

ASX ANNOUNCEMENT

19 October 2022

Peppermint Bizmoto signs exclusive agreement with MASS-SPECC to offer EMI financial services to 1.6M co-op members

PERTH, AUSTRALIA, 19 OCTOBER 2022: Peppermint Innovation Ltd (ASX:PIL) ("**Peppermint**" or "**the Company**") is pleased to announce its 100% owned subsidiary, Peppermint Bizmoto Inc. ("Bizmoto") has signed a five-year exclusive agreement with the Philippines' largest regional cooperative federation - MASS-SPECC Cooperative Development Center ("MASS-SPECC") - for its 1.6 million members to use Bizmoto's Electronic Money Issuer (EMI) financial services.

This agreement allows MASS-SPECC to launch its own digital transformation program via their PinoyCoop App where Bizmoto provides MASS-SPECC member-users access to EMI financial services such as transferring money from a co-op member's Bizmoto wallet to another bank account via InstaPay or PESONet.

Additionally, Bizmoto's EMI financial services will provide a convenient and safe means of completing 'cash-in' and 'cash-out' transactions aside from MASS-SPECC's Automatic Teller Machines ("ATM"). In 2021 alone, MASS-SPECC's ATM cash-outs accounted for almost two million transactions or an average of 166,000 transactions per month. The two million transactions were attributed to only circa 380,000 ATM card holding members of MASS-SPECC's 1.6 million individual members.

MASS-SPECC co-op members will also be able to access Bizmoto e-wallet financial services such as bills payment, including the collection of payment for local billers, electronic load and the release and collection of co-op loans.

Technical planning, development and integration is currently underway with services to commence within the next four months.

Peppermint will receive an integration payment of circa \$40,000 and earn on-going fees on a revenue share basis for each transaction, dependent on the service performed, which at this stage cannot be quantified in terms of materiality.

The five-year agreement renews on the same terms on an annual basis, unless six months' notice is given prior to the renewal date. Either party may terminate the agreement at any time, for any reason, by serving written notice to the other party sixty (60) days prior to the intended end date of the agreement.

Peppermint Managing Director and CEO Chis Kain said: "This MASS-SPECC agreement is incredibly significant as it represents the first deal that Peppermint Bizmoto has signed since being awarded its EMI license in May 2022 by the Central Bank of the Philippines ('Bangko Sentral ng Pilipinas').

"MASS-SPECC is the oldest and largest regional cooperative federation in the Philippines, with more than 1.6 million individual members, representing 335-member cooperatives.



"As part of a dedicated digital transformation program MASS-SPECC aims to onboard circa 480,000 members and more than 100 of its 335-member cooperatives in the first 12 months. Further growth is forecast in the second and subsequent years, creating a significant opportunity to provide all new cooperative members with the ability to access Bizmoto's EMI financial services."

"Our exclusive agreement with MASS-SPECC will also allow us to demonstrate the considerable range of opportunities we can provide under our EMI license, as well as offering its members other financial services such as micro loans, micro insurance and micro health benefits."

"In addition, we are also collaborating with MASS-SPECC to identify how Bizmoto can offer co-op products and services across our expanding ecosystem, specifically via our bizmoTinda and bizmoGO digital offering."

"The EMI features delivered in our Bizmoto App can also be offered to other local cooperatives and communities."

MASS-SPECC CEO Bernadette O. Toledo said: "MASS-SPECC is pleased to partner with Peppermint Bizmoto as we launch our program of digital transformation."

"Being the largest regional co-operative federation, MASS-SPECC has more than 1.6M individual members representing 335 member co-ops who will benefit from this partnership with Peppermint Innovation."

"We expect to onboard at least 30% of MASS-SPECC co-ops and members in our first year, and we will continue to work on the digital onboarding of the rest of the member co-ops who are still in the process of becoming part of the MASS-SPECC digital system."

"The two institutions are also in talks to work together on promoting co-op products and services through the Bizmoto Digital Community, which aims to build a particular network under the BizmoTinda and BizmoGo digital services."

"MASS-SPECC is optimistic this partnership with Peppermint Bizmoto Inc. will ultimately contribute to the realisation of the cooperative movement's vision, that 'All Members Enjoy a Better Quality of Life'."

Ends

This ASX announcement has been approved by Peppermint Innovation Limited's Board of Directors and authorised for release.

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About Peppermint Innovation Ltd

Peppermint Innovation is an Australian company focused on the commercialisation and further development of the Peppermint Platform, a mobile banking, payment and remittance, delivery and logistics, ecommerce and finance technology designed for micro-enterprise, agent networks, banks and Co-Operative associations. Peppermint currently operates the Peppermint Platform in the Philippines.



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