Letter to the Shareholders – The Mint Corporation

written by Raj Shah | December 20, 2018
December 20, 2018 (Source) –

Dear Shareholders,

As 2018 draws to a close, we are pleased to update you on the progress we have achieved this year.

Significant milestones that we achieved in 2018 include:

- Increase revenue per customer – Launch of feature rich Mint Mobile App with strong adoption right out of the gate – positioning us well to grow our average revenue per customer in 2019
- Offering Insurance products to drive average revenue per customer growth – Receipt of preliminary approval for Insurance Brokerage license – gearing up for launch
- Increase our customer base – signed an agreement to acquire a 100,000-payroll card portfolio
- Enhancing our industry leading tech platform – Signed exclusive licensing agreement for technology with Interac Corp – Canada's world class domestic debit network
- Strengthened balance sheet – Closing of the debt conversion that strengthened balance sheet and reduced our debt by $39M
- Increase investor awareness – listed on OTCQB for U.S. market exposure

This was a year of building, one in which we made great strides in preparing the company for its next stage of growth. We are entering 2019 strong and are well positioned to achieve meaningful revenue growth driven by an increase in our customer

base and our average revenue per customer. This will drive significant growth in shareholder value.

Our core business of payroll remittance processing offered to employers is undergoing change – change which is providing opportunities for Mint. Some companies are deciding to exit the business given new regulations within the UAE and the need for investment in new technology. We see opportunities for market consolidation which would represent not only increased payroll remittance revenues, but more importantly, an expanded base of potential customers for our financial services. In October we announced an agreement to acquire a 100K card portfolio. We will continue to explore similar-sized opportunities in 2019.

Unlike payroll companies in North America, we not only provide a payroll disbursement service to our employer clients, but also provide a globally accepted MasterCard / UnionPay payment card with a linked feature rich mobile application that is the de facto bank account for their employees. This unique value proposition is at the core of why Mint can offer value added services to our cardholders, increase average revenue per customer and expects to generate significant incremental recurring revenue.

We delivered on our Mint mobile application in October, a key milestone for our Company which is a great tool for our customer-base to access their payroll account, buy prepaid mobile phone minutes, pay for flight tickets, and make utility & toll payments, all in a cashless manner. We faced a few regulatory hurdles that delayed delivery of some of our initiatives, but we fully expect to receive these approvals in the coming year. We intend to launch more digital financial services on the Mint app to further “bank the underbanked”.

Operationally, we have been using our resources to build out the

Mint payments technology stack to enable more services and handle higher transaction volumes. We are proud to achieve industry leading uptime of our card management systems.

During 2018, Mint also significantly enhanced the team by adding experienced industry professionals across software, technology and operations. We have assembled a world-class team of payment industry professionals to execute on our business plan.

At the corporate level, we recognize that Mint must increase its awareness within the investor community. We recently listed on the OTC QB Venture Market in the U.S. to create more visibility for our US-based investors, and we intend to expand our market outreach in 2019.

In the coming year we anticipate our cardholders to use our mobile application for an array of financial services that we will offer through our application. We received provisional approval to become a licensed insurance broker. Upon receiving final approval, we will offer health insurance to our customers. We also plan to start our microlending services by offering salary advance (overdrafts) to our payroll cardholders through the convenience of the mobile app.

International remittances processing is another exciting opportunity for Mint. The UAE is the second largest source, after the U.S., of remittances to other countries with US$ 44 billion sent in 2017, up from US$14 billion in 2012 according to World Bank statistics. In 2019 we intend to launch remittance services, in partnership with banks and foreign exchange remittance companies.

We are excited to grow these new opportunities into material contributions for the future growth of our Company. We look forward to updating you in 2019 on the initiatives we undertake to expand the Mint ecosystem. We are well-positioned for a

successful 2019 as we build on the Mint brand and continue to develop and market innovative, mobile-led digital financial products for the underbanked.

We thank you for your continued support.

Sincerely,

Vishy Karamadam

CEO – The Mint Corporation

About Mint

The Mint Corporation through its majority-owned subsidiaries (the "Mint Group"), is a globally-certified payments company headquartered in Toronto, Canada with its primary business in Dubai, UAE. The Mint Group provides employers, employees and merchants with best-in-class financial services supported via payroll cards and the Mint mobile application. Through its payments platform certified globally by Mastercard and UnionPay, Mint brings modern financial conveniences, at reasonable cost, to employers, merchants and consumers

Forward looking Statements

This CEO Letter contains forward-looking information. Forward-looking information includes the statements that (i) Mint expects to generate significant incremental recurring revenue from its value added services, (ii) Mint expects to receive approvals for value added services in the coming year; (iii) Mint plans to start microlending services by offering salary advance (overdrafts) to payroll cardholders; and (iv) in 2019, Mint intends to launch remittance services in partnership with the UAE exchange houses.

The forward-looking statements are based on certain expectations

and assumptions made by Mint. Although Mint believes that those expectations and assumptions are reasonable, undue reliance should not be placed on the forward-looking statements because Mint can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those anticipated due to a number of factors and risks. (i) Mint's expectation that it will generate significant incremental recurring revenue from its value-added services is based on Mint's belief in the value of these services and in the affordability of these services to its customers. These services have only recently been launched and experience will confirm whether or not those assumptions are correct. (ii) While Mint expects to receive approvals for value added services in the coming year, changes in regulation could alter that expectation. In addition, some regulatory approvals require substantial bank guarantees for which Mint must raising supporting collateral.(iii) Mint's plans to start microlending services by offering salary advance (overdrafts) to payroll cardholders will require capital for lending purposes, which Mint must raise. Mint must also enter into an arrangement with a bank partner who is licensed to offer the microlending services. (iv) Mint's intention to launch remittance services in 2019 in partnership with the Banks & UAE exchange houses will require collaboration from those entities. The forward-looking statements contained in this press release are made as of the date hereof. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities laws.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX

Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.