



**Join the Payment Revolution and
Reduce 90% of Your Card
Acquisition Fees!**



Agenda

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03 Instant Payments

04 Mobile Money

05 BuyNowPayLater

06 Comparison

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09 Panel Discussion

Speakers

Robert Abrams

x

Amazon

Tarek El-Yafi

**Regional Head of
Cash Sales for
Americas
Standard Chartered**

Raman Walia

x

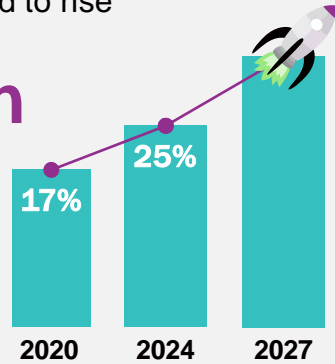
Facebook

Industry Trends Driving the Future of Commerce

Online retail sales is expected to rise from USD4 trillion in 2020 to

USD10 trillion

globally by 2027.



The drive to deliver **omnichannel** retail experiences is higher than ever



B2B e-commerce has become a key priority for digital transformation



Characterised by online portals for distributors / dealers



Rise of vertical or specialised marketplaces

Alternative payment methods



Digital wallet/
Instant payments



Cash and
credit card

Growth of digital wallets accelerated amid pandemic

from 44.5% of e-commerce transaction volume in 2020 to

51.7%

by 2024.



Buy now pay later expecting to double

from 2.1% in 2020 to

4.2%

by 2024.



Shift from cash to contactless payment methods at POS

32% drop in 2020, decline of additional 38%, from 2020 to just

12.7%

of global POS volume by 2024.

*Sources:

1. GroupM's report - This Year Next Year | E-Commerce Forecast | Dec 2020. Figures for 2020 exclude food and delivery services to ensure consistency across markets.
2. The 2021 Global Payments Report by Worldpay from FIS.

Instant Payments

Key Benefits and Reach



Convenience – available 24/7/365 without cut-off time limitation



Cost savings as compared to handling of cash and cheques



QR-code activation for various industry applications



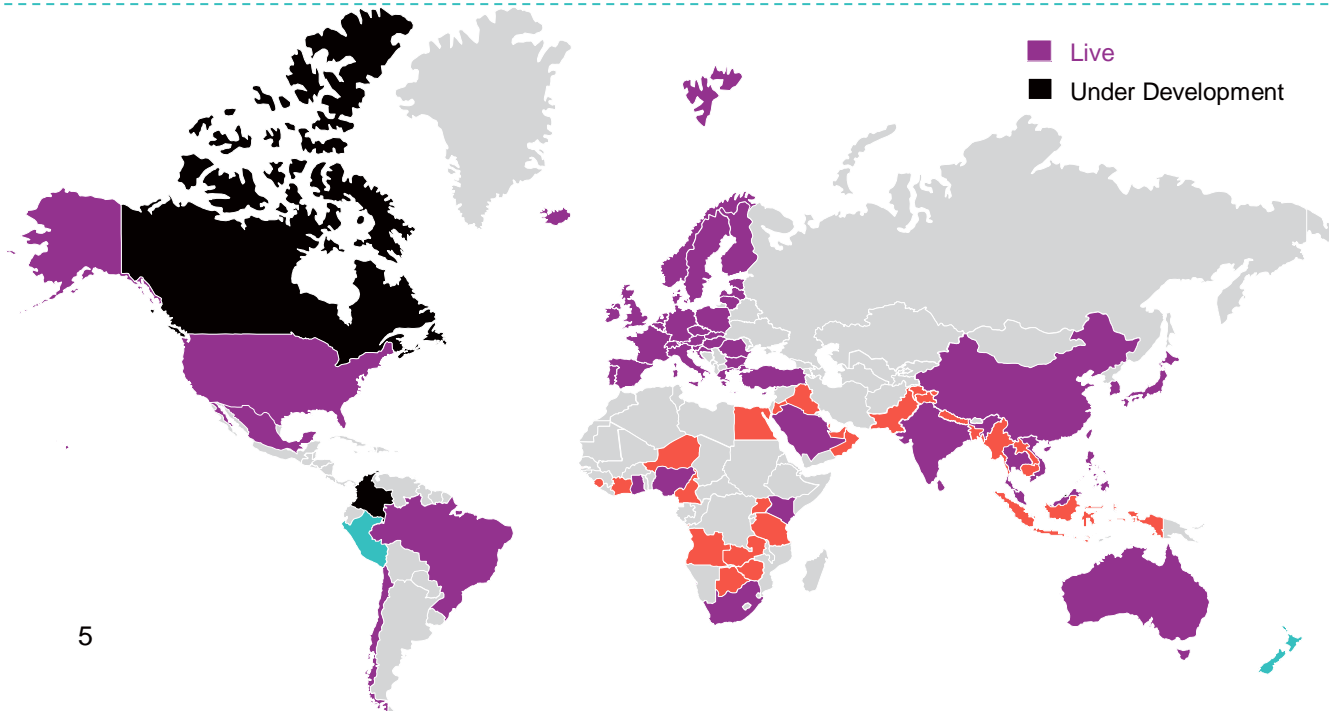
Instant funds availability, reducing need for credit



Secured transmission of payment instructions



Ease of use through emails and mobile numbers



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EMEA

- Austria
- Bahrain
- Belgium
- Bulgaria
- Croatia
- Cyprus
- Czech Rep.
- Denmark
- Estonia
- Germany
- Ghana
- Greece
- Hungary
- Finland
- France
- Iceland
- Ireland*
- Italy
- Kenya
- Latvia
- Lithuania
- Luxembourg
- Malta
- Monaco
- Netherlands
- Nigeria
- Norway
- Poland
- Portugal
- Spain
- Romania
- Saudi Arabia
- Slovakia
- Slovenia
- South Africa
- Sweden
- Switzerland
- Turkey
- United Kingdom

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APAC

- China
- Hong Kong
- Japan
- Republic of Korea
- Taiwan
- Australia
- India
- Malaysia
- Philippines
- Singapore
- Sri Lanka
- Thailand
- Vietnam
- New Zealand (UD)

4

AMERICAS

- Brazil
- Chile
- Mexico
- USA
- Canada (UD)
- Colombia (UD)
- Peru (UD)

IFP 2021
 IN-PERSON | VIRTUAL

* SEPA Instant Payments have limited presence due to the lack of banking coverage.

Mobile Money: Major Industry Trends

2x growth

In 2020, the number of globally registered accounts grew by **12.7%** to 1.21bn accounts.

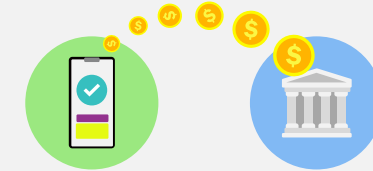


Stronger partnerships are accelerating the shift to digital

Value of government-to-person (G2P) payments quadrupled during the pandemic, resulting in the distribution of **social and humanitarian payments quickly, securely and efficiently** to those in need.



Agent networks are an essential service

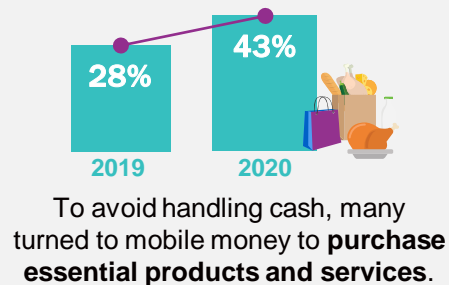


>USD1 billion of international remittances processed via mobile money in 2020, an increase of

65%



Merchant payments have taken a leap forward



Transaction value grew fourfold

from USD15m in 2015 to USD68b in 2020

Interoperability is bringing more people into the formal economy.

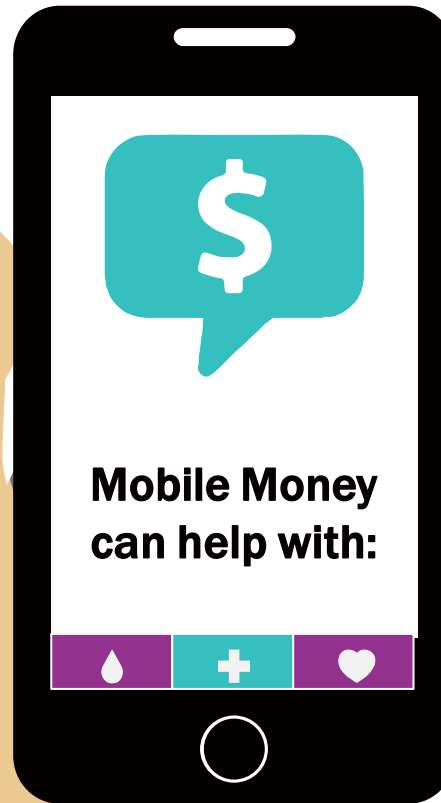


Pandemic has given fresh urgency to regulatory changes

Transaction limits were increased to allow more funds to flow through mobile money in many markets, directly **reducing the need for day-to-day cash transactions.**



Why Should You Participate in Mobile Money?



New market entry

Penetrate new **cash-dominant countries**

Market expansion

Expand beyond existing market base by **reaching unbanked/ underbanked**

Becoming cashless and paperless

Replace physical documents with **electronic transactions, reducing fraud and manual effort**

Innovation and, to offer high-quality customer service

Tap into capabilities offered by mobile devices and **explore new operating models**

Trends in the United States

Payments



Deferred Payment or Buy-Now-Pay-Later

Digitally deferred payments have been gaining popularity. In 2020, when finances were tight, consumers pivoted to BNPL



Digital Payments

Nearly \$131.4B was spent through mobile payments in with 86.9M users in 2020, up about 20% in dollar value from 2019



Rise of e-commerce and embedded payments

U.S. Retail e-commerce sales will account for \$1 in \$5 spent on retail by 2024



Real-time payments and ACH Transactions

Gig economy workers, insurance claimants and small and mid-sized businesses expect to receive and access funds immediately



Evolution of P2P payments

Venmo, Zelle and Square Cash apps have grown in popularity, with volume hitting \$393.9B in 2020. Mobile P2P is expected to grow an additional 35% come 2022



Cross-border Payments

Businesses that are making cross border payments are getting frustrated with the friction and cross-border payments process and are looking for alternatives to remove pain points

BuyNowPayLater

What is it?

Reduces up front cost for consumers or small businesses

2019, 2.6% of global ecommerce (ex-China) used BNPL. Representing \$60B.

2023: Expected to reach 7% or \$166B by 2023.

Why is it relevant?

Option for buyers who don't have or do not qualify for credit cards. Very popular with younger buyers.

So What?

BNPL has increased conversion rate by 20-30% and lifts average ticket sales by 30-50%

Comparison between payment types

Considerations	Instant Payments / Mobile Money	Credit Cards	Debit Cards	Cash	Checks
Merchant Cost	0% - 0.5%	2% - 4 %	0% - 1%	5% - 6%	0.5% - 3%
Credit	Proprietary/BNPL	30 - 45 Days/BNPL	None/BNPL	None	None
Rewards	Proprietary/Partnerships	Mature/Robust	Limited	None	None
Reach	Medium - High	Low - Medium	Medium	High	Medium
Speed of Settlement	Instant/EOD or Next Day	1 - 4 Days	0 - 1 Days	0 - 1 Day	0 - 7 Days
Speed of Payment	Instant	Instant	Instant	Instant	0 - 2 Days
Fraud	Medium - High	High	Medium	High	Medium - High
Reconciliation	Easy	Easy	Easy	Hard	Hard

Other considerations: Chargebacks, Consumer protection, etc..

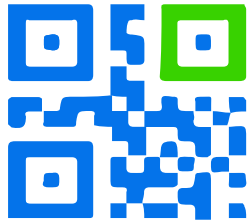
Instant Payments and Mobile Money

So What? *Less Cost, Better Experience, Growth*



- Expands Reach
- Removes Cash Usage
- Reduce Acquiring Costs
- Improve Client Experience
- Eliminates Manual Entry
- Increase Speed

Considerations of Instant Payments and Mobile Money



Loyalty Programs
Rewards
Discounting



Financial
Inclusion



Credit Options to
Reduce Cost



Reduced
Counterparty Risk



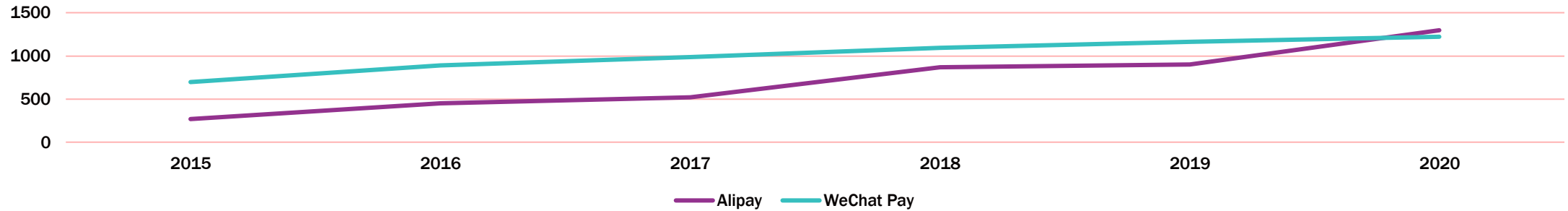
Single
Integrated
Platform

Alipay and WeChat Pay Successes

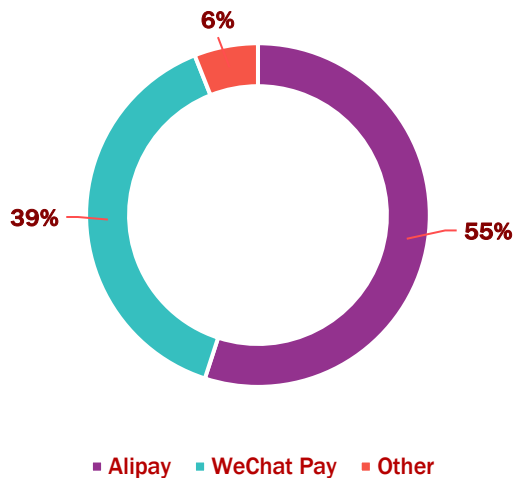
China Case Study



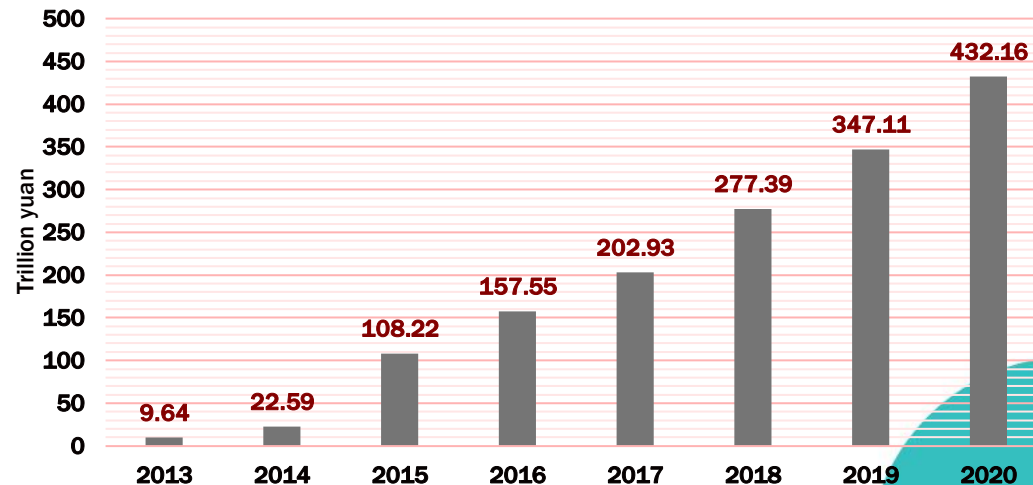
Alipay vs. WeChat Pay Active Users (M)



China Mobile Payment Market Share

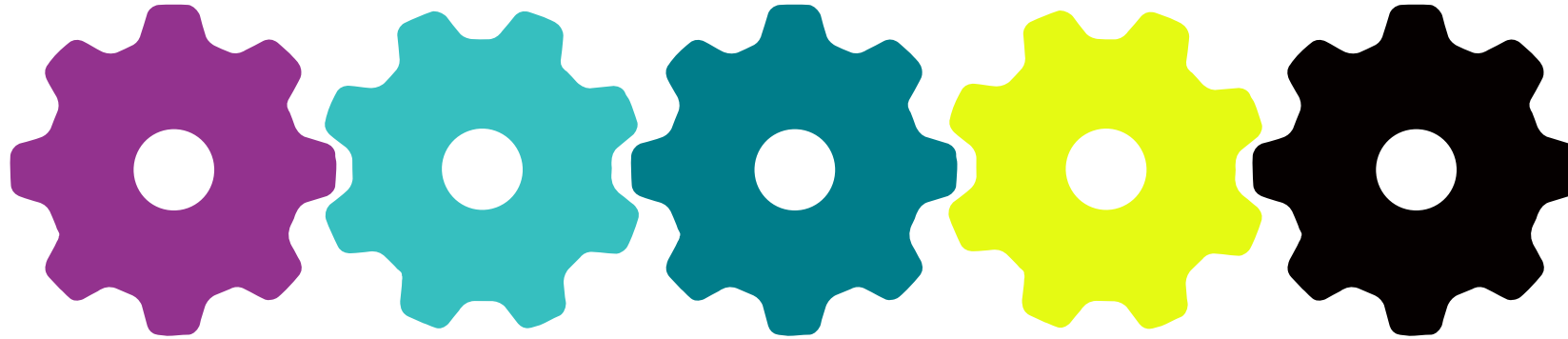


Transaction Value of Mobile Payments in China



How?

China Case Study



**Less mature
regulatory
environment**

**End-to-end
market
players –
marketing,
sales,
payments
and delivery**

**Internal
synergies
through
messaging
and social
media
platforms**

**Centralised
nature of
China's e-
commerce
market**

**Lack of credit
card
infrastructure**

Benefits to Merchants & Consumers

Merchants

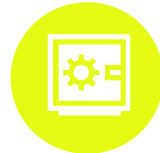
Low Transaction Fees

Light approach to transaction fees and free for small volumes below threshold



Easy and Fun Onboarding

Simple onboarding process through a click of a QR code



Gateway to Vast Digital Products and Services

Link users' wallets directly to in-app retail platforms for cross sell opportunities



Consumers

QR Code

Cheap and easy to adopt, improves security, and individualization



Loyalty Programs and Cash Back Incentives

Significant credit and cash-back for driving uptake and volumes



Data Tailored to Consumers

Reinvent the logistics systems of delivering goods and to create product development processes that are faster, interactive, and tailored



Risks to Merchants and Consumers

Merchants

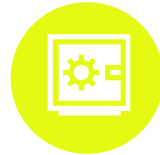
Fraud

Instant payments could lead to instant fraud!



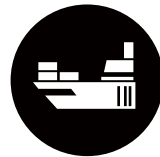
Compliance Risks

Harder to detect money laundering/c



Operational Risks

Less time to react to operational issues



Buyers

Fraud

Fake merchants/goods with difficult recovery. Phishing threats lead to faster fraud.



Consumer Protection

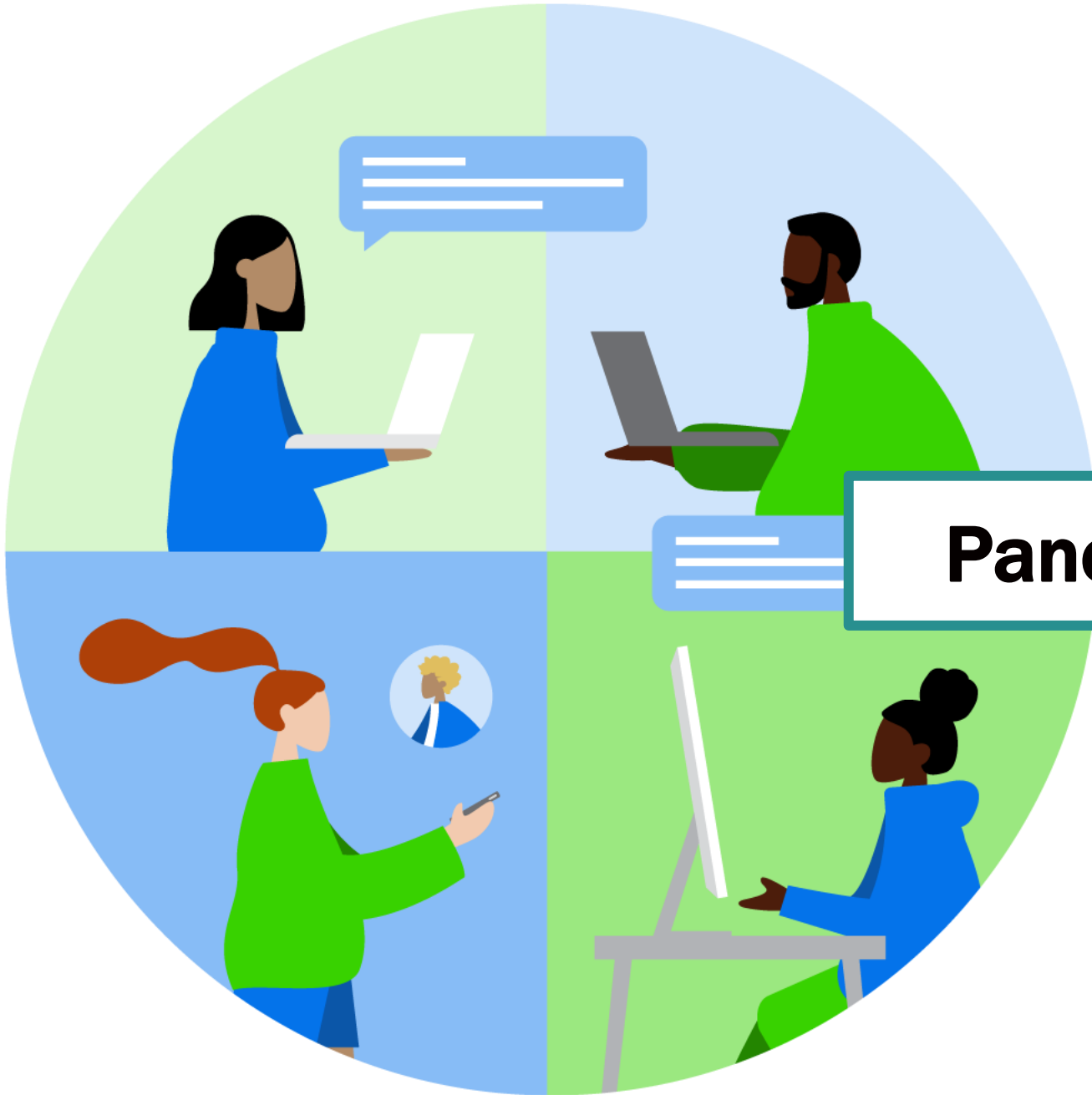
Depends on the merchant



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Panel Discussion

