

ISX Plc – Investor Brief

April 2022

Presented by : N (John) Karantzis, Managing Director



EAA Authorised
EMI #115.1.3.17



PRINCIPAL
MEMBER
INSTITUTION



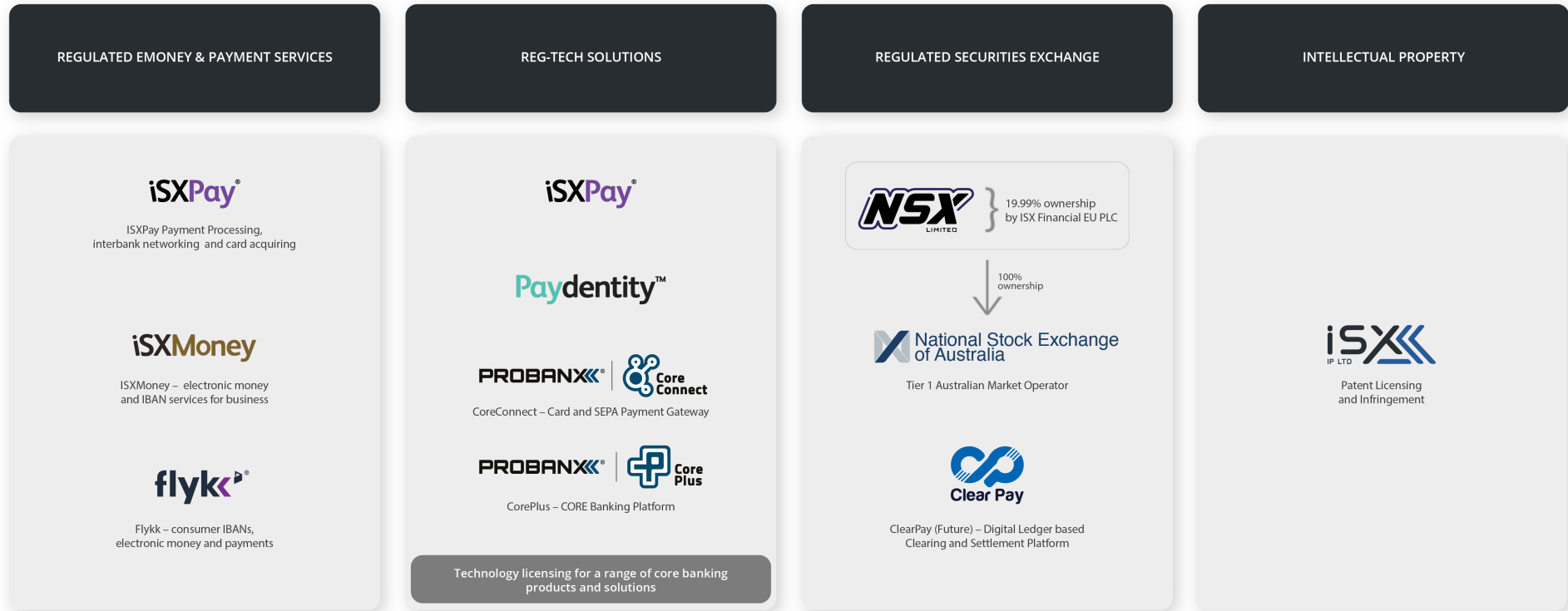
Diners Club
INTERNATIONAL

DISCOVER

ISX Financial EU Plc (ISX Plc) : Background

ISX Plc is a profitable, diversified payments technology and regulated financial services group, founded in late 2016.

With around 140 staff, our operations are currently European centric, with more than 95% of our revenues derived from the UK and EEA, servicing customers in the gaming, CFD, FX, banking, credit union and ecommerce sectors. Our HQ is in Nicosia, with operations in London (UK), Sydney, Melbourne (AUS), Vilnius (LT), Raleigh (USA) and sales offices Amsterdam (NL), Tel Aviv (IL) and Valetta (MT). North America is our upcoming focus for growth, in particular Canada and Brazil, to continuing servicing our existing customers.



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What does ISX Plc Do?

EEA Authorised EMI

- Authorised Electronic Money Institution (AEMI)
- Transactional Banking Services
- Payment Services

UK Authorised EMI

- FCA Authorized EMI
- Transactional Banking Services
- Payment Services
- + Account Information Services
- + Payment Initiation Services

Payment Schemes

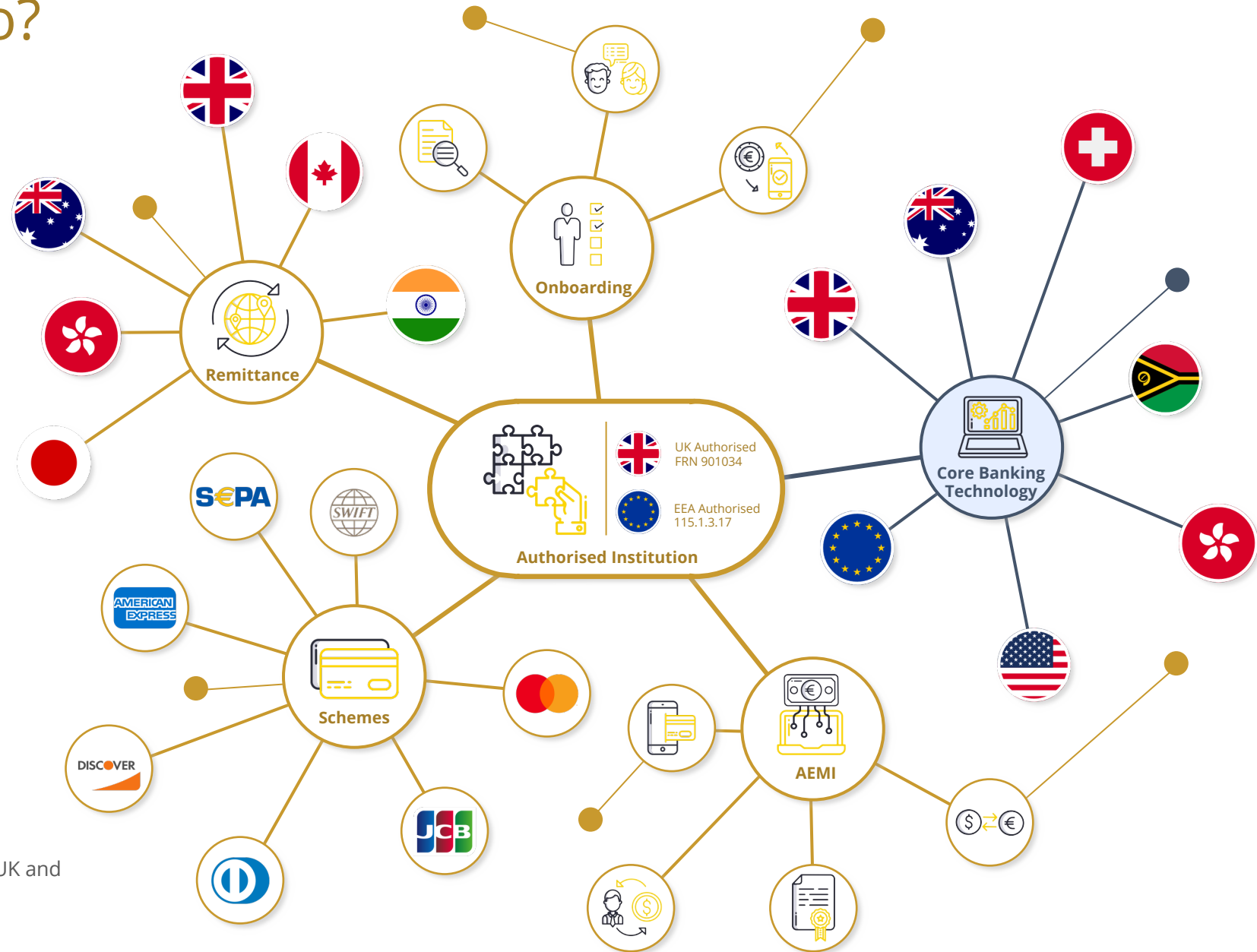
- Principal Member of Mastercard, Diners, Discover & JCB
- Aggregation Partner AMEX
- SEPA, FPS, BACs Membership
- SWIFT Membership
- ISEMCY22 & Eurozone Central Banking

Complete Customer Onboarding

- For EU/EEA & UK Business via Paydentity

Core Banking Technology

- Tech provider to more than 15 Banks in Asia Pacific, UK and EU/EEA



What's unique about ISX Plc?



Onboarding speed and reach. Payidentity can reach, identify, verify and take payment at the same time from 4.2 billion people, or 69% of the world's population. We massively improve conversions by use of automation.



Diversified payment choice. ISXPay is a principal member of major card schemes in the EU and UK, including Mastercard, China UnionPay, Diners, Discover, JCB, and American Express, as well as a number of alternative payment methods (APM's).



Speed to payout. This is emerging as an 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.



Multi-currency choice. We offer between 16 to 23 currencies natively to our merchants, so that they can accept and we will settle in the world's most popular currencies (with some exotics!).



Account Issuing. Use of IBAN account to link all the above services to a customer. Funds held at Lithuanian Central Bank.



Multi Region. Our customers operate in the UK and the EEA.



Single touch point. ISX is positioned to offer solutions via a single relationship and technical integration.



Unique IP. We have designed, developed and patented our key platforms inhouse. We can leverage our products to maximise our opportunities, without paying royalties or fees for core services. We own our technologies, including the software code base, allowing us to innovate and adapt to customer requirements rapidly.

Team Overview

Directors Overview



Takis Taoushanis

Independent Chairman

<https://www.linkedin.com/in/takis-taoushanis-24186235/>



Nikogiannis (John) Karantzis

Managing Director & CEO

<https://www.linkedin.com/in/njkarantzis/>



Dominic Melo

Executive Director & Chief Product Officer

<https://www.linkedin.com/in/paymentexpert/>



Elizabeth Warell

Executive Director & Chief Financial Officer

<https://www.linkedin.com/in/lizwarrell/>



Panikos Poulos

Independent Non-Executive Director

<https://www.isx.financial/blog/announcedirector>

Executive Team Overview



Nikogiannis Karantzis

Managing Director & CEO

<https://www.linkedin.com/in/njkarantzis/>



James Cameron

Chief Risk Officer

<https://www.linkedin.com/in/james-cameron-15b1124/>



Elizabeth Warrell

Chief Financial Officer

<https://www.linkedin.com/in/lizwarrell/>



Dominic Melo

Chief Product Officer

<https://www.linkedin.com/in/paymentexpert/>



Andrew Evers

Chief Technology Officer

<https://www.linkedin.com/in/andrew-evers-3a1bab1/>



Paul Singh

Chief Compliance Officer

<https://www.linkedin.com/in/paul-singh-b1ab9012/>



Andrew Karantzis

Global Sales & Marketing Director

<https://www.linkedin.com/in/andrew-karantzis-4560186/>

Customers

Customers & Platform Partners

Regulated Services Target

- eCommerce / Retail
- Gaming
- Securities / Brokerage

Regtech Products Targets

- Banks
- Credit Unions
- Electronic Money Institutions
- Payment Services Providers
- Financial Services companies

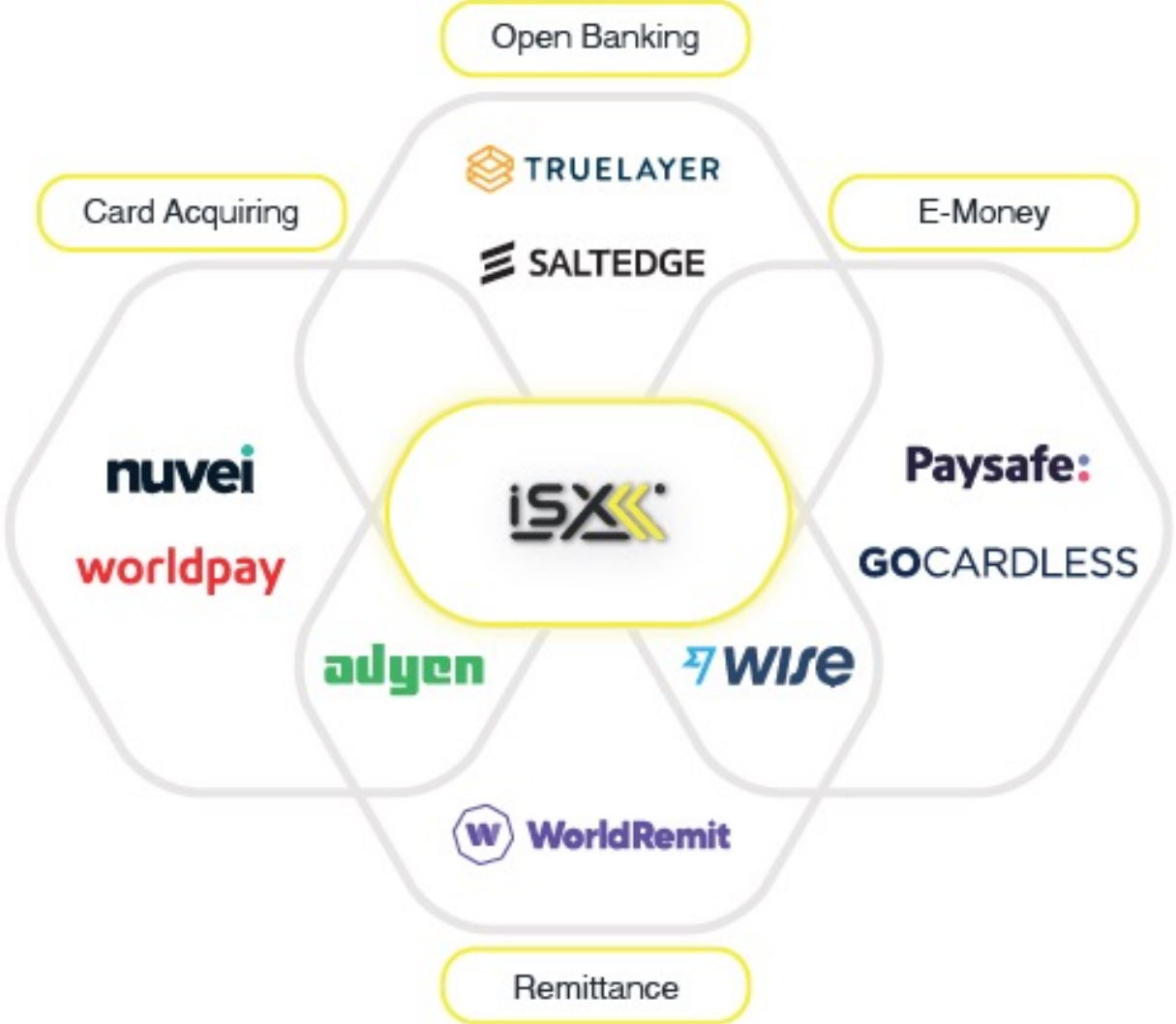
Key Platform Partners:

Integrated 2018	Integrated 2018 Updated 2020	Integrated 2021
 Panda TRADING SYSTEMS	 DEVCODE <i>Worldline (EPA: WLN)</i>	 WIX <i>(NASDAQ: WIX)</i>
 MetaTrader 4	 Praxis	 playtech <i>SOURCE OF SUCCESS</i> <i>(LON: PTECH)</i>

A sample of our customers includes:

 KREDA RASEINIŲ KREDITO UNIJA	 Payoma	 WANFUTENG BANK	 SGBCy <small>SOCIETE GENERALE BANK-CYPRUS</small>
 MANO BANKAS	 wittix	 MFG <small>MANAGEMENT FINANCIAL GROUP</small>	 Lottoland
 evoke	 mr green™	 Zntain	 William HILL

ISX Financial Competitive Landscape



Growth

- Company has been developing its flykk® retail and ISXMoney business propositions for last 4 years.
- Focus has been on product development, technology, business case including proof of NPAT before seeking scale.
- Technology is now proven out and integrated to Central Banks and major payment schemes.
- Client base is increasingly becoming mainstream listed entities who are contracting ISX Plc for its unique ecosystem.
- Ecosystem integrates Open Banking, Transactional Banking, Payment Schemes, Card acquiring, Card issuing, International Remittance and eMoney services, all accessible from ISXMoney and flykk® applications.
- The combination of these services makes ISX Plc a unique fintech.
- Capital raised will be utilised to fund expansion into North America, leveraging our existing EEA/UK client base.

ISX Financial - Conferences

ISX Financial attends key conferences across the world including IFX International Expo, Sigma Malta and SBC Barcelona and most recently ICE London which hosts some of the largest gaming companies from around the world.

IFX International EXPO



ICE London



ICE London



Sigma Malta



ICE London



IFX Dubai



Financial Review

Financial Performance : €

Consolidated Statement of profit or loss and other comprehensive income – ISXFEU Pro-forma Historicals and Unaudited 31 December 2021 and 31 March 2022

	31-Dec-18	31-Dec-19	31-Dec-20	31-Dec-21	31-Mar-22
	Full Year	Full Year	Full Year	Full Year	Quarter 1
	eur	eur	eur	eur	eur
Revenue from Customers	3,856,841	18,604,953	21,821,488	22,726,382	6,870,831
Other income	322,468	587,239	511,765	118,071	11,995
Expenses	(8,326,890)	(15,697,792)	(17,906,565)	(20,431,861)	(5,601,530)
Profit/(loss) before income tax expense	(4,147,581)	3,494,400	4,426,688	2,412,592	1,281,296
Income tax expense	(5,443)	(410,534)	(912,194)	(1,000,287)	(445,424)
Profit/(loss) after income tax expense for the year	(4,153,024)	3,083,866	3,514,494	1,412,305	835,872

Key Metrics

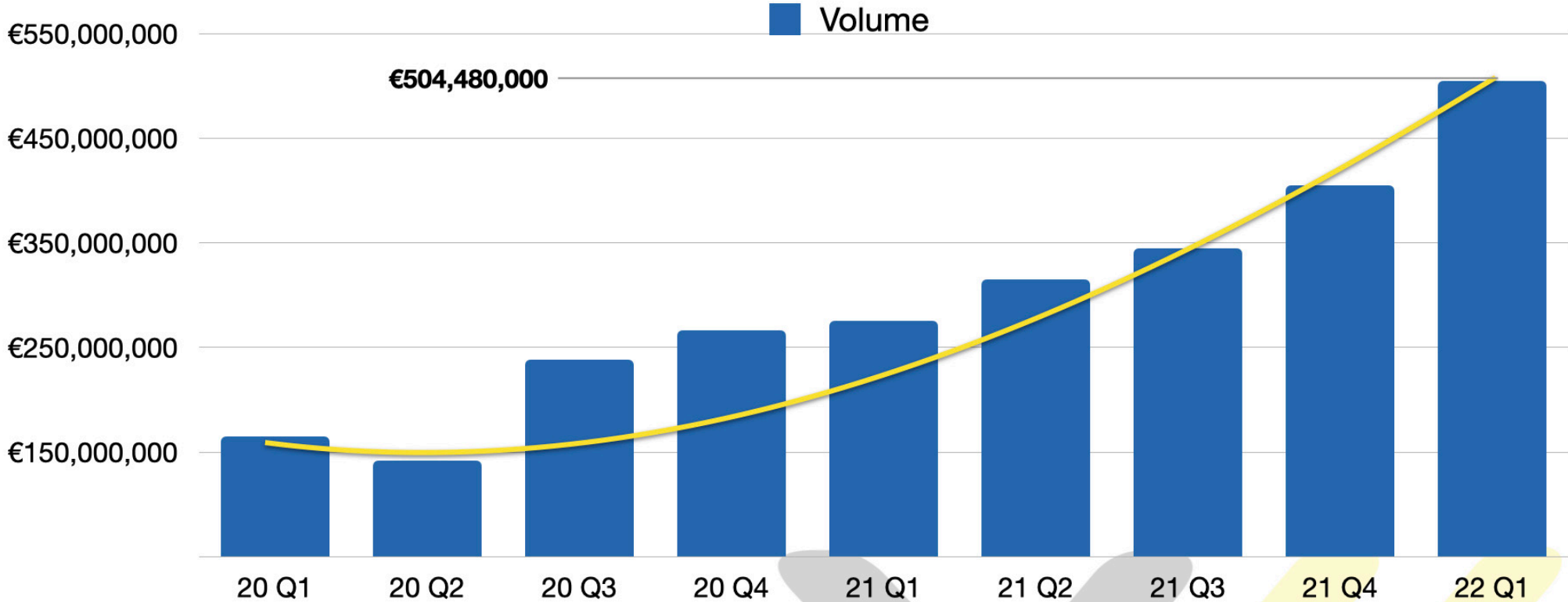
	31-Dec-18	31-Dec-19	31-Dec-20	31-Dec-21	31-Mar-22
	Full Year	Full Year	Full Year	Full Year	Quarter 1
	eur	eur	eur	eur	eur
Cash and Cash Equivalents	407,616	7,946,556	4,900,160	5,175,222	5,397,728
Funds held on behalf of merchants	5,526,668	60,149,861	61,816,104	93,691,655	97,503,549
Total Processing Volume (TPV)	21,104,351	717,410,024	811,656,854	1,340,182,074	504,480,057

- In Quarter 1 2022 the Group has recorded an **unaudited €0.8m profit, up 137%** on an annualised basis versus Full Year 2021.
- In Quarter 1 2022 the Group focused on onboarding new customers and offering existing customer new products, with total Electronic Money Issued **up 44%** and **revenue up 21%** on an annualised basis versus Full Year 2021, with major clients yet to be fully onboarded. Margins decreased in the quarter, as the Group continued to focus on diversifying its revenue away from card acquiring, towards lower cost instant and batched interbank payments, and creating a multi-rail ecosystem centred on its flykk® service.
- Expenses in the first quarter were up 10%** on an annualised basis versus Full Year 2021. Payment scheme costs remained well controlled, up 10% in the quarter on an annualised basis versus Full Year 2021, as the Group continued to focus on diversifying its revenue away from higher cost card acquiring, as outlined above.
- During Quarter 1 2022 the Group incurred a €474k impairment charge on its investment in NSX Limited.
- Cash and cash equivalents remained strong at €5.4m** as at 31 March 2022 (up €0.2m versus 31 December 2021). During the quarter the Group also repaid circa €1 million, in debt, leaving a remaining convertible note payable of €3.5 million.
- During Quarter 1 2022, the Group continued to see **funds held** on behalf of merchants increase, **up 4% to €97.5m** due to onboarding of new customers.

Overall Growth in Total Processed Volume Inflow (TPV)

Total Processed Volume Inflow (TPV)

2020 - 2022



*TPV above is reflective of volume that attracts a % fee. Actual TPV is up to 2 x higher and subject to flat processing fees for outbound transactions.

Thank you

ISX Financial EU PLC

Investor Relations
cosec@isxplc.com






Appendix

Business Unit Descriptions



Operating Divisions

Products

	As a Regulated Financial Service	As a Technical Service
Payment Gateway (Cards)	—	iSPay
Payment Processing (Cards) 	iSPay	—
Bank Networking 	iSMoney	Probanx Core Connect
CORE Banking	iSMoney	Probanx Core Plus
Identity Verification	Paydentity™	Paydentity™
Clearing & Settlement (Future)		—
Consumer Electronic Money	flyk	—
Open Banking	flyk	—

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Strategy

Growth Strategy : Financial Services & Financial Technology

Scale

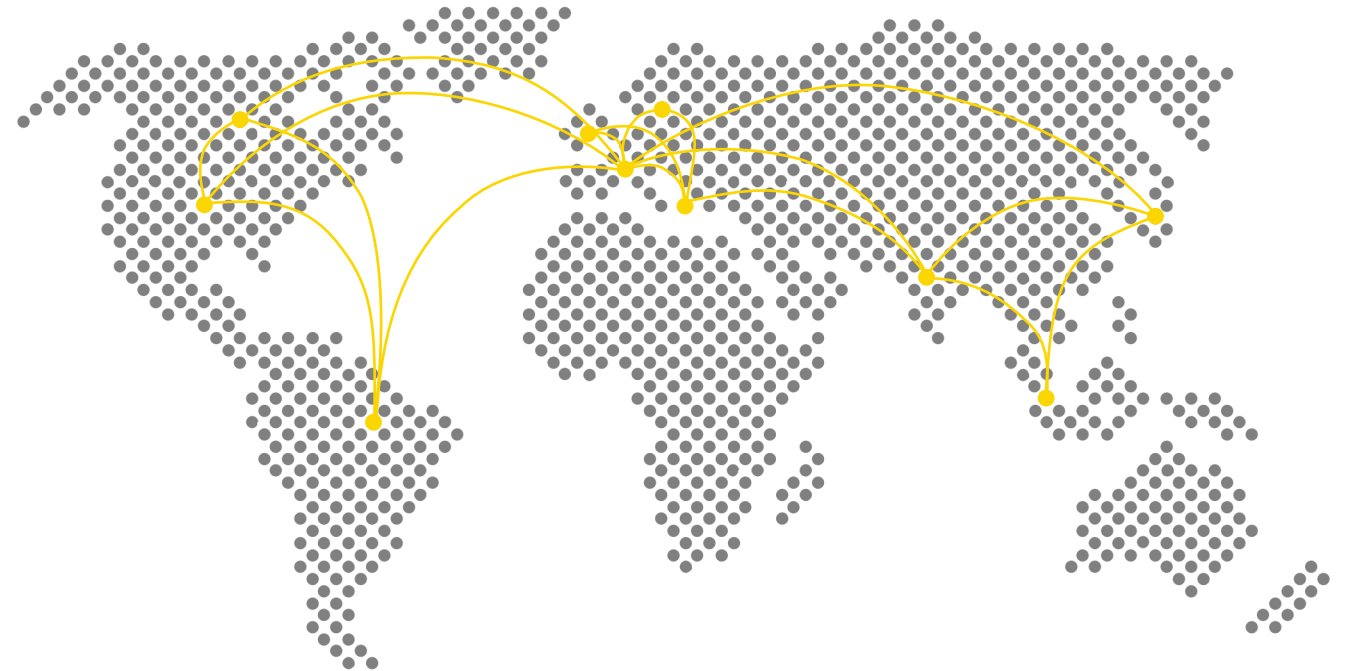
- Continue to grow our regulated operations in UK and Europe.
- Continue to extend Probanx banking platform business globally as a License or SaaS.
- Leverage our expertise in gaming and financial services into other regulated sectors.

Explore

- Explore further strategic business and adjacent market opportunities.
- Explore potential acquisitions in Europe and North America, to build out payment and transactional banking operations.

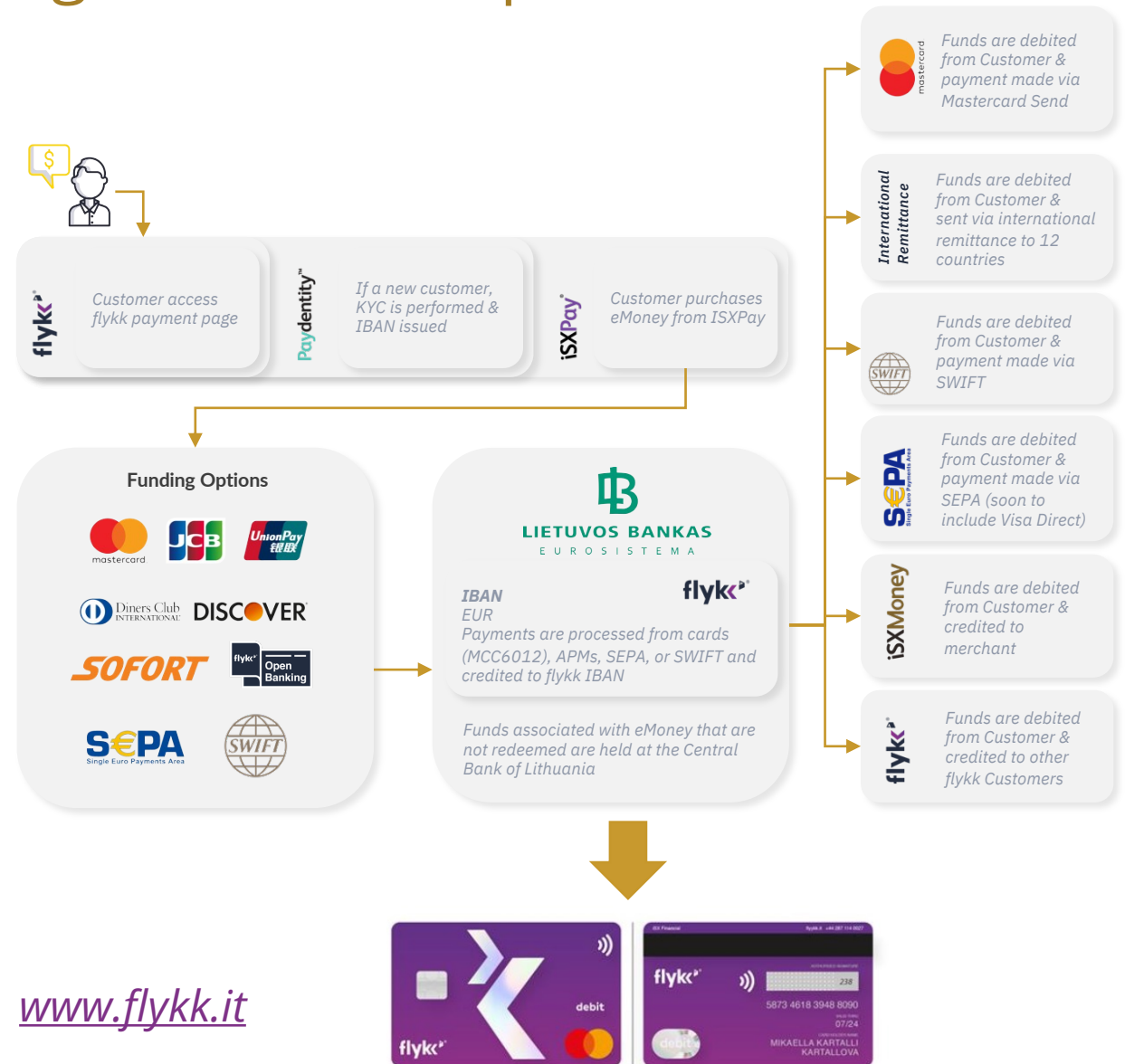
Expand

- Expand into North and South America by leveraging existing customer relationships.
- Continue to extend our remittance capabilities beyond our current corridors.



Introducing flykk®, bringing together ISX's capabilities

- Merchant driven retail user acquisition
- Rapid user onboard with Payidentity™
- flykk incorporates IBAN based “open” access bank accounts
- SEPA rails adapted to substitute for cards
- ‘SIIN’ alerts via API receipt of SEPA funds
- Multicurrency Discover debit card linked to flykk IBAN accounts (physical and virtual)
- Mastercard debit card by late 2022
- eMoney is Central Bank deposited (CBDC)



www.flykk.it

Business Model

Business Model : Regulated Services

Regulated Services



ISXPAY

% Fee of Transaction Value plus flat fee per transaction (Card acquiring).



ISXMONEY

% Fee on inflow value to IBAN account, plus flat fees for payments outbound. ESTR++ for moneys held overnight.



flykk

For consumers, free transfers to merchant or other flykk users, with FX fees, Remittance and SEPA payment fees.



Open Banking

% Fee of Transaction Value 'pushed' from 3rd party bank plus flat fee per transaction.

Business Model : FinTech & RegTech

Technical Services

PROBANX®

Probanx CorePlus

Initial upfront (or staged) License Fee with ongoing monthly maintenance and support fees.



CorePlus



CoreConnect

Probanx CoreConnect

License Fee with ongoing monthly fees, plus flat fees per transactional processed.

Paydentity™

Paydentity

Flat fee per identity verification attempt. Flat fee per PEP and Sanction screen.

iSXPay®

iSXPay Gateway

Flat fee per transaction processed.

Securities Exchange Business Model

Securities Exchange

Through our 19.99% interest in the NSX Ltd, the 100% parent of the National Stock Exchange of Australia (NSXA), we have operational interest in Australia' second largest licensed Tier 1 market operator. NSXA has a DLT based settlement service and DvP system under development, expected to launch early in 2021, which is being built by Probanx Solutions Ltd (a wholly owned ISX subsidiary).



NSXA

Listing Fees, Annual Fees, Trading Fees (www.nsx.com.au).

ClearPay

Clearing & Settlement Fees, sub-registry fees, transactional fees & technology licensing.

(www.clearpay.systems)

ISXPlc has a 59% direct interest in the DLT based sub-registry, clearing and settlement system, which is under development.



Services : Regulated Monetary Financial

ISXPay® : Payment Processing

Principal acquiring institutional member of Mastercard, Diners, Discover, JCB and ChinaUnionPay, and leverages the ISXPay® Payment Gateway technology.

ISXMoney® : Bank Networking

SEPA Participant and SWIFT member. Leverages Probanx® CoreConnect technology and European Economic Area Electronic Money regulatory license and Central Bank accounts to provide interbank payments in Euros.

ISXMoney® : CORE Banking

International Bank Account Numbered (IBAN) for businesses requiring Euro facilities. Leverages Probanx® CorePlus core banking software platform, and interconnects with ISXMoney® Bank Networking above.

SIIN

Our unique API based notification services that alerts when monies move within an ISXMoney account, allowing automated and real time reconciliation of monies into accounting, trading, gaming, eCommerce and other systems

flykk® : Consumer Electronic Money

International Bank Account Numbered (IBAN) for consumers seeking to make payment in the SEPA area as well as connected merchants. Leverages Paydentity® for KYC, Probanx® CorePlus core banking software platform, and interconnects with ISXPay Payment processing and ISXMoney® Bank Networking above.

flykk® : Open Banking

Push payments originating from UK and EEA Banks into ISXMoney issued IBAN accounts.

REGULATED EMONEY & PAYMENT SERVICES

iSXPay

iSXPay Payment Processing,
interbank networking and card acquiring

iSXMoney

iSXMoney – electronic money
and IBAN services for business

flykk

Flykk – consumer IBANs,
electronic money and payments

Products : RegTech & Platforms

ISXPay® : Payment Gateway

PCI DSS Level 1 certified gateway, connected to all major card schemes and a number of major 3rd party acquirers

Probanx® CoreConnect

Bank Networking : is an advanced ISO220022 network connected to the Central Bank of Lithuania, and services more than xx banks, credit unions and payment service providers with SEPA Core and SEPA instant facilities.

Probanx® Core Plus : CORE Banking

Platform used by banks, credit unions and monetary financial institutions as their back-end system which processes daily banking transactions, and posts updates to accounts and other financial records. Core banking systems typically include deposit, loan and credit-processing capabilities, with interfaces to general ledger systems and reporting tools.

Paydentity® : Identity Verification

Know Your Customer and Know Your Customer's Customer system, based upon ISX IP Ltd's patents, and mosaic of leading third party ID verification and PEP systems.

ClearPay : DLT Based Register System

Under development for the National Stock Exchange of Australia to enable it as a fractional, digital asset, exchange. ClearPay will integrate with NASDAQ Xstream engine (installed at the NSXA and in 117 exchanges globally), and will provide a DLT based register, settlement and clearing platform to allow for BIS1, BIS3 and a hybrid BIS1/BIS3 model. Will integrate with ISXPay and CoreConnect, to allow for multiple currency clearing at T+0/T+1.

REG-TECH SOLUTIONS



CoreConnect – Card and SEPA Payment Gateway



CorePlus – CORE Banking Platform

Paydentity™

Technology licensing for a range of core banking products and solutions

Services : Securities Exchanges

NSXL/NSXA

ISX Holdings has a 19.22% interest in the NSXA via NSXL. NSXL has a 41% holding in ClearPay. The NSXA is Australia' second largest Tier 1 market operator. The Australian market is dominated by the incumbent, the ASX, and NSXA is positioning itself to be the venture exchange for Australia.

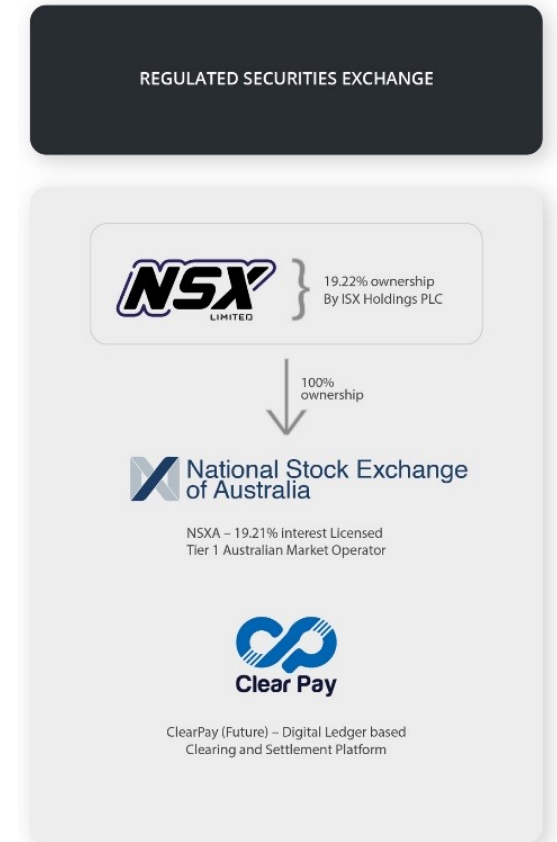
Historically NSX growth has been severely limited by its lack of settlement and payment technologies. With ISX's technology platforms, we will work with the NSX through the ClearPay JV to develop a platform that will significantly increase NSXA's attractiveness to the broking and investment community, as well as issuers that intend to go public via IPO.

ClearPay : DLT Based Register System

JV between NSXL/NSXA and ISX to deliver DLT based Delivery versus Payment (DvP) platform, including clearing and settlement facilities to the NSXA. Company will seek licensing as a Clearing and Settlement Facility, in order to service Australian exchanges other than the NSXA.

The DvP Platform will allow for assets to be digitised real world assets such as securities (book entry), futures, CFD's, and fungible digital assets (Stage 1) or non-fungible digital, with NSXA as the central authority.

Due for delivery in circa March 2022, the ClearPay DvP platform represents global opportunity to deliver DvP services to other local exchange, and DLT technology to international exchanges.



Intellectual property

ISX IP Ltd holds patents in a number of jurisdictions for our payment instrument verification process, including the EU (EPO), China, Canada and USA.

The Company has filed a number of patents in the areas of Anti money Laundering, refund management, and identity verification.

Whilst the Company is using the patents as a “shield” against other entities claiming infringement, the patents also may operate as a “sword”.

Up until now, the Company has focused on developing its intellectual property as opposed to licensing it or initiating infringement proceedings.

ISX IP Ltd has noted a number of entities potentially infringing one of its core patents, in the US, Canada and the European Patent Area. Many of the infringers are multinational entities.

It is intended to commence pursuing identified patent infringers during 2022.

Intellectual Property Future Business Model

Licensing

Of patents (non exclusive) or working systems (eg strong customer authentication)

Infringement

Pursue infringing entities where ISX IP holds patents

Patent Portfolio

<https://patentscope.wipo.int/search/en/result.jsf?vid=P20-KV90W5-64264>

INTELLECTUAL PROPERTY

ISX
IP LTD
Patent Licensing
and Infringement