



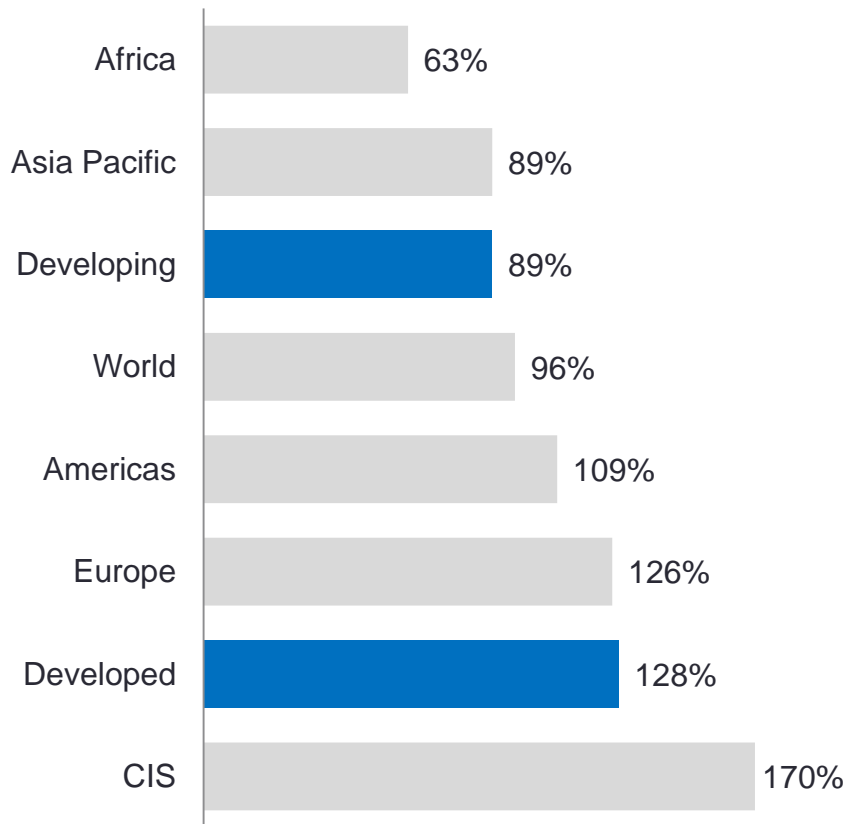
Card Processing Leader for Mobile Devices

Company Profile

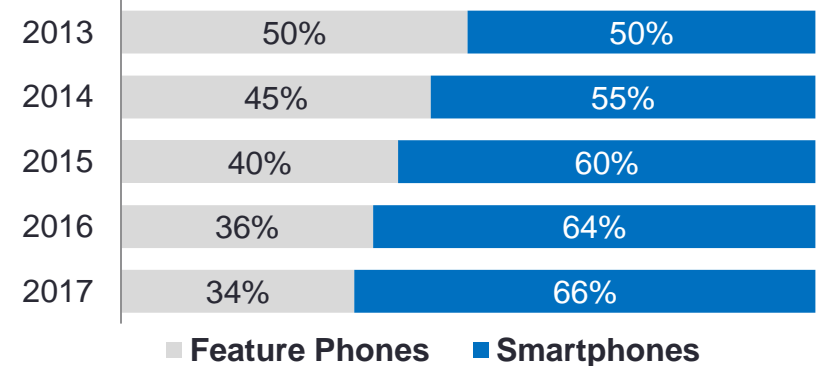
- ✓ Over 40 years combined experience in international finance and software development for financial institutions
- ✓ Skilled team with deep experience in commercialising technologies and obtaining successful exits
- ✓ Patent pending solution for end-to-end mobile payment processing
- ✓ On-the-ground experience across Emerging Markets in Africa, Asia and South America
- ✓ Headquartered in Singapore to leverage its strong financial and technical base

Mobiles are widespread & getting smarter

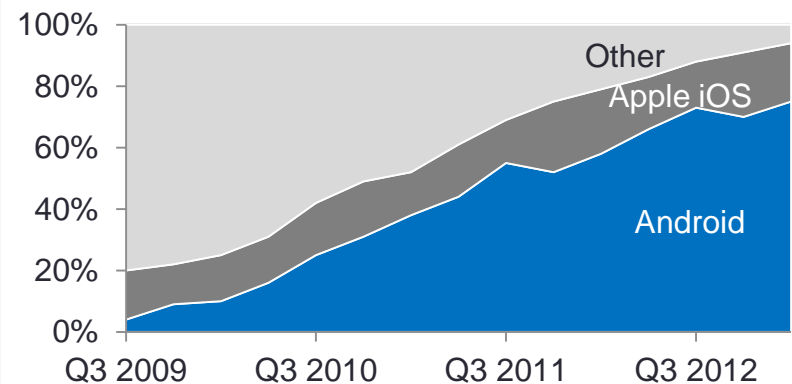
Mobile Phone Penetration



Smartphone Share



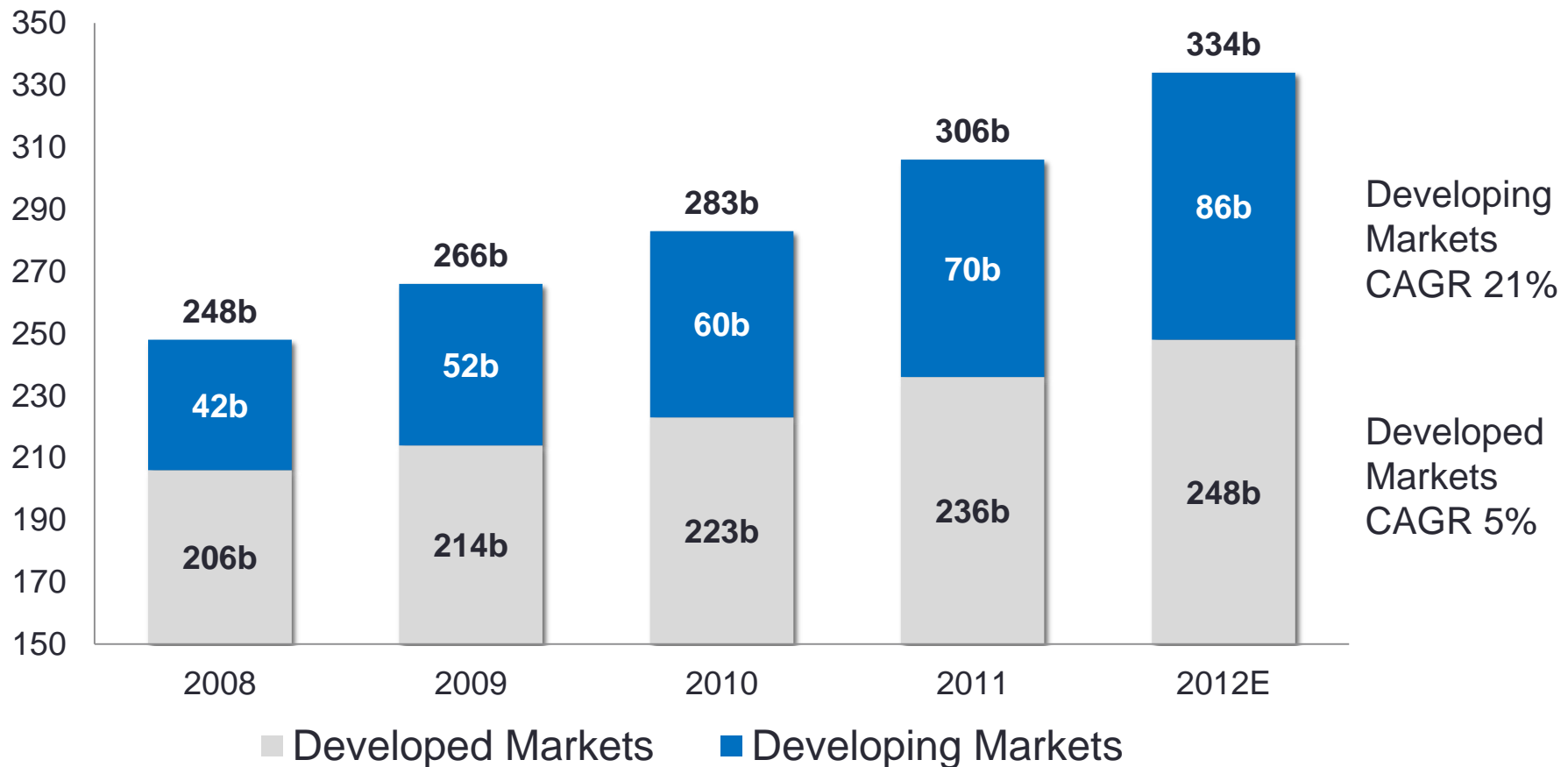
Global Market Share by Platform



Source: ITU World Telecommunications, International Data Corporation (IDC), Gartner

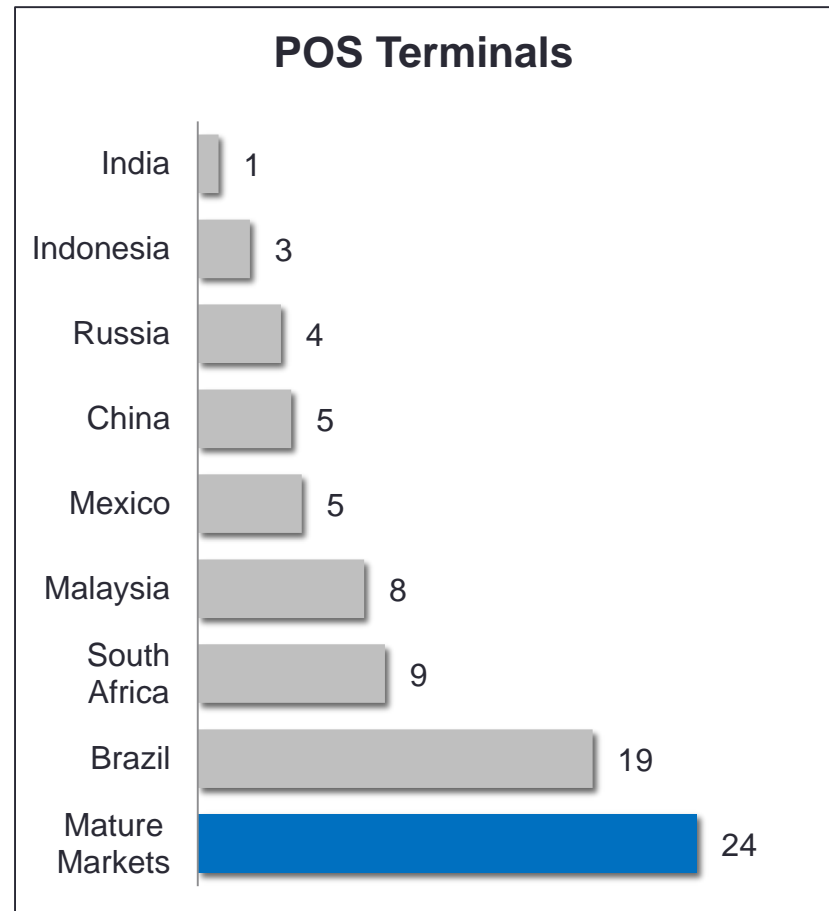
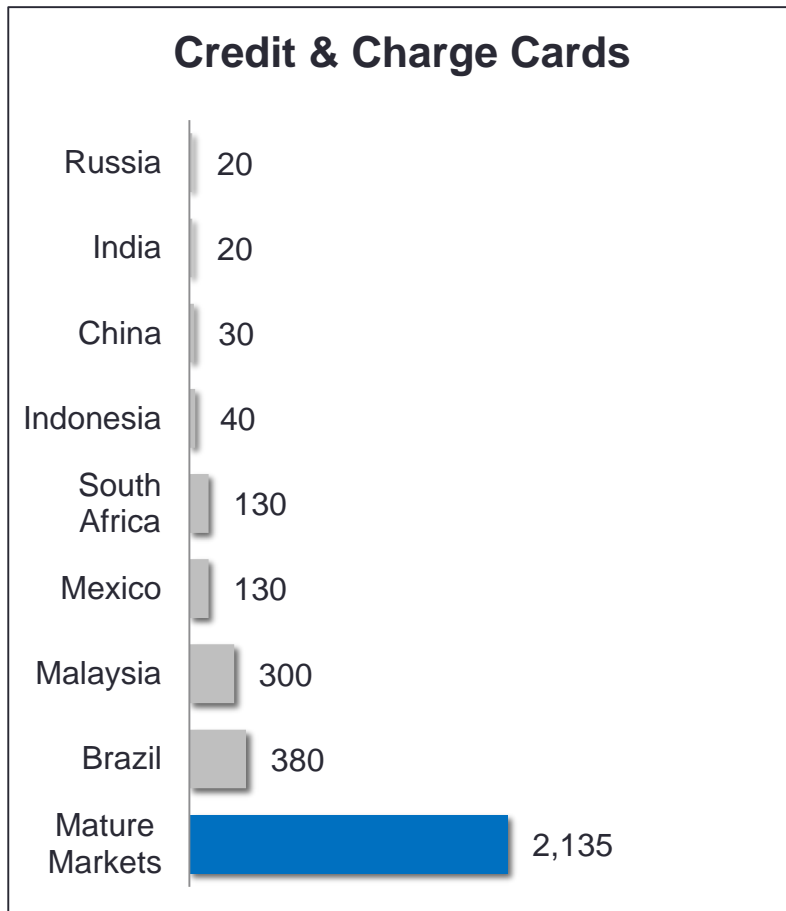
Cards form the backbone of payments

Non-Cash Transactions (Billions)



Source: World Payments Report 2013

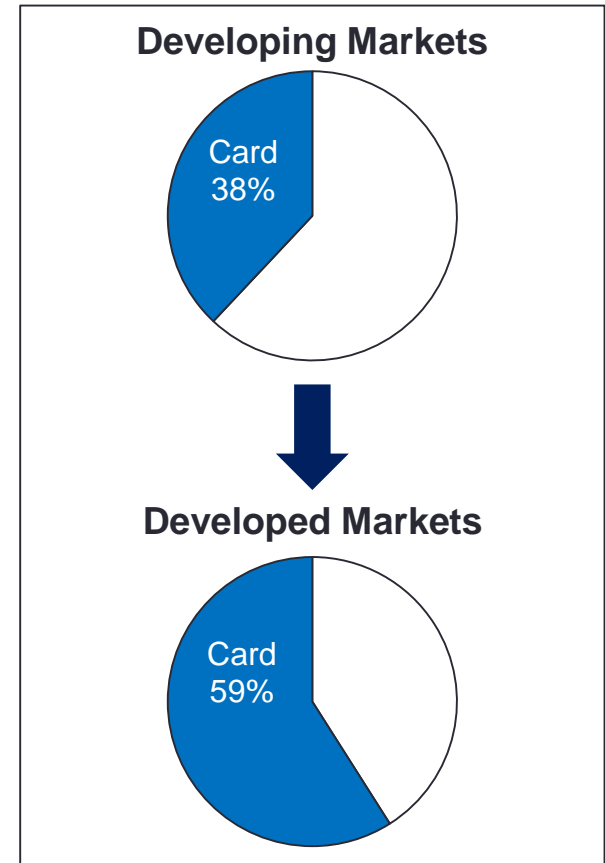
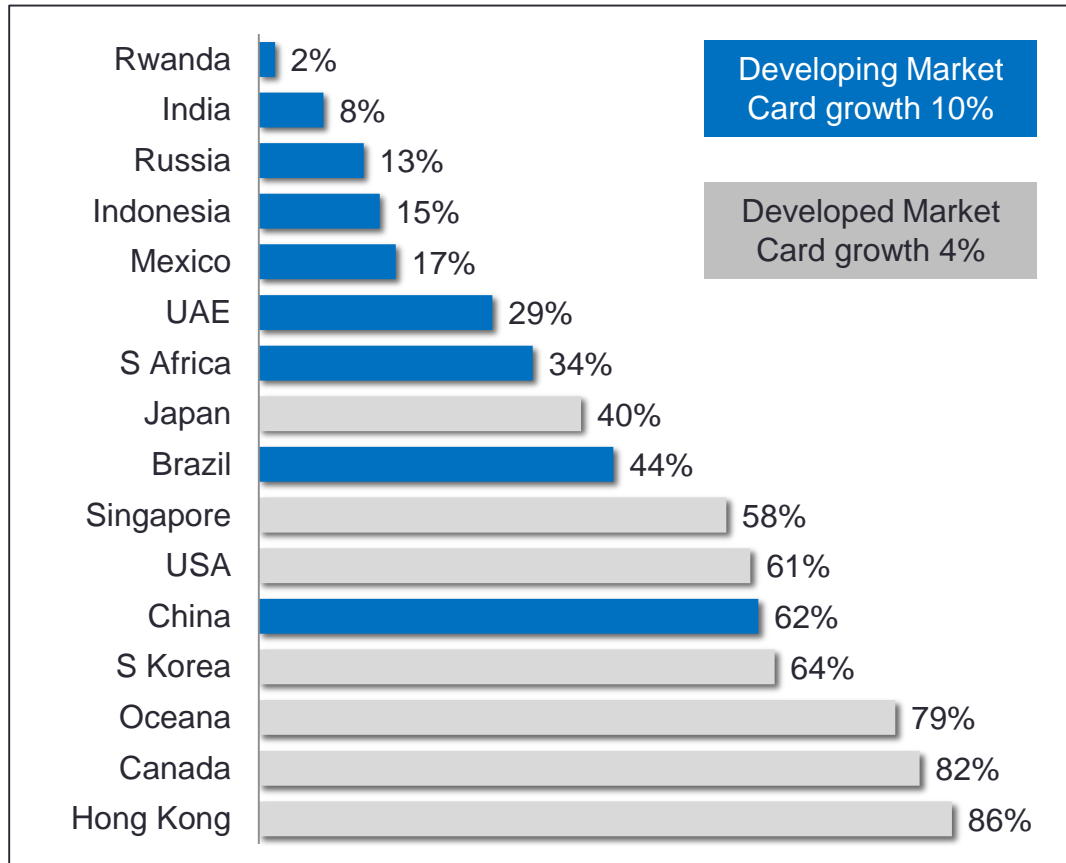
Emerging Markets previously lagged in Non-cash Payment Infrastructure



Source: Euromonitor/IMF/Timetric (per 1,000 inhabitants)

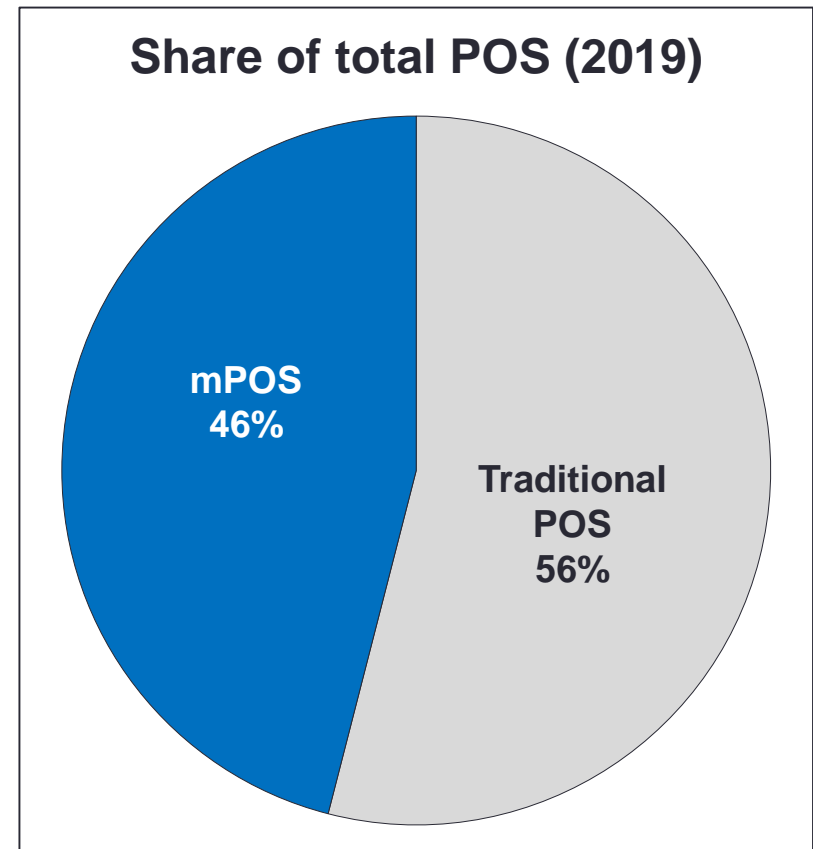
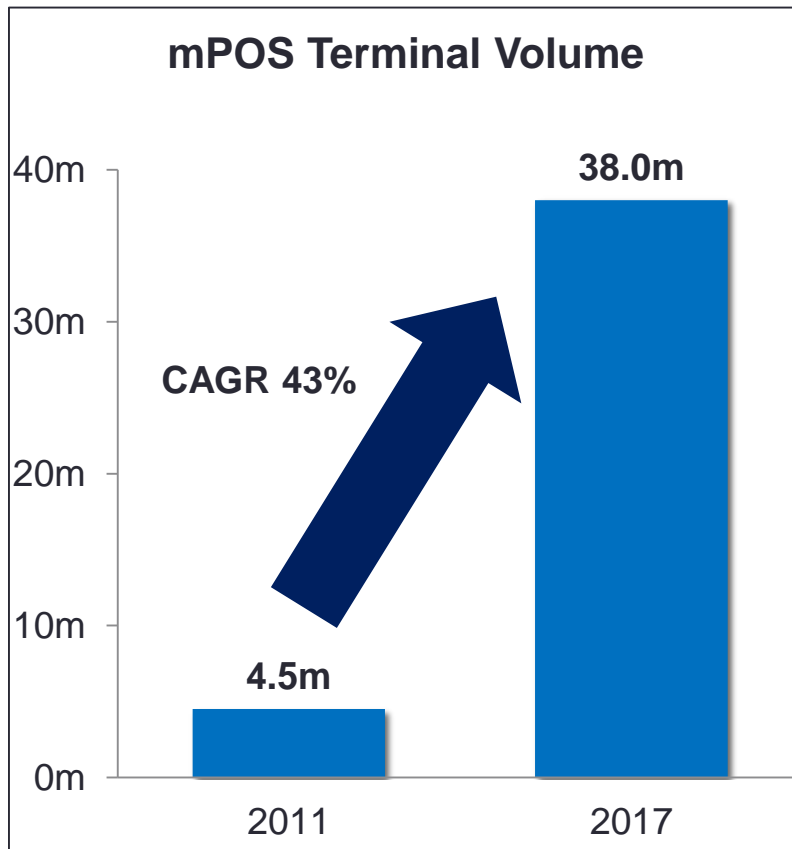
Resulting in dramatic growth across EM's

Proportion of Electronic Payments used for Purchases



Source: Oxford Economics, Euromonitor International, Visa

mPOS is rising to meet the demand challenges in the Emerging Markets with 43% growth p.a.



Source: ReportsNReports, 2013. ABI Research 2014.

SmartPesa and mPOS Advantages



MERCHANT

- Increased Sales
- Reduced Complexity
- Less Cash to manage
- Greater Transparency
- Compliments merchant loyalty schemes



FINANCIAL INSTITUTION

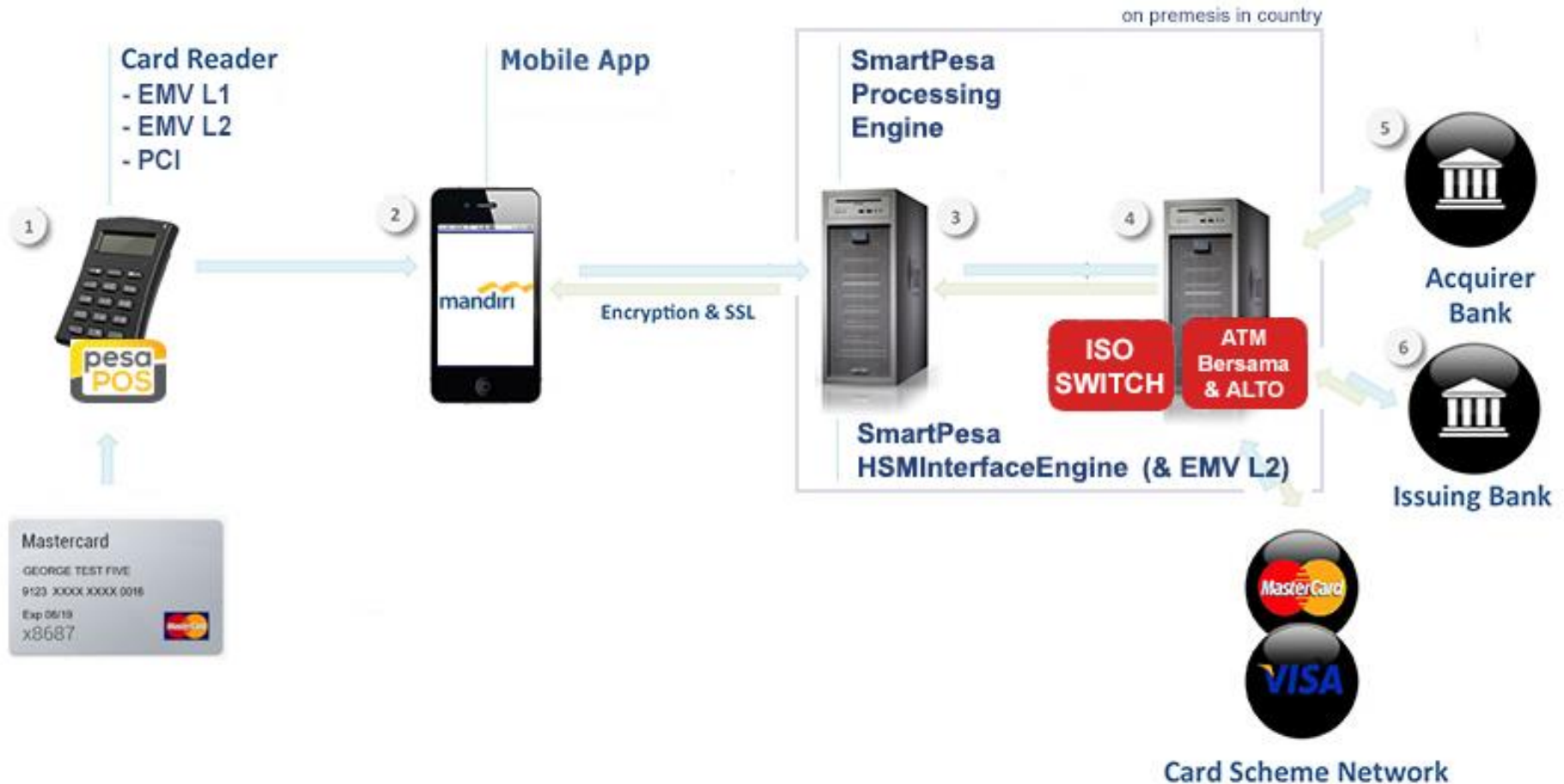
- Increased Revenue
- Lower Cost
- Branding
- Greater Information on merchants
- Increased Loyalty
- Greater Transparency



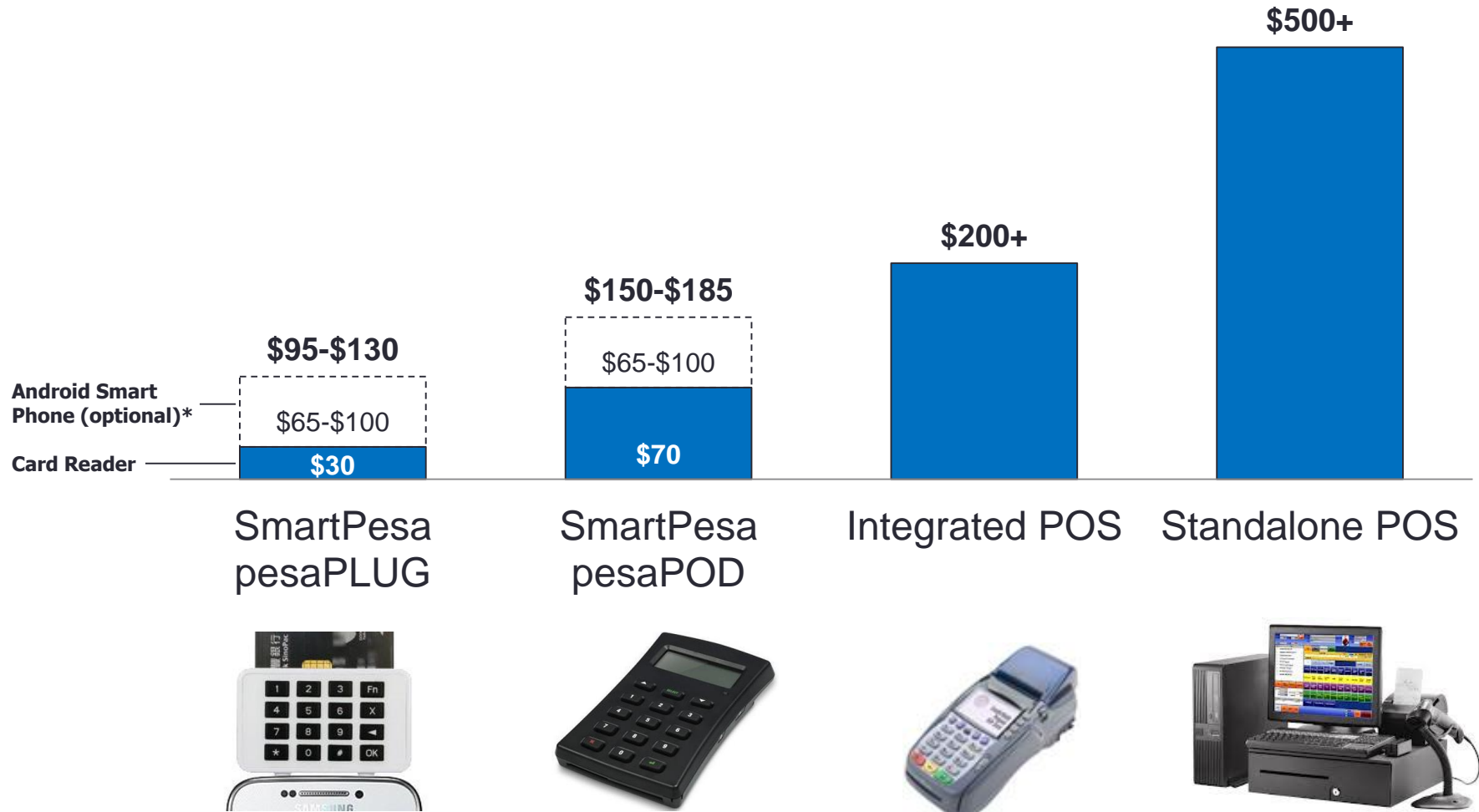
END USER

- Increased Choices
- Reduced need to carry Cash
- Greater Security
- Greater Transparency

SmartPesa delivers Chip&PIN level security on Mobiles over existing banking infrastructure



SmartPesa Cost Advantages



* A Merchant's own smart phone / device can often be used – bundling a phone is not required but can reduce support costs.

SmartPesa Use Cases

mPOS

Payment Receipts

Cash Advances
Loans

Loyalty Schemes

Instalment Payments

Integration into POS
Systems

Agents

Bill Payment

Government Subsidy
Distributions

Collection Services

Withdrawals
(Cashbacks)

Channel

Merchant Verticals

Insurance

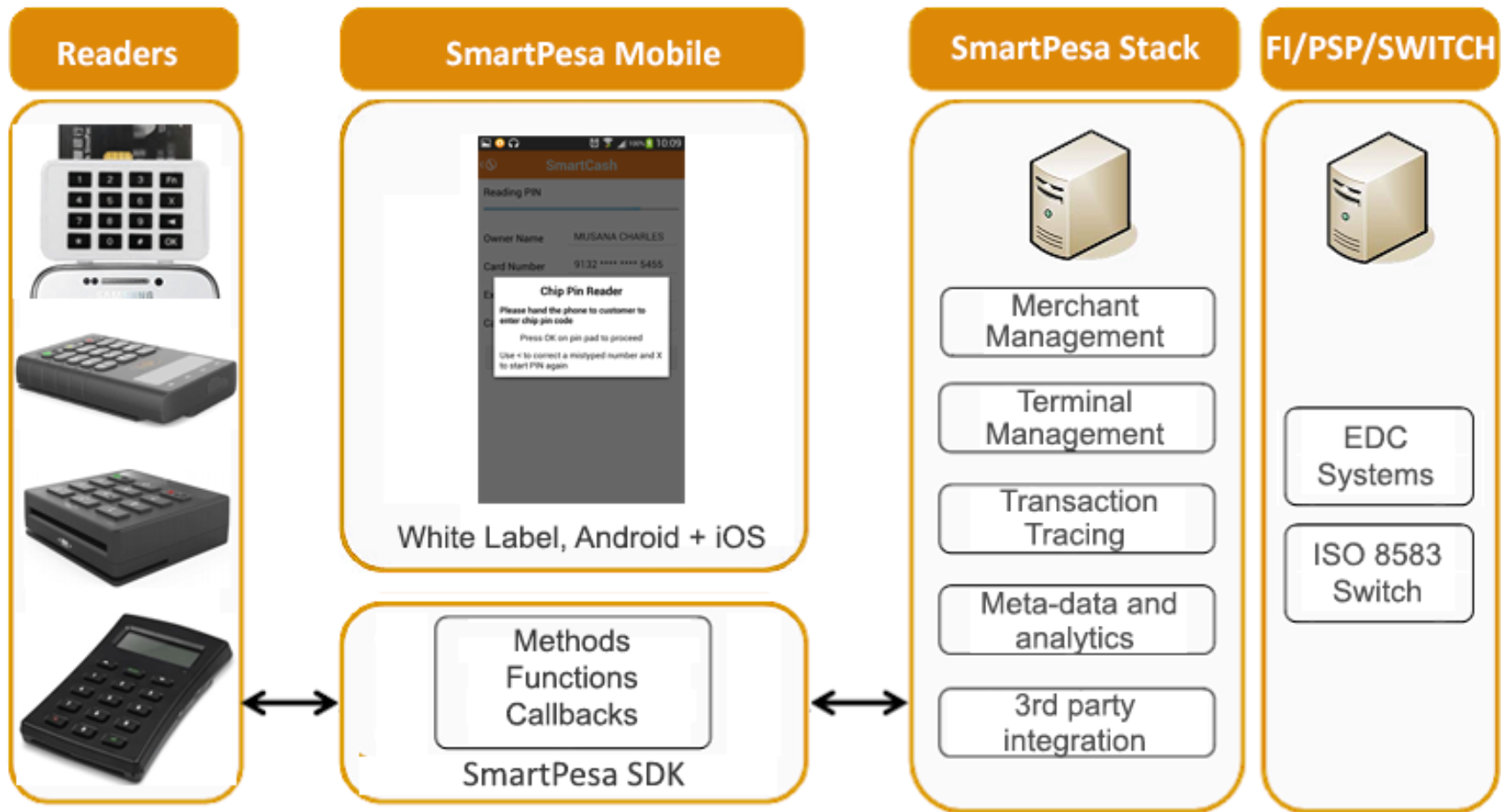
Buses, Taxis

Services
(e.g. Plumbing)

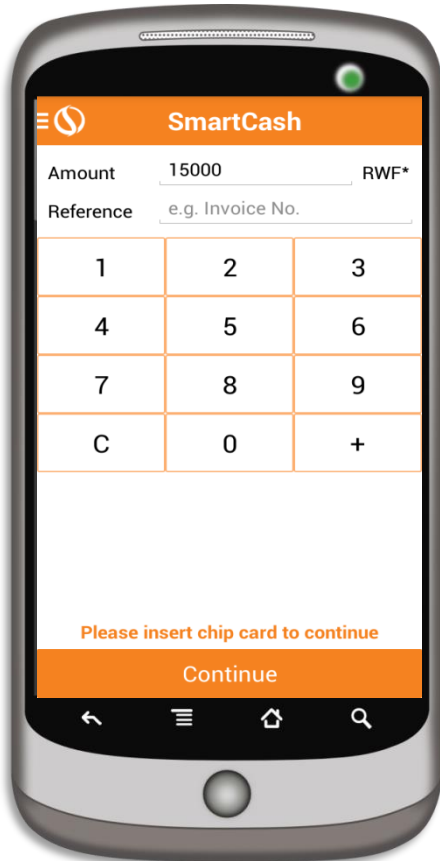
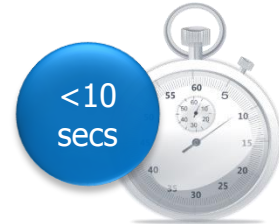
Logistics

Others

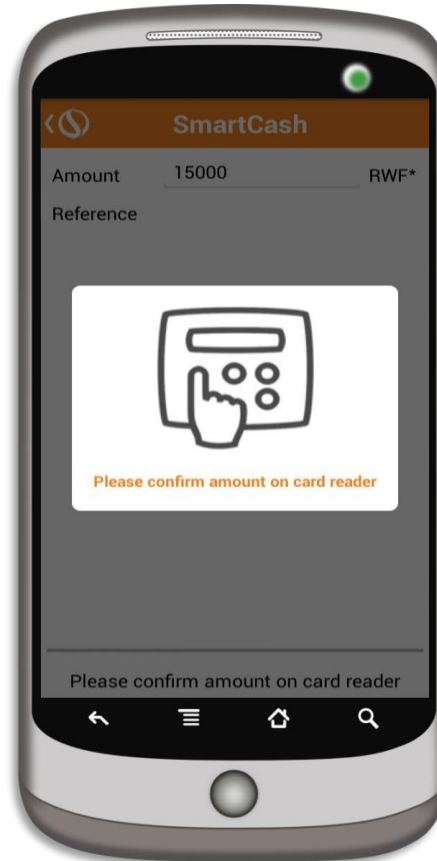
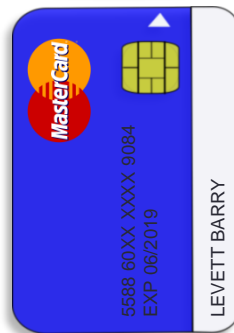
White-labelled App or 3rd party using SDK



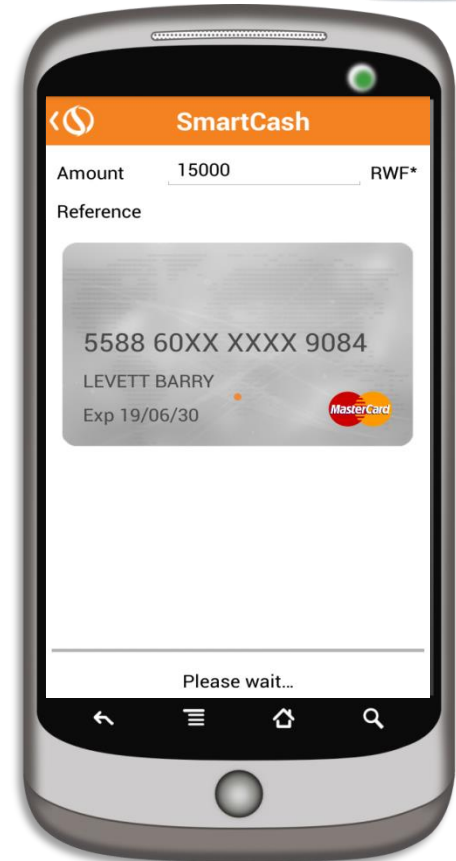
Intuitive App*



Initiate Payment



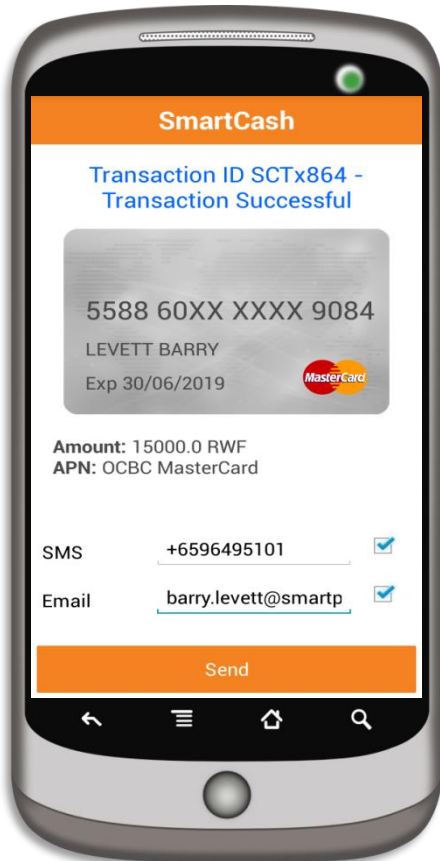
Card Reader



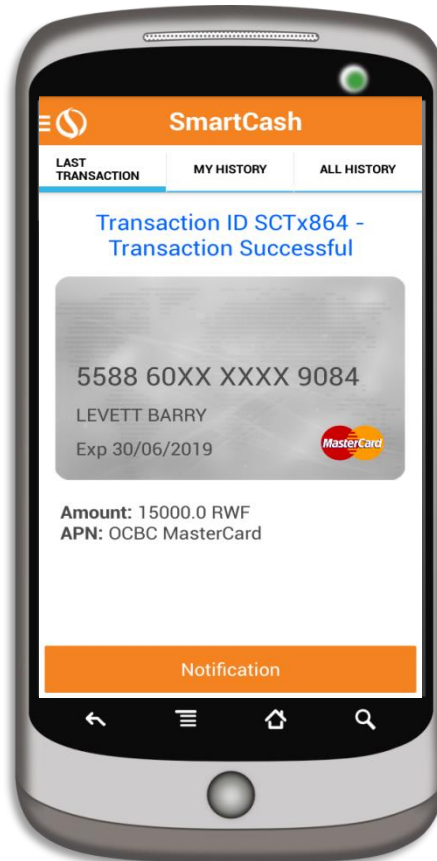
Payment Processing

* App's look-and-feel can be fully customised and branded to the financial institution

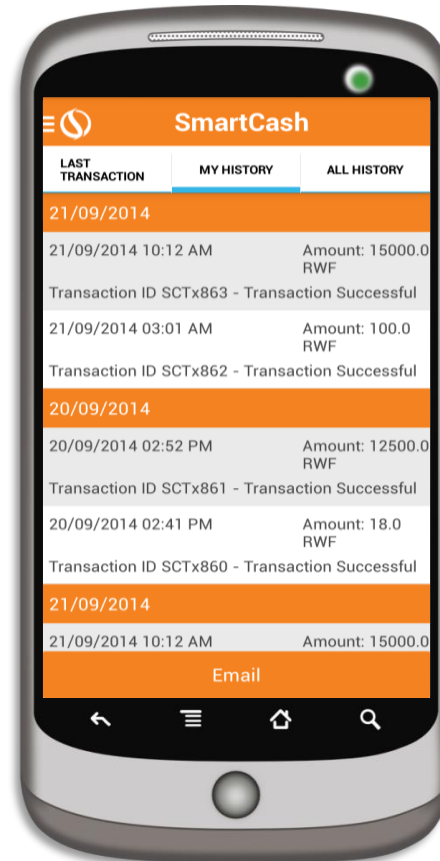
Intuitive App*



Notifications



Last Transaction



Full History



Printout Optional

* App's look-and-feel can be fully customised and branded to the financial institution

Merchant Portal

smartcash/index.php?action=ajaxui#ajaxUILoc=index.php%3Fmodule%3DHome%26action%3Dindex%26parentTab%3DMerchants

New Merchants

Name	Phone	Operating Suburb	Operating City
Channel Technologies	077 282 9142	Greater Metro	Jakarta
Lake Kivu Serena Hotel	+250 252 541 100	Gisenyi	Gisenyi
Misteph Property Rental	+250 786 131 272	Kimihurura	Kigali
Didiers Car Rental	0787225224	Kigali	Kigali
Republika Lounge	91203848	Nyarutarama	Kigali

Latest Transaction

Name	Merchants	Transaction Date	Amount	Transaction Result
SCTx835	Channel Technologies	18/09/2014 10:31pm	RWF 1,000.00	Approved
SCTx834	Channel Technologies	18/09/2014 10:29pm	RWF 1,000.00	Approved
SCTx833	Channel Technologies	18/09/2014 12:43am	RWF 1,000.00	Issuer Or Switch Inoperative
SCTx832	Channel Technologies	18/09/2014 12:42am	RWF 1,000.00	Refer to card issuer
SCTx831	Channel Technologies	17/09/2014 11:18pm	RWF 1,000.00	Approved

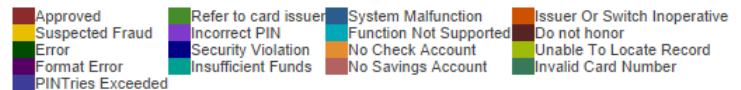
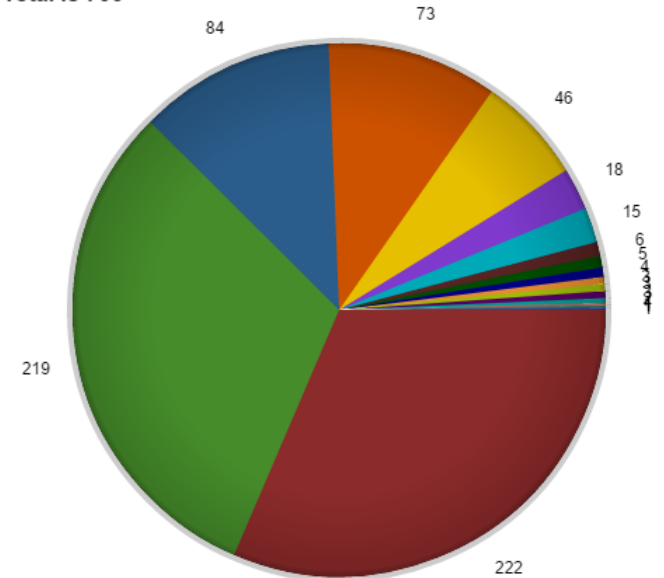
Issued Terminal

Name	Active	Serial Number	Date Issued
61910081	<input checked="" type="checkbox"/>	0282061910081	19/08/2014 12:29pm
T2000001	<input checked="" type="checkbox"/>	200	16/07/2014 03:23am
T1773392	<input checked="" type="checkbox"/>	100	02/06/2014 04:04pm
T1004124	<input checked="" type="checkbox"/>	100	02/06/2014 10:15am
T1004125	<input checked="" type="checkbox"/>	100	19/05/2014 06:26am

Activitv Stream

SmartPesa - Transactions By Status

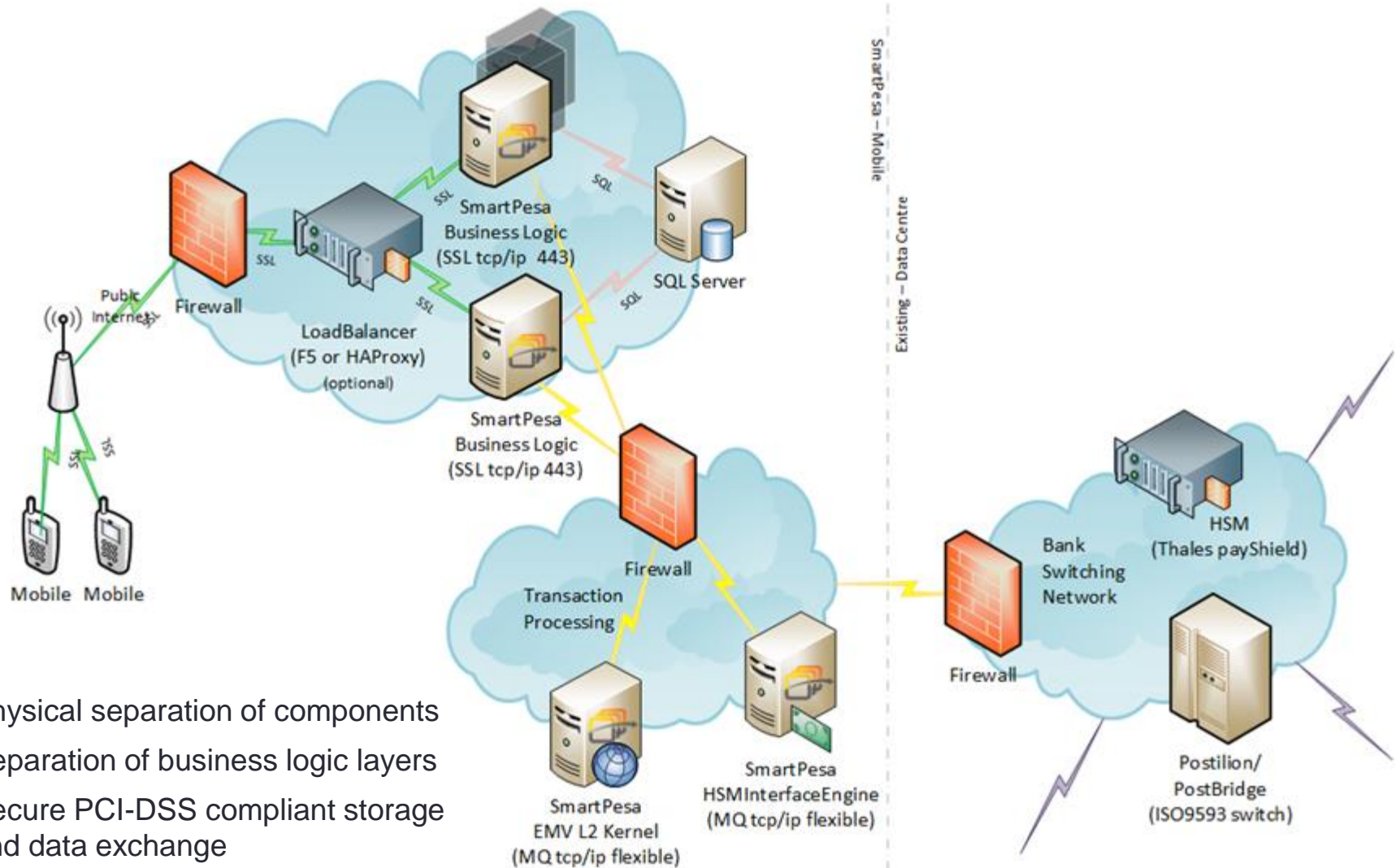
Total is 706



SmartPesa - Top Merchants Today

Total is 766K

SmartPesa on-premise SaaS architecture



- ✓ Physical separation of components
- ✓ Separation of business logic layers
- ✓ Secure PCI-DSS compliant storage and data exchange

The Most Secure Platform in Payments

- ✓ Chip&PIN with PIN encryption in hardware
- ✓ Derived unique keys per transaction (DUKPT)
- ✓ Relies on Thales HSM for all encryption
- ✓ Card authenticity validation conforming to full EMV L2 standard (use of cryptograms and ICCData)
- ✓ Security on data exchange (SSL), input parameters (MAC), and transaction uniqueness (timestamps)
- ✓ Can be co-located on-premises adjacent to payment switch
- ✓ Distributed design to reduce risk of Denial-of-Service attacks and improve performance

The SmartPesa Partnership

Our solution encompasses:

- ✓ Turn-key deployment of on-premises solution
- ✓ Full branding and customisation options
- ✓ Choice of readers (multiple options also possible)
- ✓ Full technical on-the-ground support for implementation
- ✓ Continual software updates and patches
- ✓ Management Reporting
- ✓ Ongoing Level 2 support
- ✓ Charges will be a combination of upfront, annual and per transaction fees (subject to negotiation and contract)



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