

Appendix 4C – Quarter Ended 31st March 2019

Highlights

- **Revenues: \$1.85m UP↑56% from \$1.042 (Q4 2018)**
- **Cash Receipts: \$1.4m UP ↑ 55% from \$0.9m (Q4 2018)**
- **Annualised GPTV \$380m (based on actual weekly run rate)**
- **MSF (average) greater than 125bps**

Melbourne, 30th April 2019: iSignthis Ltd (ASX: ISX | FRA: TA8) (“The Company”) is pleased to provide the following un-audited Appendix 4C for the quarter ended 31st March 2019.

The Company’s regular Quarterly Investor Briefing with commentary on the 4C will also be released today. The Company’s representatives will be presenting results as part of their routine quarterly briefings to Sydney and Melbourne based analysts this week, with Zurich in late May .

Australian Securities and Frankfurt Stock Exchange listed iSignthis Ltd (ASX: ISX | FRA: TA8) is the global RegTech leader in remote identity verification and payment authentication coupled with deposit taking, transactional banking and payment processing capability. iSignthis provides an end-to-end on-boarding service for merchants, with a unified payment and identity service via our Payidentity™ and ISXPay® solutions.

By converging payments and identity, iSignthis delivers regulatory compliance to an enhanced customer due diligence standard, offering global reach to any of the world’s 4.2Bn ‘bank verified’ card or account holders, that can be remotely on-boarded to meet the Customer Due Diligence requirements of AML regulated merchants in as little as 3 to 5 minutes. Payidentity™ has now onboarded and verified more than 1.6m persons to an AML KYC standard.

- **iSignthis Payidentity™** service is the trusted back office solution for regulated entities, allowing merchants to stay ahead of the regulatory curve, and focus on growing their core business. iSignthis’ subsidiary, iSignthis eMoney Ltd, trades as ISXPay®, and is an EEA authorised eMoney Monetary Financial Institution, offering card acquiring in the EEA, and Australia.
- **ISXPay®** is a principal member of Visa Inc, Mastercard Inc, Diners, Discover, (China) Union Pay International and JCB International, an American Express aggregator, and provides merchants with access to payments via alternative methods including SEPA, Poli Payments, Sofort, Trustly, WeChat, AliPay and others.
- **UAB Baltic Banking Service, (“BBS”)** a wholly owned subsidiary of iSignthis Ltd, provides API based access to SEPA Core, SEPA Instant and SEPA business schemes (“CoreConnect”), for neobanks, banks, credit unions and emoney institutions, and provides a bridge to the Central Bank of Lithuania’s CENTROLINK service. Document Management (“DocPlus”) and Payment Management Systems (“PayPlus”) form part of the product suite, with BBS contracted to deliver these services to a number of regulated entities.
- **Probanx Information Systems Ltd (Probanx®)**, a wholly owned subsidiary of iSignthis Ltd, is an international banking software company which has been serving the banking industry since the year 2000 by developing comprehensive banking software solutions to financial institutions around the globe. Probanx offers web-based banking solutions using the latest technology and international standard business rules. Our customers are located on five continents and supported from our technical centres in Europe and Australia. iSignthis’ Probanx delivers core banking software, including a fully comprehensive and versatile banking solution for retail, corporate and private banks, emoney and payment institutions, offering capabilities that up until now were affordable only by large commercial banks.

Read more about the company at our website www.isignthis.com, <https://www.bbservice.lt/en/> and www.probanx.com
For investor information, please contact: investors@isignthis.com

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Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

ISIGNTHIS LTD

ABN

93 075 419 715

Quarter ended ("current quarter")

31 MARCH 2019

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|------------------------------------|--|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | 1,408 | 1,408 |
| 1.2 Payments for | | |
| (a) research and development | (84) | (84) |
| (b) product manufacturing and operating costs | (390) | (390) |
| (c) advertising and marketing | (1) | (1) |
| (d) leased assets | - | - |
| (e) staff costs | (1,299) | (1,299) |
| (f) administration and corporate costs | (1,326) | (1,326) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 29 | 29 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | - | - |
| 1.8 Other (provide details if material) | - | - |
| 1.9 Net cash from / (used in) operating activities | (1,663) | (1,663) |

| | | |
|--|-------|-------|
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire: | | |
| (a) property, plant and equipment | (37) | (37) |
| (b) businesses (see item 10) | (119) | (119) |
| (c) investments | - | - |
| (d) intellectual property | (111) | (111) |
| (e) other non-current assets | - | - |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|---|------------------------------------|--|
| 2.2 | Proceeds from disposal of: | | |
| | (a) property, plant and equipment | - | - |
| | (b) businesses (see item 10) | - | - |
| | (c) investments | - | - |
| | (d) intellectual property | - | - |
| | (e) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | 332 | 332 |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) | - | - |
| 2.6 | Net cash from / (used in) investing activities | 65 | 65 |

| | | | |
|-------------|---|-----------|-----------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of shares | - | - |
| 3.2 | Proceeds from issue of convertible notes | - | - |
| 3.3 | Proceeds from exercise of share options | - | - |
| 3.4 | Transaction costs related to issues of shares, convertible notes or options | - | - |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | - | - |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (card scheme membership security) | 52 | 52 |
| 3.10 | Net cash from / (used in) financing activities | 52 | 52 |

| | | | |
|------------|--|--------------|--------------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of quarter/year to date | 8,434 | 8,434 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (1,663) | (1,663) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | 65 | 65 |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 52 | 52 |
| 4.5 | Effect of movement in exchange rates on cash held | 393 | 393 |
| | Cash acquired on acquisition* | (59) | (59) |
| 4.6 | Cash and cash equivalents at end of quarter | 7,222 | 7,222 |

* The cash acquired on acquisition represents cash held/(owed) by USB Baltic Banking Services as at the date of acquisition.

| 5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|--|------------------------------------|-------------------------------------|
| 5.1 Bank balances | 7,222 | 7,222 |
| 5.2 Call deposits | - | - |
| 5.3 Bank overdrafts | - | - |
| 5.4 Other (provide details) | - | - |
| 5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 7,222 | 7,222 |

| 6. Payments to directors of the entity and their associates | Current quarter \$A'000 |
|--|------------------------------------|
| 6.1 Aggregate amount of payments to these parties included in item 1.2 | (136) |
| 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3 | 332 |
| 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2 | |

Payments to directors and director related entities during the March 2019 quarter relate to employment costs paid in the period.

During the December 2018 quarter, the Company entered into a formal, short term, interest bearing loan agreements with Etherstack Pty Limited a wholly owned subsidiary of Etherstack Plc of which Mr Scott Minehane is a director. \$320,000 was advanced to Etherstack Pty Limited and owing at the end of the December 2018 quarter; this was repaid during the quarter ending 31 March 2019, including the interest owed of \$12,160, amounting to the \$332,160 received as noted in section 6.2. All transactions were completed at arm's length and Mr Minehane did not benefit in any way.

| 7. Payments to related entities of the entity and their associates | Current quarter \$A'000 |
|--|------------------------------------|
| 7.1 Aggregate amount of payments to these parties included in item 1.2 | - |
| 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3 | - |
| 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2 | |

Nil

| 8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|--|---|--|
| 8.1 Loan facilities | - | - |
| 8.2 Credit standby arrangements | - | - |
| 8.3 Other (please specify) | - | - |
| 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. | | |
| Nil | | |

| 9. Estimated cash outflows for next quarter | \$A'000 |
|--|----------------|
| 9.1 Research and development | 80 |
| 9.2 Product manufacturing and operating costs | 610 |
| 9.3 Advertising and marketing | 20 |
| 9.4 Leased assets | - |
| 9.5 Staff costs | 1,430 |
| 9.6 Administration and corporate costs | 630 |
| 9.7 Other (provide details if material) | - |
| 9.8 Total estimated cash outflows¹ | 2,770 |

¹ The company is an operating business that generates cash inflows each quarter. Estimated cash outflows are based on assumptions including activity on estimated inflows. The above summary of estimated cash outflows does not reflect the anticipated net cash flows for the following quarter, as it excludes cash inflows (such as receipts from customers).

| 10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above) | Acquisitions | Disposals |
|--|--|------------------|
| 10.1 Name of entity | UAB Baltic Banking Services | - |
| 10.2 Place of incorporation or registration | Lithuania | - |
| 10.3 Consideration for acquisition or disposal | 1. €75,000 in cash; 2. €75,000 in ISX ordinary shares, and; 3. An earn out of up to €1.5m based on FY19 EBIT | - |
| 10.4 Total net assets | A47k | - |
| 10.5 Nature of business | Specialised banking platform service provider | - |

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:
(Company secretary)



Date: 30 April 2019

Print name: Todd Richards

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.