



Nick Wiles, Chief Executive
Alan Dale, Finance Director

26 May 2022

Results for the year ended 31 March 2022

Agenda – 26 May 2022

1 Overview

2 Strategy update

3 Financial review

4 Divisional review

5 Q&A

Positive year for the PayPoint Group

Strategic

- Building on the strategic step change, delivering a significantly enhanced platform with strong shareholder returns
- Further acquisitions and investments made to strengthen capabilities, open up growth opportunities and engagement across new verticals
- Acquisition of RSM 2000 for £5.9m, with £1.0m deferred, completed on 12 April 2021
- Investment of £6.7m in the Snappy Group – responding to consumer demand for rapid, local home delivery
- Strategic partnership with Optus Homes, a leading app for tenants to manage their home rental account
- Transformation of business is gathering pace

Operational

Shopping Division

- Counter Cash live in 2,624 sites, offering vital access to cash over the counter and complementing existing ATM estate
- SME proposition enhanced, including Handepay one-month contract launched successfully to over 2,300 SMEs, Business Finance via YouLend with over £8.5m lent and new technology developed
- Snappy Shopper live in 269 sites, helping retailer partners offer local home delivery and click and collect
- Strong sales team delivery across PayPoint and Handepay, with over 6,900 installs across both businesses and increased engagement, visits, training and support for retailers and SMEs

E-Commerce Division

- Parcel transaction growth of +25.2% year on year vs FY21, driven by best ever Peak Christmas performance, strong Q4 +38.8% year on year and resurgence in clothing and footwear categories
- New partnership launched with Randox, enabling consumers to order tests online for click-and-collect at over 2,000 Collect+ sites
- Expanding services to existing clients with DHL In Store returns and Amazon returns, enabled by further Zebra label printer rollout
- First multi-carrier innovation, trends and future opportunities workshop held in January 2022

Payments & Banking Division

- Continued diversification to digital with 28 new client services now live, 19 coming from non-energy sectors and 18 taking digital payments solutions, supported by development of additional capabilities, including Open Banking and new Direct Debit platform
- New Payment Exception Service launched via i-movo for DWP, contributing £1.6m in net revenue
- First major digital payments contract now live with Optivo, one of the UK's largest housing associations
- Acquisition of RSM 2000 completed on 12 April 2021 – positive contribution of £1.1m net revenue, supporting digital strategy

Financial

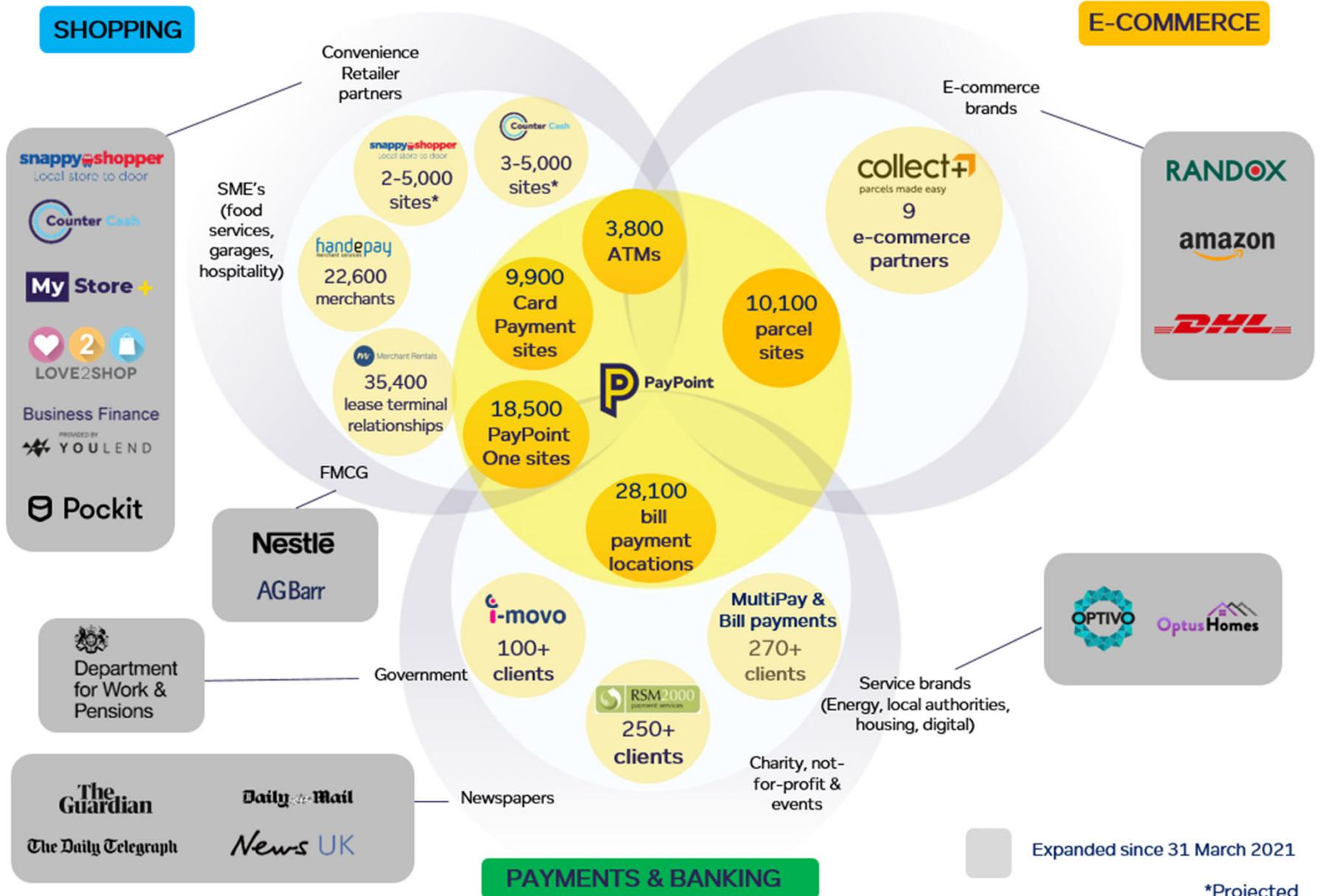
- Net revenue from continuing operations of £115.1m, up 18.5%, driven by a resilient underlying performance and a strong contribution from the acquisitions of Handepay/Merchant Rentals, i-movo and RSM 2000
- Profit before tax from continuing operations excluding exceptional items of £45.6 million, up 25.0%, reflecting a rebalancing of the business mix towards growth opportunities
- Net corporate debt of £43.9m, reduced by £24.3m since end of FY21, with strong underlying cash flow of £41.4m
- Increased final ordinary dividend of 18.0 pence per share declared, an increase of 8.4% compared to the final ordinary dividend declared on 27 May 2021 of 16.6 pence per share
- Tight cost management to address impact of cost increases and inflation
- The Board remains confident in the delivery of further progress in FY23 and meeting expectations



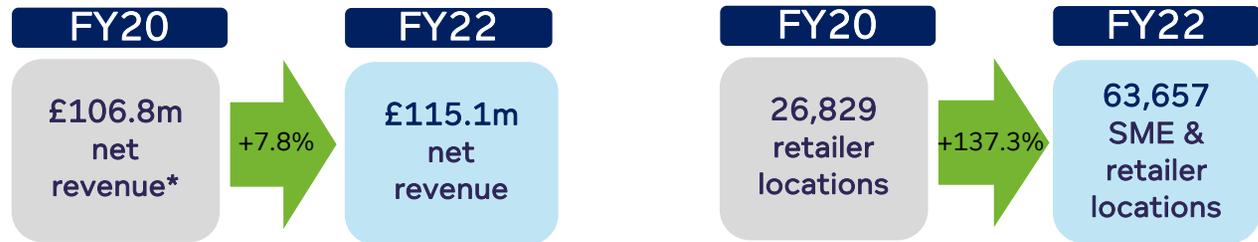
Strategy update

Significantly expanded universe delivering strong returns

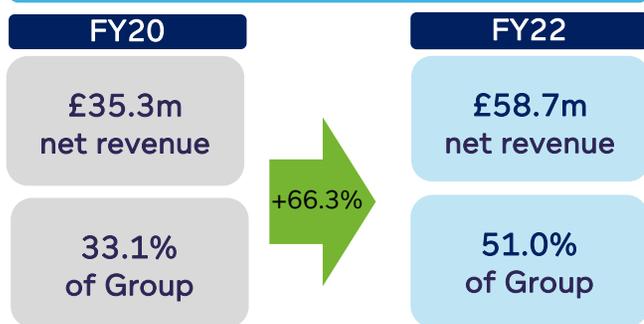
Strengthened portfolio of brands and partnerships within the PayPoint Group, supporting our clients and retailer partners with innovative solutions and product offerings, across different sizes of network



Transformation of PayPoint Group over last two years



SHOPPING



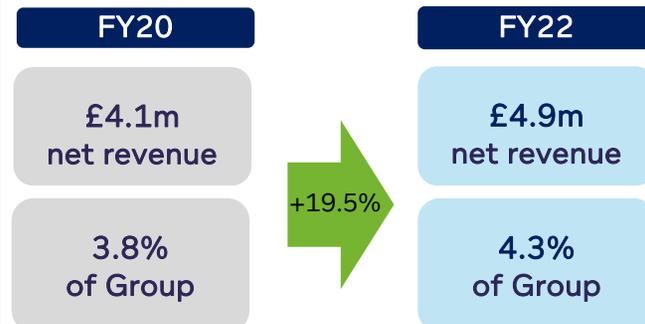
Key drivers

- Growth in PayPoint One rollout and service fee
- Growth in card payments and acquisition of Handepay/Merchant Rentals
- Enhancement of retailer proposition and engagement, inc. Counter Cash, Snappy Shopper, MyStore+

How we deliver

- Retail Services = PayPoint One, EPoS, Counter Cash, Home Delivery, FMCG, ATMs, Business Finance
- Card payments = PayPoint, Handepay/Merchant Rentals & RSM 2000

E-COMMERCE



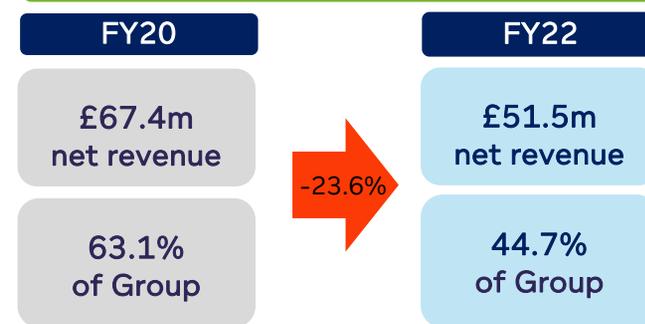
Key drivers

- Development of e-commerce delivery platform to deliver best-in-class customer journeys
- Continued investment in delivery platform, technology and in-store experience, inc. label printers and app
- Reshaped carrier relationships, expansion of brand portfolio and service provision

How we deliver

- Consumer parcel send, pick up and drop off
- No.1 carrier-agnostic Out Of Home (OOH) network, with best-in-class technology and consumer experience
- Leadership in consumer data and insights to drive sector innovation

PAYMENTS AND BANKING



Key drivers

- Built payment channel agnostic platform, supporting diversification to digital
- Investment in capabilities to secure business in new sectors, inc. government, housing and charities
- Accelerated decline of cash in legacy business

How we deliver

- Digital = MultiPay, RSM 2000 and i-movo (DWP & Cash Out)
- Cash through to digital = Emoney, Digital Vouchers and Neobanks
- Cash = bill payments and top ups





Financial review

Financial highlights

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Year ended 31 March	FY22	FY21 (Restated) ¹	Change	
	£m	£m		
Revenue from continuing operations	145.1	127.7	13.6%	
Net revenue from continuing operations ²	115.1	97.1	18.5%	See slide 10
Operating margin before exceptional items ³ from continuing operations	41.4%	39.0%	2.4ppts	
Profit before tax from continuing operations excluding exceptional items	45.6	36.5	25.0%	See slide 9
Exceptional items from continuing operations	2.9	(16.1)m	n/m	
Profit before tax from discontinued operation excluding exceptional item	0.1	7.6	n/m	
Exceptional profit from discontinued operation	29.9	-	n/m	
Profit before tax	78.5	28.0	180.5%	
Diluted earnings per share	100.2p	32.4p	n/m	
Diluted earnings per share from continuing operations	57.0p	23.1p	n/m	
Diluted earnings per share from continuing operations excluding exceptional items	52.8p	42.9p	23.1%	
Ordinary paid dividend per share	33.6p	31.2p	7.7%	
Ordinary reported dividend per share	35.0p	32.2p	8.7%	
Cash generation ⁴ from continuing operations excluding exceptional items	53.9	46.9	14.9%	See slide 12
Net corporate debt	(43.9)	(68.2)	(35.7%)	See slide 13

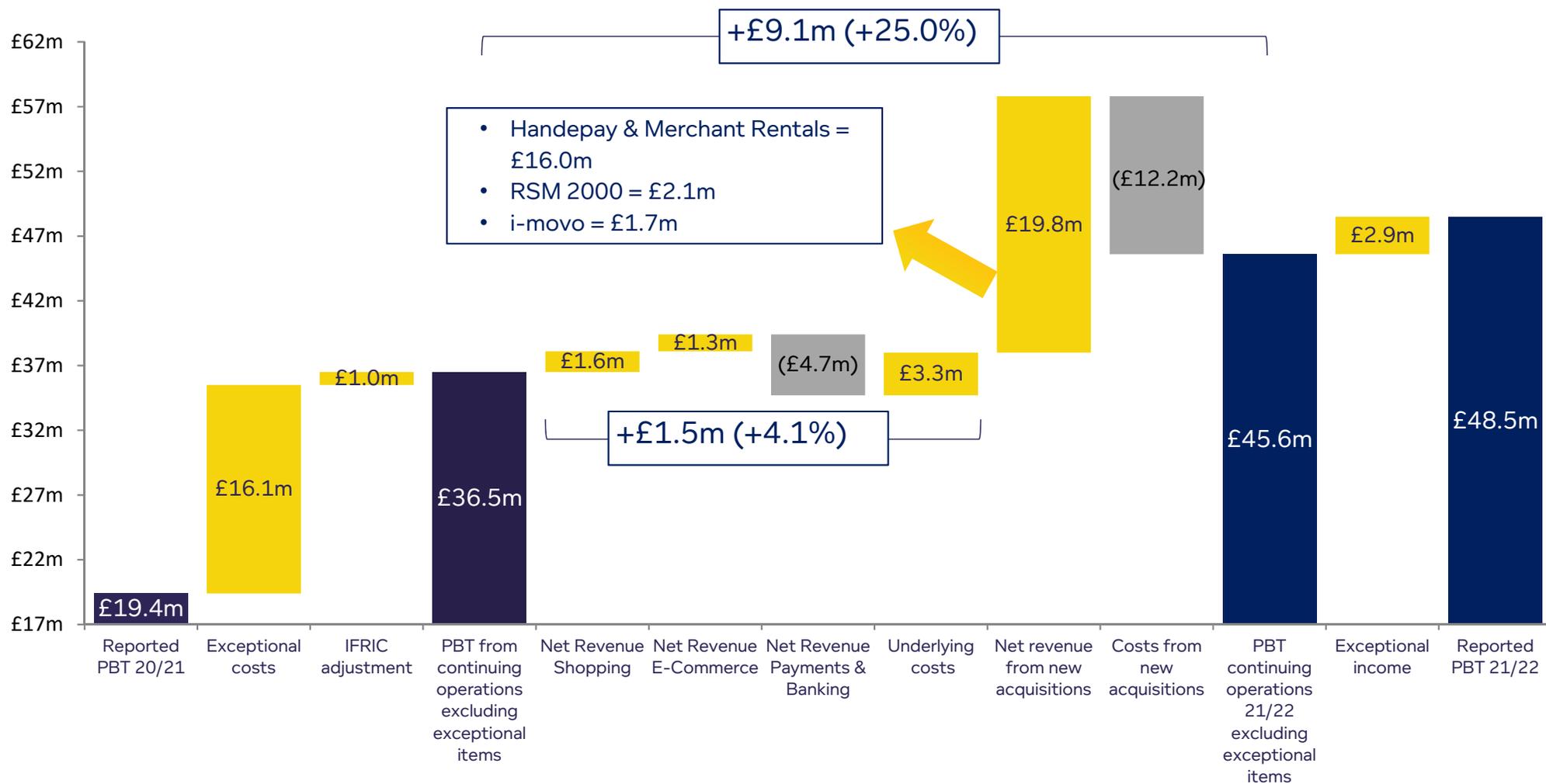
1. Comparative information has been restated for the retrospective application of the Group's change in accounting policy on intangible assets. Refer to Note 1 and Note 20.

2. Net revenue is an alternative performance measure. Refer to note 4 to the financial information for a reconciliation to revenue.

3. Operating margin before exceptional items % is an alternative performance measure as explained in note 1 to the financial statements and is calculated by dividing operating profit before exceptional items from continuing operations by net revenue from continuing operations

4. Cash generation is an alternative performance measure. Refer to the Financial review on page 15 – cash flow and liquidity for a reconciliation from profit before tax

New acquisitions driving growth in underlying PBT

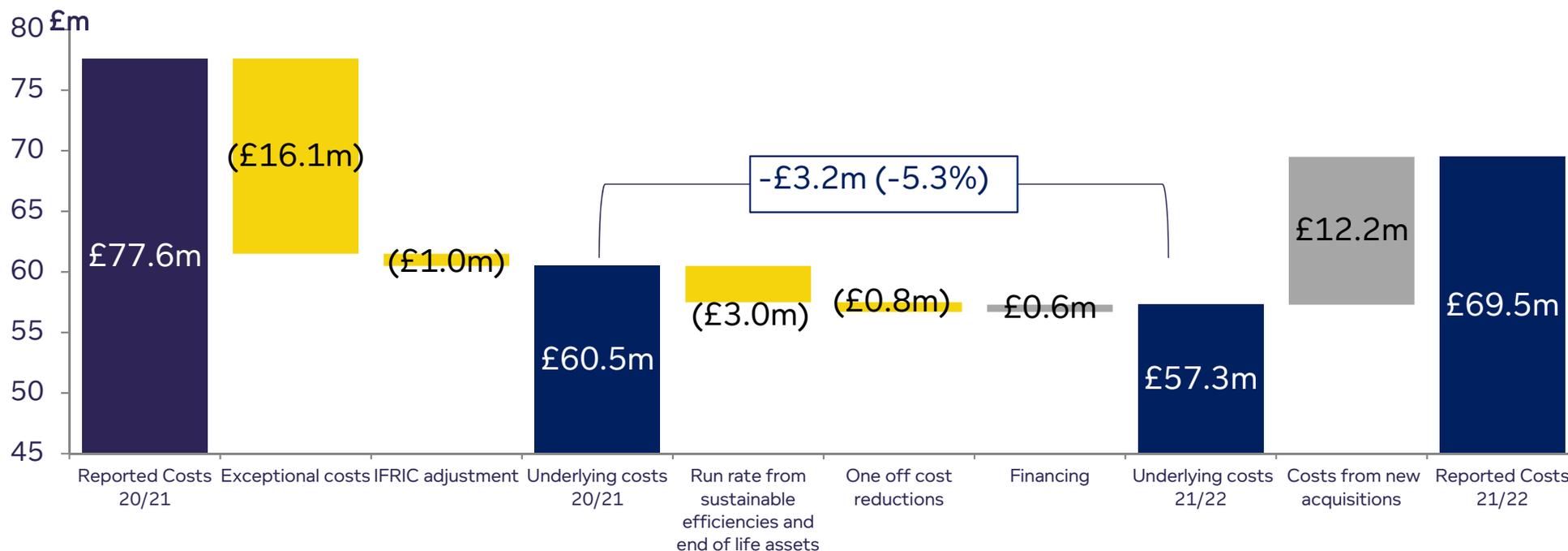
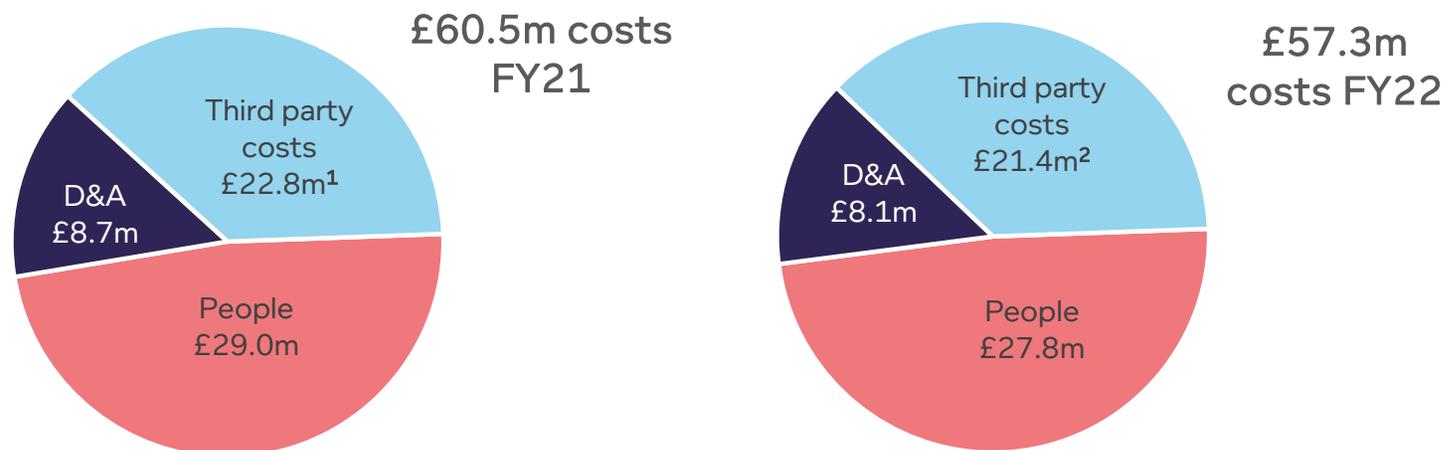


Net revenue growth from continuing operations driven by new acquisitions

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Year ended 31 March	FY22 £m	FY21 £m	Change £m	Change %
Shopping	58.7	40.2	18.5	46.2%
- Service fees	16.6	14.6		
- Card payments & terminal lease – Handepay/Merchant Rentals	18.5	2.5		
- Card payments – RSM	0.9	-		
- Card payments – PayPoint	11.0	12.1		
- ATMs	9.7	9.7		
- Other	2.0	1.3		
E-Commerce	4.9	3.6	1.3	36.2%
Payments & Banking	51.5	53.3	(1.8)	(3.6%)
- Digital	7.8	6.1		
- Cash through to digital – eMoney	8.2	8.7		
- Cash bill payments & top ups	34.5	37.3		
- Other	1.0	1.2		
Total net revenue	115.1	97.1	18.0	18.5%
Business division mix	FY22	FY21	FY20	
Shopping	51.0%	41.4%	33.1%	
E-commerce	4.3%	3.7%	3.8%	
Payments & Banking	44.7%	54.9%	63.1%	

Cost increases from new acquisitions – underlying cost tightly managed



1. Comprises £6.9 million other costs of revenue, administrative expenses £14.6 million and £1.3 million net financing costs.

2. Comprises £6.1 million other costs of revenue, administrative expenses £13.4 million and £1.9 million net financing costs.

The above presentation contains minor (£0.1m) roundings to ensure integrity of key numbers with those published in the year end statements.



Cash generation and use

Year ended 31 March	2022 (from continuing operations excluding exceptional items) £m	2021 (from continuing operations excluding exceptional items) £m	2022 Total £m	2021 Total £m
Profit before tax	48.5	20.4	78.5	28.0
Profit from discontinued operation			(30.0)	-
Ofgem provision – cash payments/provision reversal		12.5	(12.5)	12.5
Other exceptional items	(2.9)	3.6	(2.9)	
Depreciation and amortisation	10.6	8.7	10.6	9.1
Share based payments / other	0.9	1.0	0.9	1.0
Working capital	(3.2)	0.7	(3.2)	0.8
Cash generation	53.9	46.9	41.4	51.4
Tax paid			(9.2)	(8.4)
Capital expenditure and other			(11.8)	(5.4)
Acquisition of Collect+ brand			-	(6.0)
Acquisitions of subsidiaries net of cash acquired			(4.5)	(60.8)
Purchase of associate			(6.7)	
Contingent consideration cash paid			(2.0)	
Disposals of businesses net of cash disposed			20.2	
Movement in loans and borrowings			(35.0)	11.3
Dividends paid			(23.1)	(21.4)
Net change in PayPoint's cash			(30.7)	(39.3)
Clients' funds and retailers' deposits (UK)			(9.7)	11.9
Effects of foreign exchange rate changes			-	(1.6)
Net cash movement			(40.4)	(29.0)

Strengthened balance sheet

	Mar 2022 £m	Mar 2021 £m	Change £m
Goodwill	57.7	51.6	6.1
Other intangible assets	36.0	35.7	0.3
Net investment in finance lease receivables	4.4	6.5	(1.5)
Property, plant & equipment	21.8	21.4	0.4
Investment in associate - Snappy	6.7	-	6.7
Convertible loan note	0.8	-	0.8
Cash held as clients' funds and retailers' deposits	16.6	28.4	(11.8)
Net asset held for sale – Romania including corporate and client cash	-	16.5	(16.5)
Cash from continuing operations	7.7	10.5	(2.8)
Loans and borrowings	(51.6)	(86.6)	35.0
Net debt	(43.9)	(76.1)	32.2
Liability clients' funds and retailers' deposits	(16.6)	(28.4)	11.8
Working capital	0.6	(3.6)	3.6
Deferred, consideration liability	(1.0)	(5.7)	4.7
Ofgem liability	-	(12.5)	12.5
Lease liability (IFRS16)	(0.3)	(0.4)	0.1
Current and deferred tax	0.5	(0.1)	0.6
Net assets	83.3	33.3	50.0

Financing & future outflows

- Net debt decreased to £43.9m following the reduction in the revolving credit facility with the sale of Romania proceeds since the prior year end
- Financing facilities have good headroom
- Potential accordion facility of £30m (subject to approval by lender)
- Major outflows in the future period are £12.4m dividend and £12m for the 22/23 capex programme

Funding	Available at 31 March 2022	Utilised at 31 March 2022	Utilised at 31 March 2021
Revolving credit facility	£75.0m	£27.0m	£49.5m
3 year term loan	£21.7m	£21.7m	£32.5m
Potential accordion (approved by lender)	£30.0m	-	-
Block loan facility		£2.9m	£4.6m
Total	£126.7m	£51.6m	£86.6m
UK Corporate cash		£7.7m	£10.5m
Net corporate debt		£43.9m	£76.1m

Final dividend declared

- Ordinary – 18.0p, an increase of 8.4% vs the final dividend declared on 27 May 2021 of 16.6p per share
- Payable in equal instalments on 25 July 2022 and 30 September 2022

Capital allocation policy

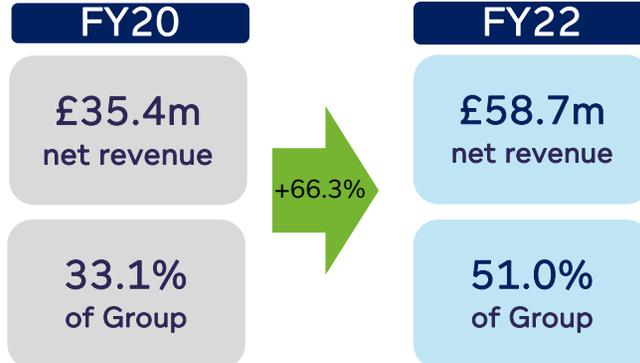
- Investment in the business through capital expenditure in innovation to drive future revenue streams and improve the resilience and efficiency of our operations
- Investment in opportunities such as the purchase of RSM 2000 in April 2021 and the investments in Snappy Shopper and Optus Homes
- Progressive ordinary dividends targeting a cover ratio of 1.2 to 1.5 times earnings from continuing operations excluding exceptional items



Divisional review

Shopping Division

Provision of digital solutions, technology and payment services for SMEs and retailers to deliver vital community services



Key drivers

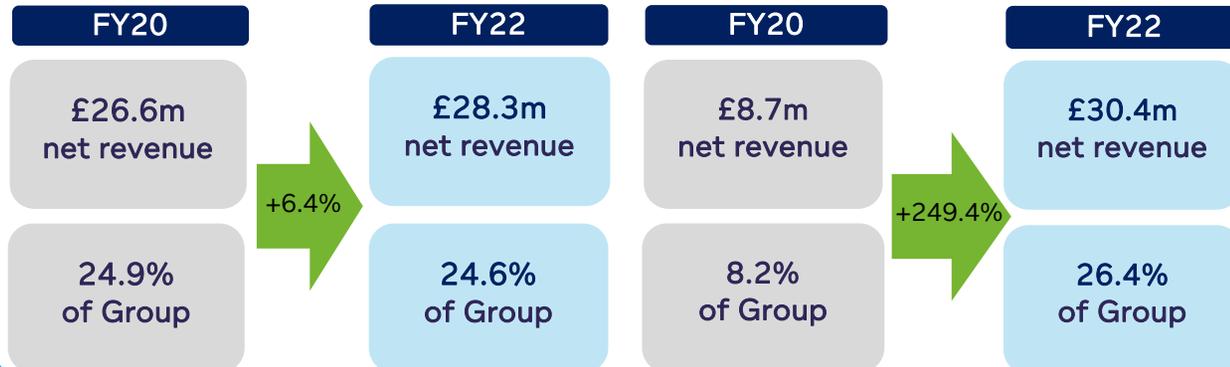
- Growth in PayPoint One rollout and service fee
- Growth in card payments and acquisition of Handepay/Merchant Rentals
- Enhancement of retailer proposition and engagement, inc. Counter Cash, Snappy Shopper, MyStore+

Sub-division Performance

How we deliver

RETAIL SERVICES

CARDS



Retail Services

PayPoint One, EPoS, Counter Cash, Home Delivery, FMCG, ATMs, Business Finance

Card payments

PayPoint, Handepay/Merchant Rentals & RSM 2000

Enhancing our retailer proposition

FY22 Progress

- Counter Cash live in 2,624 sites, offering vital access to cash over the counter
- SME proposition enhanced, including Handepay one-month contract launched successfully to over 2,300 SMEs, Business Finance via YouLend with over £8.5m lent across PayPoint and Handepay, and new technology developed
- Snappy Shopper live in 269 sites, helping retailer partners offer local home delivery and click and collect
- Strong sales team delivery across PayPoint and Handepay, with over 6,900 installs across both businesses, increased engagement, visits, training and support for retailers and SMEs and uniting under new Sales Director



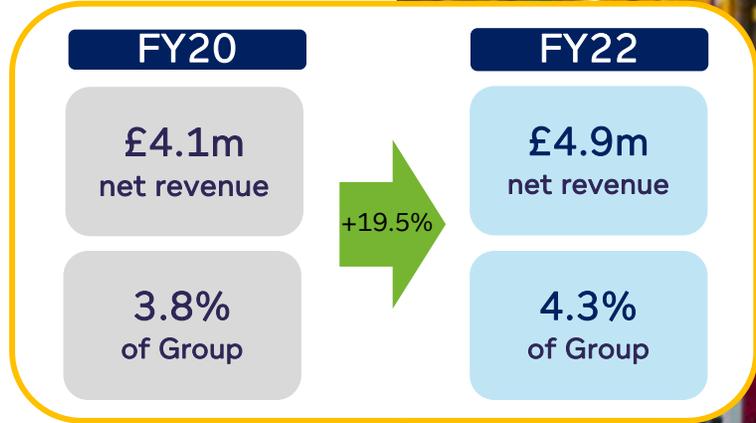
snappyshopper
Local store to door

FY23 Priorities

- Bring all new card payments business across PayPoint retail and Handepay under a single acquiring service provider
- Expand Counter Cash service across UK retail network
- Build on our reinvigorated retailer engagement programme to drive further consumer and retailer awareness and adoption of new services
- Grow SME and retailer partner lending proposition, developing new commercial partnerships and building on success of YouLend
- Deliver further enhancements to our retailer proposition, including refreshed third party EPoS strategy
- Deliver broader SME proposition across Handepay customer base via rollout of new Android terminal

E-Commerce Division

Collect+ is our technology-based platform to deliver best-in-class customer journeys for e-commerce brands and their customers over the 'first and last mile'



Key drivers

- Development of e-commerce delivery platform yielding strong year on year transaction growth
- Continued investment in technology and in-store experience, inc. label printers and app
- Reshaped carrier relationships, expansion of brand portfolio and service provision

How we deliver

- Consumer parcel send, pick up and drop off
- No.1 carrier-agnostic Out Of Home (OOH) network, with best-in-class technology and consumer experience
- Leadership in consumer data and insights to drive sector innovation

Our partners

NB. Given the Covid-19 disrupted FY 21, we have provided comparisons with FY 20 to demonstrate the transformation across the Group

Continued parcels growth and experience innovation

FY22 Progress

- Parcel transaction growth of +25.2% year on year vs FY21, driven by best ever Peak Xmas performance, strong Q4 with transactions +38.8% year on year driven by a resurgence in the clothing and footwear categories and continued improvements to the consumer in-store experience, particularly through our investment in 'print in store' technology
- New partnership launched with Randox, enabling consumers to order tests online for click-and-collect at over 2,000 Collect+ sites
- Expanding services to existing clients with DHL In Store returns and Amazon returns
- First multi-carrier innovation, trends and future opportunities workshop held in January 2022 to review best practice and performance from the successful peak 2021 period and agree initiatives to drive further excellence

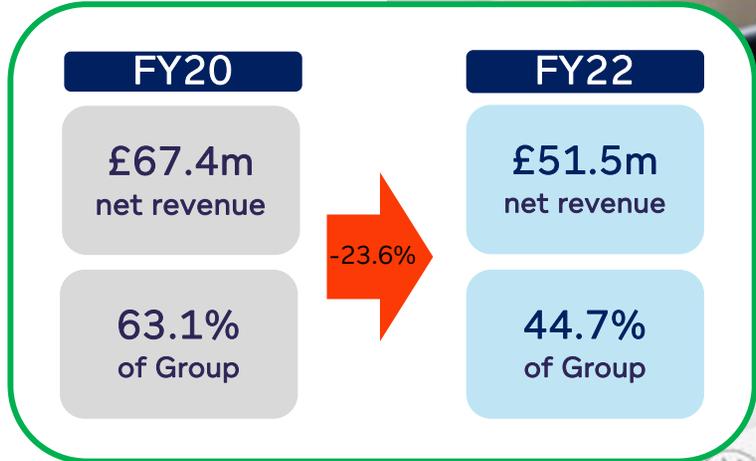
FY23 Priorities

- Deliver Universal Returns proposition for carrier partners to all Collect+ locations
- Expand successful 'in-flight divert' service to more carriers, where parcels are automatically diverted to the nearest pick up point after initial unsuccessful delivery attempt at home
- Explore additional opportunities to expand carrier proposition, including trial of parcel lockers
- Continue to drive leadership for in-store technology and consumer experience within the sector, supporting carrier partners with data, insights and opportunities to expand their customer offering

The logo for Collect+ features the word "collect" in a bold, black, sans-serif font, followed by a plus sign "+" that is partially enclosed by an orange square.The Amazon logo consists of the word "amazon" in a bold, black, sans-serif font, with a curved orange arrow underneath it pointing from the letter 'a' to the letter 'z'.The DHL logo features the letters "DHL" in a bold, red, italicized sans-serif font, set against a yellow background with horizontal lines on either side.The Randox Health logo features the word "RANDOX" in a bold, green, sans-serif font, with a red dot in the center of the letter 'O'. Below it, the word "HEALTH" is written in a white, sans-serif font on a dark green rectangular background.

Payments & Banking Division

We deliver a channel agnostic payment platform that gives clients and consumers choice



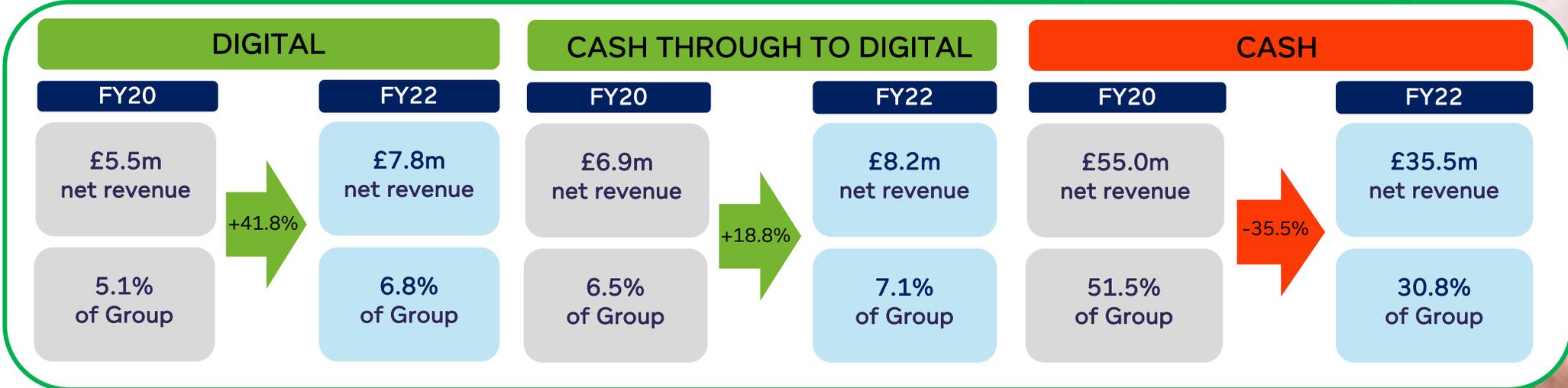
Key drivers

Built payment channel agnostic platform, supporting diversification to digital

Investment in capabilities to secure business in new sectors, inc. government, newspapers, housing and charities

Accelerated decline of cash in legacy business

Sub-division Performance



How we deliver

Digital
MultiPay, RSM 2000 & i-movo (DWP & Cash Out)

Cash through to digital
Emoney, Digital Vouchers and Neobanks

Cash
Bill payments and top ups

Continued shift to digital payments and major DWP service live

FY22 Progress

- Continued diversification from cash to digital with 28 new client services now live, 19 coming from non-energy sectors and 18 taking digital payments solutions, supported by development of additional capabilities, including Open Banking and new Direct Debit platform
- New Payment Exception Service launched via i-movo for DWP, contributing £1.6m of net revenue
- First major digital contract now live with Optivo, one of the UK's largest housing associations
- Acquisition of RSM 2000 completed on 12 April 2021 – positive contribution of £1.1m net revenue with charity and housing sector action plan underway to expand digital payments services to new and existing clients

FY23 Priorities

- Enhance payment channel agnostic platform, including Open Banking, Direct Debit, card processing and real-time cash, creating a strong set of capabilities for each target vertical, particularly housing and charities
- Continue to invest in new verticals and deliver new business wins, particularly within the housing, newspaper, charity and not-for-profit sectors
- Reinforce PayPoint's position as the leader for 'cash out' services for local authorities and housing associations, supporting them in digitally disbursing vital funds to customers in cash
- Grow cash through to digital category further, partnering with major brands to drive greater consumer awareness



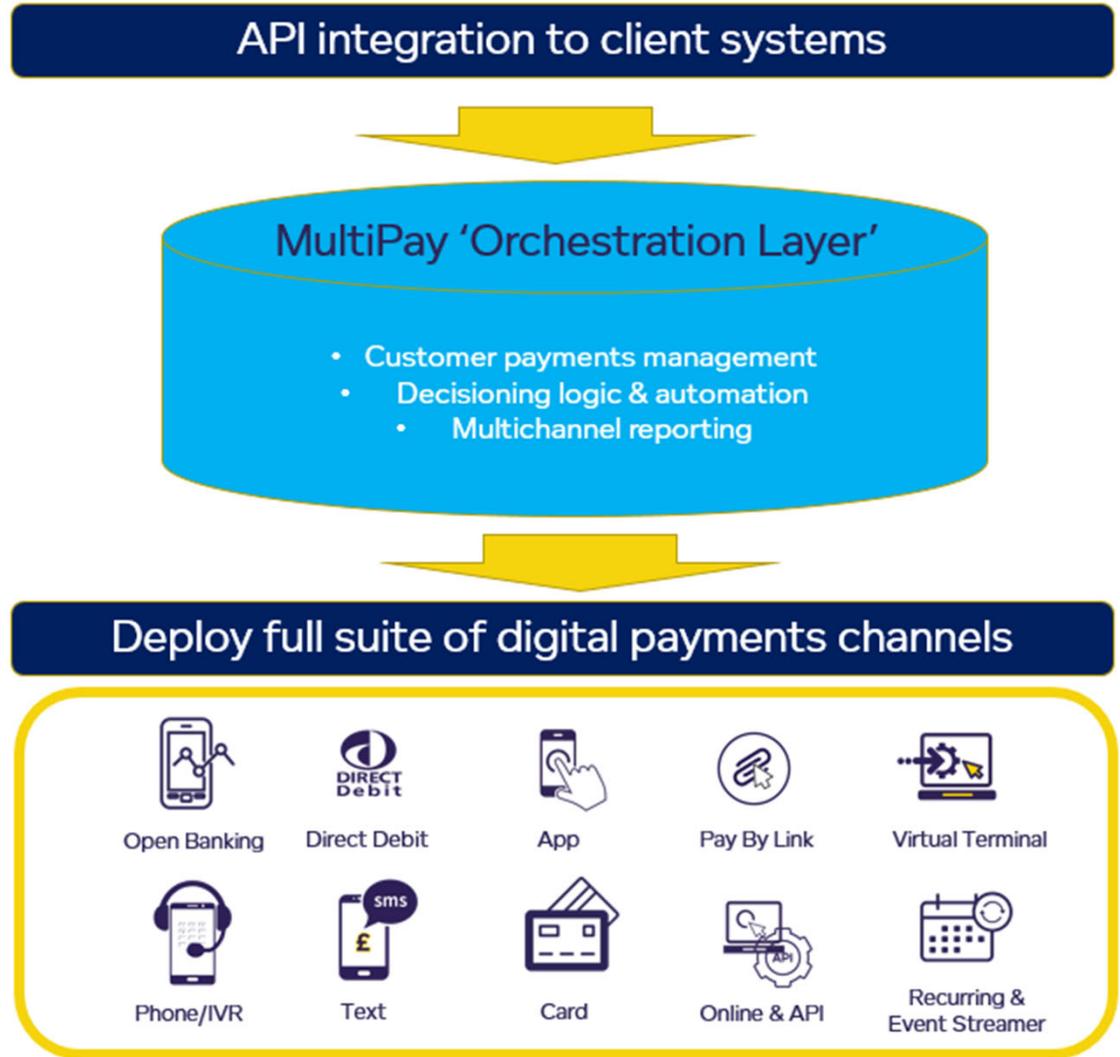
Department
for Work &
Pensions



Enhanced payment channel agnostic platform

Digital

- MultiPay - channel agnostic platform giving clients and consumers choice
- Success driven by our targeted sector approach to building strong client relationships, developing a deep understanding of their challenges and helping to solve problems for them and their customers
- Focus on Housing and Charity sectors, where digital transformation is key challenge and payment service provision has been poor and fragmented
- Help clients to digitise their offering to customers, deliver significant improvements to customer experience and realise cost savings and efficiencies
- Developing opportunities in Open Banking and Confirmation of Payee (COP) to strengthen client offer further
- Supporting clients with wide range of solutions to help them and their customers deal with cost of living crisis e.g. Open Banking for dealing with DD failures and debt avoidance



Building a delivery focused organisation and culture

FY22 Progress

- Anna Holness joined the Executive Board as Sales Director in January 2022, leading the retail and card services sales teams across PayPoint and Handeapay
- Four internal promotions made to the Executive Board in January 2022, recognising their critical roles in delivering our growth agenda: Jo Toolan, Head of Client Management; Jay Payne, IT Service and Operations Director; Chris Paul, Head of Corporate Finance; and Steve O'Neill, Corporate Affairs and Marketing Director
- Integration work now complete for acquisitions of Handeapay/Merchant Rentals, RSM 2000 and i-movo
- Further development of our ESG approach, with core ESG working group formed to analyse cross-industry best practice, seek feedback from external stakeholders and investors, and recommend workstreams and targets for the business to prioritise

FY23 Priorities

- Deliver further growth opportunities and synergies from our acquisitions over the past two years
- Embed our ESG approach across the business to deliver responsible and sustainable value for shareholders
- Expand our 'Welcoming Everyone' programme to build on our commitments to diversity, equity and inclusion and support our vision to create a dynamic place to work
- Invest to build further resilience into our service delivery, including improving quality and speed of agile delivery, reviewing 'heritage' systems and settlement infrastructure and enhancing customer support and collaboration



- Transformation of the business is gathering pace, reflecting a rebalancing towards growth opportunities and delivering improving returns
- We continue to demonstrate agility and drive to respond quickly to changing consumer demands and new opportunities in our markets
- We remain well-placed to support our partners in response to the wider trends that have accelerated through the pandemic, including the continued shift from cash to digital payments, the growing demand for online shopping fulfilment and the increase in shopping local
- Tight cost management to address impact of cost increases and inflation
- Final dividend of 18.0p per share, an increase of 8.4%, consistent with our dividend policy of a target cover range of 1.2 to 1.5 times earnings, which reflects our long-term confidence in the business, the strength of our underlying cash flow and the enhanced growth prospects from the steps we have taken in the past year
- The Board remains confident in the delivery of further progress in FY23 and meeting market expectations

Q&A



Appendix

Business division mapping

Division	Sub-division	Lower level
Shopping	Retail Services	PayPoint One/EPoS
		Counter Cash/ATMs
	Card payments	PayPoint card payments
		Handepay/Merchant Rentals card payments and leasing
		RSM 2000 card payments
E-Commerce	E-Commerce	Collect+ parcels (send, pick up and drop off)
Payments & Banking	Digital	MultiPay
		RSM 2000
		Cash Out/i-movo
	Cash through to digital	EMoney/Digital Vouchers
	Cash	Bill payments
		Top ups
SIMs		



Two year view across divisions and sub-divisions

Net revenue

Division	Sub-division	FY22	FY21	FY20
Shopping	Retail Services	£28.3m	£25.5m	£26.6m
	Card payments	£30.4m	£14.6m	£8.7m
E-Commerce	E-Commerce	£4.9m	£3.6m	£4.1m
Payments & Banking	Digital	£7.8m	£6.0m	£5.5m
	Cash through to digital	£8.2m	£8.7m	£6.9m
	Cash	£35.5m	£38.7m	£55.0m
TOTAL		£115.1m	£97.1m	£106.8m

Business division mix

Division	Sub-division	FY22	FY21	FY20
Shopping	Retail Services	24.6%	26.4%	24.9%
	Card payments	26.4%	15.0%	8.2%
E-Commerce	E-Commerce	4.3%	3.7%	3.8%
Payments & Banking	Digital	6.8%	6.2%	5.1%
	Cash through to digital	7.1%	9.0%	6.5%
	Cash	30.8%	39.7%	51.5%

PayPoint Group

We create innovative services and technology connecting millions of consumers with brands, retailers and SMEs

1

Enlarged network and consumer reach

Our enlarged Group now delivers technology and services to an unparalleled network of over 60,000 retailer partner and SME locations across the UK, including food service, convenience retail, garages and hospitality, serving millions of consumers every day

2

Expanded retailer and consumer proposition

Our expanded proposition helps our retailer partners and SMEs keep pace with changing shopper needs, expectations and demographics. Our retail services platform, PayPoint One, offers everything a modern convenience store needs, including EPoS, parcel services, card and bill payments, Counter Cash, home delivery and digital vouchering

3

Delivered payment channel agnostic platform

We have continued our diversification to digital payments, opening up new sectors like housing and charities and helping organisations seamlessly and effectively serve their customers through all channels. Our market-leading omnichannel solution – MultiPay – is an integrated solution offering a full suite of digital payments

4

Excellence in e-commerce customer experience and technology

We pride ourselves on delivering innovative technology platforms across all our business divisions, whether through PayPoint One, helping our convenience retailer partners digitise their businesses, to our proprietary e-commerce software solutions delivering great consumer experiences for the biggest online brands

5

Growth-focused deployment of financial resources

We remain committed to maintaining our strong capital discipline and cash flow, whilst investing to rebalance our business mix towards growth opportunities and delivering a significantly enhanced platform with strong shareholder returns

6

Talented and committed team

We have a talented, diverse and committed team with years of experience gained from a wide range of industries and disciplines