

NetCents

15:50 02 Oct 2019

NetCents Technology seeing rapid growth as its Merchant Gateway program ramps up

- **Rapidly advancing in growing world of cryptocurrency merchant payments**
- **Seeing increasing revenues and lower costs as business grows**
- **Aiming to be at break-even within next 24 months**

What NetCents Technology does:

NetCents Technology Inc (CSE:NC) (OTCMKTS:NTTCF) has developed a blockchain platform designed for merchants and consumers looking for a better way to transact online with cryptocurrency.

The digital payments specialist says its platform allows businesses to "seamlessly integrate cryptocurrency processing into their payment model without taking on the risk or volatility of the crypto market".

Put simply, the group's technology allows merchants and firms to accept cryptocurrency payments from customers by providing them - the recipients - with instant settlements. The platform is divided into three interrelated components: the user portal, the merchant portal and the firm's own proprietary digital exchange platform.

The platform is Netcents' own proprietary payment processing software and it holds intellectual property, which includes copyright in the development of its technology.

The platform allows users to set up their own NetCents wallet; transfer monies - Fiat currency: namely legal tender whose value is backed by the government that issued it - from their bank account to their user account; transfer cryptocurrency from an external wallet to their NetCents Wallet; choose to either buy products and/or services online or in store; transfer monies to other parties, and buy or sell cryptocurrencies.

How is it doing?

On September 18 this year, Netcents Technology revealed it had signed the 40th partnership agreement for its platform, impressively doubling the number of partner deals since February, 2019. The group said the milestone validated it's business model.

The technology company also said that it has begun a merchant acquisition plan to augment its partnership program with the goal to add 15 enterprise merchants that process over US\$20 million in annual sales.

Earlier in the month, NetCents had revealed that in the first three days of September it signed-up more merchants than it did in the entire month of May, building on its average 95% month-over-month increases in merchant sign-ups since

Price: 0.87

Market Cap: \$61.19 m

1 Year Share Price Graph



September 2019 March 2020 September 2020

Share Information

Code: NC

Listing: CSE

52 week High Low
2.75 0.205

Sector: Blockchain & Crypto

Website: net-cents.com

Company Synopsis:

NetCents Technology Inc. is an electronic online Payment Service Provider. It offers clients and merchants online services for managing electronic payments by a variety of payment methods through its processing platform.

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that month, in addition to an average 39% increase in processing volume every month since February.

The company said that, during 2019, merchants adopting its burgeoning financial services platform were from eCommerce, Travel & Tourism, and Financial industries, located in North America and Europe. It added that the average merchant processing revenues ranged from C\$1,000 and C\$200,000 monthly.

Based on current pace, the company said it is projecting it will surpass a 2020 first calendar quarter with a C\$2 million monthly processing volume.

NetCents' results for the third quarter to end July, released on September 30, showed transactions increased by 296% compared to the second quarter, while merchant processing revenue over that period came in at \$63,178, up 498% compared to the preceding quarter.

The company's operating costs decreased by 46% year-on-year for the nine-month period ended July 31, 2019, while its net loss for the nine month period fell by 54%.

It said that between the increase in revenues and its growth indicators, along with the corresponding decrease to operating costs, the company is "in a strong position as it works towards its breakeven point, which should be obtained within a 24-month period."

NetCents pointed out that it had further enhanced the platform's functionality in a number of ways in the third quarter, including the launch of an Android and an IOS version of a mobile app.

The group also added Bitcoin Cash and cryptocurrency NEM to the portal and gateway to allow users to buy/sell/trade and merchants to accept the two products in their platforms.

Netcents said it has also developed and launched its Crypto Banking Stack which will enable financial institutions to use their existing hardware and software to offer their clients access to a fully integrated cryptocurrency processing and transaction solution.

At the end of September, NetCents also revealed it had expanded the volume of cryptocurrency transactions it can process by forming relationships with additional liquidity sources, which has reduced the need for large capital floats to fund settlements and lowered the risk of working with cryptocurrency exchanges. with an inability to process cryptocurrency payments at scale previously a major issue.

Back in July, the firm closed a C\$2.5 million non-brokered private placement following an overwhelming response from investors, with the money raised to fund growth plans as the cryptocurrency market picks up steam.

What the boss says:

In a statement on September 27, Netcents' CEO Clayton Moore said: "Working with multiple institutional partners to provide managed funds allows us to process unlimited transactions with fewer capital restraints. We are now able to continue to scale our processing without the large floats that were previously required — it's a game-changer."

"We have seen an increase in merchants abandoning their service providers to convert to our platform. By streamlining the entire process to the benefit of our merchants, we've also reduced our capital outlays and counterparty risk while substantially increasing our capacity," he added.

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