Mobile Financial Services

CANTO AGM 2014

January 27, 2014
• MoreMagic and Oberthur Technologies
• International TopUp and White label
• The Digital Revolution
• The Caribbean Opportunity
• MoreMagic Mobile Financial Services Platform
• MoreMagic Value Proposition
• Awards and Accolades
MoreMagic: Oberthur’s Mobile Financial Services software platform

Overview

• Mobile Financial Services solutions provider created in 2000 and acquired by Oberthur in 2012

• 50 Mobile Financial Services engineers and market experts based in Boston

• Creation of a MFS Oberthur hub for North America in Boston (MoreMagic + Oberthur NFC TSM teams)

• Comprehensive MFS platform: mobile banking, mobile money, mobile payment, P2P, couponing, loyalty, domestic and international top up etc.

• 20 references in MFS solutions, 50 combined with Oberthur

• 189 MNOs connected to International Recharge hub for mobile top up

• 4 common wins with Oberthur

Platform deployments

189 MNOs connected to our international transfer hub
### MoreMagic Lines of Business

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<th>Cloud based Mobile Payment Solutions</th>
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<td>▪ Uniquely positioned to bring multiple stakeholders together into an integrated mobile money (cash replacement) and mobile commerce (payments) solution</td>
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<td>▪ Versatile mobile commerce usage from transfers, retail, parking, and lottery</td>
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<th>MTopUp</th>
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<td>▪ Industry’s fastest, most reliable and functionally complete Prepaid TopUp solutions</td>
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<td>▪ Supports a complete end to end virtual inventory airtime credit management system including multi level users, unlimited credit, wholesale &amp; retail activities, multi channels, VAS feature, promotions, and real time reports</td>
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<td>▪ Very fast deployment and launch cycle ( &lt; 90 days)</td>
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<th>International TopUp</th>
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<td>▪ Direct, real time connections with over 189 mobile operators globally</td>
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<td>▪ Multi-pronged distribution strategy – Web/online, Retail, Phone</td>
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<td></td>
<td>▪ Available at &gt;200,000 retail locations worldwide</td>
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<td>▪ <strong>Highly effective White Label strategy</strong></td>
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Out source the Management of your online topup portal

• Fully managed web portal for online topup
• All risks charge-backs, fraud are responsibility of MoreMagic
• Complemented by matching facebook apps and smart phone apps
• No costs to the Mobile Operator
• Increased Sales
Bmobile Home page
White Label TopUp Portal

Bmobile sales portal managed by MoreMagic
The Digital Revolution changes the way we consume

- Over 300 initiatives around the world (180 Mobile Money, 150 NFC)
- 1.7bn people with a mobile phone but no access to financial services
- Cash still represents over 80% of the volume of transactions in developed economies
- 35% of smartphone or tablet users have purchased at least once with their devices
Mobile payments is improving the mobile shopping experience

Changing end-user behaviour with mobiles

- On-line and in-store shopping are converging
- With better shopping experiences to end-users

- 58% check product on-line before going to store
- 17% visit store before buying on-line
- 25% compare prices
- 52% plan to look for info

Mobile payments to merge with coupons, loyalty and other shopping solutions

- Retailers are taking the proven internet acquisition methods in-store and improving customer shopping experience
- Mobile payments with loyalty and rewards, making it easy for consumers and merchants
- Key players, such as Google, PayPal, Visa, MasterCard acquired many start-ups across the shopping cycle

- Better customer experience
- Merchant acceptance
- Increased adoption of mobile payments
A comprehensive MFS solution

“No frills” Mobile Money
Bring financial services to unbanked populations

- Born in emerging countries with lack of bank infrastructures
- Focused on peer to peer, bill payment and airtime top up
- Limited payment services because of merchant acceptance and banks integration

Mobile commerce
Turn the mobile into a payment card and banking channel

- Born in mature economies
- Focused on EMV card payment emulation through NFC
- Limited adoption because of NFC equipment and added value for the consumer

Mobile Financial Services
Revamp the shopping and banking experience

- Hybrid approach leveraging cloud based Mobile Money and proximity use cases
- Bank integration, merchant payment (NFC, QR codes), online check out, simple P2P
- Loyalty, couponing, Transportation, access control etc.
- Companion cards expand the ecosystem
The Caribbean Opportunity

Factors positioning the market for mobile commerce/payments

• **Mobile market penetration**
  - Nearly all Caribbean markets exceed levels of 100% mobile penetration, with the average of nearly 125% for the region (Source: ITU, ECTEL, UN)
  - New devices like smartphones and tablets drive data usage and new service connections

• **Consumer demand for new services**
  - Access to banking services,
  - Solutions with access to social media, information, data, and services via their smartphones and tablets
  - Tools to simplify less desirable tasks such paying bills and travel to the bank
  - Security related to identity and theft in difficult economic conditions

• **International Remittances**
  - Jamaica and Haiti are among the top 10 remittance corridors from US in 2010 (World Bank, *The Economist*)
  - Berg Insight estimates that remittances sent to mobile money accounts will grow at a CAGR of 55 percent from US$ 850 million in 2011 to US$ 12 billion in 2017.
MoreMagic Platform: Services for all Roles and Interfaces

**Core Services**

- **Pay**
  - Retailer (in-store, online)
  - Utilities
  - Airtime

- **Transfer**
  - Fund in / out
  - P2P
  - Receive salaries
  - Remittance

- **VAS** (value added services)
  - Loyalty
  - Saving/lending/insurance
  - Couponing/offers
  - Advertising

- **My account**
  - Register
  - Balance
  - History
  - Selfcare

**Devices / Interfaces**

- SMS, USSD, IVR
- STK
- WEB: PC, tablet, smartphone
- Mobile apps (NFC option)
- POS, Cash register
- Kiosk, ATM
- Companion card for worldwide payment
- API
- Source of funds
- Biometric enrolment
- MNOs
- Banks
- Retailers
- Agents network
- Employers
- Customers
- Risk admin
- Sales admin
- Super admin
- Finance admin
- Strategic marketing
- Operation & admin
- Brand
- End users

**Alternatives to mobile**

- Card, sticker
- POS, Cash register
- Kiosk, ATM
- Companion card for worldwide payment
### What are the different transactions?

#### Fund In (Cash In)
- **Fund In** – transfer from bank account to mobile wallet
- **Cash In** – convert cash to wallet funds at a Mobile Money official agent

#### P2P transfer
- **Send Money** directly from your mobile phone to your friends and family

#### Fund Out (Cash Out)
- **Fund Out** – deposit wallet funds in to bank account
- **Cash Out** – convert wallet funds into cash at a Mobile Money official agent

#### Airtime Top Up
- Top up your own Air-time account or those of your family and friends with m-wallet money

#### Bill Payment
- Pay easily your utility bills from your mobile phone or at a Mobile Money dealer

#### Merchant Payments
- Pay a merchant from a Payment Request or using QR Codes, Bluetooth, NFC technologies

#### International Remittances
- Receive funds from friends and relatives abroad with Western Union and other money transfer companies
• **CUSTOMERS**
  - Mobile: USSD/SMS, Java apps, Smartphone apps, STK
  - WEB: Customer Self Care Portal (CSCP)

• **MERCHANTS**
  - Mobile: USSD/SMS, Java apps, Smartphone apps, STK, tablets, POS devices
  - WEB:
    - Merchant Self Care Portal (MSCP) – Administration
    - Merchant Web Terminal for Online purchases

• **SERVICE PROVIDER ADMINISTRATION**
  - WEB: Back Office Used by Administrative Staff
A full range of Financial Services for the smartphone

Home
- Balance
- Add funds
- Purchase
- Pending Bills
- Send Money
- Rewards

History

My ID
ID used for transactions

News
- Personal news
- General news

More
- Account info
- PIN management
- Fund out
- Places to shop
- Special offers
- Help
- Contact form

Transactions history

27 janvier 2014
1. **We are a worldwide digital security leader**
   - Providing cards /services to **5000 banks, 200 MNOs** and government
   - Certified by Visa, MasterCard, GSMA, PCI DSS, EAL4+

2. **We have the skills located near your business**
   - Commercial presence **in 50 countries** in developed and emerging countries
   - A **level R&D center in Boston**, heart of the mobile software industry
   - **Delivery team** based in Boston, Paris, Dubai, Singapore, Sao Paulo, Washington

3. **We have a unique comprehensive offer**
   - **Comprehensive offer**: SIM & payment card, scratch card, remote / cloud mobile money, scratch card, eTopUp server, NFC/TSM, loyalty etc.
   - Flexible platform with **modular and fast implementation**
   - **Managed TopUp sales portals**

4. **We have references**
   - Together with Oberthur, **50 Mobile Financial Services solutions references**
   - 20+ MoreMagic platforms, 30+ TSM/NFC
   - 1 flagship in Czech Republic with Mopet: **4 banks, 3 MNOs**
Industry awards and recognition in Mobile Financial Services

• **2013: SESAMES Award - Trusted Internet / Authentication**; “My Voice is My Password” streamlines the authentication process through biometrics which enables the storage of sensitive information such as an individual’s voice pattern within the SIM.

• **2013: GSMA Award nominee - Best Mobile Money Service** for the First Universal Mobile Money service in Czech Republic and GSMA award with Etisalat and MasterCard for Flous, the best mobile commerce innovation

• **2012: SESAMES Award - Best Mobility Solution - Mobile Wallet**

• **2012: GSMA Award - Best Mobile Money Innovation (first time for a SIM player) - Mobile Money and NFC solutions**

• **2010-2011: GSMA Awards finalist nominations - Best Mobile Money** Innovation nomination for T Cash in Haiti and Splash in Sierra Leone

• **2010: SESAMES Award - Best Mobility Solution - NFC TSM offer**
Thank you.

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