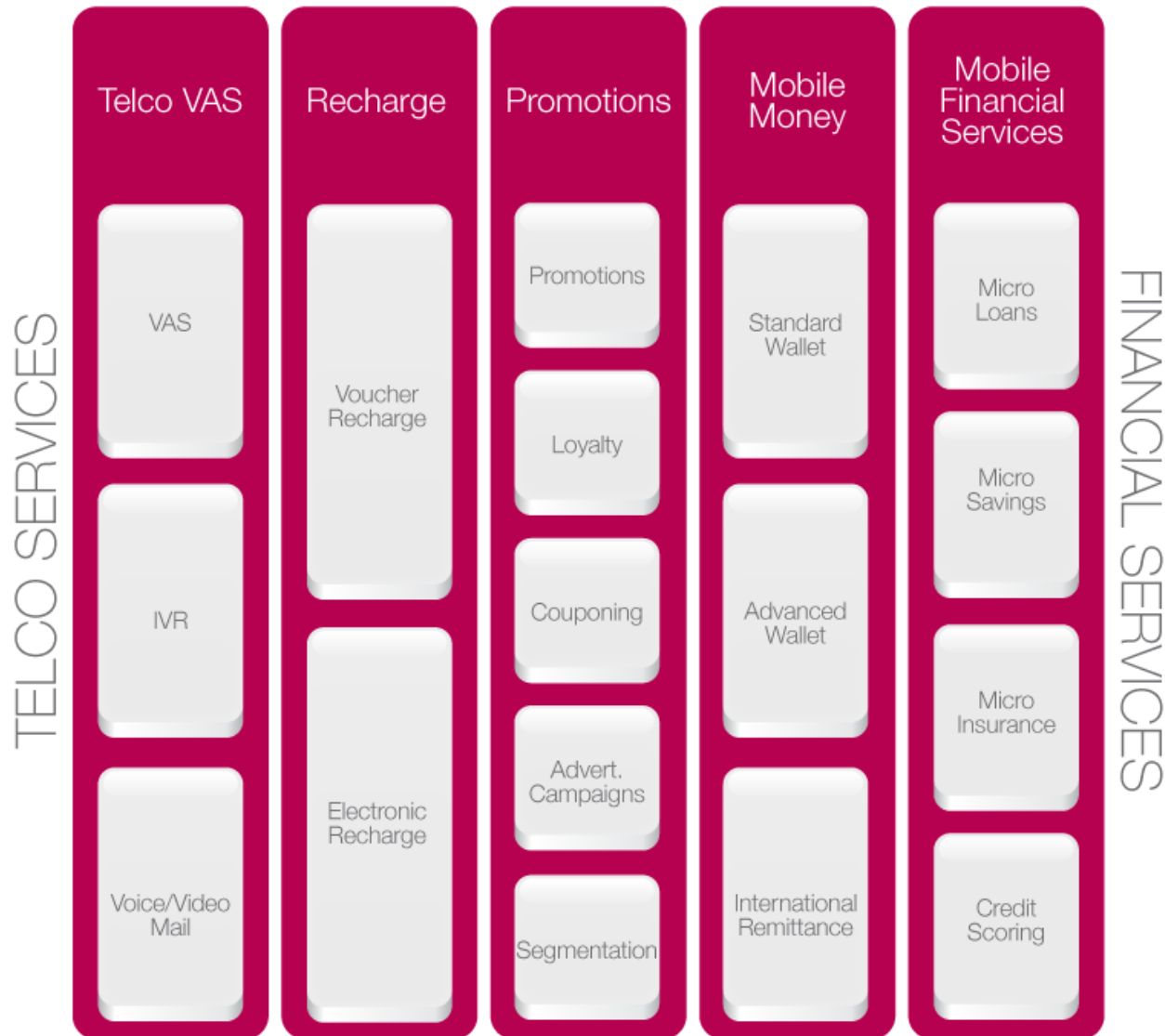
Branchless banking

Receive salary

Emerging market



# Core business portfolio: End-to-end mobile money solutions



# Global, established, growing customer base

eServGlobal's core business has a global customer base in excess of **65 customers** in more than **50 countries** (excluding HomeSend).



- ▶ In 2013 eServGlobal added 10 new customers in 10 new countries.
- ▶ We have established, successful references in the burgeoning and rapidly expanding mobile money market
- ▶ eServGlobal is a member of MasterCard's Mobile Money Partnership Program, an initiative aimed at helping the more than **2.5 billion financially underserved consumers worldwide** gain access to mainstream financial services through their mobile phone.
- ▶ In 2013 we announced a three-year framework agreement with the Zain Group
  - ▶ Zain Group coverage extends to more than 44 million subscribers and includes several markets where over 90% of the population does not have access to banking facilities.

The HomeSend Joint Venture creates one of the most comprehensive offerings in the market, and will be an important step in the journey to extending cost-effective and easy-to-use financial services to people worldwide.

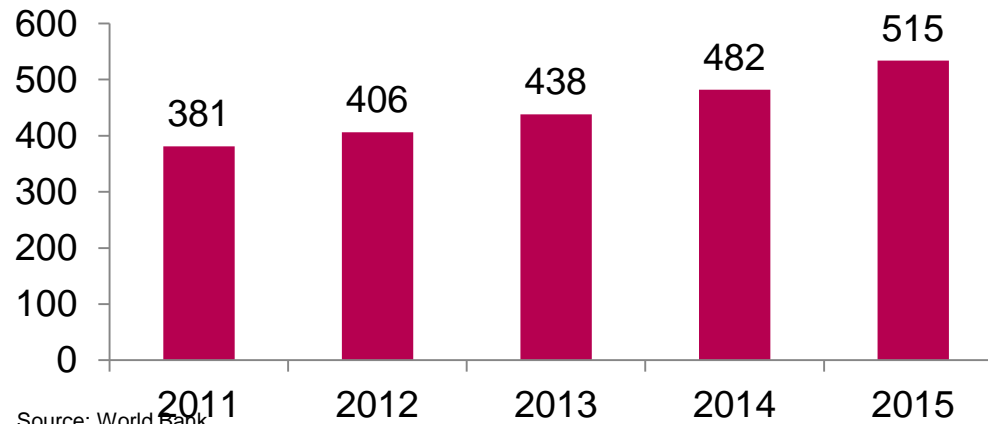


# The demand for international mobile money transfer

- ▶ Every year, almost half a trillion dollars are transferred around the world in ways that are expensive, time consuming and inefficient.
- ▶ Based on World Bank estimates remittance to developing countries will reach around \$515B by 2015

## Remittance Flows to Developing Countries

US \$Bn



# The HomeSend Joint Venture

- ▶ HomeSend is now a joint venture of MasterCard, eServGlobal and BICS\*
- ▶ By connecting the worldwide community of telecom partners and MTOs to the more than **24,000 financial institutions** on the MasterCard network, the HomeSend JV will provide consumers new options and flexibility for sending or receiving funds and enable cross border remittance payments worldwide.
- ▶ HomeSend will enable consumers to send money to and from mobile money accounts, payment cards, bank account or cash outlets – regardless of their location or that of the recipient
- ▶ MasterCard will enter into a commercial agreement with HomeSend which will require MasterCard to use its best endeavors to promote the HomeSend service utilising MasterCard's sales channels.



\* Subject to satisfaction of conditions precedent, please refer to the announcement of 19 December 2013 for details.



# Summary Financials FY13

	FY13 Full Year	FY13 Full Year	FY12 Full Year	FY12 Full Year	Comparison FY12 to FY13*
	A\$M	£M	A\$M	£M	
<b>Revenue</b>	<b>31.0</b>	<b>19.6</b>	<b>28.1</b>	<b>18.3</b>	<b>+10%</b>
Cost of sales	11.8	7.5	12.3	8.0	-4%
<b>Gross profit</b>	<b>19.2</b>	<b>12.2</b>	<b>15.8</b>	<b>10.4</b>	<b>+22%</b>
Adjusted Operating Costs*	17.5	11.1	17.7	11.7	-1%
<b>Adjusted EBITDA</b>	<b>1.7</b>	<b>1.1</b>	<b>-1.9</b>	<b>-1.3</b>	<b>+&gt;100%</b>
Net Interest	-0.4	-0.2	-1.0	-0.7	
Amortization	-1.9	-1.2	-4.7	-3.1	
Depreciation	-0.5	-0.3	-0.7	-0.4	
<b>PAT</b>	<b>10.4</b>	<b>6.6</b>	<b>-15.6</b>	<b>-10.2</b>	<b>+&gt;100%</b>

\*Excludes foreign exchange gains of \$A8.0M (FY12 loss of A\$3.4M), non-recurring costs of A\$2.2M (FY12 A\$2.9M) and share payments of A\$0.5M (FY12 A\$0.6M).

# Recent milestones

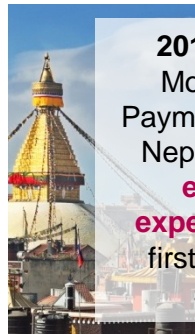
**2008:** eServGlobal and BICS announce **strategic partnership** to jointly launch HomeSend



**2011:** Mobile money platform launched by **financial institution**, mCoin, in Indonesia

**2012:** Following a string of significant announcements, HomeSend potential subscriber coverage **surpasses 1 billion subscribers**

**2010:** eServGlobal announces its **first customer for mobile money** in the Middle East



**2012:** Mobile Money – Bill Payment facility at Nepal Telecom **exceeds expectations** in first months of service

**2012:** Completed a **significant fundraising**, up to A\$16.8m, which enabled us to pursue new, larger deals for both the core business and for HomeSend.

**2013:** eServGlobal announces **significant three-year framework agreement** with the Zain Group



**2013:** eServGlobal's recharge and mobile money suite is managing **over 3.4 billion euros in transactions** a year

**2013: MasterCard, eServGlobal & BICS create the HomeSend JV.** Bringing the international remittance service to a new level of success.



**2013:** HomeSend **exceeds strategic objective** for live services: connecting service providers in 51 countries for remittance and 76 countries for airtime transfer



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# Appendix

# Our sales process

## A typical eServGlobal customer lifecycle

