



# MC Payment Corporate Profile 2021

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The contact person for the Sponsor is Ms. Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.



**MC Payment is an online-to-offline (O2O) financial services technology provider with a fully integrated platform that allows both online and offline merchants to run and grow their business easily.**



### Regional Presence

Based in Singapore, MC Payment has regional payment licenses in prominent SEA markets.



**Bank of Indonesia**  
Payment Gateway  
Provider



**Bank of Thailand**  
C3 License,  
Payment Gateway  
Provider



**Bank Negara  
Malaysia**  
Merchant Acquiring  
Service Provider



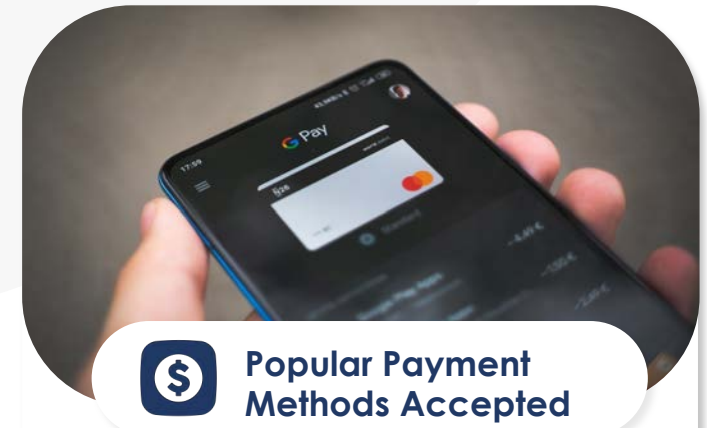
**Monetary Authority  
of Singapore**  
Merchant  
Acquisition Service



### Fast Growing Merchant Community

**2000+ merchants**

Over 2000 merchants use our platform to grow their business!



### Popular Payment Methods Accepted

We integrate most popular payment methods in the region onto our platform.



We help merchants tap into the **vast potential of digital commerce** in the region.



### Merchant Payment Services (MPS)

- Provision of payment processing services through its unified platform and smart software
- Can be integrated with any smart device (including mobile phones, tablets, and smart point-of-sales ("POS") terminals) for both online and offline applications



### Digital Commerce Enabling Solutions (DCES)

Provision of ancillary services, such as:

- The sale and lease of smart POS terminals
- Proprietary and licensed software-as-a-service which can be white-labelled
- Develop bespoke software solutions for its merchants

# Our payments platform and ecosystem



# Meet The *Team*



**Henry Tan**  
Managing Director

**Mr Henry Tan is responsible for the overall strategic direction and development of MC Payment and its subsidiaries (the “Group”), as well as overseeing the marketing efforts and the technical operations of the Group.**

- Over 15 years of business development experience in the financial payments sector and info-communications sector
- Mr Tan possesses extensive experience in the payments space. Some of his previous roles include:
  - Director, Head of Payment Consulting, APAC at American Express International Inc
  - Group Head, Sales & Account Management, Citibank Singapore



**Ng Kok Peng**  
Chief Financial Officer

**Mr Ng Kok Peng is responsible for the financial management, taxation, governance framework and corporate acquisition initiatives of the Group.**

- Over 10 years of experience in financing and accounting, and audit.
- Mr Ng previously held the position of CFO at SGX-ST Mainboard listed KTL Global Limited from 2015 to 2020.
- He was also the Financial Controller at Oxley Holdings from 2010 to 2014, where he led the finance department to complete Oxley Holdings' IPO in 2010, as well as its transition into the Mainboard in 2013.





“

***“My vision is to develop MC Payment into a regional digital payments powerhouse.”***

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**Henry Tan**

Managing Director, MC Payment

# Board of *Directors*



**Ching Chiat Kwong**

Non-Executive Non-Independent  
Chairman

Mr Ching is the Executive Chairman and Chief Executive Officer of Oxley Holdings Limited. He possesses 20 years of property industry experience. He is responsible for the formulation of corporate strategies, charting future growth plans and driving overall performance of the Oxley Holdings Group.

Apart from his commitments at Oxley, Mr Ching also sits on the board of Aspen (Group) Holdings Limited, and serves as the Vice-Chairman in THK Nursing Home Limited.



**Shawn Ching Wei Hung**

Non-Executive Non-Independent  
Deputy Chairman

Mr Ching is currently the Executive Director and Group General Manager of Oxley Holdings Limited.

Mr Ching is responsible for the general operations and administration of the Oxley group of companies. Prior to the foregoing appointment in November 2018, he was a Project Manager at Oxley Holdings Limited.

He sits on the Board of Regents of Harris Manchester College, University of Oxford.



**Harry Ng Weng Sui**

Non-Executive Non-Independent  
Director

Mr Ng is currently the executive director of HLM (International) Corporate Services Pte Ltd, a company that provides business consultancy, accounting and corporate services. Mr Ng has more than 30 years of experience in finance, accounting and audit.

He currently sits on the boards of a number of companies listed on the SGX-ST, as an independent director and audit committee chairman.



# Board of *Directors*



**Kesavan Nair**  
Non-Executive  
Independent Director

Mr Kesavan Nair has over 28 years of experience in legal practice. He is currently a Director of Bayfront Law LLC.

He is also an Independent Director of several SGX-listed companies: Medi Lifestyle, HG Metal Manufacturing and Arion Entertainment.



**Chee Kheng Hock, Rothschild**  
Non-Executive  
Independent Director

Mr Chee was the co-founder and Chief Commercial Officer of Red Dot Payment and the General Manager of Red Dot Payment's overseas subsidiaries.

His roles covered sales, operations, finance, risk management and strategy. Red Dot Payment is a fintech company with offices in Southeast Asia, Europe and Australia that provides online payment gateway systems, payment consulting and merchant acquisition services.

# Southeast Asia Payment Trends For 2021

01



Rise in digital payments (online)  
and contactless payments  
(offline)

02



Transactions are  
increasingly driven  
through mobile devices

03



Buy Now, Pay Later  
a growing trend

04



Increased transactions  
through Crypto/Central  
Bank Digital Currency

# Rise in digital payments (online) and contactless payments (offline)

The rise in digital payments is driven by easy access to smartphones and increasing connectivity within Asia.

Use of digital payments include:

## Platform as a Service (PaaS) for B2B

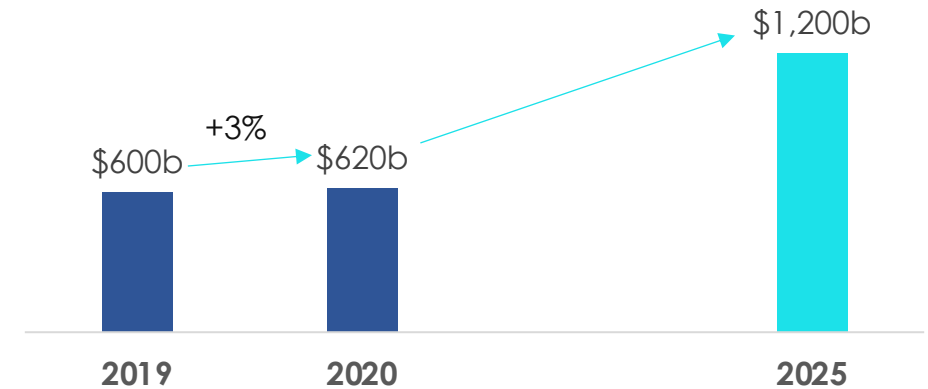
- Accelerated during COVID-19 as companies switch to cloud-based digital payments platforms as physical bank locations were shut during lockdown

## eCommerce

- In 2020, the SEA eCommerce market grew by a staggering 63%, reaching a total volume of [US\\$62 billion](https://dlocal.com/blog/markets-consumers/ecommerce-payment-trends-in-southeast-asia/)<sup>1</sup>.

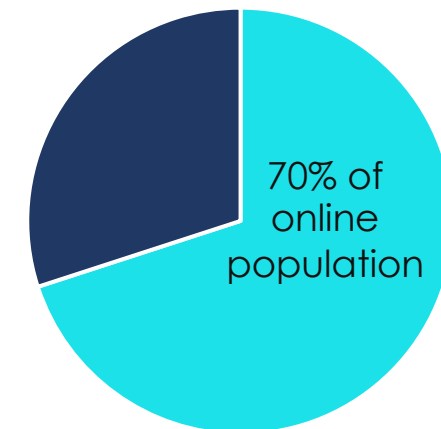
<sup>1</sup> <https://dlocal.com/blog/markets-consumers/ecommerce-payment-trends-in-southeast-asia/>

## Digital Payments US\$b



Source: Bain Analysis, via e-Economy SEA 2020, by Google, Temasek and Bain & Company

## Over 70% of population in SEA is online



Source: Bain Analysis, via e-Economy SEA 2020, by Google, Temasek and Bain & Company



# Rise in digital payments (online) and contactless payments (offline)

## Contactless payments already a predominant trend before COVID-19:

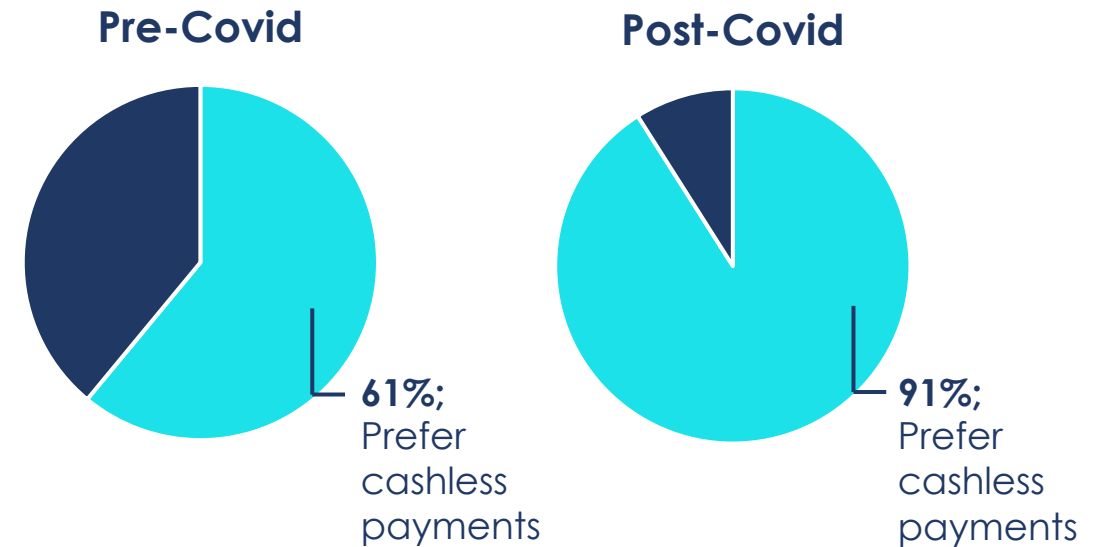
- [Number of cashless payments was already rising globally \(increasing by 14% between 2018-2019\)](#)<sup>1</sup>
- Singapore is leader in digital payment adoption in SEA with over 70%<sup>2</sup> consumers preferring using digital payments
- **Preferred cashless payments:**
  - eWallets – Juniper Research [estimated that half the world's population will use mobile wallets by 2024](#)<sup>3</sup> (an estimated 1.7 billion increase in users' usage to nearly 4 billion within 2 years.) In SEA: 49% of consumers who have a commercial bank account are also reported to be using eWallets – a number that is predicted to increase to 84% by 2025.
  - QR Codes - Asia dominates the globe in terms of QR code payment adoption, with 15 million SEA households<sup>4</sup> scanning QR codes to make payments last year alone.

<sup>1</sup> World Payments Report 2020 - <https://worldpaymentsreport.com/wp-content/uploads/sites/5/2020/10/World-Payments-Report-2020.pdf>

<sup>2</sup> <https://www.visa.com.sg/dam/VCOM/regional/ap/singapore/newsroom/documents/the-road-ahead-consumer-payment-trends-in-southeast-asia-sg.pdf>

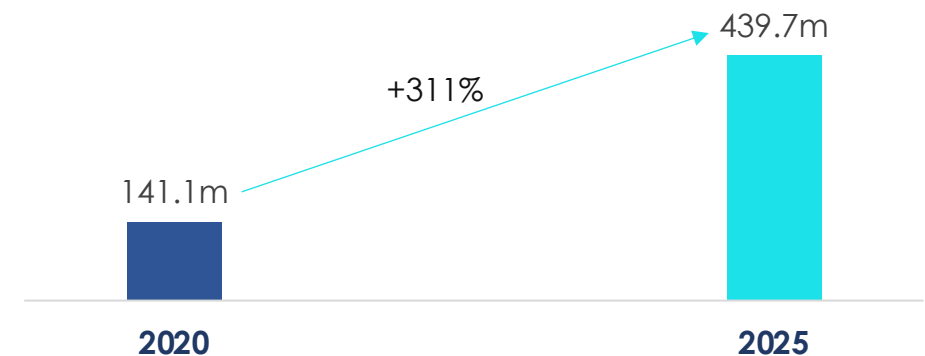
<sup>3</sup> <https://www.juniperresearch.com/press/half-worlds-population-to-use-digital-wallets-2024>

<sup>4</sup> <https://blog.beaconstac.com/2019/12/qr-code-statistics/>



Source: [Visa](#) and [Mastercard](#)

## SEA Mobile Wallet Use (in millions)



SEA refers to Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam

Source: [Boku](#)

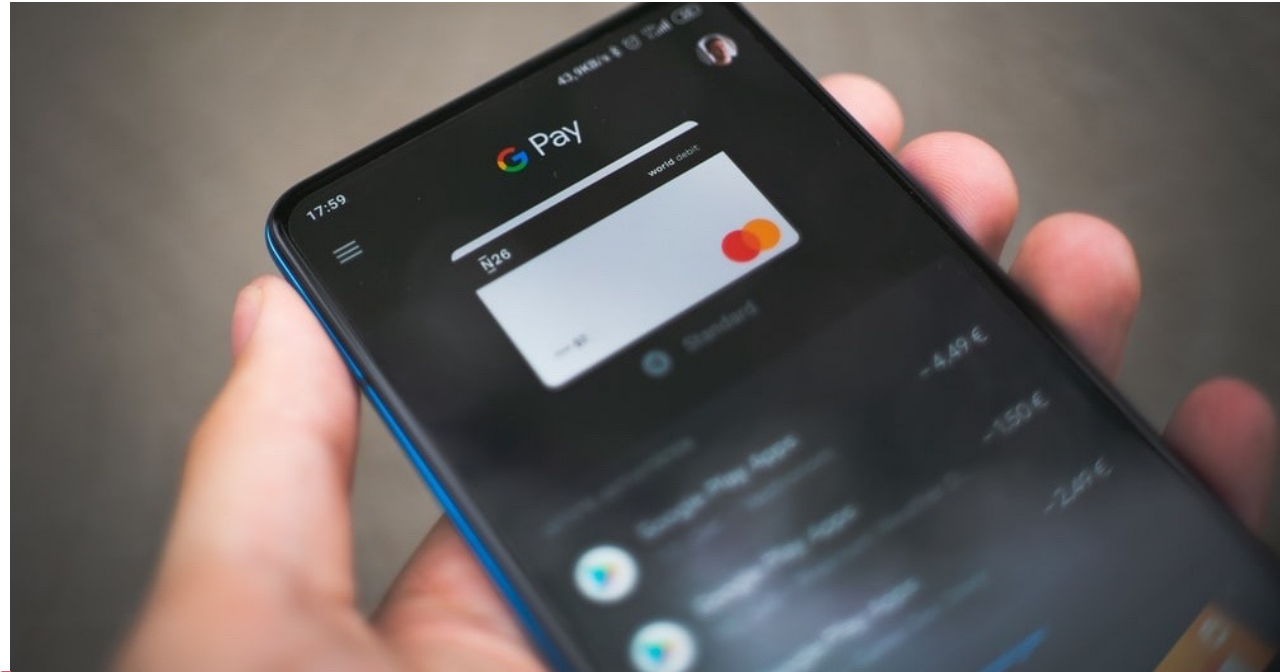
# Transactions are increasingly driven through mobile devices

In the past six months, 79% of mobile users made an online purchase using their mobile devices

- mCommerce penetration in 2020<sup>1</sup> was over 79% in Indonesia, 74% in Thailand, 69% in the Philippines, 68% in Malaysia, 61% in Vietnam and 56% in Singapore.
- Estimated that 85% of consumers prefer mobile apps to mobile websites, which means that shopping apps are resulting in higher conversion rates than mobile websites.

<sup>1</sup> Statista- <https://www.statista.com/statistics/255214/mobile-commerce-penetration-in-asia-pacific-countries/>

<sup>2</sup> <https://econsultancy.com/85-of-consumers-favour-apps-over-mobile-websites/>



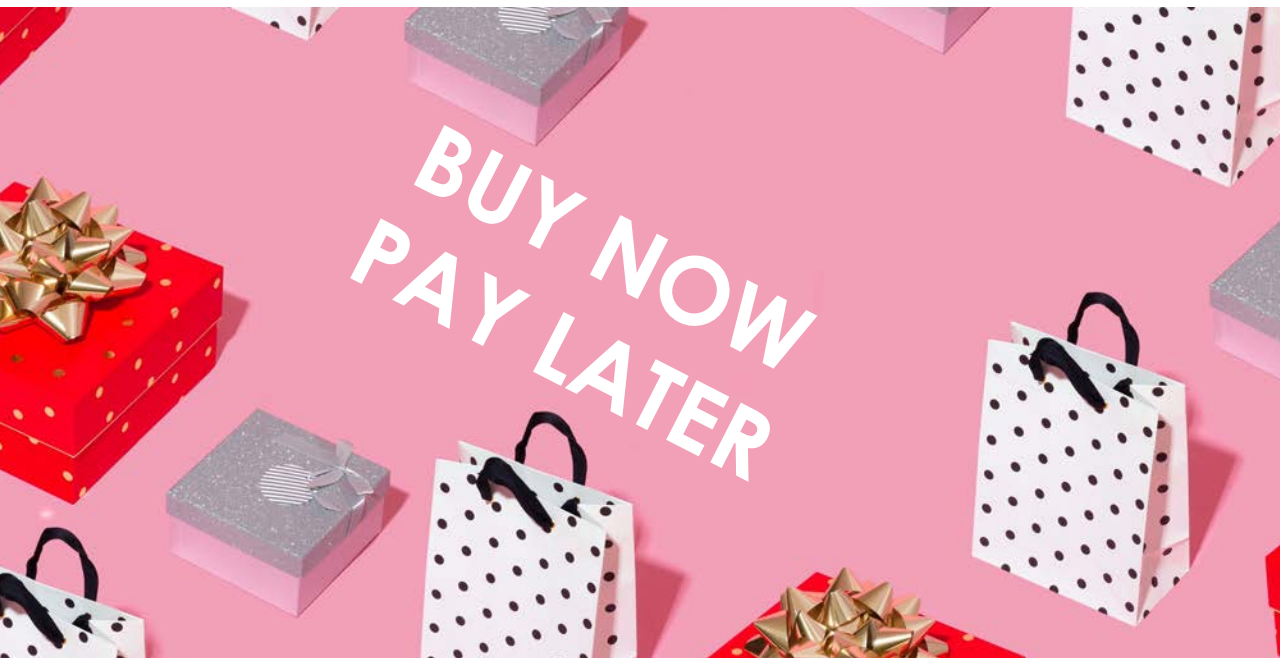
## Buy Now, Pay Later a growing trend

Buy Now, Pay Later (BNPL) schemes offer flexibility while allowing consumers to continue their spending habits

APAC region expected to become the world's fastest-growing market due to the surge of the region's internet users

BNPL aims to eradicate the problem of the 'underbanked' in SEA (which forms about 70% of adults or 450 million adults<sup>3</sup>) by offering them a simple, affordable solution.

<sup>3</sup> <https://www.bain.com/insights/fulfilling-southeast-asias-digital-financial-services-promise/>



# Increased transactions through Crypto/Central Bank Digital Currency

## Rising interest among companies and governments of creating individual digital currencies

- With interest from various governments and well-known brands like Apple, Microsoft and Google

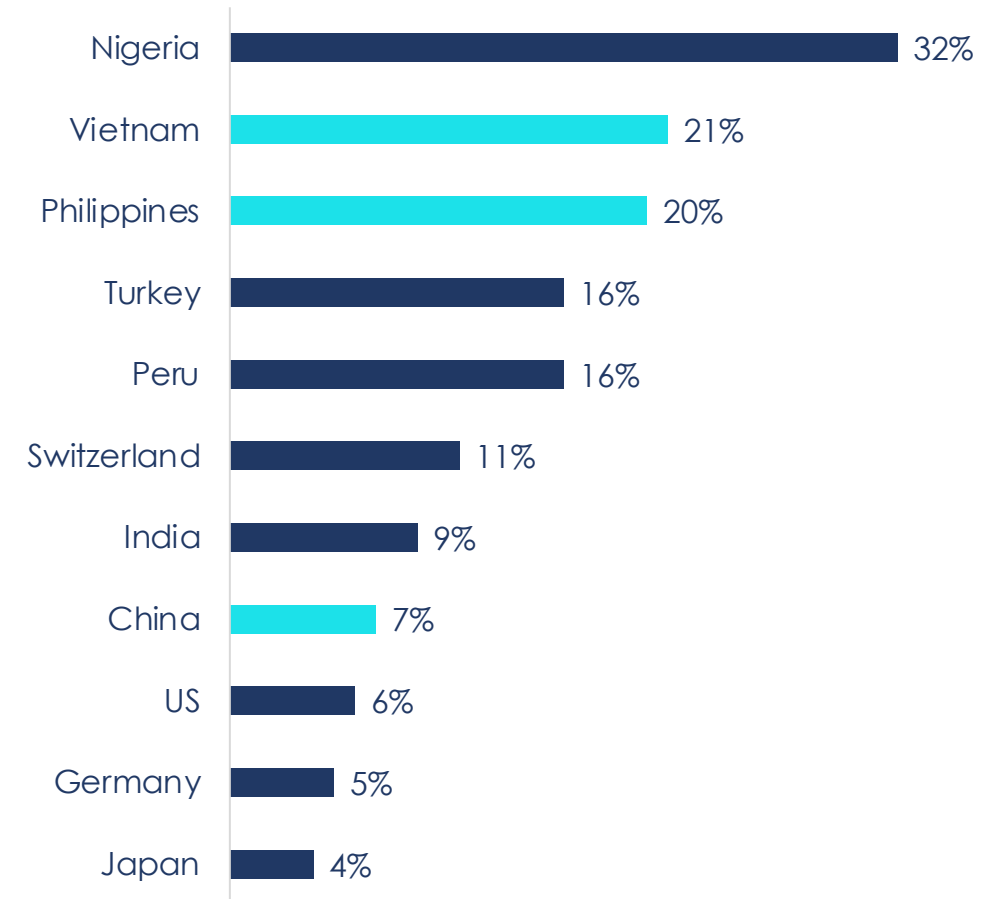
## Cryptocurrencies seen as a hedge against inflation of fiat currencies due to massive stimulus implemented during COVID-19

### Increase in crypto adoption by retail investors in Southeast Asia as a form of investment

- Especially in countries such as Vietnam and the Philippines where 21% and 20%<sup>1</sup>, respectively, of consumers said they used digital assets last year.

<sup>1</sup> Statista- <https://www.statista.com/chart/18345/crypto-currency-adoption/>

## Share of respondents in selected countries who said that they used or owned cryptocurrencies (2020)





# How will MC Payment capture the latest payment trends?

## Digital Payment/Crypto

### Expansion of payment touch points:

- M&A of retail & F&B platforms.
- Electronic Vehicles (EV), unattended segment

## Properties/ Facility Management

### Platform as a Service (PaaS) for B2B:

- Collaborating with MCST on unified payment platforms
- B2B Supply chain payment on Construction Sector

## Buy Now, Pay Later

### Expansion to other markets

- Collaborating with BNPL Partners

## Merchant Dynamic Financing

### Platform as a Service (PaaS) for B2B:

- Expanding merchant financing services via acquiring platforms

## Expand Market Presence

### Regional Payment License:

- To acquire/apply for new payment licenses in other geographical markets

# Latest Developments



## Launch of payment platform for Mosque-Madrasah-Wakaf Shared Services

**Payment platform went live on 1 April 2021** to process Zakat Fitrah during Ramadan

**Contract terms include managing payment solutions** for

- Our Masjid crowdfunding initiative,
- The Islamic Learning Hub and Management,
- Our Madrasah, and
- The Mosque Building Fund

To service the nearly 800,000 Muslim population in Singapore for Zakat (Religious contribution), crowdfunding initiatives to support local mosques and madrasahs, and collection of registration fees, school/course fees and recurring fees



## Facebook live selling solution

**Launched in Singapore during the first quarter of 2021**

**The Group's herhippo Live Selling Solution helps businesses to resolve their daily pain points including:**

- Monitor revenue and review sales performances
- Manage marketing plug-in
- Manage online orders
- Accept and process a variety of digital payment methods
- Tracking deliveries etc

# Latest Developments



## Launch of Buy Now, Pay Later (“BNPL”) transactions for O2O platform

**Started processing BNPL transactions for retail merchants since 1 December 2020**

There are about 100 acceptance points for BNPL in Singapore using MC Payment's O2O payment platform, including merchants such as Marks & Spencer, Lacoste, Massimo Dutti, Ted Baker and ZARA

In February 2021, MC Payment's BNPL transaction volumes crossed the S\$500,000 mark

MC Payment's role is that of the payment gateway and does not hold any financial risks including payment defaults for the BNPL transactions



## E-payment services for Malaysia's educational services industry

**Feb 21: Launched its e-payment services for Universiti Tun Hussein Onn Malaysia (UTHM), one of Malaysia's largest public universities.**

- Through the Group's e-invoicing and web payment platforms, UTHM now collects school and miscellaneous fees from Visa, Mastercard, UnionPay, FPX and eWallet payment modes.

**Mar 21: Inked a merchant service agreement with Yelaoshr, one of Malaysia's largest private learning centres with 60 branches nationwide.**

- Each branch outlet uses the Group's proprietary Quickpay platform for e-invoicing, collection of tuition fees via QR codes, and sale of promotional registrations via web payment.

**MC Payment has also tied up with bank partners to offer competitive merchant discount rates to these institutions of higher learning**



# Latest Developments



## Adds Rabbit LINE Pay to Payment Platform

**From the third quarter of 2021, the MC Payment-Rabbit Line Pay partnership will offer QR code payment services in Thailand**

Rabbit LINE Pay is one of Thailand's leading digital payment platforms, serving an estimated 8 million registered users, with a monthly active user ratio of 60%.

MC Payment already offers local payment methods and popular digital wallets such as Singapore's PayNow, ThaiQR, Alipay and WeChat Pay on its platform.

## Future Goals

***“We aim to co-create a vibrant fintech ecosystem with like-minded partners, as well as add another two to three countries to our existing geographical footprint.”***

*Henry Tan, Managing Director, MC Payment*



# Investment *Merits*



## Local proxy to the rise of regional digital payment

MC Payment is the first digital payments company to be listed in Singapore, making it a proxy for local investors looking to capitalise on the rise of digital payment. Non-cash transactions in Asia have grown at a 2014-2019 CAGR of 24.1% to \$243.6b in 2019 driven by its soaring internet economy<sup>1</sup>.

<sup>1</sup>(Source: [Worldpaymentsreport2020](#))



## High barriers to entry

The payment sector is highly regulated, and licenses take a long time to be awarded, serving as high barriers to entry to the sector. In Singapore, MC Payment is one of the few companies in Singapore to have the merchant acquisition license – an accreditation to MC Payment's status as one of the leading payment providers.



## Investment *Merits*



### **Pivotal shift in customer acquisition model to drive exponential growth**

Since the financial year ended 31 December 2018, MC Payment has increased its focus from referral fees to acquiring the merchants directly, following its receipt of merchant acquisition license in Malaysia and Singapore. This had a pivotal impact on the Group's businesses as it not only gives MC Payment higher margins but also greater control over its merchants and the speed of on-boarding new merchants. Together with the introduction of more payment methods and the scaling up of usage by some of its clients, the Group saw a more than 5-fold increase in its MPS revenue to S\$7.9m in the financial year ended 31 December 2019. This trend continued into the six months ended 30 June 2020 ("1HFY2020") with a more than 100% surge in revenue and the Group turning in a profit of S\$0.7m in 1HFY2020. The Group also recorded an adjusted net profit of S\$0.7m in the six months ended 30 June 2021.





# Thank You

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