

NAB Labs

iSignthis Ltd (ASX:ISX)

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Presented by

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iSignthis Ltd (ASX : ISX) – What do we do?

Australia's only ASX listed RegTech, with payment gateway / facilitation capability.

iSignthis automates AML/CTF KYC & transaction monitoring via its payments and identity processing platform to deliver 'payidentity®' for conventional and disruptive businesses in the **regulated sector** including:

- Financial Institutions,
- banks, lending, crowdfunding, pension funds,
- securities / equities,
- FX, CFD, binaries, and futures traders,
- gaming, wagering, betting, casino's,
- money services businesses,
- payment service providers,
- insurance providers,
- real estate,
- digital currency platforms,
- eWallets,
- FinTech and
- other AML/Patriot Obligated businesses

Green = current sector with contracted customers
Blue = next focus sector

The Path To Innovation : How did iSignthis do it?

@iSignthis, we started with a problem

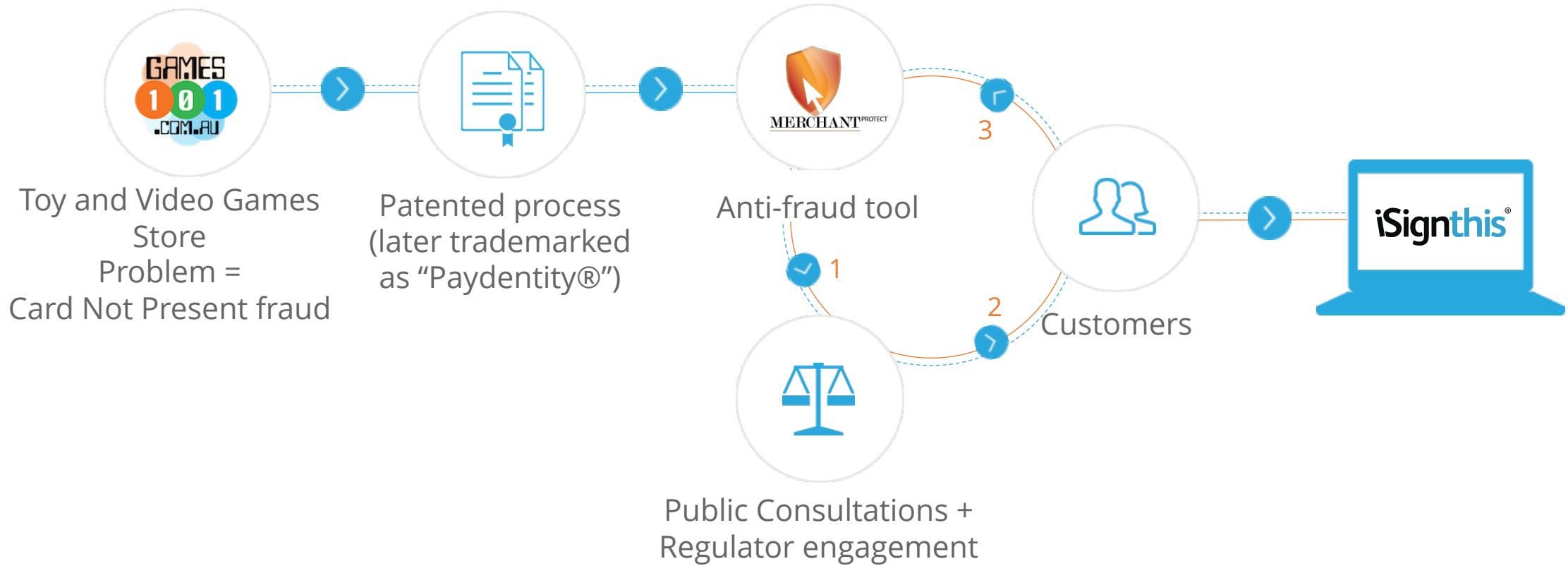
- ↳ Which lead to invention (patents)
- ↳ which in turn created an excludable business concept (paydentity™)

We then analysed, researched and innovated to create our business proposition, by focusing on

- Identifying business sectors that require the innovation most
- Our Competitive advantages
- Alignment to Regulatory requirements (and engagement with regulators and regulators and more regulators.....)
- Customer's requirements
- Customer value proposition

To create and execute a business model, whilst being mindful of the above factors and looking for further problems to solve.

What Problem Needed To Be Solved?



iSignthis Relies On The Digital Economy & IP Framework

- Digital resources are infinite, based on intellectual capital
- Economic scarcity exists through IP protection regimes, patents, design, copyright.
- **Success depends up on :**
 - a range of creative and useful arts interacting to create the Intellectual capital
 - IP protection regime, especially our patent filings in US, EPO, EU(SE), EU (PT), AU, SG, NZ, CN, KO, HK, BR ZA with CN, KO, HK, BR (filed in key financial centres)
 - Continuous invention with innovation (**6 new patent family's** filed in last 6 months)
 - scale / take-up through either demand growth or regulated growth
 - OTT philosophy with almost zero capital infrastructure > cloud based elastic computing

Regulated vs Unregulated Economy

- **Unregulated digital** services success most recently based upon the Silicon Valley VC approach, driven by a large domestic US economy, mass marketing and generic (global) propositions.
- **Regulated sector** growth requires focused innovation, localized approach + specialized services > leading to online AML regulated sector services, including Fintech, and Regtech
- Many regulated sector businesses have extreme difficulty in porting their business model to online, due to regulatory requirements and/or impact on customer experience.

RegTech - > propelled by Regulated Growth

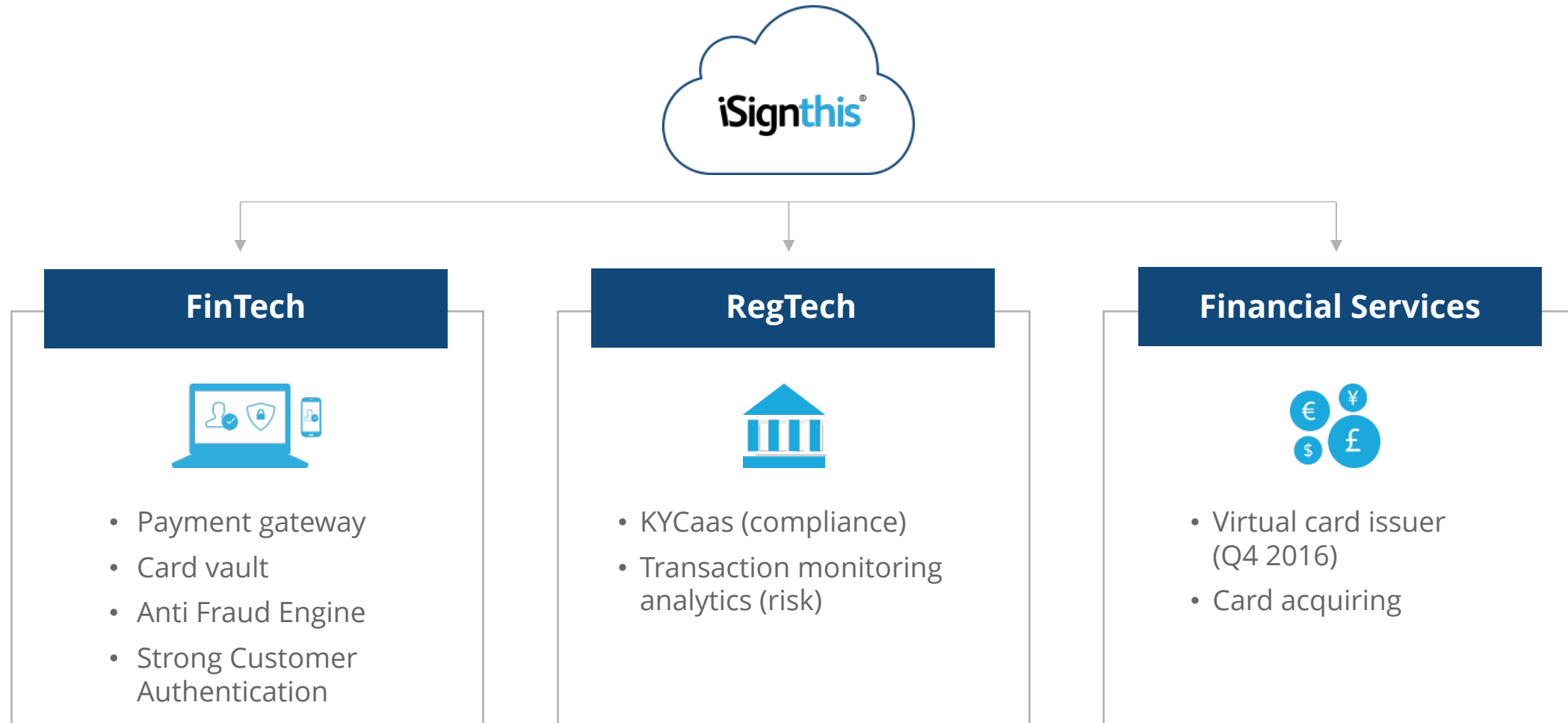
- Traditional FI's >> moving to greater use of technology.

And...

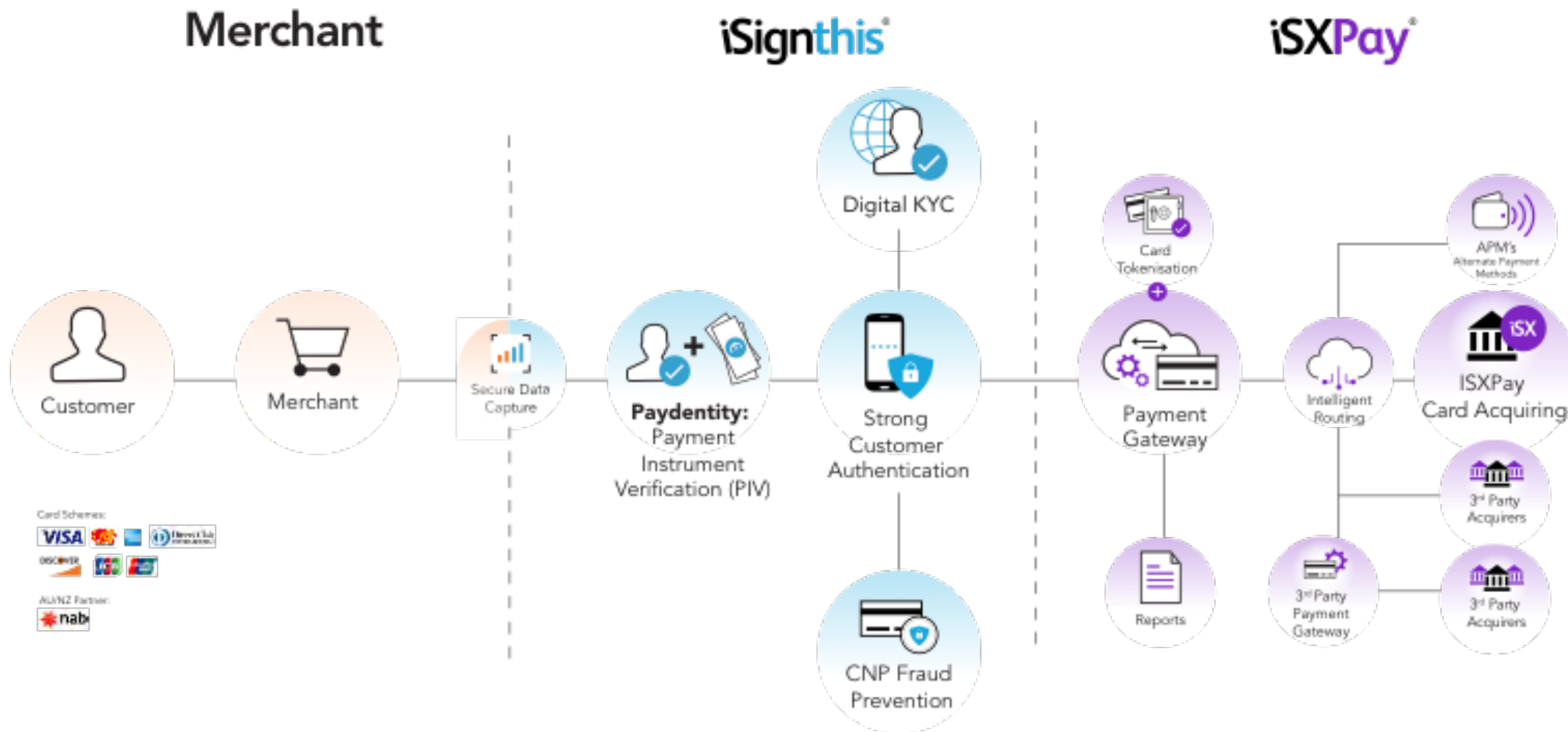
- **Fintech is displacing traditional FI's providers:**
 - financial services,
 - banking / lending / crowdfunding
 - remittances / p2p payments
 - C2b b2b payments,
 - eWallets/mWallets,
 - Securities/FX/Binaries/CFD's /trading,
 - wagering / gambling

- FinTech gives rise to a requirement for RegTech due to complexity of payment/identity/privacy/AML regulations.
- Fusion of skills to provide support to Compliance solutions
 - Identity (KYC),
 - AML
 - Privacy
 - Monitoring,
 - Analytics,
 - Reporting,
 - Audit,
 - Legals
- Networks/rails/security
- Back office systems for compliance audits (AML, Securities Exchange Reporting, liquidity)

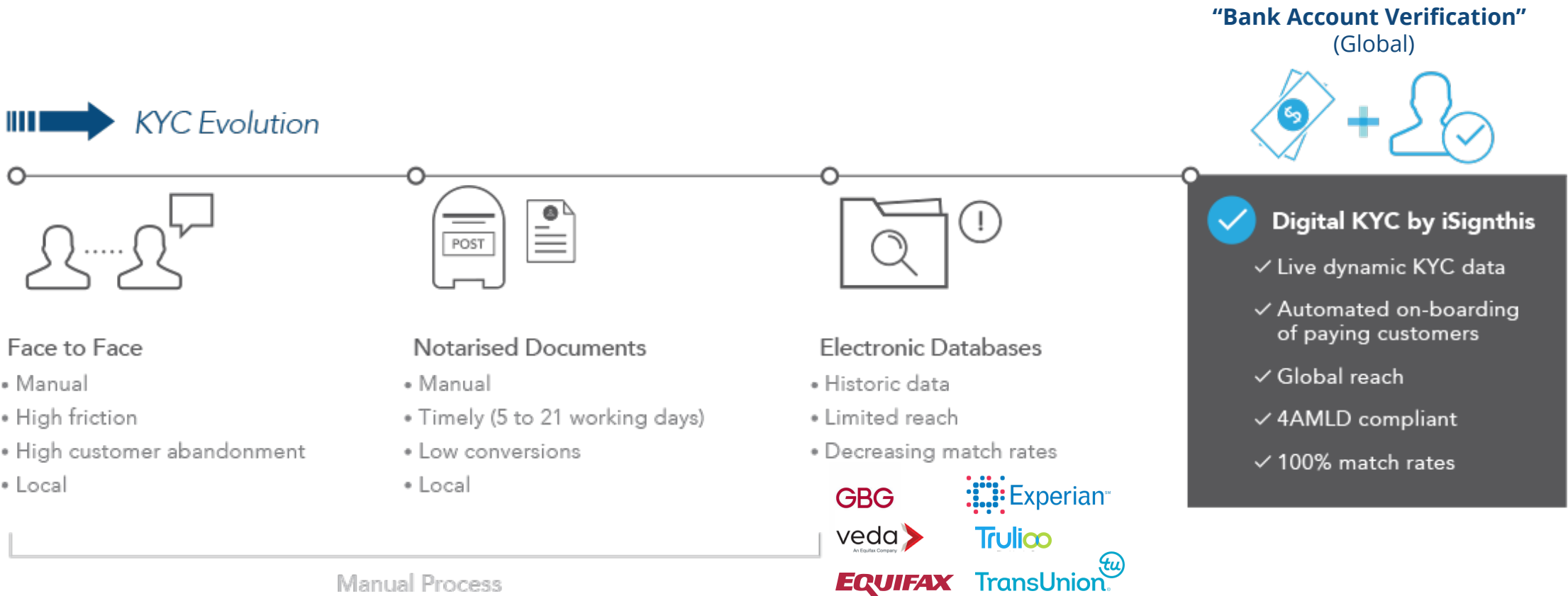
iSignthis Ltd (ASX : ISX) – Global, Scalable Cloud Based Service



2017 Services



Establishing Identity



iSignthis Ltd (ASX : ISX) – What’s our coverage?

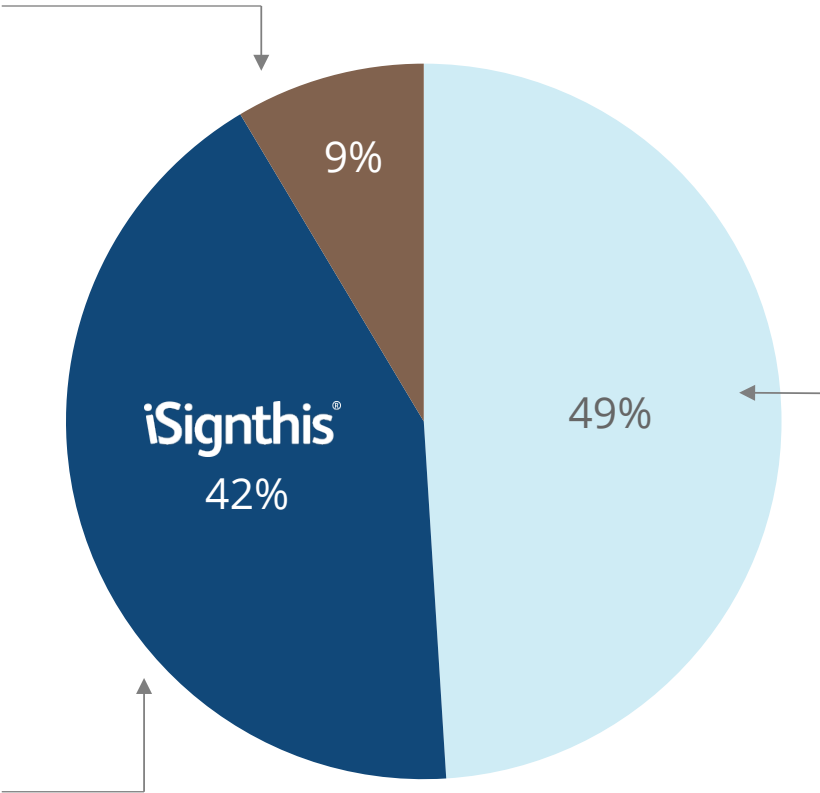
World Population : Banked / Unbanked / CRA Data

CRA Database ~9% coverage

Traditional CRA’s and KYC databrokers *compete* for limited market size.

Banked – 51% coverage iSignthis®

- 51% of the world is banked *McKinsey
- 9.6Bn Credit/Debit Cards on Issue *Nilsen
- 51% Banked includes 9% CRA Database coverage
- Corresponding High ARPU



■ Unbanked ■ Banked ■ CRA Database

Unbanked – 49%




- 49% of the world is not banked * McKinsey
- Corresponding Low ARPU
- Manual processing with no digital/electronic solution

Unique competitive advantage area.
Currently served by manual processes.
No CRA databases.

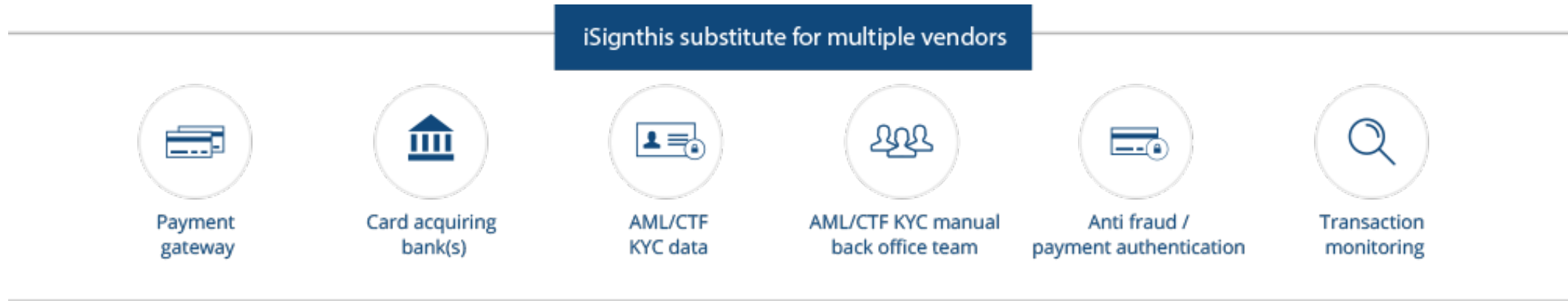
iSignthis Service Availability



-  iSignthis office locations
-  iSignthis can reach 3.5Bn financially included persons, located in over 200 countries. If your customer is able to make an online payment, our Payidentity process can be applied.
-  FATF non-cooperative / high risk, or UN sanctioned jurisdictions

 iSignthis office locations  FATF non-cooperative / high risk, or UN sanctioned jurisdictions  iSignthis global reach

Product Strategy



Existing solutions: a fragmented process

- Multiple vendors
- Different vendor mix in each country
- Information fragmentation
- Compliance challenges
- Manual processes, with 'follow the sun' localised team normally required.
- High costs
- Long processing delays with complex customer onboarding processes
- High customer abandonment

iSignthis solutions



Questions

iSignthis and NAB Partnership

iSignthis®



Thank you

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