

Is CashTech the Future of Cash?



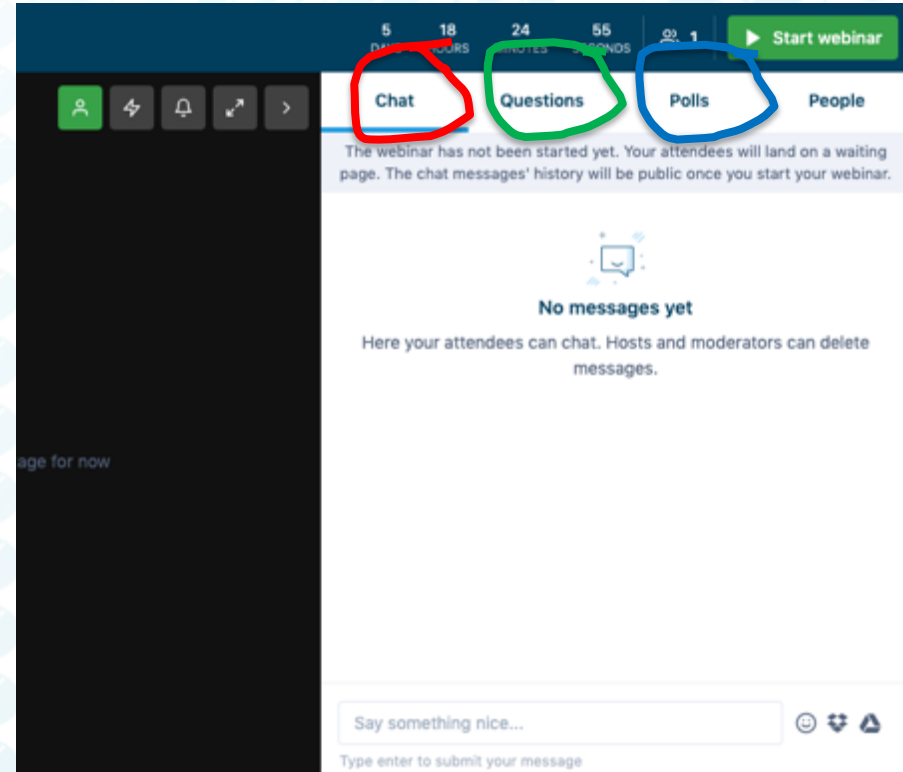
Webinar – 8 July 2020



CashEssentials

House-keeping

- We love interaction but attendee mics and cams are switched off
- Please submit questions in **Questions panel**
- You can chat in **Chat** panel
- **Poll** in the poll panel
- Session is recorded
- Part I & II can be viewed here:
<https://cashesentials.org/publication/webinar-the-future-of-cash-beyond-corona-part-i/>

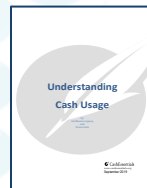
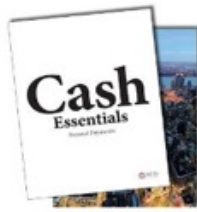


CashEssentials is as an independent initiative, which aims at offering a platform for debate about the payments and monetary ecosystems, to conduct and foster high-quality research on cash and its future.

INFORMATION



RESEARCH



COMMUNICATION

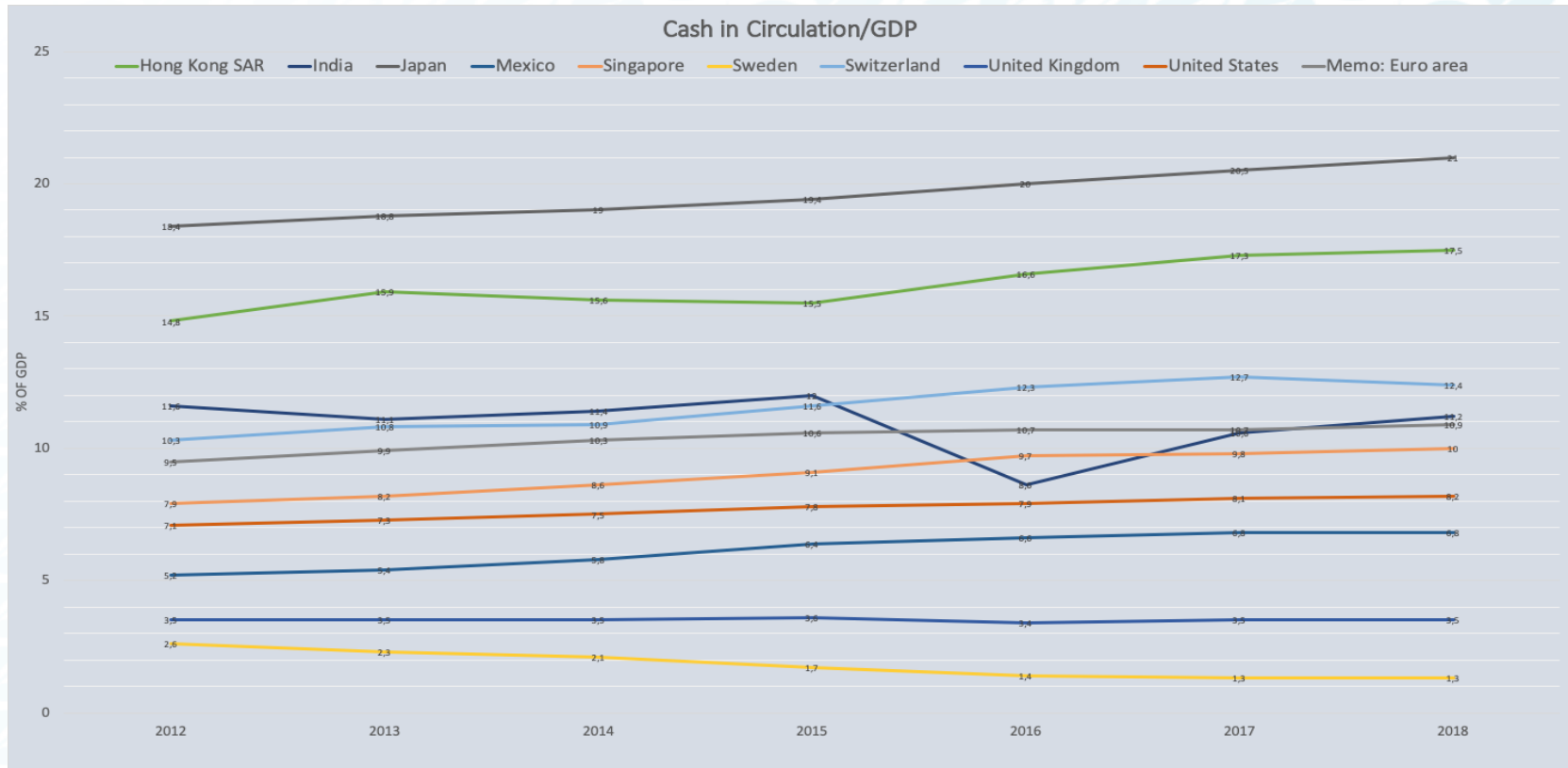
CashTech



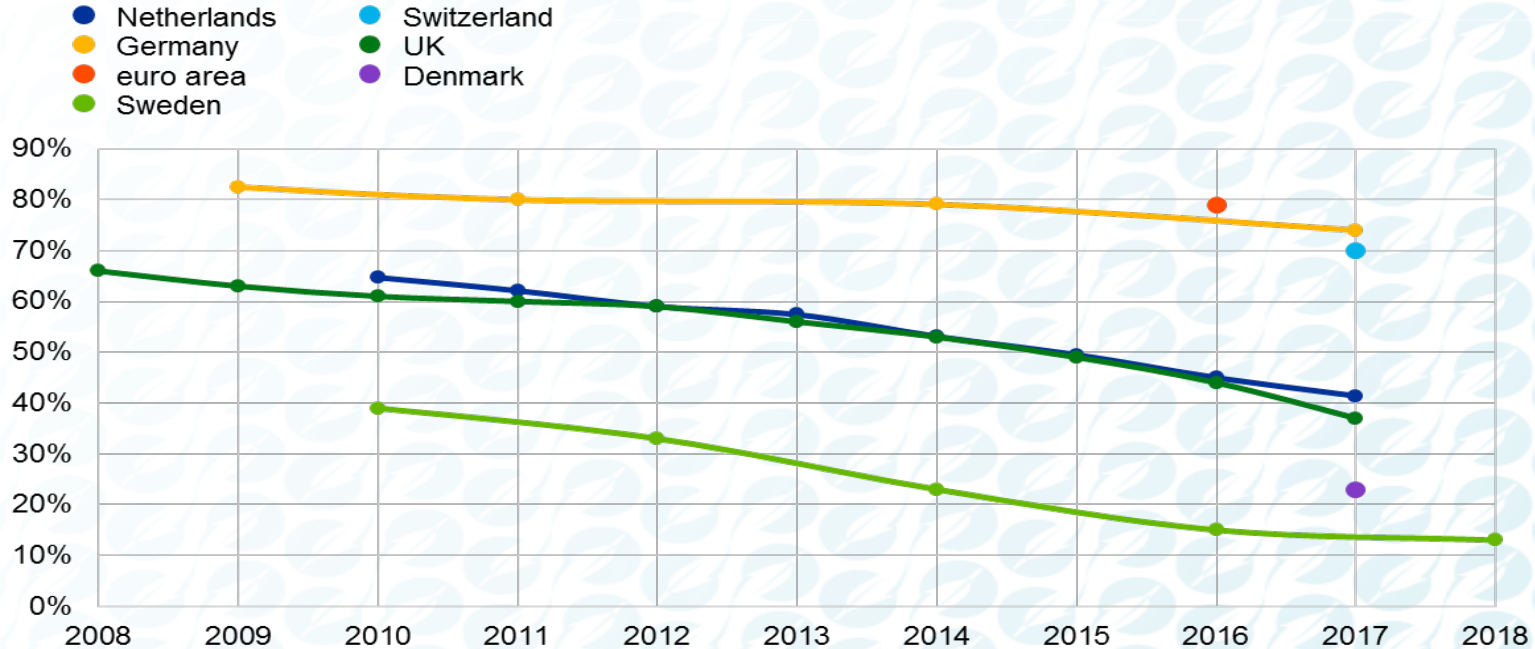
Agenda

Presenting CashTech	Guillaume Lepecq
Introduction and Operating Model	Sandipan Chakraborty Chris Forero-Slee Andreas Veller Hari Sivan
How can CashTech facilitate access to cash acceptance of cash?	Sandipan Chakraborty Chris Forero-Slee Andreas Veller Hari Sivan
Q & A	All
Conclusion	Guillaume Lepecq

Cash in Circulation is Growing Worldwide

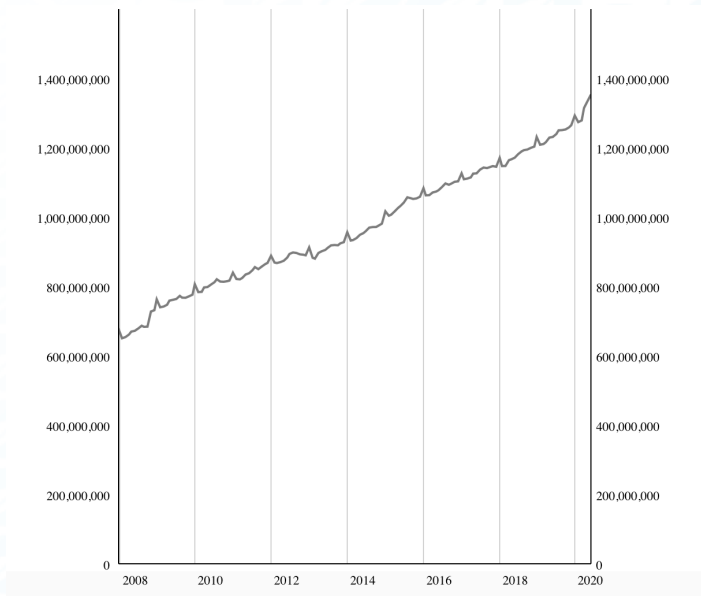


Transactional Demand: important but diminishing



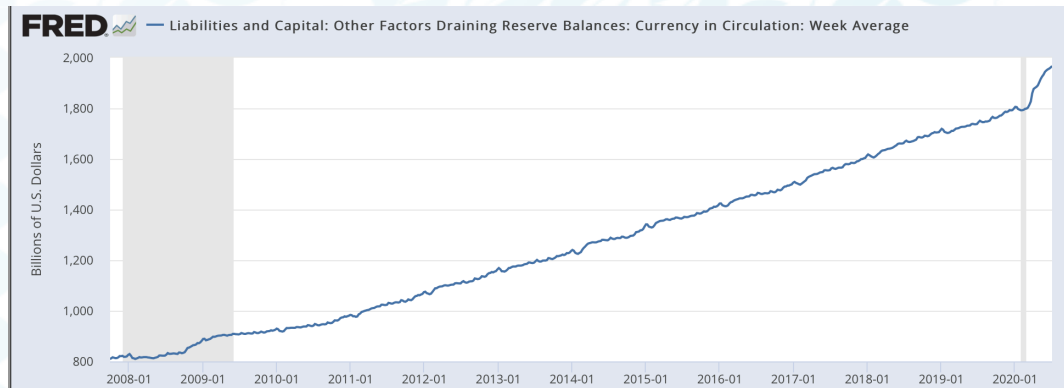
The Corona Effect

Euro Area- CIC



Source: European Central Bank

US - CIC



Source: Board of Governors of the Federal Reserve System

CashTech

CashTech is the encounter of cash and technology. CashTech gathers companies which adopt software and communications technology to provide improved cash services - including access to cash and acceptance of cash payments - as well as to enhance the efficiency of the cash cycle.

The idea for Sonect was born in winter 2015 – when Sandipan Chakraborty was wandering through a cold winter night to get cash for the babysitter. Walking through the windy and snowy night Sandipan was passing several shops and restaurants where customers were paying in cash, on his way to the ATM. This is where Sonect comes in and makes simple cash withdrawals possible – directly at the till of any store. Sonect was then founded in 2016 in Switzerland and is operating a network of over 2,300 shops. They pioneered the term “Virtual ATMs” as mentioned by European Payment Council (EPC) in the revised “Recirculation Paper”: improving the efficiency of the handling of cash.



Sandipan is the founder and CEO of SONECT. Prior to founding SONECT, he spent well over a decade at Credit Suisse and specializes in payments, core banking and regulatory compliance. As an Indian origin veteran in Swiss banking industry, he has seen very closely how expensive cash handling could be in developed countries and how difficult it could be to access cash in developing countries. He believes technology change management is necessary to adapt any human behaviour particularly in the space of payments.



Sandipan Chakraborty
Founder and CEO
SONECT



 sonect is a fast growing young and dynamic company from Switzerland. Leadership team holds 50+ years of relevant industry experience.

CREDIT SUISSE 

McKinsey & Company

 UBS

 JUNG & MATT

 Bisnode

 AMT GBT

Addressing a global problem: 'Cost of Cash'

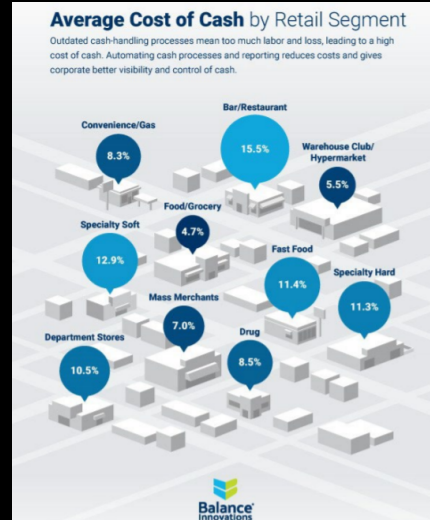
Banks face high costs to distribute cash

ATM CAPEX: \$50K

ATM OPEX: \$30K/year



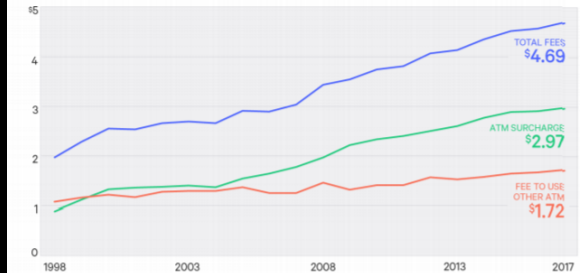
Retailers spend time & money to manage cash



Consumers lack convenience and pay high fees to access cash

Average ATM fees

The total cost of an out-of-network withdrawal had an average annual increase of 4.7% over the past 19 years.



Source: Bankrate 2017 checking account survey
<http://www.bankrate.com/banking/checking/checking-account-survey/>

Bankrate

SONECT is an on-demand platform

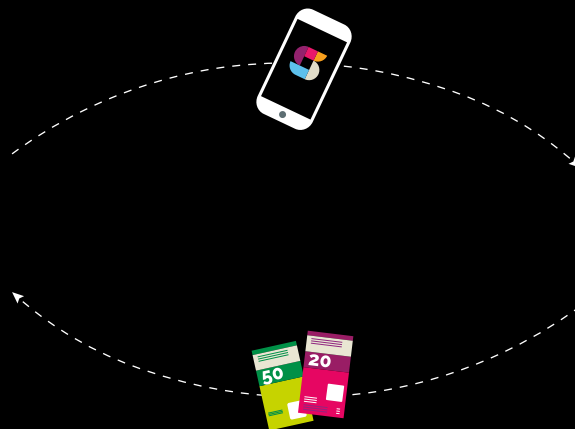
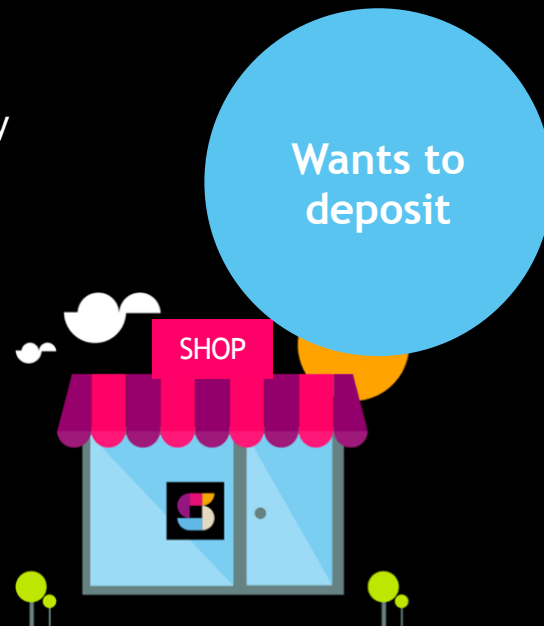


Matches them algorithmically by
monitoring real-time cash availability

Wants to
withdraw



Wants to
deposit



...creating value for all parties



Consumer

Easy cash, everywhere
Safely and convenient
Learn about local offers



Retailer

Reduce Cost of Cash
Attract more foot-traffic
Earn Commissions



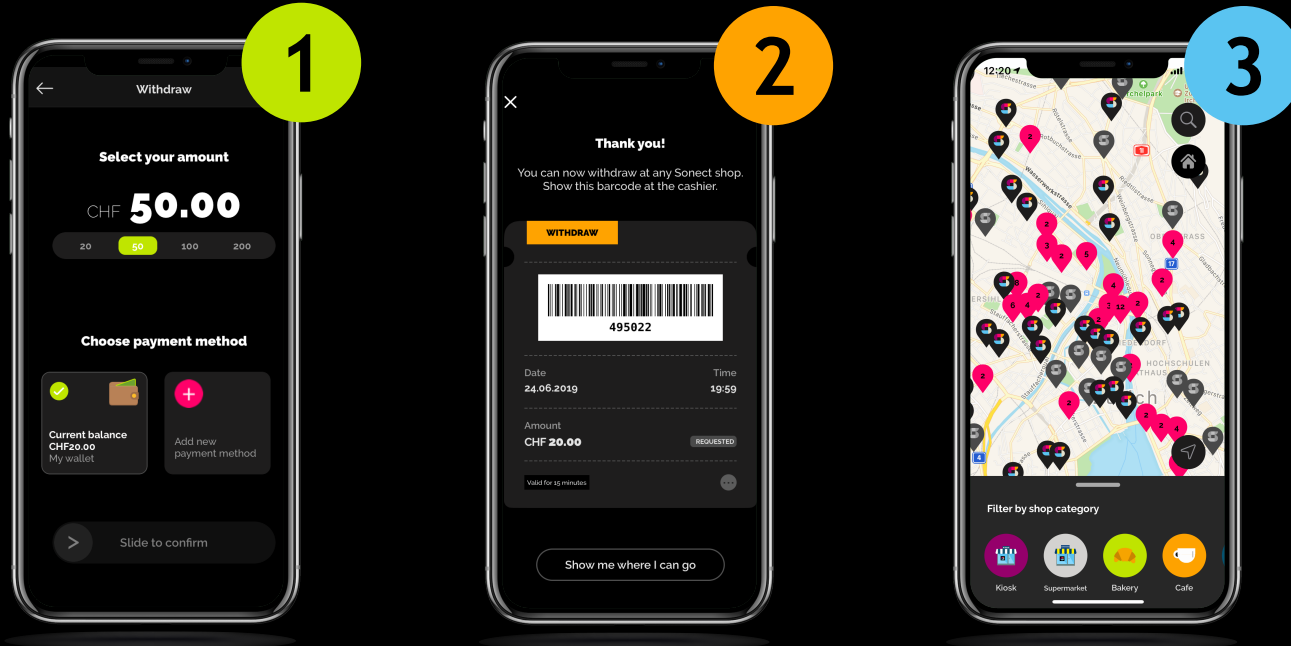
Bank

Better customer service
and lower operational
costs

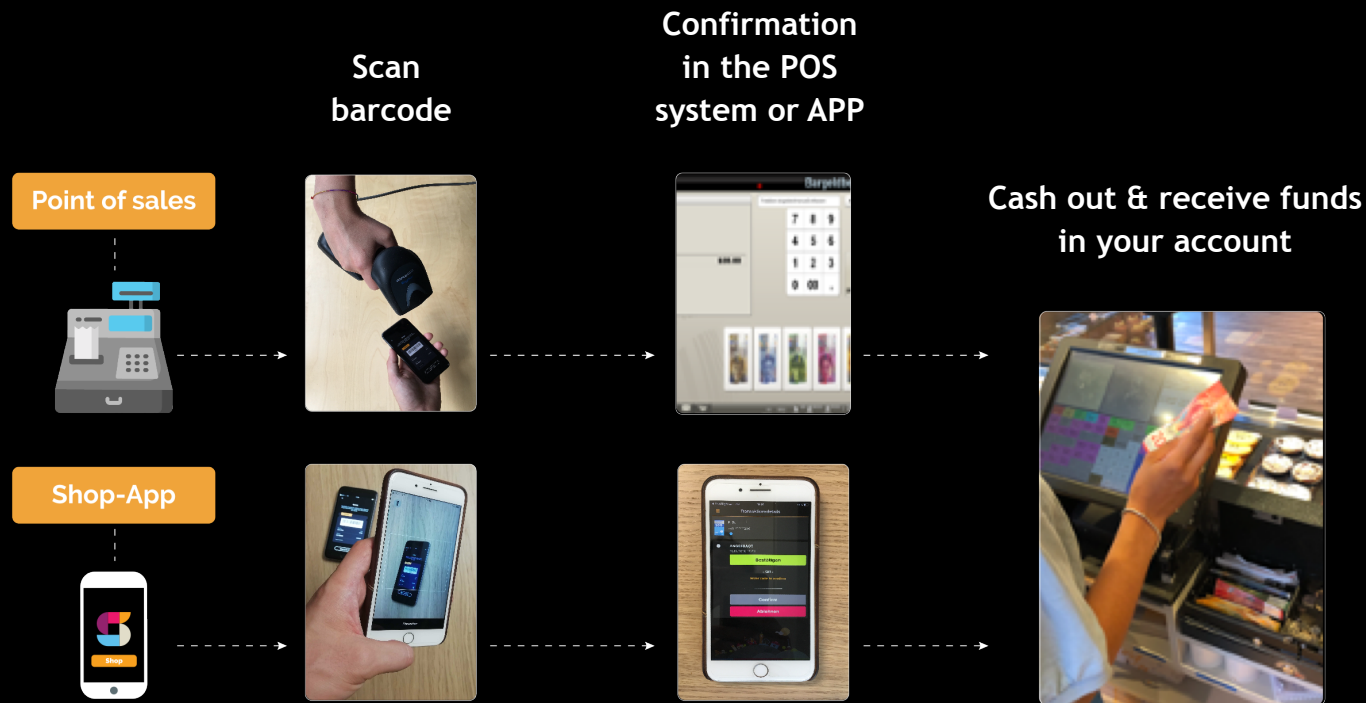




Consumer Experience

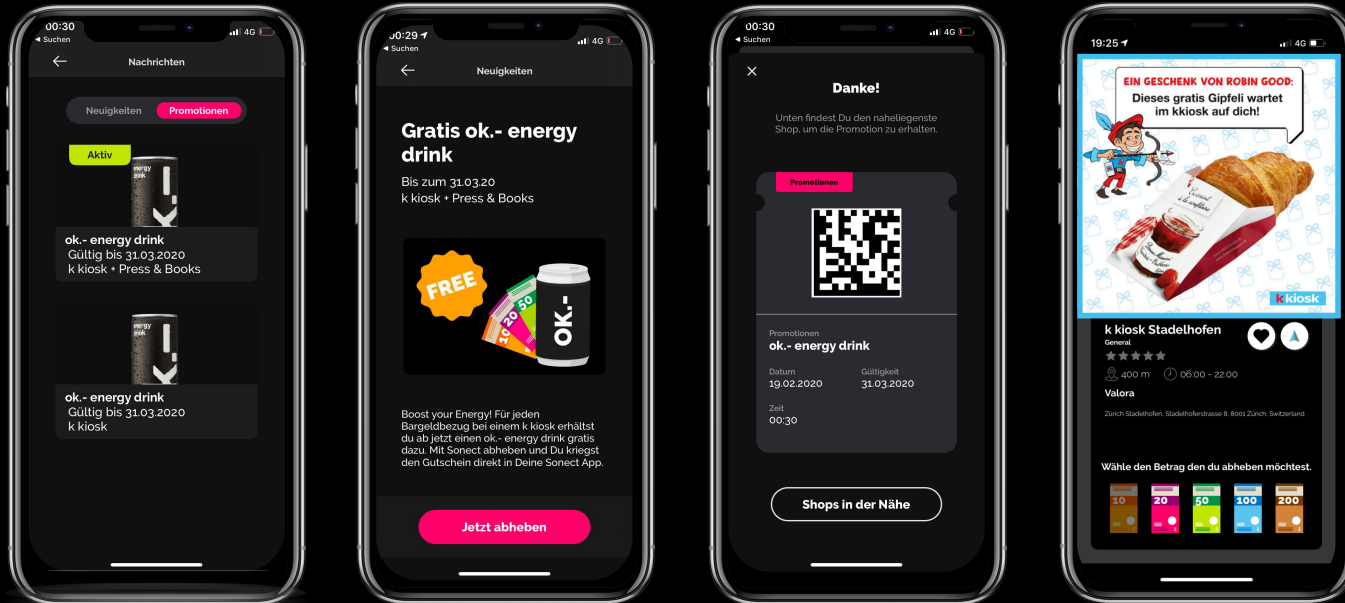


Fully integrated POS or APP/SDK solution



Amplified user Engagement

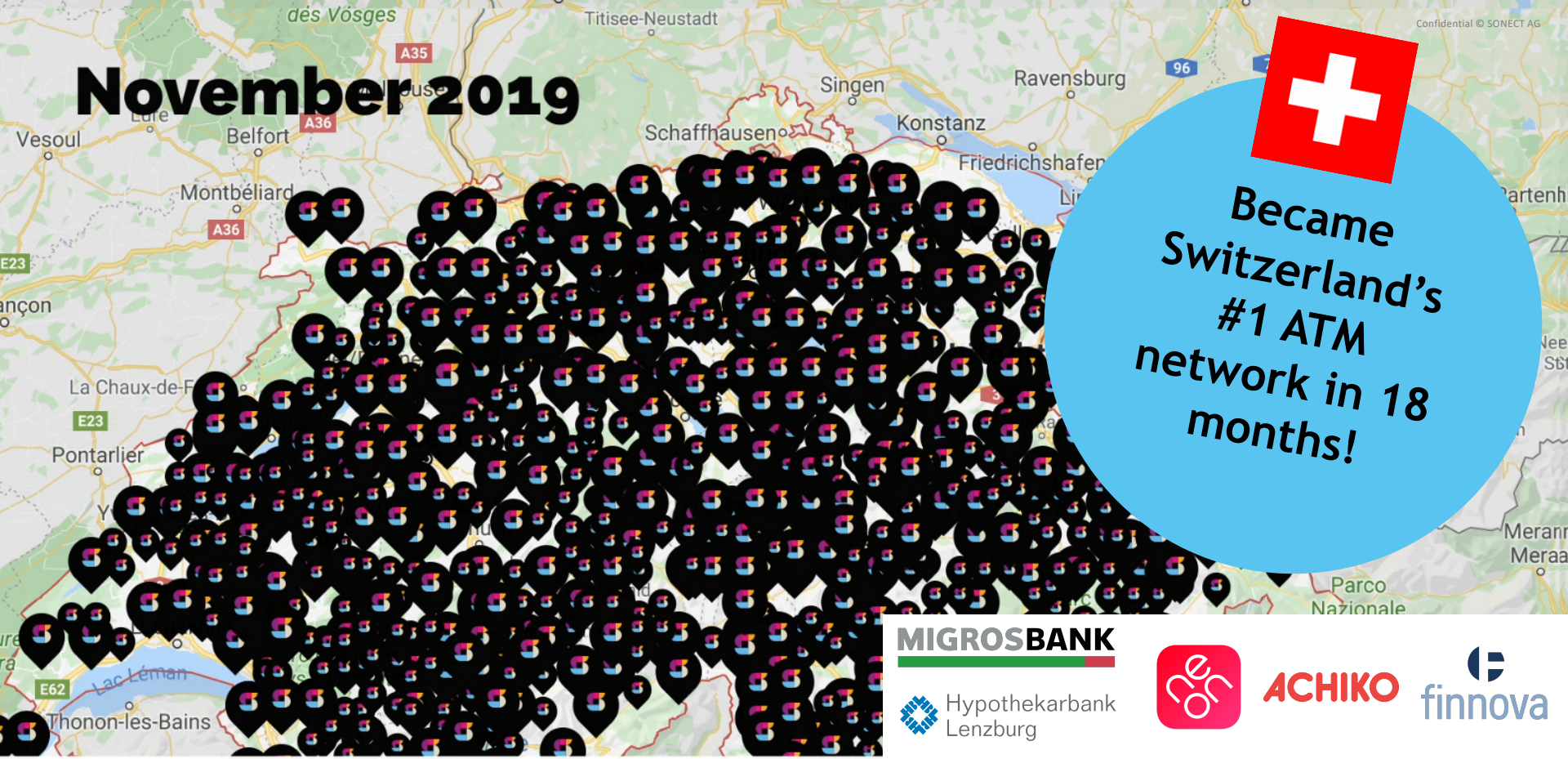
Retailers send out geo-localized, personalized offers to specific users to drive more traffic and sales.



November 2019



Became
Switzerland's
#1 ATM
network in 18
months!



MIGROS BANK

Hypothekarbank
Lenzburg



ACHIKO

finnova

frisch und
fründlich **Volg**



k
kiosk

ec
easycall

HAUSAMANN
BÄCKEREI CAFE-BAR

toppharm
Apotheken

lindenapotheke
süß im feld

Press **P&B Books**

Lynner

Expanding internationally



Partners /
Investors





Let's make Cash efficient & resilient for a digital future!

Sandipan Chakraborty

CEO & Founder

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Best Consumer
Payment Initiative
2017



Global Innovation
Jam Winner 2018



Top Swiss FinTech
2018, 2019



Switzerland's Next
Global Hot Thing
2019



Part of Europe's 50
most promising
FinTechs 2019



Best of Show
2020

Chris is co-founder and CEO of Shrap, and a tax law graduate with over 16 years' experience as a financial adviser and in the investment platform industry. He has held executive management positions for the past 10 years at Platform One and more recently Novia Global, the first two UK-based platform companies to enter the international market.

At Shrap, we believe that people should be able to transact anonymously and for free. With the future of cash uncertain, and the burden on retailers to support it increasing, we believe that our simple, anonymous mobile app will support the continued personal freedom that cash offers. I am passionate about building a product that solves a genuine problem, and developing a business that delivers value to stakeholders and society as a whole.



Chris Forero-Slee
Co-Founder and CEO
Shrap



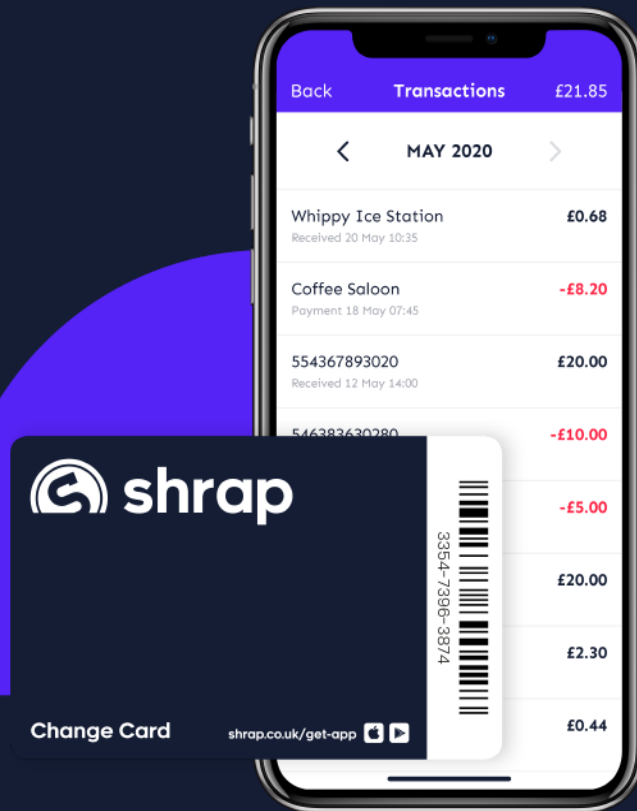
Change for the better

- Radical change is needed if cash is to survive.
- Coins are a necessary evil for cash to work.
- Bank branch closures and rising costs for handling cash are two major factors leading to businesses choosing to no longer accept cash.
- What is the biggest threat to cash? Access or acceptance?



Use cash, without the change.

Pay and be paid in cash, with no need for coins.
Store and spend your change on your phone or Shrap card, anonymously and for free.



Providing cash with a viable future

- Supports the continued use of cash by making it more efficient - through the removal of coins
- Digital solution with the stability of fiat currency, which replicates the freedom and anonymity of cash
- A freely transactable digital currency, designed to be inclusive of everyone in society





Hari Sivan
Founder & CEO,
SOCASH

SOCASH is a Singapore headquartered FinTech that solves cash logistics and liquidity management by converting small businesses into a 'Virtual ATM' network powered by just smartphone and real time payments.

The goal is to take banking to the customer and create a ubiquitous 'Virtual ATM' network for distribution of financial services for banks that are going digital. Large FIs like Standard Chartered, DBS bank, POSB, CIMB, JCB and ICBC use its platforms. The company is the recipient of the Monetary Authority of Singapore's FTSI Grant and has operates its platform in Singapore, Indonesia, Malaysia.

Hari and the SOCASH team are building the largest contactless cash circulation network in Asia. As banking goes digital, the goal is to expand the ATM and branch infrastructure using a network 'Virtual ATMs' a consisting of convenience stores & mom & pop businesses. A former banker with a career that spans stints with the world's leading financial institutions, Hari now uses his expertise with digital payment, product development and risk management to build Asia's largest distribution network for cash.

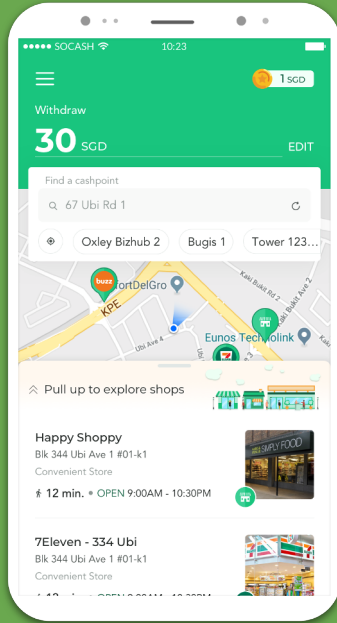


Next Gen network for banks

Banking for the next 600 Million underbanked

1. Demand for cash is growing in ASEAN.
2. 75%+ of banking happens via physically.
3. Current infra is not scaling fast enough.

Banks need new distribution channels



The Next Gen banking network is built by converting SHOPS into 'Virtual ATM/Branch'.

Benefits:

1. Banking Marketplace
2. Variable costs
3. Self Scaling & Responsive

Traction - Largest Banks in Asia are already using our platform





Thank You Hari Sivan

m: +65-97879620 / e : hari@socash.sg

viafintech

 viacash

Andreas Veller is accountable for the finance, operations, product and legal department at viafintech. He is the former founder of Shopwings and worked as a consultant in the banking sphere. At McKinsey he managed the IT restructuring of a retail bank and a post merger integration in the banking sector.

The company viafintech was founded in 2011 and launched its first product “Barzahlen” (European brand name is viacash) in 2013 in Germany.

The original idea was to enable the possibility to shop online and pay offline via a barcode in local shops. Instead of providing sensitive account or credit card information to an online shop through regular payment methods, our service didn’t require any personal or financial data from the end customer, except for an email address that the barcode would be sent to.



Andreas Veller
Managing Director
Barzahlen

21st century platform solutions for cash payments and payouts



We simplify cash-related banking services in everyday life

RETAIL INFRASTRUCTURE WITH >16,000 POS



PRODUCTS



Banking

- Deposits & withdrawals from bank accounts
- White-label integration into native banking apps



Bill Payment

- Payment of bills
- Pay-outs of credits & social benefits as a replacement for cash cheques



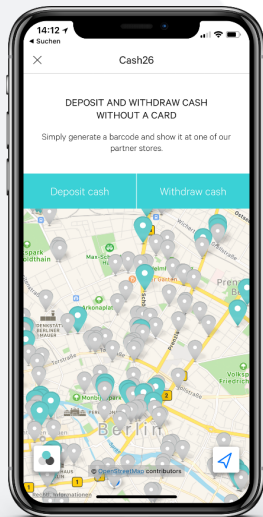
Online Payment

- Payment of online purchases
- Integration into check-out of e-commerce websites

CUSTOMERS



Easy to use and integrated white-label into the native banking apps



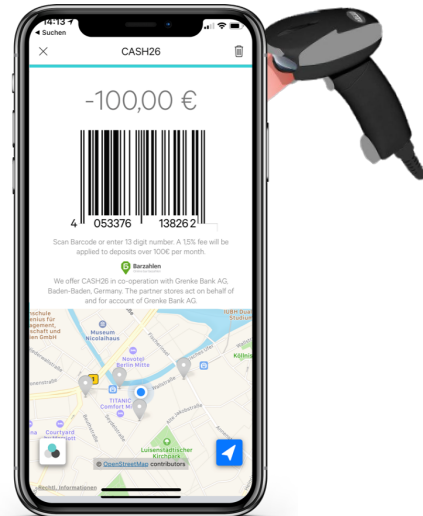
1

Log in banking app and choose between deposit & withdrawal



2

Enter amount and confirm transaction with PIN/TAN

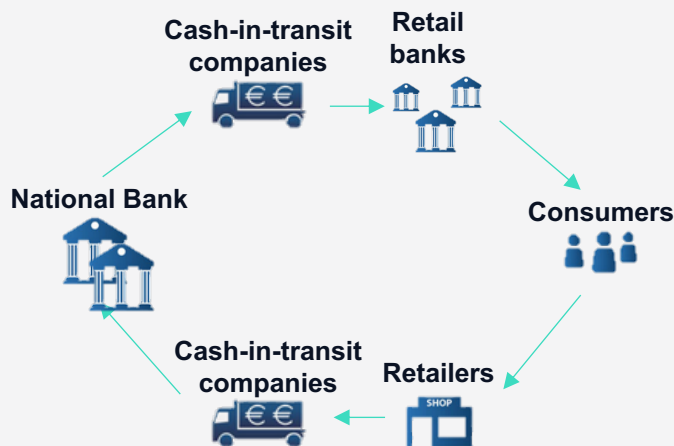


3

Scan barcode and deposit or withdraw

We create a win-win-win situation between banks, retailers and consumers by shortening the cash cycle

Traditional cash cycle



Consumer

- Increased geographic availability
- Convenient opening hours
- Combine banking services with shopping

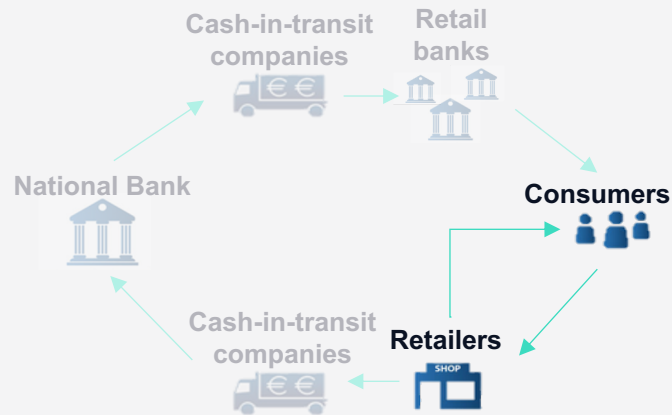
Retailer

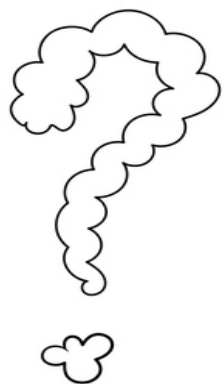
- Additional customer traffic & cross-selling
- Customer retention
- Commission for each transaction

Bank

- Less fixed-cost / own infrastructure
- Retaining customer relationship
- Europe-wide network

Disrupted cash cycle with viacash





Some Take-Aways

- CashTech is an indicator of the dynamism of the cash community.
- CashTech shows that cash is not only used by the unbanked, the elderly, the marginalised. It is a mainstream payment and monetary instrument.
- Cash is perfectly suited for the digital world.
- CashTech will not replace established players or existing infrastructure. It does offer to leverage existing infrastructure

Next Steps

- We invite CashTech companies to reach out.
- Future of Cash Conference 17-18 Feb. 2021
<https://thefutureofcash.com/>
- Follow us on www.cashessentials.com
- glp@agis-consulting.com



@Cash_Essentials



<https://www.linkedin.com/groups/95614/>