

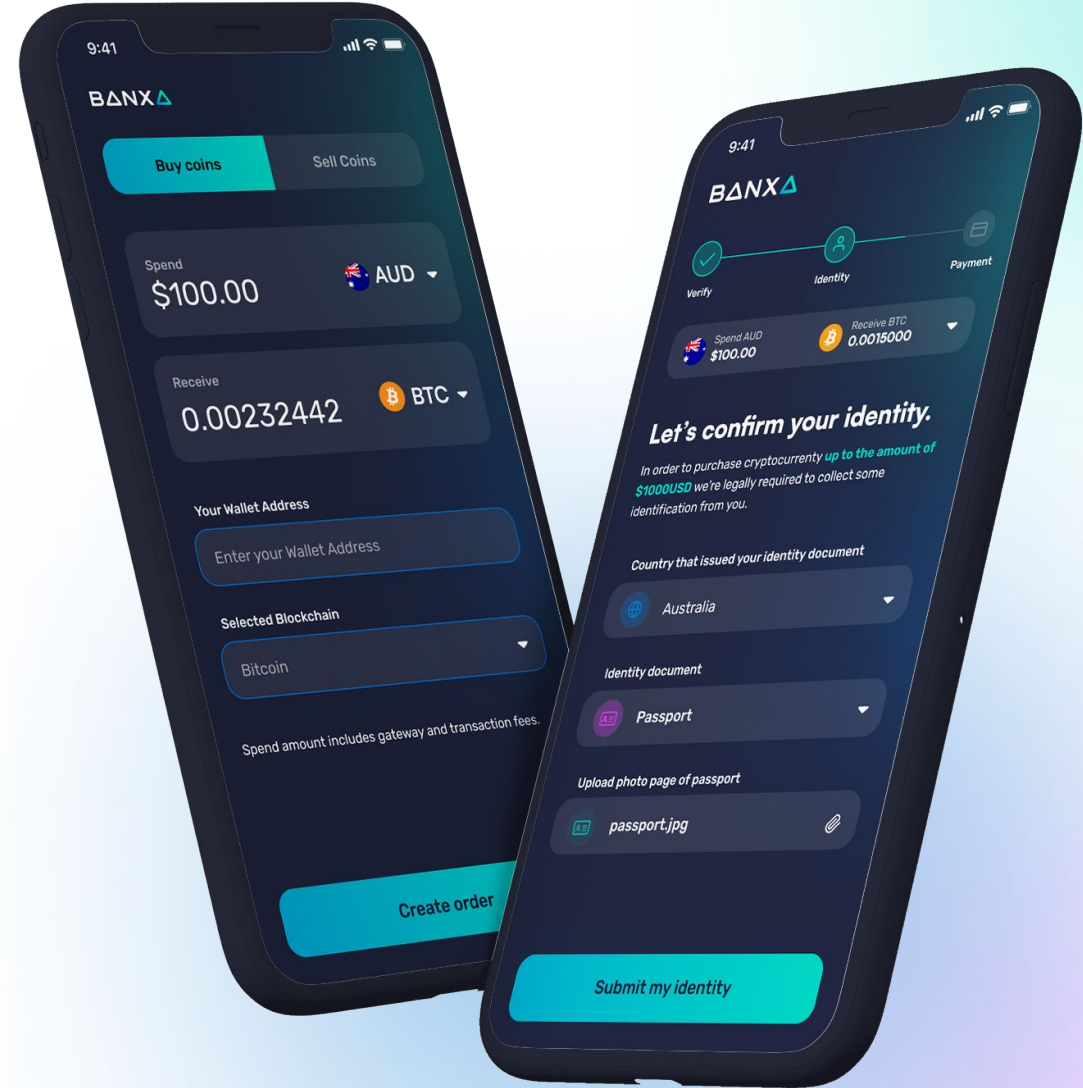


TSX-V: BNXA | OTCQX: BNXAF | FSE: AC00

Local Payments & Compliance for the Digital Asset Industry

Investor Presentation - MARCH QUARTER, 2022

Tuesday 31st May, 2022



Forward Looking Statements

This presentation contains "forward-looking statements." The statements contained in this presentation that are not purely historical are forward-looking statements. Forward-looking statements give the Company's current expectations or forecasts of future events. Such statements are subject to risks and uncertainties that are often difficult to predict and beyond the Company's control and could cause the Company's results to differ materially from those described. In some cases, forward-looking statements can be identified by terminology such as "may," "should," "potential," "continue," "expects," "anticipates," "intends," "plans," "believes," "estimates," and similar expressions. These statements include statements regarding moving forward with executing the Company's global growth strategy. The statements are based upon current beliefs, expectations and assumptions and are subject to a number of risks and uncertainties, many of which are difficult to predict. The Company is providing this information as of the date of this presentation and does not undertake any obligation to update any forward-looking statements contained in this presentation as a result of new information, future events or otherwise, except as required by law. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends affecting the financial condition of our business. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved.

Banxa Overview

Banxa powers the world's largest digital asset platforms by providing payments infrastructure and regulatory compliance across global markets.

- Building the bridge between the real world and the digital asset world through payment and compliance solutions
- B2B focused business model is regulated, highly scalable, low touch and in a growing market (*whether the price of Bitcoin goes up or down*)
- Partnering with many major crypto exchanges, wallets, defi apps etc. to put Banxa's services in front of more than hundred million users
- 80 coins and chains now supported and growing partner network



Banxa Holdings Inc.

TSX-V: BNXA | OTCQX: BNXAF | FSE AC00

BNXA/BNXAF Share Price ¹	CAD\$1.51 / USD\$1.23
Market Cap ¹	CAD\$69M / USD\$56M
TTM Revenue (\$USD) ²	\$52M
Cash & Equivalents (\$USD) ²	\$14.2M
Shares Outstanding	45.6M
Float (approx)	36M
Options & Warrants	7M
Insider Holdings (approx)	20%
Employees	200
Locations	Australia (HQ), USA, Europe & Canada

Our Vision & Mission

Vision

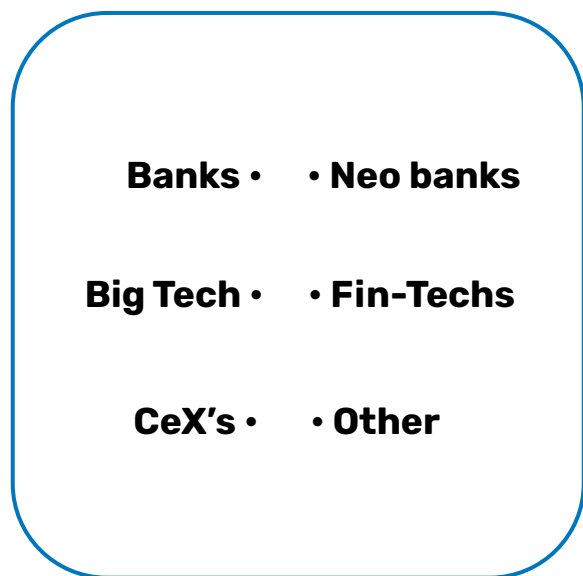
Providing **equal access to financial opportunity** for people in every part of the world.

Banxa onboards the masses to crypto by **providing payments and compliance solutions** to global digital asset platforms.

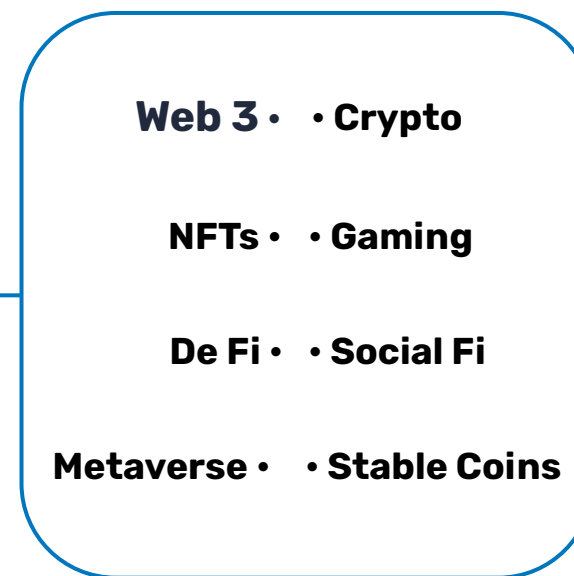
Mission

Banxa sits at the intersection of key markets

Traditional Finance



Web 3



Today

Tomorrow



Why does the industry choose Banxa?



The most ways to pay

The widest choice of payment options locally and globally – giving partners local currencies and lower rates so they convert more.



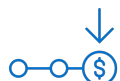
Fast & Seamless Integration

Implement widgets and APIs however preferred in minutes to days, not months.



Risk Profiling

Years of first-hand experience enabled development of sophisticated risk-profiling capabilities within the team.



Zero Chargebacks

Fraud detection systems and qualified team make sure businesses never loses out through chargebacks.



Maximized Conversions

Ensures partners that their users return again and again by providing the highest conversion rates and industry-leading UX/UI.



Fraud Detection

Advanced fraud detection systems developed to keep businesses and customers safe..



Risk Management

Extensive risk-management strategy is designed to keep customers safe and businesses operational.



Layer 2 (L2) Fiat On-Ramp

L2 protocols cut transaction time in half and reduces transaction costs significantly.

We are the leaders in payments

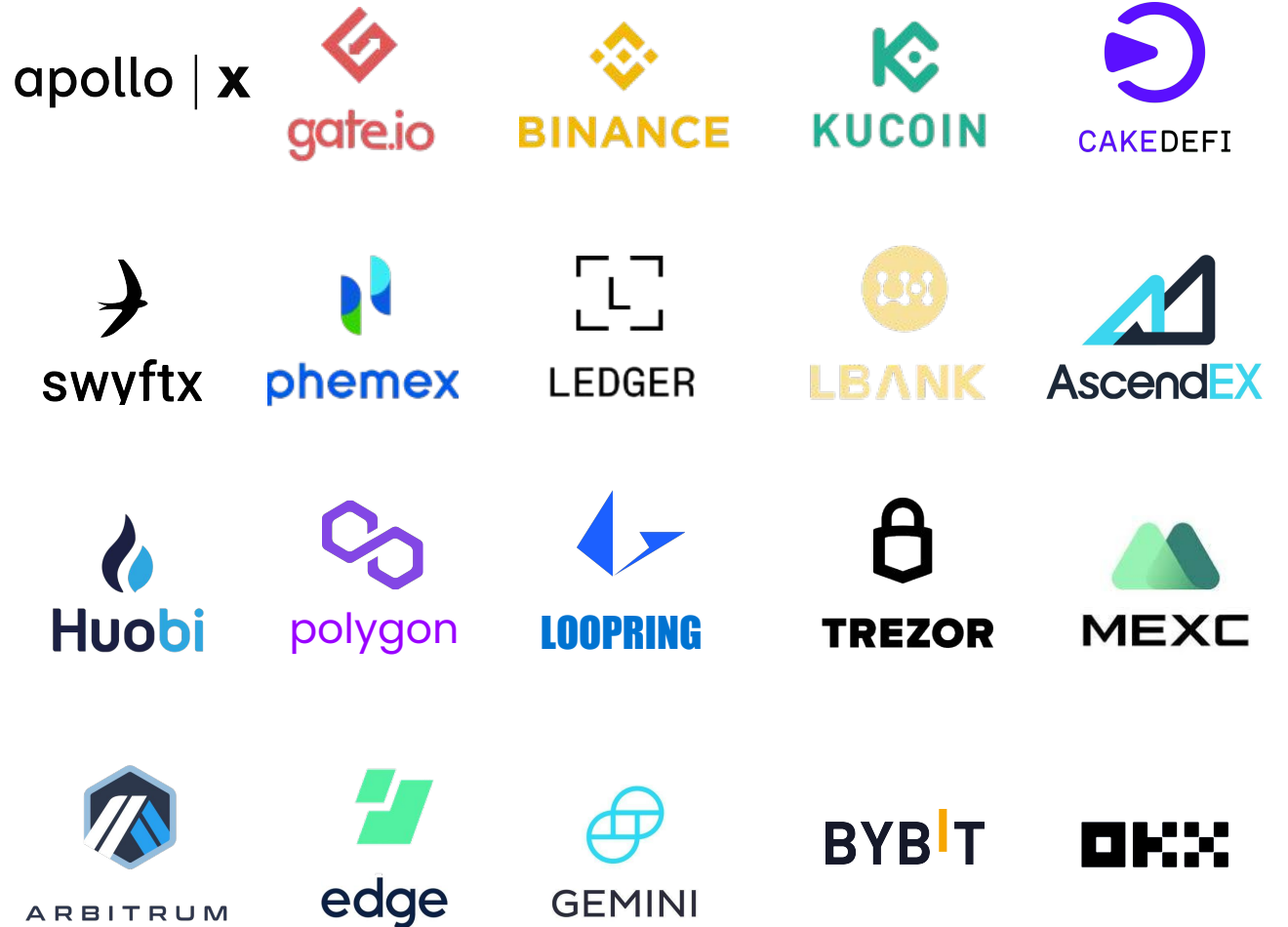
We are constantly expanding our payment method offering to offer the payment methods end-users really want.

Global	Australia	Europe/UK	Americas	Launching June - Turkey

Philippines, Vietnam, Argentina, India, Indonesia, Colombia, South Africa - expected H2 - 2022 based on current priority plan, subject to change.

Banxa is Partner First

We power the leading Web3 projects



...and many more partners

Product Highlights

Fiat to crypto on- and off-ramp

- 80+ coins supported and growing
- Multi-chain: All major L1s + L2s plus any chain by request

NFT Checkout

Banxa's Fiat-to-NFT service enables customers to easily purchase NFTs directly with credit card, Apple Pay and/or their preferred local payment methods.

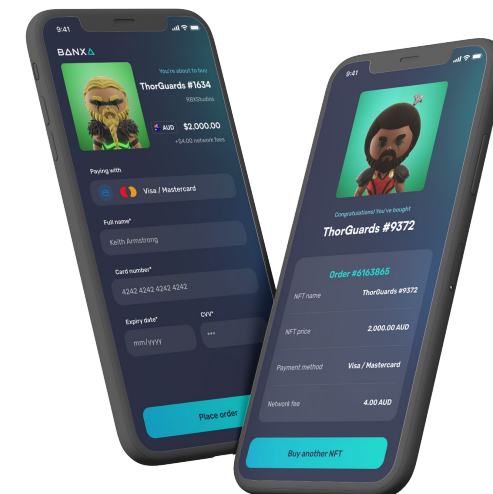
Stablecoin off-ramping

Exchanges, wallets and other platforms can now provide a full cycle Buy and Sell crypto experience leveraging Banxa's industry leading fiat on/off ramp solution.

Banxa is the only platform to enable global off-ramping of stablecoins using its large network of local bank transfers.

Corporate Onboarding

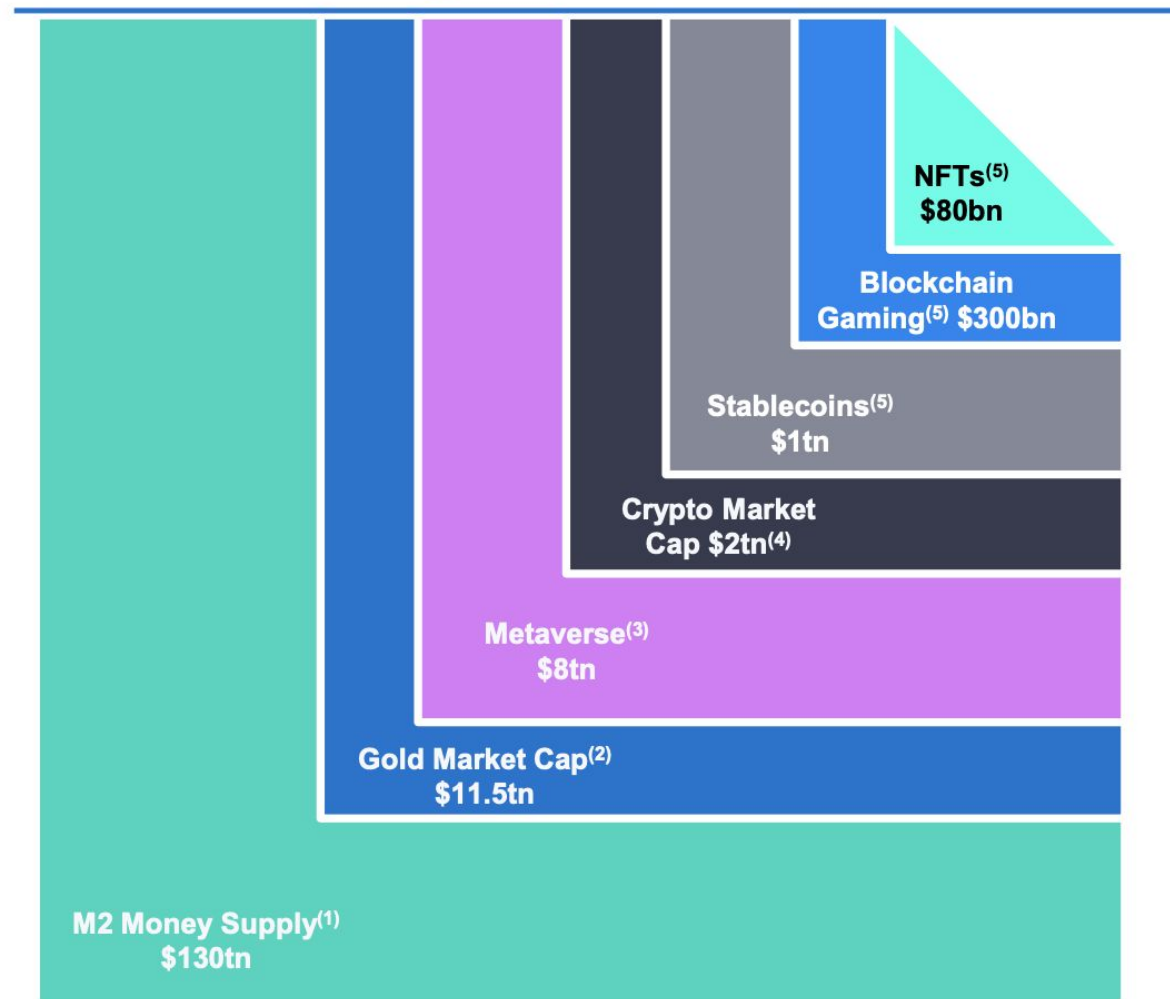
Banxa is the only global on-and-off ramp that allows corporate and institutional customers to register and make purchases directly using Banxa.



Growth Strategy

- Focused execution on global geo expansion
- Acquire new crypto licenses and registrations globally
- Growing B2B customer base
- Expansion of coins and opportunities in DeFi , NFT, Metaverse and Blockchain Gaming sectors

Digital Asset TAM



(1) The World Bank as of 2019. (2) 8MarketCap.com. (3) CNBC, November 2021. (4) Total Crypto Market Cap, Yahoo. (5) The Global Economy, Juniper Research (Jul-2020). (6) Unique blockchain wallets as of January 11, 2021. Blockchain.com. (7) World Bank and World Info Meters.
 Note: Global Bank Assets as of Jan 2020 according to Institute of international Finance. Global Payments based on forecasted 2022 B2B cross border payments market size.

Financials

Growing Total Transaction Value (TTV) & Revenue

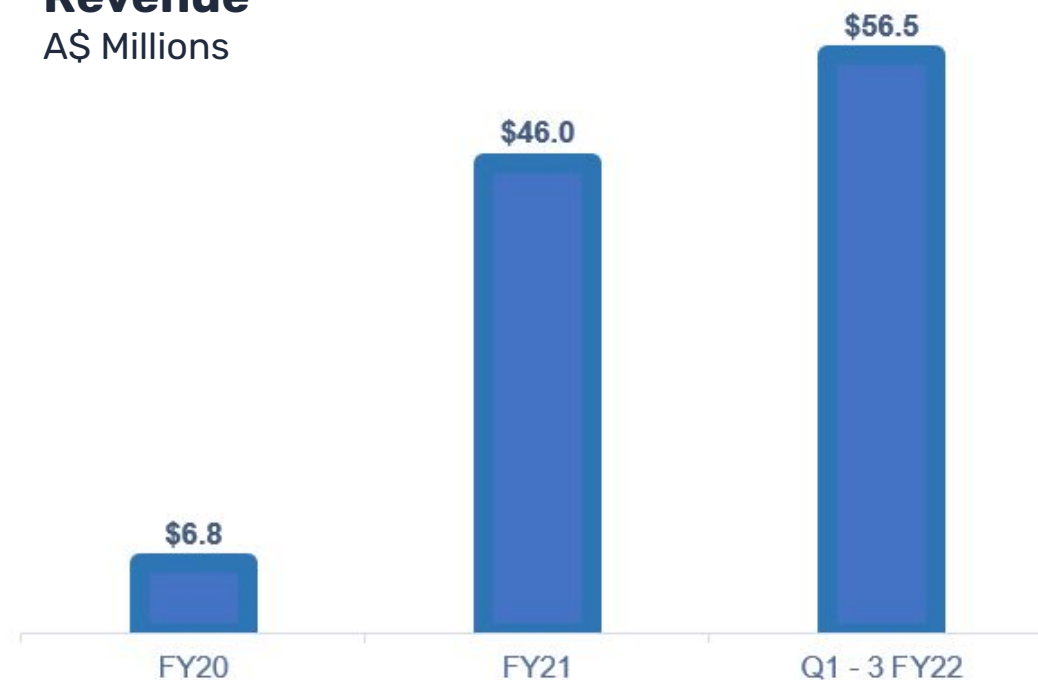
Total Transaction Value (TTV)

A\$ Millions



Revenue

A\$ Millions



Q1-Q3 FY = 1st July 2021 to 31st March 2022

TTV numbers are management prepared. Q3 Mar'22 TTV was down due to lower volumes as a result of the downtrend in the wider market.

Financial Highlights

- **\$1,205 million AUD (US\$879 million¹) Total Transaction Value (TTV)** for the 9-months ending 31st March - up \$809 million or 204% period on period.
- **Revenue of \$57 million AUD (US\$41 million¹)** for the 9-months ending 31st March - up \$28 million or 99% period on period.
- **\$19 million AUD in liquid assets (US\$14.2 million¹)** (comprising of cash, deposits and digital assets).
- **Adjusted EBITDA loss of \$6.6 million AUD (US\$4.8 million¹)** for the 9-month period.
- **Statutory loss of \$8.5 million AUD (US\$6.1 million¹)** including non-cash items

¹ AUD to USD exchange rates used for Revenue are based on the average exchange rate of \$0.73 AUD:\$1 USD for Revenue and P&L related items and \$0.75 AUD:\$1 USD for the Balance sheet positions as at 31 Mar'22 based on internal FX rate data.

Profit & Loss (\$AUD)

Performance & EBITDA

Highlights:

- TTV growth of \$809m or 204% underpinned by partner & user expansion.
- **Net take rate of 1.9%** (GP as % of TTV) based on service and geographic mix as well as cost optimization.
- Strategy execution and continued investment (in product, talent and systems) has resulted in opex increasing to \$25.8m but remaining consistent at 2% of TTV.
- The main drivers of the increase in opex of \$16.1m include higher Employee cost driven by headcount and General & Admin costs related to marketing, investor relations and IT development costs.
- **Adjusted EBITDA loss of (\$6.6m)** post other non-cash and one-off items. Balance is negatively impacted by FX loss of (\$6.1m) or 0.5% of TTV, of which (\$3.0m) is unrealized.

Banxa Group (A\$m)	FY22	FY21	FY22	FY21	Mar Qtr 9-Monthly	
	Mar Qtr	Mar Qtr	Mar Qtr	Mar Qtr	delta	
	3 Months	3 Months	9 Months	9 Months	\$	%
Profit & Loss (extract)						
TTV	357.2	207.5	1,205.4	396.8	808.6	203.8%
Revenue	16.5	21.0	56.5	28.4	28.1	98.9%
Gross Profit	6.6	6.1	22.3	8.2	14.1	171.4%
Operating expenses	9.2	6.0	25.8	9.6	16.1	167.5%
Loss before tax	(4.9)	(0.2)	(8.5)	(1.1)	(7.4)	(688.5%)
<i>Gross take rate</i>	4.6%	10.1%	4.7%	7.2%		
<i>Net take rate</i>	1.8%	2.9%	1.9%	2.1%		
<i>Employee cost as % of opex</i>	68.9%	30.1%	60.6%	39.1%		
<i>Headcount</i>	218	72	218	72		
Adjusted EBITDA						
Loss before tax	(4.9)	(0.2)	(8.5)	(1.1)		
Amortization and depreciation	0.1	0.0	0.3	0.0		
Finance expense	0.0	0.4	0.3	0.6		
EBITDA	(4.8)	0.2	(7.9)	(0.5)		
Realised gain / (loss) on FV of deposits	0.0	(0.4)	(1.3)	(2.7)		
Gain / (loss) on fair value of derivative liability	(0.0)	0.0	0.1	0.0		
Share based compensation	0.7	1.1	2.4	1.2		
Listing expense	0.0	0.0	0.0	2.7		
Adjusted EBITDA (exc. FX impact)	(4.1)	1.0	(6.6)	0.7	(7.3)	(1,058.6%)

Balance Sheet (\$AUD)

Strength & Stability

Highlights:

- Liquid assets of \$19.0m comprising of cash, deposits and digital assets and net of \$0.8m provision. **Gross liquid assets of \$19m**
- Reduction in liquid assets of \$5.2m is largely driven by higher operating cash outflows inline with opex expansion.
- Liabilities of \$6.7m, 1.1x growth on comparative period driven by expanding employee entitlements, lease liability and tax provisions.
- Research and development costs are expensed as incurred and not capitalised on the balance sheet.

Liquidity strength:

- Net working capital of \$15.1m and quick ratio of 3.4x.
- Payment gateway receivable is collected ~T+2 days in contrast to standard payable terms of ~30 days.
- **Debt free balance sheet** with c\$20m available in undrawn debt facilities

Banxa Group (A\$m)	Mar-22	Jun-21	Growth	\$ delta	% delta
Balance sheet (extract)					
Cash and cash equivalents	10.8	18.6		(7.8)	(41.9%)
Trade and other receivables (net)	2.7	1.8		0.9	46.6%
Deposits with exchanges (net)	5.0	3.7		1.3	36.3%
Inventory	0.5	0.0		0.4	899.2%
Prepaid	0.4	0.3		0.1	43.0%
Total current assets	19.4	24.5		(5.1)	(20.7%)
Total assets	22.2	24.9	0.9x	(2.7)	(10.9%)
Trade and other payables	3.8	3.8		0.0	0.4%
Borrowings	0.0	1.6		(1.6)	(99.9%)
Other	1.9	0.5		1.4	250.8%
Total current liabilities	5.7	5.9		(0.2)	(3.2%)
Total liabilities	6.7	6.0	1.1x	3.1	51.6%
Net Assets	15.5	18.9	0.8x	0.8	4.1%
<i>Net working capital</i>	15.1	18.8			
<i>Quick ratio</i>	3.4	4.1			
<i>Debt equity ratio</i>	0.0	0.1			

Cash Flow (\$AUD)

Liquidity Sources & Usages

Highlights:

- **Cash balance of \$10.8m** shows a 1.1x growth on comparative period.
- **Liquid assets of \$19m**; 57% of the balance held in cash and 26% in deposits with Exchanges (fiat and stablecoins).
- Should \$5.0m in deposits be classified as a cash balance then **adjusted cash outflow from operating activities reduces to (\$2.8m)**
- Key driver of cash inflows in Q1-3 FY21 was proceeds from share issues and borrowings. No further funding has since been undertaken, with short-term borrowings settled by the end of FY21, reducing interest rate risk.
- Available/ **Undrawn debt facilities of c\$20m**

Banxa Group (A\$m)	FY22	FY21	Growth	\$ delta	% delta
	Mar Qtr 9 Months	Mar Qtr 9 Months			
Cash Flow (extract)					
Cash used in operating activities	(7.8)	(2.0)		(5.7)	283.0%
Cash (used in)/ provided by investing activities	(0.1)	(0.4)		0.3	(67.9%)
Cash provided by financing activities	0.1	10.1		(10.1)	(99.3%)
(Decrease)/ increase in cash and cash equivalents	(7.8)	7.7		(15.5)	(201.2%)
Cash at end of Mar Qtr period	10.8	9.8	1.1x	1.0	10.5%

A note on financial reporting

- From July 2022 - Banxa will move to reporting financials on a quarterly basis.
- Monthly investor updates will continue to be released to the market

Investment Highlights

- World's first stock exchange listed Fintech Payment Service Provider (PSP) and RegTech provider for the digital asset industry
- Significant growth opportunities in the Web3 environment
- Licenses and registrations across jurisdictions provide digital asset service providers with the security of working with a transparent industry leader
- Technology platform offers partners the most ways to pay, maximized conversions, seamless integration and zero chargebacks
- Growing the network with a strong pipeline of new partners
- B2B focused business model is regulated, highly scalable, low touch and in a growing market

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