

ASX ANNOUNCEMENT

27 SEPTEMBER 2023

Peppermint issued two key certifications by Central Bank of the Philippines

- **Peppermint Bizmoto Inc. ("PBI") issued with Certificate of Registration ("COR") as an Operator of Payment System ("OPS") by the Bangko Sentral ng Pilipinas ("BSP")**
- **Certification allows PBI to be listed among the BSP's 'approved and supervised' Operator Payment Systems throughout the Philippines, providing a safe, efficient and reliable payment and settlement system for its Bizmoto users**
- **PBI issued with Certificate of Eligibility ("COE") by the BSP for direct membership with the Philippines Payments Management Inc. ("PPMI"),**
- **Certification allows PBI to join PPMI in the PESONet and InstaPay Automated Clearing Houses ("ACH") as a Sending and Receiving Participant under the National Retail Payment System ("NRPS") of the Philippines**

PERTH, AUSTRALIA, 27 SEPTEMBER 2023: Peppermint Innovation Ltd (ASX: PIL) ("**Peppermint**" or "**the Company**") is pleased to announce its 100 per cent owned subsidiary, Peppermint Bizmoto Inc. ("PBI") has been issued two vitally important bank certifications by the Bangko Sentral ng Pilipinas ("BSP").

The BSP, which is commonly referred to as the Central Bank of the Philippines, has issued PBI with a Certificate of Registration ("COR") as Operator of Payment System ("OPS") and a Certificate of Eligibility ("COE") for membership in the Philippines Payments Management Inc. ("PPMI") allowing direct connection to the PESONet and InstaPay Automated Clearing Houses ("ACH") as a Sending and Receiving Participant under the National Retail Payment System ("NRPS") of the Philippines.

PESONet and InstaPay are automated clearing houses operating under the BSP's NRPS to promote a safe, efficient, affordable, inclusive and reliable retail payment system. PESONet is an account-to-account fund transfer service that supports bulk, recurring, non-time sensitive payment transactions while InstaPay is a new electronic fund transfer service that enables participants to provide real-time, low-value payment transactions, allowing customers and businesses to transfer between participating banks, e-money issuers or mobile money operators in the Philippines.

The critical certification provides for PBI to be listed among the BSP's 'approved and supervised' Operator Payment Systems throughout the Philippines, providing a safe, efficient and reliable payment and settlement system for its bizmoto users.

It also allows PBI to operate its payments platform outside of its closed loop of bizmoto users and ensures that its role as a payment service provider to small banks, organisations, transportation services and any other community group delivers quality payment services via bizmoto.



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The COE verifies that bizmoto's operating system is compliant with BSP's regulatory policies and authorises PBI to directly facilitate sending and receiving payments and fund transfers via PESONet and InstaPay between a bizmoto eWallet and any bank account or EMI licenced eWallet who are participants in the NRPS.

According to data released by the BSP in May this year, the value of electronic fund transfers ("EFT") flowing through PESONet and InstaPay jumped by 30.1 percent to hit Php 3.81 trillion in the first four months of 2023, compared to Php 2.92 trillion in the same period last year, as more Filipinos turned to digital channels for their financial transactions. *

BSP's data also showed the combined volume of EFT transactions soared by 28.5 percent to 247.7 million from January to April this year versus last year's 192.8 million. In 2022, the combined value of PESONet and InstaPay transactions jumped by 36 percent to Php 9.94 trillion from Php 7.24 trillion in 2021 as transaction volume increased by 21 per cent to 633.46 million from 523.59 million transactions. *

The Digital Payment Transformation Roadmap developed by the BSP aims to shift 50 per cent of total retail transactions to electronic channels and onboard at least 70 per cent of Filipino adults to the financial system through the ownership and use of a transaction account by the end of 2023. The share of digital payments to total retail transactions has increased to 30.3 per cent in 2021, up from 20.1 per cent in 2020.

**Source: <https://www.philstar.com/business/2023/05/19/2267258/pesonet-instapay-fund-transfers-jump-p38-trillion-4-months>*

Peppermint Managing Director and CEO Chis Kain said: "The BSP's certification of our operations is an important milestone in Peppermint's strategy to fully leverage our Electronic Money Issuer ("EMI") licence and use it to drive revenue growth via increased transactions across the bizmoto platform."

"While we have previously offered PESONet and InstaPay via bizmoto, this has been through a third-party relationship."

"We will now improve our margins and revenue profile for these types of transaction by having direct membership to the PPMI and therefore direct connection to the ACH for PESONet and InstaPay."

"The BSP's OPS and COE certification of PBI, which facilitates bizmoto's complete and direct interoperability across the Philippines payment landscape, also emphasises the potential value of our EMI licenced platform."

"By way of some comparison, a Philippines mobile-App based platform with an EMI licence called Coins.ph was sold in early 2021 for US\$200 million, after having been purchased by Gojek for around US\$95 million in 2019."

"Peppermint has a commercially proven, deployed and growing mobile-App based ecosystem in the Philippines which is underpinned by a Finance Company Licence and an EMI licence. We are currently valued at circa AUD\$13M."

Ends



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

For more information, please contact:

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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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