



Digital Banking

November 2020

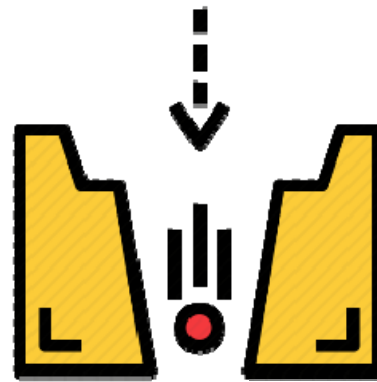
The world is changing...and so we are



- The likes of Facebook, Google, amazon & Uber are defining customer expectations. Easier – instant - simpler



- By the year 2025 40% of the retail business conducted by traditional banks will be eaten up by Fin-techs Telecom operators
- Pushed Banks to transform and open Digital entities - Challenger banks growing globally



Far from the expectations of the emerging customer segment – 50M youth

+ huge untapped current demand – financial inclusion



The Rise of FinTechs in Egypt



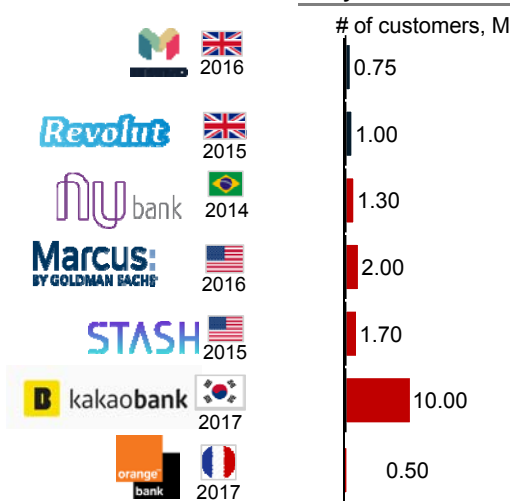
In Egypt ...

Banks are trying to contribute to less cash society with limited customers' adoption



Digital Banks in 6 years

Key results after ~24 m



And Egyptians are already digitally ready for the evolution

49M mobile internet users

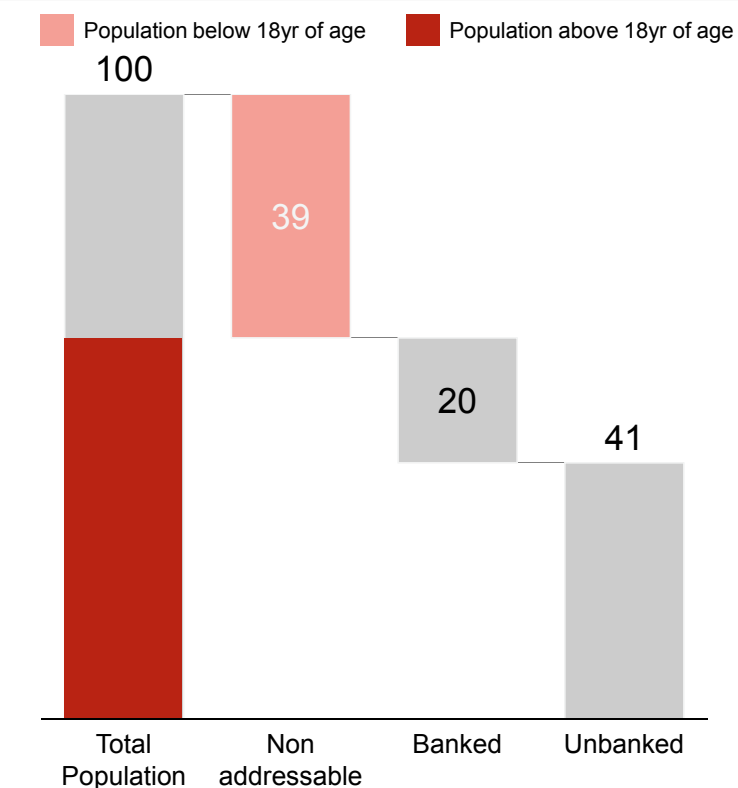
40M Social Media

32M Visited online retail stores

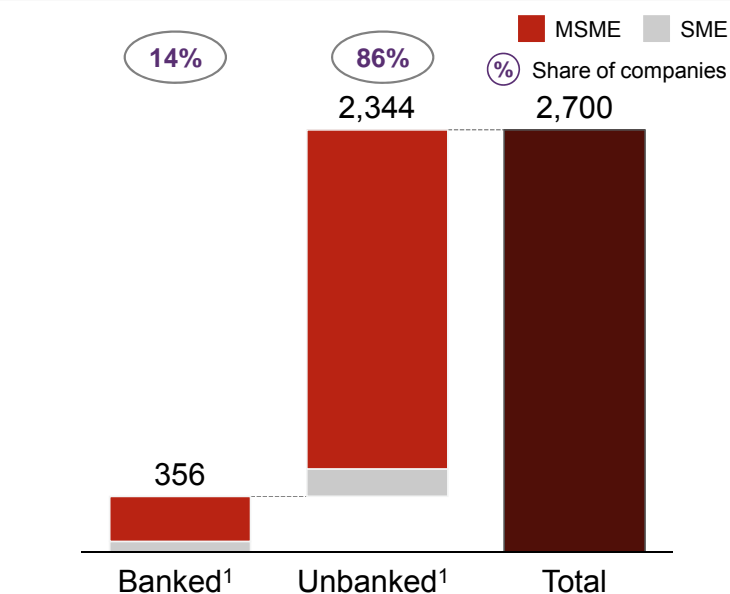
17M Used mobile payment

Egypt's banking market is largely under penetrated providing an attractive opportunity for capturing an untapped market both at the retail and enterprise levels

Retail banking penetration³, 2018



Enterprise banking penetration, # k



+2300 enterprises currently are not well served due to:

- High interest rates
- Limited network reach and SMEs banking expertise

Opportunities

- Egypt's banking market is still largely underpenetrated
 - 41M retail customers opportunity of untapped bankable population
 - +2.1M MSME companies are currently not served
 - ~86% of the SME customers lack access to banking

¹ Banked: With access to banking system and able to completely meet their financial needs; Unbanked: Excluded from banking system;
² Mandatory increase of banks' SME direct and indirect share of their lending portfolio to 20% by 2020; +30 bn EGP fund dedicated to support discounted pricing
³ Adults 18 years and above data from UN population data, all values in millions

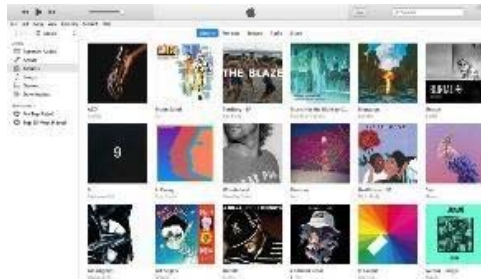
We witnessed the journey from "analogue" to "natively digital" with multiple industries that are currently shaping the way we live



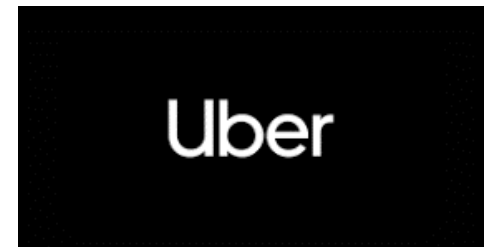
Analogue



Digitized



Natively digital



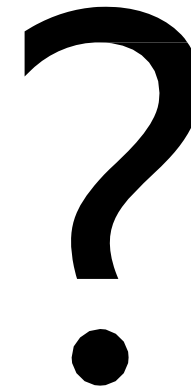
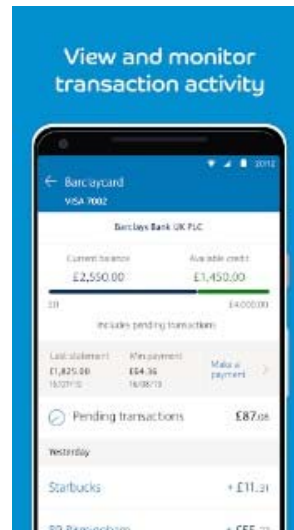
Our job is to introduce Egyptian customers to "*natively digital banking services*"



Analogue

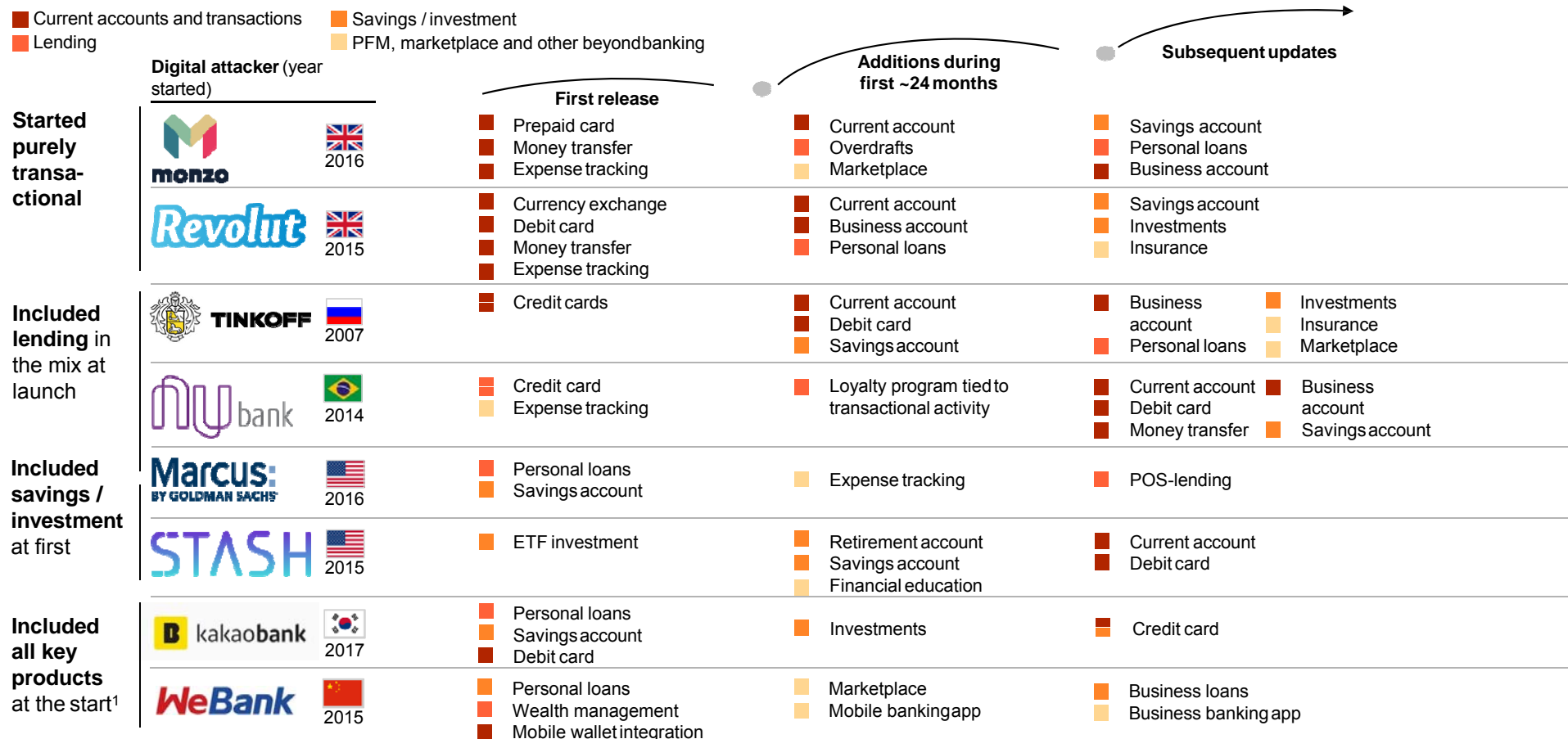
Digitized

Natively digital



Launching an Egyptian "natively digital bank" is one further steps along the path of improving the quality of life in Egypt

Digital Banks trends globally



¹ Note: WeBank and KakaoBank were preceded by mobile wallets with vast customer bases

Source: McKinsey Panorama FinTech, press search, company websites

What is needed



01 Digital Bank License

02 Digital KYC
No papers

03 Enable Cloud Hosting
Inside Egypt

The time is now
Thank You
Egypt needs well established **Native
Digital** financial institutions to fill
the gap between customer
expectations & their financial needs

