

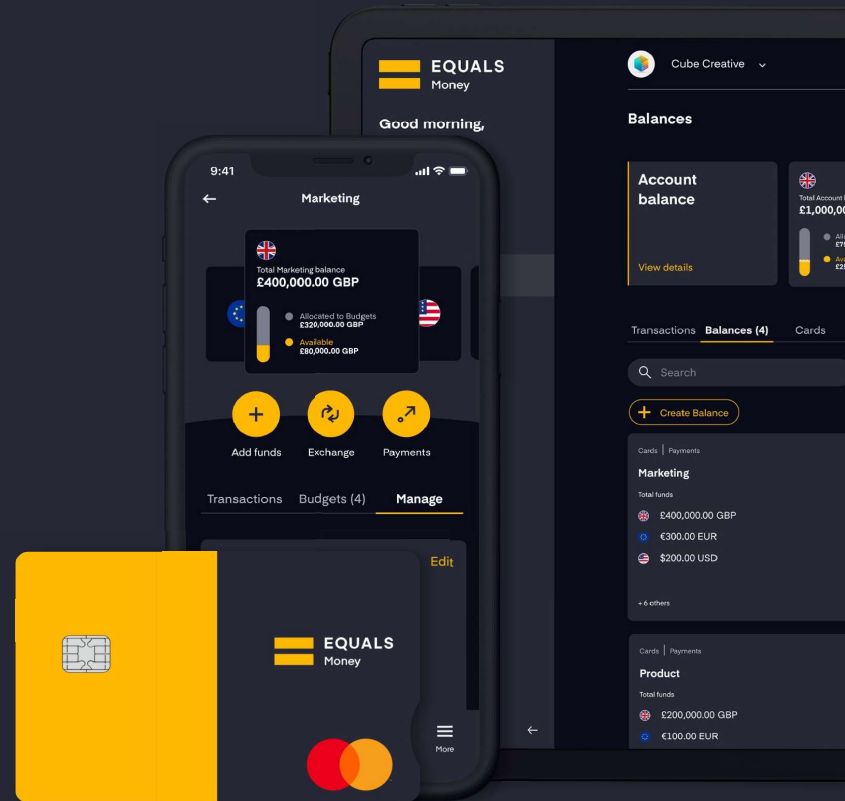


2022 Interim Results and Trading Update

September 2022

Ian Strafford-Taylor
CEO, Equals Group

Richard Cooper
CFO, Equals Group



AGENDA

01

Macro view

Where we fit in the payments universe

02

Products & differentiators

What we do and our USP's

03

Platforms

Equals Money and Equals Solutions

04

Operational review

H1-2022 Revenues and key highlights

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Financial review

H1-2022 revenues, profits, cashflow & liquidity

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Platform roadmap

Platform and product plans for 2022 & 2023

07

Growth strategy

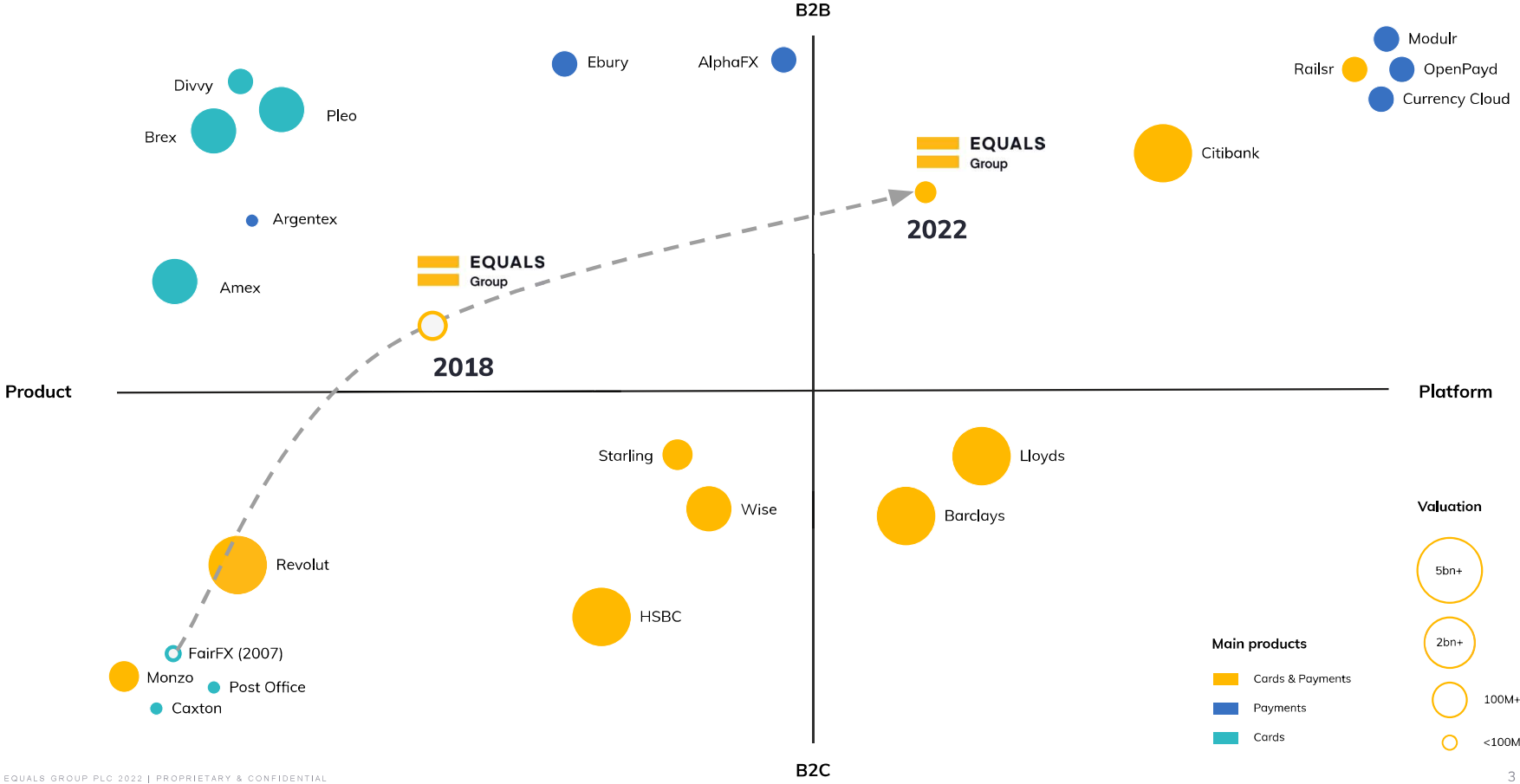
Sales, marketing and go-to-market plans

08

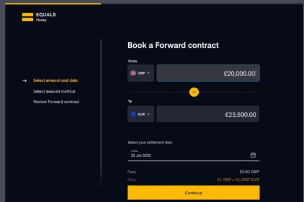
Summary

Equals Group investment case

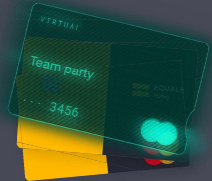
Equals market positioning



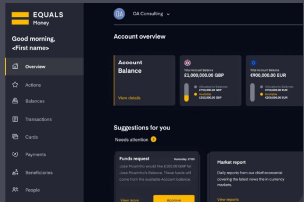
Products



International Payments
Spot/forward contracts
Self-serve, dealer support or hybrid
White label offering



Cards
Debit & Prepaid: Physical & Virtual
Tokenisation / Apple Pay / GPay
Supply chain internalised



Current accounts
Own-name multi-currency IBANs
Agency Banking via Barclays
Direct connections to Faster Payments and SEPA



Differentiators



Platform

Payments & Cards combined from single pool of funds; Investment into UX* to increase usability & simplicity; Boxes operating system



Connectivity

Direct integration into payment networks; Citi integration giving domestic settlement; Direct members of Mastercard



Compliance

Automated checking for vanilla KYC/KYB
Skilled headcount for EDD** and complex cases; Strong relationship with Banks



People

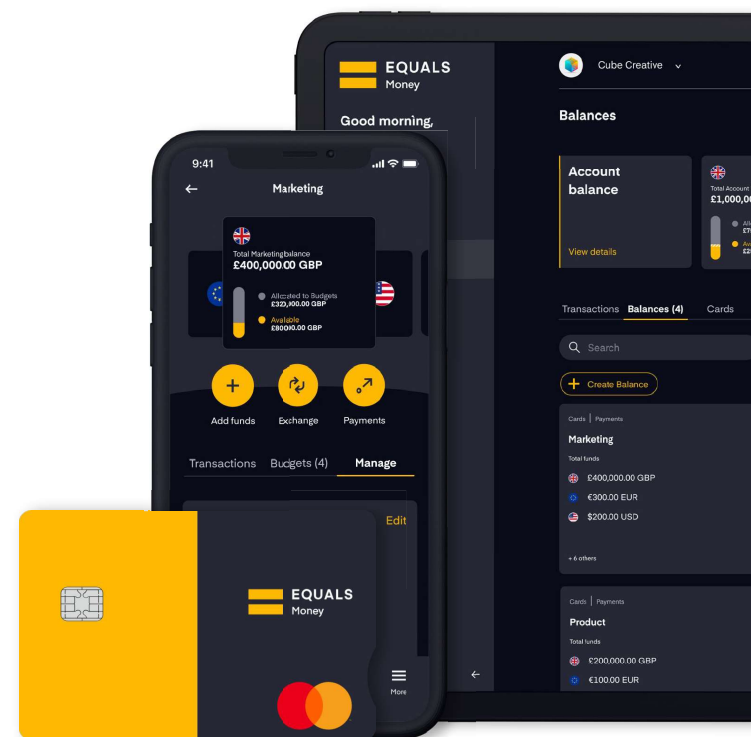
FinTech capabilities augmented by human interaction; Strong customer service teams; Consultative selling

*User experience

**Enhanced due diligence

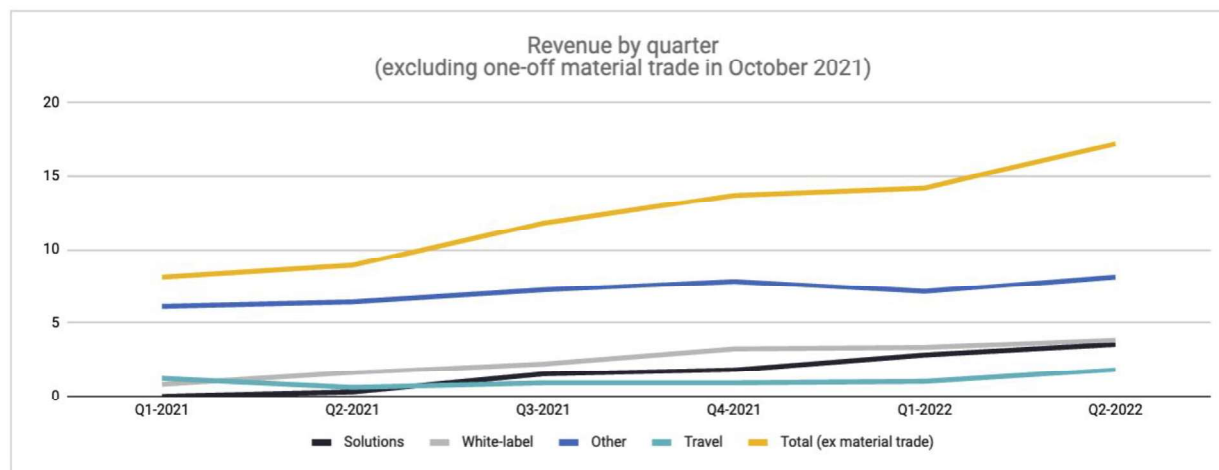
Equals Money & Equals Solutions

- Unified platform, combining account-to-account transfers & card payments underpinned by own-name multi-currency IBAN
- Unlimited accounts and sub-accounts powered by Boxes customisable hierarchy for approvals and permissions
- Highly configurable - customisable for accounts, approvals and permissions
- Rapid onboarding & Enhanced Due Diligence
- **Equals Money** - target market SMEs
- **Equals Solutions** - target market larger corporates, global collection accounts, other financial institutions (via API), fund administrators

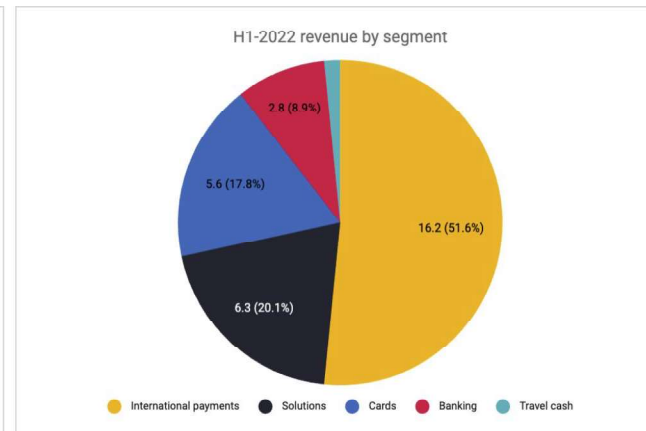
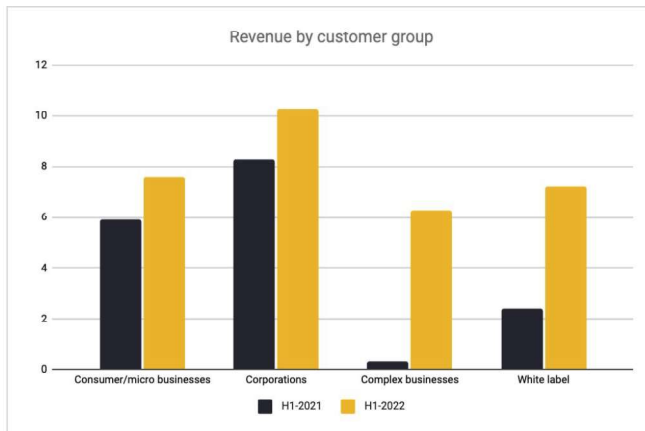
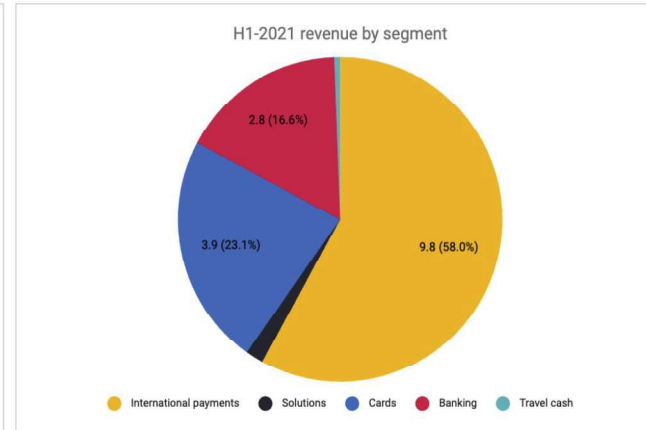
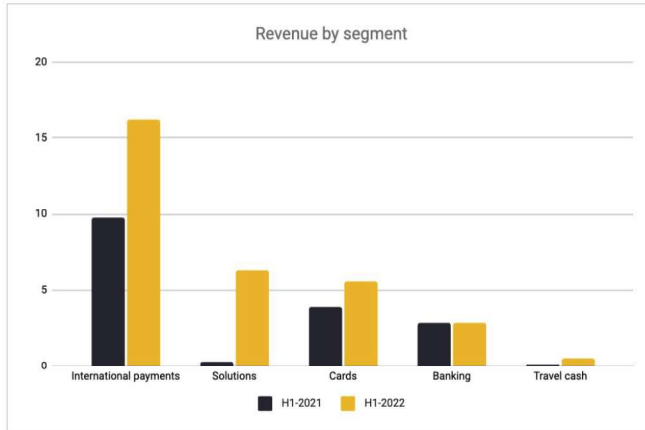


Revenue by quarter, from Q1-2021

£ millions	Q1-2021	Q2-2021	Q3-2021	Q4-2021	Q1-2022	Q2-2022
Solutions	0.0	0.3	1.5	1.8	2.8	3.5
White-Label	0.8	1.6	2.2	3.2	3.3	3.8
Other	6.1	6.4	7.2	7.8	7.1	8.1
Travel	1.2	0.6	0.9	0.9	1.0	1.8
Total (ex material trade)	8.1	8.9	11.8	13.7	14.2	17.2



Revenue by segment, by customer group



H1-2022 Highlights

Strong Growth

Key KPI's of transaction volumes, revenues, profits and cash generation all strongly positive

Payments

Upgraded end-to-end self-serve payments UX.
Customer tiering and alignment of service to revenues

Cards

Shared / individual & physical / virtual cards live with 21 currencies..

Platform

Full multi-currency business accounts with statements.
Native apps for iOS & android.
API access launched

Connectivity

Direct integration to SEPA.
Unified processor for cards
V1 accountancy integration

Sales & marketing

Investment in Data & self-serve warehouse driving KPI's
Further strengthening of Sales, Affiliate & marketing teams

Compliance

More automation of vanilla KYC.
Hiring experienced risk & compliance professionals
Transaction monitoring system

People

Refined Exec structure
More variable compensation and retention awards
Annual pay award based on 360 appraisal process



CFO Review

Richard Cooper

Explanatory Notes:

* Adjusted EBITDA is defined as operating profit before: depreciation, amortisation, impairment charges and share option charges and items of an exceptional nature.

**Operational cashflows are before earn-outs and R&D credits.

Percentages are calculated based on underlying rather than rounded figures.

How we make money

	Cards	Banking	Int Payments	White label	Solutions	Travel cash
FX spreads	●		●	●	●	●
Loads	●	●				
POS	●	●				
ATM	●	●				
A/C fees	●	●			●	
Other fees	●	●	●		●	
Partner rebates	●					
Interest	●	●				

How we make money: The numbers

Per day, H1-2022	Cards	Banking	Int Pay	White label	Solutions	Travel cash	TOTAL
Transaction numbers (rounded)	29,000	24,000	360	200	240	160	
Transaction amounts (£ million)	249	59	1,244	747	1,055	21	
Loads / deposits (£ millions)	2.47	6.65	0	0	0	0	
Revenue in £000's	46	23	73	59	51	4	255
	x	x	x	x	x	x	x
(working) days in period	123	123	123	123	123	123	123
	=	=	=	=	=	=	=
Amount in H1-2022							
Total revenue (£ millions)	5.6	2.8	9.0	7.2	6.3	0.5	31.4
	x	x	x	x	x	x	x
Gross profit margin	62.5%	78.6%	58.9%	11.1%	46.0%	40.0%	47.5%
	=	=	=	=	=	=	=
GROSS PROFITS (£ millions)	3.5	2.2	5.3	0.8	2.9	0.2	14.9
Marketing (£ millions)							
						as % of revenue →	-2.5%
CONTRIBUTION (£ millions)							(0.8)
14.1							
Operating costs (£ millions)							
						as % of gross profits →	-61.7%
ADJUSTED EBITDA* (£ millions)							(9.2)
4.9							
Capex, working capital (£ millions)							
						as % of adjusted ebitda →	-4%
NET CASH GENERATED (£ millions)							(0.2)
3.3							
Earn-outs (£ million)							
						Now ended →	(1.4)
NET CASH GENERATED (£ millions)							3.3

Financial results summary H1- 2022

£MILLIONS	H1-2022	H1-2021	
Revenue	31.4	16.9	86% Growth
Gross Profit	14.9	10.3	44% Growth
Contribution	14.1	9.9	42% Growth
Adjusted EBITDA*	4.9	1.6	203% Growth
Profit/(Loss) Before Taxation	0.9	(2.2)	Significant turnaround to accounting profit
EPS (Basic, in pence)	0.38	(0.70)	Supplements existing distributable reserves
Operational cash in/(out) flows**	4.7	0.8	Highly unusual for a fintech
Cash at bank	16.5	10.1	Out of which CBLs repaid in full after end period

Revenue Analysis

In £ Millions	H1-2022	H1-2021	Notes
By Segment			
International payments	16.2	9.8	78% spot
Solutions	6.3	0.3	27% fee-based
Cards	5.6	3.9	
Banking	2.8	2.8	
Travel Cash	0.5	0.1	
	31.4	16.9	
By customer Group			
Consumer/Small Business	7.6	5.9	
Corporations	10.3	8.3	
Larger corporations	6.3	0.3	
Sub-total	24.2	14.5	
White label clients	7.2	2.4	87% Spot
	31.4	16.9	

Revenue to Adjusted EBITDA*

	£ millions			£ millions		
	Q1-2022	Q2-2022	H1-2022	Q1-2021	Q2-2021	H1-2021
Revenue	14.2	17.2	31.4	8.1	8.8	16.9
Gross Profits	6.6	8.3	14.9	5.2	5.1	10.3
	46.9%	47.8%	47.4%	65.2%	57.3%	61.0%
Marketing	(0.3)	(0.5)	(0.8)	(0.2)	(0.2)	(0.4)
Contribution	6.3	7.8	14.1	5.0	4.9	9.9
Operating Costs	(4.5)	(4.7)	(9.2)	(3.6)	(4.7)	(8.3)
Adjustment EBITDA	1.8	3.1	4.9	1.4	0.2	1.6
Memo: adjusted EBITDA after rent			4.5			1.0

Bridge, H1-2022 from H2-2021

H2-2021 Adjusted Ebitda*		5,174
Less	Gross profits from material trade (announced October 2021)	(812)
	Property rates rebate received in H1-2021 through vacated property during Covid	(80)
Like-for-like H2-2021 Adjusted		4,282
Add:	15% uplift in contribution H1-2022	1,868
Less	15% increase in staff costs, reflecting higher planned headcount along with pay adjustments averaging 8%	(885)
	46% increase in professional and compliance costs, much of which is attributable to onboarding more clients	(290)
	Increase in travel and exhibition costs	(80)
	Increase in property utility costs and rates	(44)
H1-2022 Adjusted EBITDA*		4,852
Uplift over like-for-like H2 2021		570
% Uplift over like-for-like H2-2021		13%

Cashflow

£000's	H1-2022	H1-2021
Adjusted EBITDA* (after rent)	4,497	1,034
- Cash incurred separately reported items	-	(616)
- Internally capitalised staff costs	(2,051)	(1,191)
- Purchase of other intangibles and similar	(471)	(175)
- Purchased of property, Plant, equipment	(122)	(40)
- Working capital movement	2,875	1,795
Operational** cashflows	4,728	807
Less: Cash for acquisitions/Earn outs	(1,380)	(803)
External Funding :		
- Repayment of CBIL loan (see below)	(200)	-
- Cash raised from issue of share options and LTIP shares in Trust	200	46
NET Cash Flows	3,348	50
Balance at start of period	13,104	10,032
Balance at end of period	16,452	10,082
Number of shares in issue	180,712,473	180,045,807
Cash per share (in pence)	9.1	5.6

Liquidity

	H1-2022	H1-2021	FY-2021
	£000'S	£000'S	£000'S
Cash at Bank	16,452	10,083	13,104
Balances with liquidity providers	1,499	2,553	1,675
Pre-funded balances with card provider	844	1,435	1,615
Gross liquid resources	18,835	14,071	16,394
Customer balances not subject to safeguarding	(4,210)	(4,755)	(3,655)
CBILS Loan	(1,800)	(2,000)	(2,000)
	(6,010)	(6,755)	(5,655)
Net position	12,825	7,316	10,739



Looking forward

Ian Strafford-Taylor

Q3-2022* Trading update

	YTD £ Millions	Per day £ 000s	Q3 £ Millions	Per day £ 000s
Group Revenue				
2022	44.7	264	13.3	289
2021	25.2	149	8.6	187
% increase	77%		55%	
Solutions Revenue				
2022	9.4	56	3.1	67
2021	1.3	8	1.1	24
% increase	623%		182%	
Travel Revenue				
2022	4.2	25	1.4	30
2021	2.4	14	0.6	13
% increase	75%		133%	

Plans for 2022 and beyond

Payments

24/7 FX capability
Further refinement of platform to drive more self-serve

Cards

Single platform structure on evergreen tech stack
White-label capabilities for larger partners via API

International expansion

Launch cards into the US followed by full Equals Money platform
Equals Money launch in Europe

Connectivity

Expand network of local payment and collection accounts
Accountancy platform integrations

Investment in tech

Continued development of product and platform to drive revenue growth

Platform as a Service

Re-sell Equals Money platform to third parties via API integration
Full whitelabel functionality

Efficiency gains

Further investment into 'Boxes' infrastructure to drive straight-through-processing (STP) yielding increased capacity and operational gearing

People

Investment in retention and productivity. Developing high-performing teams via enhanced leadership training and professional development

Growth strategy

Data & KPIs

Strong KPI-driven management
Self-serve data warehouse
Machine-learning predictive data science driving marketing

New customers

B2B acquisition via sales, augmented by marketing
Target larger B2B customers
Focus on industry verticals

Existing customers

Win-back dormant accounts
Customer tiering to map optimal service and products
Automated marketing comms

Marketing

B2B marketing via industry specific campaigns and trade bodies
B2C automated marketing reducing CPA

CRM

Super-user HubSpot team to drive optimisation
Unlock capabilities of HubSpot to drive cross-sell

People & culture

Shift to consultative / platform sales via training of current sales teams augmented by new hires
Imbue "Equals" culture

Alignment

Ensure resources allocated in proportion to opportunity and constraints

Geographic expansion

Build-out defined business cases with go-to-market strategy for target markets (Europe, Dubai, USA)

Summary

Growth & operational gearing

Continued growth in turnover and revenues now flowing to profits and distributable reserves

Platform

Payments platform incorporating cards and transfers underpinned by own-name multi-currency IBAN

Scalability

Proven scalable technology platform augmented by direct connectivity to yield efficiency and capacity

Cash Generative

Strong balance sheet to accelerate organic growth and open up M&A opportunities

Compliance & control

Investment into compliance yielding superior relationships with Banks and Regulators

Proven track record

Strong, stable team delivering consistent market-beating performance

Trading inline with market expectations



**Thank you,
questions?**

Ian Trafford-Taylor

CEO, Equals Group

Richard Cooper

CFO, Equals Group

Financial appendices

1. Gross profit analysis
2. Expenditure analysis

Appendix 1: Gross Profit Analysis

In £ Millions	H1-2022	H1-2021
Consumer/ Small business	5.2	4.5
Corporations	5.9	5.2
Larger Corporates	2.9	0.1
Sub-total	14.0	9.9
White label Clients	0.8	0.4
Total gross profit	14.8	10.3
Gross Profit percentage		
Consumer/Small Business	67%	75%
Corporations	58%	64%
Larger Corporates	47%	37%
White Label Clients	12%	18%
Overall	47%	61%

H1-2021 Included £0.9m of income at 100% margin.
H1-2022 hit by negative interest rate charges not passed on to clients for commercial reasons

Change in Contractual terms led to both increased revenue and increases but a lower margin

Appendix 2: Summary of Operating Costs within Adjusted EBITDA

£000'S	H1-2022	H1-2021	Notes
Engineering contractors	583	105	Product build accelerated
All other staff costs	8,168	7,844	+4%
Gross staff costs	8,751	7,949	+10%
Amounts capitalised	(2,051)	(1,191)	
% capitalised	23%	16%	
IFRS 16 (Car Leases)	(80)	(38)	
Restructuring (exceptional item)	-	(616)	
Net Staff costs	6,620	6,104	+8,5%
Property & office costs	430	490	One less bureau
IT & telephone costs	925	817	More AWS
Professional Fees	560	594	Inflationary pressures
Compliance costs	358	251	More onboarding
Travel and other expenses	331	52	Business prospecting
Operating costs	9,224	8,308	