



CORPORATE PARTICIPANTS

Jon Cunningham, *Moderator*
Harold Montgomery, *Chairman and Chief Executive Officer*
Scott Arey, *Chief Financial Officer*

PRESENTATION

Operator:

Good day, everyone. Welcome to the MoneyOnMobile, Inc. Q1 2017 Earnings Call. Today's conference is being recorded. At this time, I would like to turn the conference over to Mr. Jon Cunningham. Please go ahead.

Jon Cunningham:

Thank you, operator and thanks to everyone for joining us on the MoneyOnMobile earnings call covering first quarter of fiscal Year 2017 which closed on June 30, 2016. You could find the presentation for today's call at <http://public.viavid.com/index.php?id=121162>. One more time, <http://public.viavid.com/index.php?id=121162>. At the end of this call, we will be opening up for general questions-and-answers. To submit a question, please enter it into the question box on the web link and I'll read it so that those to able to see this on the Web can hear it.

Now the Safe Harbor provision. This presentation contains forward-looking statements for purposes of the Safe Harbor provisions for the Private Securities Litigation Reform Act of 1995. With the exception of historic information, the matters discussed in this presentation are forward-looking statements that involve a number of risks and uncertainties. The actual future results of MoneyOnMobile, Inc. could differ significantly from those statements. Factors that could cause actual results to differ materially include risks and uncertainties, such as the inability to finance the Company's operations, inability to hire and retain certain qualified personnel, and changes in general economic climate, as well as the risk factors disclosed in MoneyOnMobile, Inc.'s Form 10-Q filed on September 16, 2016.

MoneyOnMobile, Inc. may, in some cases, use terms such as anticipates, continues, estimates, predicts, believes, potential, proposed, expects, plans, intends, may, could, should, might, will, or other words that convey uncertainty of future events or outcomes to identify these forward-looking statements. These statements are only predictions. Although we believe the expectations reflected in the forward-looking statements are reasonable, such statements should not be regarded as a representation by MoneyOnMobile or any other person that such a forward-looking statement will be achieved.

MoneyOnMobile, Inc. undertakes no duty to update or any of the forward-looking statements, which as a result of new information, future events, or otherwise.

In light of the foregoing, leaders are cautious not to place undue reliance on such forward-looking statements. This presentation does not constitute an offer to sell or a solicitation of offers to buy any securities of any entity.

It's now my pleasure to introduce MoneyOnMobile's Chairman and CEO, Harold Montgomery. Harold, please go ahead.

Harold Montgomery:

Thanks, Jon. Good morning to you and good morning to everyone participating in the call today. I appreciate your time and attention and support for MoneyOnMobile. This is Harold Montgomery. I'm the Chairman and CEO of MoneyOnMobile, Inc, formerly known as Calpian, Inc., and I want to welcome you to MoneyOnMobile, Inc.'s earnings call, which accompanies the release of our 10-Q report for the quarter-ended June 30, 2016. I'm in San Francisco today and joining me from our Dallas quarters (audio interference) Scott Arey, our Chief Financial Officer.

But, before we discuss the financial results, I would first like to focus on a few business updates, including an operational update, as well as some business highlights. As you may have seen from our recent press releases, we've officially changed the name of the Company from Calpian, Inc. to MoneyOnMobile, Inc. Our ticker symbol will soon be changing as well, and we'll let you know when that happens. This is the final step in refocusing the business away from our US Legacy Pay and Processing (phon) business. We are now fully focused on growing our India subsidiary MoneyOnMobile.

I want to thank everyone on the call for their support and voting for the name change, as well as Shareholders who are not participating today who voted for it, and we'll keep you posted on the change of the ticker symbol as we get it from Shinra (phon).

Moving on, for the benefit of Shareholders who may be new to our Company, MoneyOnMobile is a money mobile transfer system catering to India's vast unbanked and under-banked populations with simple transaction services for everyday needs. MoneyOnMobile allows consumers to use cash to make payments digitally, using the cell phone—even the simplest feature phone will do. They give their cash to one of our agents—and we have over 300,000 agents now—the agent deposits that cash with our Company where we keep it as a digital balance, just as you might keep cash in your bank account here.

It's digital currency in our computerized records and the consumer or the agent acting on behalf of the consumer can perform financial transactions, such as bill payment, money transfer, buying prepaid cell phone time or prepaid television time with only the mobile phone via an SMS text message string (phon). The system is very cheap, very reliable, and safer, much easier than transacting in all-cash.

The Indian market is the largest unbanked and under-banked population of the world with approximately 600 million to 800 million individuals, and MoneyOnMobile is now India's largest mobile money system. As of June 30, 2016, we've served over 180 million accumulative customers and we now have over 319,000 participating agents where consumers can load cash. Over the last 12 months we've processed over USD\$845 million worth of transactions.

MoneyOnMobile offers a wide range of payment solutions, as you can see in this slide, including, but not limited to, domestic remittance, which is person-to-person transfers; bill payment for electricity and other utility bills; mobile top up, that's a purchase of prepaid mobile airtime; satellite TV, that's also prepaid in India. We do ticketing, travel ticketing and now we're beginning to add e-commerce and even insurance solutions as well.

Here are some examples of MoneyOnMobile in action. Here is a picture of the digital receipt, for example, confirming a domestic remittance transaction for RS.5,000 that you can see on the screen. This SMS-based receipt replaces the paper-based receipt you or I would receive from a typical credit card-based transaction here in the United States.

Here's a picture I took in Kolkata on my recent trip. This is one of our 319,000 agents on the left, and you can see our agent on the right counting out the day's processing volume in the circle on the right-hand side. That's about RS.200,000 right there.

Those of you who participated in our last earnings call may remember that we announced our partnership with Kalighat Society for development facilitation in Kolkata. But for those who were not on the call, the Kalighat Society is an NGO—that's a Non-Governmental Organization—headquartered in Kolkata, India working with approximately 75,000 female ambassadors who are involved in financial education and creating income opportunities for India's women in underserved areas, like Bihar, Jharkhand, Bengal some of India's poorest states.

As a follow-up to our last call, I'm pleased to announce that we have kicked off the training of these female ambassadors now. The gentleman on the left in this picture is leading one of those training sessions where the women learn how to operate MoneyOnMobile with the goal of making them agents for our services. This will provide them with an income-generating opportunity with very low investment, while bringing basic financial services to remote areas in a successful partnership with MoneyOnMobile. You can think of these new agents as independent businesswomen earning their own income based on providing MoneyOnMobile services to friends, neighbors, and relatives, and many of them will be earning their own money for the first time in their lives. We're very proud of this relationship and we're very excited about its rollout over the course of the coming year, and it fits very nicely with our Corporate ethic of doing well by doing good. But at the same time, I want to assure you that this is a commercially successful relationship for MoneyOnMobile, and, in fact, for all the participants in the delivery chain.

On fundraising, you will see our recent press release here that we've kicked off fundraising campaign with US Capital Partners, a San Francisco-based investment bank, with the goal raising USD\$10 million to fuel our growth. We're excited about working with them on rounding out our Series E fundraise which was announced earlier in the summer.

The Management Team, I want to talk to you about for just a moment, in both the United States and India have over 60 years of payment experience. Ranjeet Oak (phon) has taken the reins as our CEO in India and is doing a wonderful job there. We're very pleased with the Team's performance and continue to look forward to adding strength our Team over time.

Now I'd like to turn it over to Scott Arey, our Chief Financial officer, to present the financial results for the quarter ending June 30, 2016. Scott?

Scott Arey:

Thanks, Harold. I'd like to present a financial overview and talk about the trends and processing volume, revenue, and the gross margin comparing Q1 2017 to Q1 2016.

We look at Slide 13, comparing first quarter 2016 to that of 2017, net revenue was USD\$1.4 million for the first quarter 2017 compared to USD\$1.3 million for the prior year, up 11%. On a currency-neutral basis, our revenue grew 17% for the first quarter of 2017, the fiscal quarter ended June 30, 2016. The currency-neutral measure of growth is important because it eliminates the effect of foreign currency translation from Indian rupees in which all transactions are recorded, and the US dollar which is our public reporting currency.

While increasing our revenue, cost of goods sold declined to USD\$660,000 from USD\$750,000, which represents an 11 point decrease on a reported basis and a 6% increase on a currency-neutral basis. This is a result of the diversification of our product based into higher-margin products, primarily Money Transfer. As a result of this, our gross margin increased 42% on an as-reported basis and 50% on a currency-neutral basis. This translates into a 12 point increase on our reported gross margin from 41.1% in Q1 Fiscal 2016 to 52.9% for our most recent quarter. It should be noted that while this is a significant improvement for the Company, the Company continues to post operating losses as we build this business.

On Slide 14, let's now take a look at the process volume trend over the past nine quarters. If we look at the first quarter 2016 compared to the first quarter for Fiscal 2017, our processing volume increased by 108% quarter compared to quarter. The main growth driver in this processing volume increase was domestic remittances. That said, there is a significant decline between Q4 Fiscal 2016 and Q1 Fiscal 2017, which was about 11% on a currency-neutral basis.

As you'll see in the next slide, this was primarily the result of our Team focusing their resources on higher-margin generating opportunities which resulted in an improvement in our gross margin from 41% a year ago to 53% this quarter. I would add that our ability to continue growth in Money Transfer was hurt by the use of capital to pay operating expenses, and then (phon) to continue to grow Money Transfer further and improve the margin. The Company will support Money Transfer with some additional capital which we believe we're in a position to leverage on a go-forward basis.

Going to Slide 15, as I just mentioned, when we look at revenue on this slide, we see a quarterly trend reported in US dollars where we experienced an 11% increase Q1 2017 over Q1 2016. Again, our focus has been on the margin.

Going to Slide 16, finally, if we look at the last nine quarters of gross margin, we see significant trend of margin improvement on an absolute dollar basis, and on a gross margin percentage basis, the Company posted a 53% margin for the quarter, which is about 12 points over the first quarter of the previous year, largely reflected, again, from the diversification of products, particularly shifts into Money Transfer. Again, despite this progress, the Company still had significant operating losses as we grow the business, however, a great deal of the focus is on the margin, and is part of the drive to bring the Company to a cash flow positive position in the current year and we remain optimistic we can accomplish this goal in India.

The total comprehensive loss which we reported on our 10-Q was USD\$2.9 million for this quarter ended June 30, 2016 as compared to USD\$3.3 million for the same quarter a year ago. Comprehensive loss attributable to MoneyOnMobile, Inc. Shareholders for the quarter ended June 30, 2016 was \$2 million compared to \$2.8 million for the quarter ended June 30, 2015. These amounts exclude comprehensive loss attributed to the Company's non-controlling interest.

Now I'll hand it back to Harold who will talk about what's coming up next. Harold?

Harold Montgomery:

Thanks, Scott. We continue to see strong growth opportunities in the Indian market and we intend to continue the growth of MoneyOnMobile along three basic lines; increasing our store count footprint throughout India is the first. Our longer-term intent is to have a million locations throughout the country, and eventually be within a quarter of a mile of about 80% of the entire population. We intend to go both broad throughout the country and deep in the Metropolitan areas with higher traffic zones, and we've been experimenting with branded locations with good results and looking to increase the scope of that program over time as well.

A second key effort is to increase the frequency of use by our customers, and we've seen that customers who use MoneyOnMobile tend to use it more as they see more service opportunities emerge, increasing the frequency of use as a key driver for growth in the long term.

The third basic area is increasing our offerings by increasing the share of high margin transactions. Domestic remittance, for example, is a higher margin transaction that Scott discussed, as well as being a higher ticket transaction for us. The combination of these trends and the nature of the market in India, I believe mean there is still a promising growth to have (phon) for MoneyOnMobile in front of us.

If you'd like more details about any of our initiatives, including the digital locker initiative we announced over the summer in cooperation with the Government of India and Microsoft, or the Kalighat Society initiative I referred to you earlier in this call, please take a moment to visit our website at investors.money-on-mobile.com for a series of videos. You can also sign up for a monthly e-mail there in which we highlight other business changes and developments.

Now I'd like to go to Q&A. Jon?

Jon Cunningham:

Thank you, Harold. To submit a question, please enter it in the question box on the Web link.

Our first question is about up listing. Are you on track for an up listing to a major exchange and what is your view on the timing of this?

Harold Montgomery:

It's been an express goal for all the Company for some time to achieve an up listing and we continue to meet with bankers and the exchanges themselves about the process and what we need to do to take the necessary steps to formally begin the process. We believe that we're well-positioned to start the process and achieve an up listing, and we've been taking certain concrete steps in that regard, including adding Board Members, which we continue to do—continue to recruit new Board talent.

We believe we're well positioned for an up listing. The exchanges are giving us positive feedbacks, so we're looking forward to initiating that process later, perhaps this year.

Jon Cunningham:

Thank you. Our next question is on financing. Can you give us more details about the current status of the fundraising?

Harold Montgomery:

Sure. As I mentioned earlier, we launched a fundraising effort with US Capital Partners last week and we're very excited to work with them. It's a dynamic group out here in San Francisco. You may have seen our 8-K filing showing support for the Series E, as in Edward, fundraise that came out of Europe. That's another exciting development and we'll be working with that group on a continuing basis as well.

Jon Cunningham:

Thank you. Let's see, the next question is about your future growth. Harold, where do you see the future growth coming from?

Harold Montgomery:

Well, on my recent trips to India, I've been out traveling the areas where our target client base is located away from major cities, for example, where banking services are the least penetrated and therefore demand

for MoneyOnMobile services is very high. I've seen the demand for our services firsthand in some of the photographs I showed you, really represent the way we're unlocking pent-up demand in underserved areas.

In two different vegetable markets, for example, I visited in Kolkata, the farmers there were selling their produce and sending the money back to the village where the produce is grown in amounts totaling hundreds of thousands of rupees. In one case, we have an agent in Kolkata that sends about RS. 700,000 every day back to the villages. That's more than USD\$10,000 a day. So there's a significant market out there for our services. The further we get in terms of our penetration, the more we unlock that demand. We intend to expand to penetrate these markets as we grow our agent footprint, and looking longer-term it's also clear now that there's a need for business-to-business payments and also government payments distribution. So we're slowly positioning ourselves to take advantage of those two markets as well.

Jon Cunningham:

Thank you. Our next question: what can you tell us about the competitive environment in India? They go on to ask: what are some of the trends that you're seeing, Harold?

Harold Montgomery:

Sure. The Payment business in India generally is mostly concentrated on serving the consumer audience with card-based payments solutions. These are services such as PayTM or Citrus Pay, MobiKwik, Freecharge, and others—Oxigen. These require the consumer to have a previously existing bank account. MoneyOnMobile, on the other hand, is aimed at the remainder of the population that does not have a bank account. The market for our services is vast and largely un-penetrated. We are seeing some competition from M-Pesa (phon), the Vodafone sponsored service and other local services, but I believe that the market is sufficiently large that there are many areas which are underserved or not served at all and therefore represent a greenfield opportunity for us. For all these reasons, I believe the growth potential for MoneyOnMobile remains strong and the competitive environment is favorable for us.

Jon Cunningham:

Thank you, Harold. Our last question: what can you tell us about the sale of Citrus?

Harold Montgomery:

Sure. Citrus Pay is an Internet payment gateway serving major clients in India, such as airlines and large retailers. The company recently sold for about USD\$130 million. While our businesses are very different in nature—Citrus Pay being a bank-based card Internet gateway, MoneyOnMobile catering to the unbanked—the valuation of Citrus Pay, however, does bode well for a solid comparable valuation for MoneyOnMobile. There's also a scarcity value here. There just aren't many companies in the payments space that are not owned by a major player, MoneyOnMobile being the largest independent remaining, I think, in this space at this point.

We believe that MoneyOnMobile has the potential to achieve an extraordinary valuation for two key reasons. Number one is the size and scale reach of the Company throughout India into markets where others don't go; and, second, it's unique penetration into the unbanked market with a locally derived solution. I think these two elements make MoneyOnMobile a unique Company that could in the end result in an extraordinary value for the Enterprise.

Jon Cunningham:

Thank you very much, Harold. Harold, that wraps up the Q&A. Would you like to give our audience just some final remarks?

Harold Montgomery:

Sure, Jon. I just want to say how grateful I am for our dedicated and loyal Shareholder group. We're engaged in a very exciting enterprise in India and I think the results speak to that. We are making concrete improvements, both operationally with our Leadership Teams on both sides—US and India—and it's starting to show now in our financial results, in improving margin, and so forth. Our view for the coming year is to continue to expand the footprint, the physical footprint in India, the product range, and to continue to improve our staffing strengths and move forward.

So, I very much appreciate everybody's time and participation in the call today.

Jon Cunningham:

Thank you, Harold. This will conclude the MoneyOnMobile Incorporated First Quarter 2017 Earnings Call. You may now disconnect.