



IOUPAY LIMITED (ASX: IOU)

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6 April 2021

IOUpay Partners with leading Smart Terminal Operator MYP1 to connect BNPL services to merchants and customers

IOUpay Limited (ASX:IOU) (**'IOUpay'** or **the Company**) and the Board of Directors are pleased to announce the Company has entered into a Strategic Teaming Agreement with MYP1 Commerce Sdn Bhd (1137690-A) (**MYP1**) to connect MYP1's merchants to IOUpay's BNPL platform and enable customers to pay using IOUpay's BNPL payment services.

MYP1 is a major payment industry service provider based in Malaysia with operations across South East Asia.

Strategic Teaming Agreement

IOUpay has entered into a Strategic Teaming Agreement (**the Agreement**) with MYP1 for a one year renewable term under which MYP1 is contracted to refer and acquire it's merchants to onboard and utilise IOUpay's BNPL payment service offering.

The commercial relationship between IOUpay and MYP1 extends well beyond a standard merchant referral process through the integration of IOUpay's BNPL Merchant App services with MYP1's existing Smart POS terminal installation base deployed across 15,000 merchants to process customer payments for goods and services they sell.

This enables approved merchants to access IOUpay's BNPL services and onboard customers wishing to pay for goods and services using BNPL installations instead of credit cards or cash balances held in debit card and e-wallets through the use of their existing smart POS terminal.

MYP1 merchants and their customers are therefore provided with cash, credit and BNPL payment options able to be processed on a contactless basis using existing smart POS terminals making this a new local innovative merchant preference and payment solution.

Under the Agreement IOUpay is also able to act as a master merchant for MYP1 to onboard IOUpay originated merchants to utilise MYP1's Smart POS Terminals which accept credit and debit cards, Quick Response (QR) code readers for e-wallet payments and IOUpay's Buy Now Pay Later payment services, providing merchants and their customers with full service payment options under one Smart POS Terminal.

There is no consideration paid by the Company to MYP1 for entering into this agreement.

System Integration and Rollout

As a master merchant acquirer providing Smart POS terminals to merchants, MYP1's merchant base primarily consists of in-store merchants as opposed to virtual e-commerce based merchants.

MYP1 has a significant in-field merchant sales and support presence with a strong national merchant services team supporting it's 15,000 strong in-store merchant network on a daily basis.

Sydney

Singapore

Jakarta

Yangon

Kuala Lumpur

This provides IOUpay with a valuable, experienced, data driven and well resourced in-field services team to partner with IOUpay's in-house business development and merchant services team to accelerate expansion of IOUpay's BNPL distribution network and transaction volumes.

IOUpay and MYP1 will commence integrating systems with BNPL payment processing capabilities in April followed by a scheduled rollout initially to 2,800 jointly selected MYP1 merchants from MYP1's existing network of 15,000 merchants over the course of the remaining nine months of 2021, with the balance of MYP1 merchants vetted and accepted by IOUpay scheduled for rollout in 2022.

Initial merchant onboarding and rollout will consist of carefully selected priority merchants for quality control and transaction volume and profit purposes, given the size and scope of MYP1's existing merchant network.

About MYP1

MYP1 is a major payment industry service provider in Malaysia and South East Asia with an exclusive focus on the supply, deployment, installation and maintenance of the latest state-of-the-art Point-of-Sales (POS) terminals and related ancillary equipment.

The Group is actively involved in the fulfilment of these products and services for various credit and debit card payment and Quick Response (QR) payment operators, providing merchants with fixed line, mobile, virtual and contactless Smart POS terminals.

MYP1 was established in 2015 by SEA online payments entrepreneur Chris Lee who has 20 years' experience in master merchant acquiring services for major banks, non-bank financial institutions and e-wallet operators.

In partnering with MYP1, IOUpay is working with an established Group that has more than 15,000 card and QR payment acceptance merchants nationwide across Malaysia and has successfully deployed, installed and maintained over 50,000 Smart POS terminals to date.

This includes rollouts for clients such as Alliance Bank, Bank Islam, Bank Muamalat, GRAB, AliPay, WeChat Pay, U Mobile and Sinopay for their acquiring of China Union Pay transactions.

Mr Khong Kok Loong (IOUpay CEO) commented:

"MYP1 represents a unique opportunity to fast track our market penetration across large numbers of qualified merchants seamlessly by our BNPL payment services now being offered as the major payment alternative to cards and e-wallets through MYP1's existing merchants and Smart POS terminal installation base.

We see this as a mutually beneficial partnership to drive BNPL transaction volumes and smart POS terminal installations and build a highly active and loyal merchant network."

Mr Chris Lee (MYP1 CEO) commented:

"We know the team at IOU well and believe their Buy Now Pay Later platform offering will be well received by our merchants and their customers. IOU's BNPL service offering comes at a time when merchants and consumers are all moving to contactless payments so we are excited to see a whole new BNPL driven boost to payment volumes across our merchant networks from this partnership."

The release of this announcement was approved by the Board of the Company and released by the Company Secretary.

Yours faithfully,

IOUpay Limited

Jarrold White
Company Secretary

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About IOUpay (ASX:IOU):

IOUpay Limited (ASX:IOU) provides fintech and digital commerce software solutions and services that enable its institutional customers to securely authenticate end-user customers and process banking, purchase and payment transactions.

The Company's core technology platform enables large customer communities to connect to end user customers using any mobile device and integrate mobile technology throughout their existing business and customer product offerings. The Company's business divisions consist of Mobile Banking and Digital Payments which service leading banks in Malaysia and large telco's and corporates in Malaysia & Indonesia. IOUpay also works with telecommunication network providers to provided mobile OTT (over-the-top) services that leverage their subscriber base to build active communities.

