



2023

Jan – March '23 Quarterly Update (unaudited)



FCA Authorised EMI
FRN #901034



EEA Authorised
EMI #115.1.3.17



Diners Club
INTERNATIONAL

DISCOVER



1Q23 Summary

- Focus has been on extending and enhancing our product base, including
 - Enhancing our MassPay service in the EU for gaming and other businesses.
 - Extending flykk features
 - Extending Paydentity to allow for electronic verification and auto-onboarding of UK companies and directors
 - Paidby Bank into the UK and EEA
- Established Israeli branch. ISX UK is authorised under Israeli Payment law to provide payment services.
- Further authorisation received from (Central) Bank of Lithuania to extend services to SEPA Direct Debit (SEPA DD).

1Q23 Financial Update (Unaudited)

Consolidated Statement of Profit or Loss – ISX Financial EU 31 March 2023 Unaudited

	31-Mar-23 Quarter 1 eur	31-Mar-22 Quarter 1 eur	Variance 1Q23 v 1Q22 eur	Variance 1Q23 v 1Q22 %
Revenue from Customers	7,201,937	6,870,831	331,106	4.8%
Other income	27,127	11,995	15,132	126.2%
Expenses	(6,104,893)	(5,601,530)	(503,363)	9.0%
Profit/(loss) before income tax expense	1,124,170	1,281,296	(157,126)	-12.3%
Income tax expense	(325,168)	(445,424)	120,256	-27.0%
Profit/(loss) after income tax expense for the year	799,002	835,872	(36,870)	-4.4%
Profit/(loss) after income tax expense for the year - Excluding NSX Write Downs	1,428,950	1,310,244	118,706	9.1%

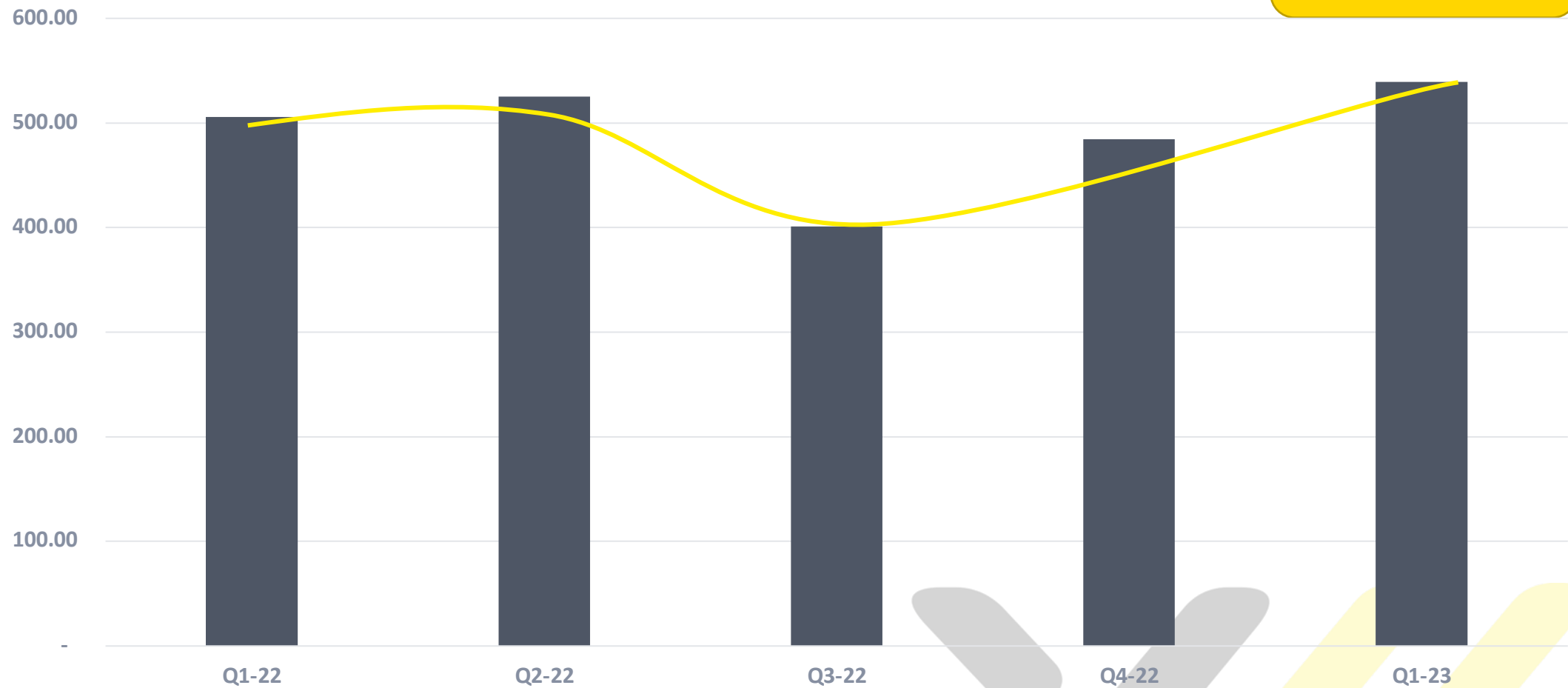
Key Metrics

	31-Mar-23 Quarter 1 eur	31-Mar-22 Quarter 1 eur	Variance 1Q23 v 1Q22 eur	Variance 1Q23 v 1Q22 %
Earnings before Interest, Tax, D&A, FX and Impairments	2,507,159	2,183,948	323,212	14.8%
Cash and Cash Equivalents	7,270,758	5,397,728	1,873,030	34.7%
Funds held on behalf of merchants	123,396,782	97,503,549	25,893,233	26.6%
Total Processing Volume (TPV)	539,494,335	504,480,057	35,014,277	6.9%
Net Assets ISX Financial EU Plc © 2023	11,988,276	8,590,054	3,398,222	39.6%
Net Assets per Share	€ 0.109	€ 0.078	€ 0.031	39.6%

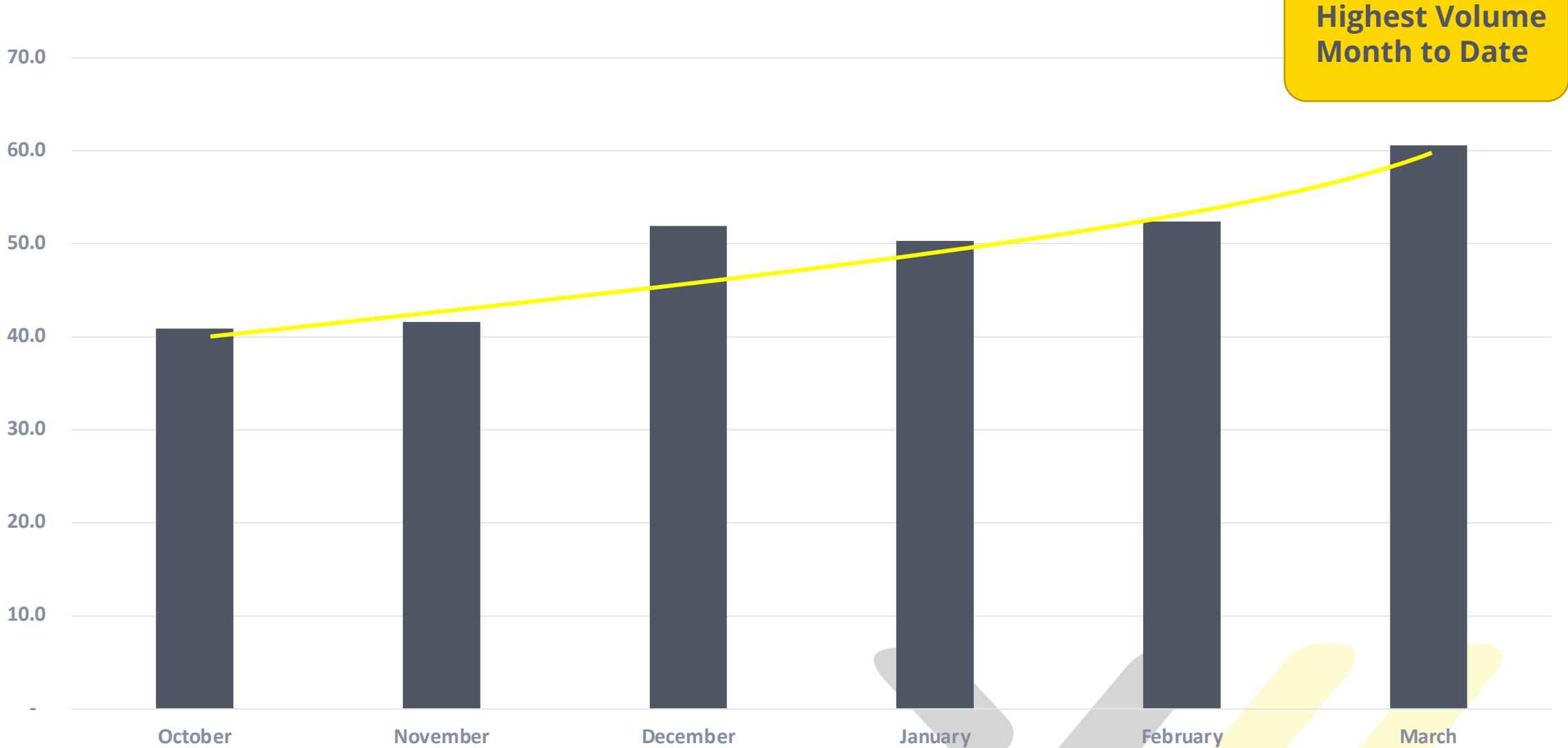
- In Quarter 1 2023 the Group has recorded an unaudited €0.8m profit. Excluding the NSX impairment, the Group recorded a profit of €1.4 million, up 9.1% on 1Q22.
- In Quarter 1 2023 the Group focused on growth in new and existing open banking channels. Total Electronic Money Issued was up 6.9% and revenue up €331k or 4.8% versus the same quarter last year. Margins decreased slightly 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. Costs from payment schemes dropped by 35% or €454k due to the shift away from card acquiring.
- Expenses in the first quarter were up 9% versus the same quarter last year. Expenses increased due to higher VAT costs, increased Depreciation and Amortisation costs as the Group continues to invest in its core technology stack and an increase in the NSX impairment due to share price volatility in the quarter, partially offset by lower payment scheme costs as previously mentioned.
- During Quarter 1 2023 the Group incurred a €629k impairment charge on its investment in NSX Limited (€474k in 1Q22).
- Cash and cash equivalents grew €1.3 million in the quarter to €7.3 million, an increase of €1.9 million or 34.7% since 1Q22.
- During the quarter, the Group saw funds held on behalf of merchants increase to €123 million, up 26.6% from the same quarter last year.

TPV Inflow

**Highest Volume
Quarter to Date**



Open Banking Volume – Consistent Growth



Looking Ahead

- Paidby Bank UK retail merchant proposition to include (by end of June);
 - Business Accounts for Merchants under our own BIC ISFIGB32, Sort Code and Accounts
 - Foreign Currency Exchange
 - SWIFT facilities
- Extend Masspay
 - To UK (by end of July) with FPS
 - To include Mastercard Send (Global) by end Q4.
- Rollouts continue to (anticipated Q4 completion)
 - Israel – domestic payment network
 - Canada – domestic payment network
- SEPA DD service target launch
 - for ISX FEU customers by end Q2
 - As a SaaS service for 3rd party EMI's via Probanx, by mid Q3



Thank you

ISX Financial EU Plc

investors@isxfinancial.com

