

# UMT

## New payments deal with B2B app start-up Evy

UMT has announced a new cooperation deal with Cologne-based B2B start-up Evy Solutions to provide payments services to its customer base. The Evy app is a digital assistant that enables private individuals and entrepreneurs to manage incoming mail, which is over an app-based platform. The deal with UMT will enable Evy to add app-based invoice payment to its range of services. Evy intends to roll out the service across Europe and expects transaction volumes in a three-digit million range in coming years. UMT will derive set-up fees under the contract as well as transaction fees from payments it processes over the platform. We see the deal as a good way to showcase UMT's payment abilities to the B2B market after its successes in the retail market with the Payback scheme.

Year end	Revenue* (€000s)	PBT* (€000s)	EPS* (c)	EV/revenue (x)	EV/EBITDA (x)	P/E (x)	Yield (%)
12/15	2,268	(916)	(5.8)	16.7	N/A	N/A	N/A
12/16	1,573	(1,501)	(9.1)	28.7	N/A	N/A	N/A
12/17e**	5,244	(419)	(2.2)	7.8	71.5	N/A	N/A
12/18e**	5,802	44	0.2	7.2	63.8	984.7	N/A

Note: \*Revenue, PBT and EPS are normalised, excluding exceptional items and share-based payments. \*\*Assumes completion of planned debt for equity swap in 2017.

The two companies also plan to investigate the potential to settle digital invoices by "smart contracts" using blockchain technology. Benefits are thought likely to include the potential to significantly reduce transaction fees and to increase transparency and security for all participants.

It is worth noting that the SEPA invoice payment service offered by UMT will utilise the banking licence of solarisBank, as a result of UMT's recent cooperation agreement with the bank. The tie up with solarisBank has reduced the cost of such services to UMT, making it more competitive with banks and other mPay enablers in the B2B market.

Payments deal with B2B

Software & comp services

30 November 2017

**Price** €2.06

**Market cap** €38m

Net debt (€m) at 30 June 2017 6.7

Shares in issue 18.6m

Free float 38.0%

Code UMD

Primary exchange Frankfurt (Xetra)

Secondary exchange N/A

### Share price performance



### Business description

UMT is a technology company engaged in developing and operating highly scalable technology solutions. Its main focuses are a technology-agnostic mobile payment and loyalty platform, which is offered as a white-label solution, as well as consulting services to large enterprises.

### Analysts

Anna Bossong +44 (0)20 3077 5737

Katherine Thompson +44 (0)20 3077 5730

[tech@edisongroup.com](mailto:tech@edisongroup.com)

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