

ASX Announcement

APPROACH TO TRADING UPDATES FY20

Sydney, 25 March 2020 – As the provider of payments and banking solutions to more than 32,000 merchants including many SMEs, we at Tyro Payments are committed to supporting our merchants in these difficult and unprecedented times. Whilst we welcome the Federal Government’s initiatives announced on 21 March 2020 designed to assist SMEs impacted by COVID-19, we do know many of our merchants are continuing to find the current environment extremely challenging and some, particularly in the hospitality vertical, are severely impacted.

We have implemented measures to provide such assistance we possibly can to support those of our merchants experiencing hardship. We also continue to operate on a business as usual basis providing the level of service, availability and support our merchants have come to expect from our team – with increased customer support teams in place 24 hours a day to assist our merchants. We have operational plans in place designed to both protect our team’s health and safety, while also maintaining the continuity of our payment and banking services to our customers in the current circumstances.

Given the uncertainty surrounding the impact of COVID-19, and in particular its impact on transaction values for payments businesses, we intend to provide weekly transaction values updates for the balance of FY20. This is a temporary measure introduced to address the unusual operating environment we face and to provide transparency as to the impact on our operations.

Going forward these updates will be provided on the first ASX trading day of each week, with the first weekly update (for the week ended 20 March 2020) being provided in the table below. Please note the financial information provided is based upon unaudited management accounts which have not been independently reviewed or verified. In addition we note that past performance may not be a reliable indicator of future performance.

Period	FY20	FY19	% Increase
January	\$1.830 billion	\$1.444 billion	27%
February *	\$1.785 billion	\$1.377 billion	30%
February (year-to-date) *	\$14.679 billion	\$11.355 billion	29%
March to 20 March (date-on-date)	\$1.190 billion	\$0.995 billion	20%
March (same day-on-day) **	\$1.190 billion	\$0.989 billion	20%
March (year-to-date)	\$15.869 billion	\$12.350 billion	28%

* February 2020 has the benefit of 29 days.

** Assessing against the same corresponding day of week in prior comparative period rather than the calendar date.

Tyro remains in a strong financial position, with cash, cash equivalents and financial investments available at the end of February 2020 of \$154 million (excluding net banking funds). This compares to a balance of \$149 million as at 31 December 2019 (excluding net banking funds). The increase in cash over the period is a result of the relatively higher December trade receivables received in January 2020.

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Pursuant to Listing Rule 15.5, Tyro confirms this document has been authorised for release to the market by its Board

About Tyro

Tyro is a technology-focused and values-driven company providing Australian businesses with payment solutions and value-adding business banking products. The company provides simple, flexible and reliable payment solutions as a merchant acquirer, along with complementary business banking products.

For the more than 32,000 Australian merchants who chose to partner with Tyro in the first half of FY20, the company processed more than \$11.1 billion in transaction value. In H1 FY20 the company generated \$117.3 million in revenue, originated \$37.4 million in loans and held merchant deposits totalling \$39.7 million.

Tyro is Australia's fifth largest merchant acquiring bank by number of terminals in the market, behind the four major banks.

The business was founded in 2003 with a goal of being the most efficient acquirer of electronic payments in Australia. Tyro has a track record of innovation, creating purpose-built solutions and being first to market. This approach saw the company become the first technology company to receive an Australian specialist credit card institution licence in 2005. In 2015 that licence was replaced by the award of an Australian banking licence, making Tyro the first new domestic banking licensee in over a decade.

Payments are at the core of Tyro's business, using its proprietary core technology platform to enable credit and debit card acquiring. This offering is enhanced by features purpose-designed for those merchants who choose to partner with the company, including Point of Sale systems integrations, least-cost routing (Tap & Save) and alternative payment types such as integrated Alipay. While traditionally focused on in-store payments, Tyro has recently expanded into eCommerce.

Further, Tyro provides value-adding solutions to its partners, such as loans in the form of merchant cash advances and fee-free, interest-bearing merchant transaction accounts.

Tyro has a team of more than 480 people, approximately half of whom are in technology roles.