

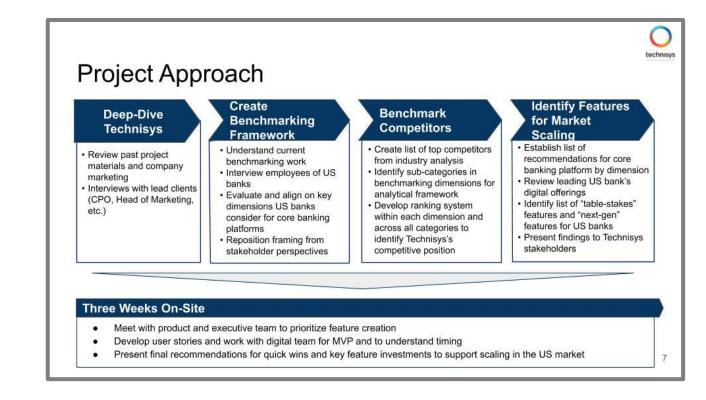


BUILDING TECHNISYS CAPABILITIES FOR THE US MARKET

Introduction

Otechnisys About Us David Zackheim Sarah Scolnic Kat Krieger Harry Kainen MIT Sloan MBA 2020 MIT Sloan MBA 2020 MIT Sloan MBA 2020 MIT Sloan MBA 2020 Education: Williams College Education: University of Education: Washington Education: Duke University Pre-MBA: Bridgewater Client University of St. Louis Pennsylvania Pre-MBA: Goldman Sachs, Pre-MBA: A.T. Kearney, Pre-MBA: ZoomRx, market Services Software Engineer - Technology Management Consulting Internship: Bain Consulting research and analytics (growth & strategy) nternship: Bain Consulting consulting Internship: Twitter - User nternship: Lionsgat Strategic Planning & Operations Research





Benchmarking: Core Solution

Ore Banking Solution Benchmarking Overview

Main competitors were identified by Gartner

technisys

Otechnisys Benchmarking dimensions

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Industry/Competitors	Methodology/Benchmarking	High-Level Results
Growing Industry with a focus on key leading competitors including: Datapro DXC Technology EdgeVerve Systems Finasatra FIS Fiserv Intellect Design Arena Jack Henry & Associates Mambu Oracle Q2 SAP Tata Consulting Services Technisys Temenos	 Background Research 10+ Interviews with US based banks Analysis of Gartner reviews for reasons for purchase of different core banking platforms 9 benchmarking dimensions Business Functionality Tech Functionality Pricing Corporate Stability Time-to-Deploy Compliance Marketing Quality Track Record Componentization Data-driven assessment for each dimension Ranking by dimension Recommendations on features and sales strategy 	 Although a smaller, new entrant to North America, Technisys is already in the middle of the pack relative to competitors Technisys is particularly strong on business functionality and componentization We suggest that Technisys focus on <i>Quick Wins</i> Track Record Marketing Quality And then move onto Long Term Investments Corporate Stability Time-to-Deploy Compliance That being said, we also created proposals for Technisys along all 9 dimensions

Overall, we see **Technisys in the middle tier** relative to a strong bench of larger competitors in the **US** Though we have ideas across categories, we suggest focusing on areas of competitive weakness

Categories to focus on

Additional compliance benchmarking was conducted onsite and can be found in the appendix

Tier Rank Business Functionality Tech Functionality Pricing Corporate Stability Time-to-deploy Compliance Track Record Marketing Quality

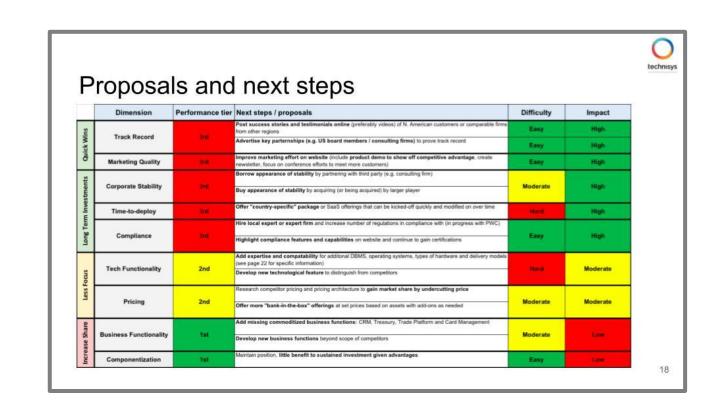
Illustrative

Otechnisys

Benchmarking overview

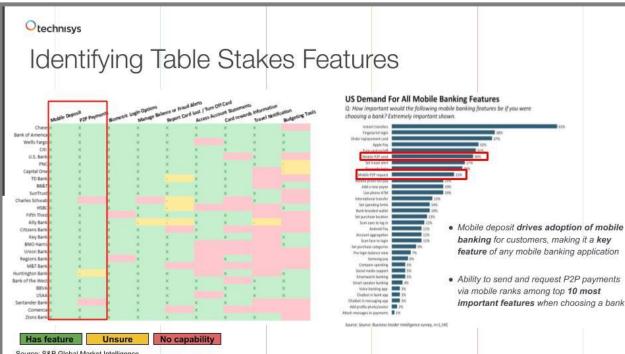
Company name	Founded	Headquarters	Product benchmarked	Tier focus	Main customer type	Annual revenue
Datapro	1976	U.S.	eIBS Core Banking System	Т3-Т4	Universal Banks	\$5.2M
DXC Technology	2017	U.S.	Celeriti Digital Core Banking	T1-T2	Retail Banks	\$25B
EdgeVerve Systems	2014	India	Finacle Core Banking Solution	T1-T4	Universal Banks	\$4B
Finasatra	2017	U.K.	Fusion Phoenix	T3-T5	Credit Unions	\$2.1B
FIS	1986	U.S.	HORIZON	T3-T5	Retail Banks	\$9B
Fiserv	1984	U.S.	Precision	T4-T5	Retail Banks	\$5.9B
Intellect Design Arena	2011	India	Intellect Digital Core	T3-T4	Universal Banks	\$200M
Jack Henry & Associates	1976	U.S.	Episys	T3-T5	Credit Unions	\$1.6B
Mambu	2011	Germany	Mambu	T4-T5	Microfinance Institutions	\$5M
Oracle	1977	U.S.	FLEXCUBE	T3-T5	Universal Banks	\$39.5B
Q2	1995	U.S.	CorePro	T4-T5	Fintechs	\$240M
SAP	1972	Germany	SAP Transactional Banking	T1-T3	Retail Banks	\$24.7B
Tata Consulting Services	1968	India	TCS BaNCS	T3-T5	Retail Banks	\$20B
Technisys	1999	U.S.	Cyberbank Core	T2-T3	Retail Banks	\$68M
Temenos	1993	Switzerland	Temenos T24 Core Banking	T3-T5	Universal Banks	\$846M

Dimensions	Description	Measurement	Weight
Business Functionality	Number of banking functions and level of integration in product	Number of product features	20%
Tech Functionality	Types of tech functionality, delivery and compatibility	Tech compatibility and features	15%
Pricing	Customer perception of pricing fairness	Gartner customer survey score	15%
Corporate Stability	Likelihood vendor will survive	Revenue size, employee count and number of customers	10%
Time-to-deploy	Time to deploy new core system	Gartner customer survey responses	10%
Compliance	How focused on compliance	Number of regulatory bodies in compliance	10%
Track Record	Evidence of success in the past	Number of success stories, partners, board members, papers	10%
Marketing Quality	Quality of product marketing	Analytical assessment of online marketing	5%
Componentization	Amount of componentization of product	Customer componentization perception	5%



Benchmarking: Digital Solution

ndustry/Competitors	Methodology/Benchmarking	Next Generation Trends
 Evaluate current trends in digital and mobile banking Identify key competitors in the US market Evaluate mobile and desktop apps for bank customers 	 List 'must have' features Identify opportunities for Technisys to develop partnerships or new applications Mobile Deposit Peer to Peer Payments 	 Research trends throughout industry 'Killer' next generation features Tokenization Biometric Login Voice Activated Payments Fraud Detection with Machine Learning Al Supported Chat Geo based Notifications Debt Payoff Integration Easy International Transfer



Otechnisy	s I I I I I I I I I I I I I I I I I I I
Key	Digital "Trends / Next-Gen" Features
	Credit Card Tokenization - Secure, transfer, and store any sensitive or PPI data, including credit card numbers - Data breaches in the US have become normalized, with endless attacks and millions of accounts compromised - Replace lost cards with ease
M	Biometric Data - User friendly alternative to multi-factor authentication - 68% of users interviewed consider biometric login to be extremely important when selecting banking app - Main impediments to the adoption of mobile financial services are concerns about security
× Z	Fraud Detection with Machine Learning - With the rise of e-commerce at 20% YoY and fraud transaction percentages remaining constant, fraudulent activity is growing rapidly - Banking sector lost \$2.2bn USD in 2016 due to fraudulent activities; Mobile Banking only accounts for 7%
DAAAAA	 Debt App Payoff Integration Consumer debt was approaching \$14-trillion after the second quarter of 2019, according to the New York Federal Reserve. It was the 20th consecutive quarter for an increase Considered a key financial product, with countless mobile apps emerging for managing debt



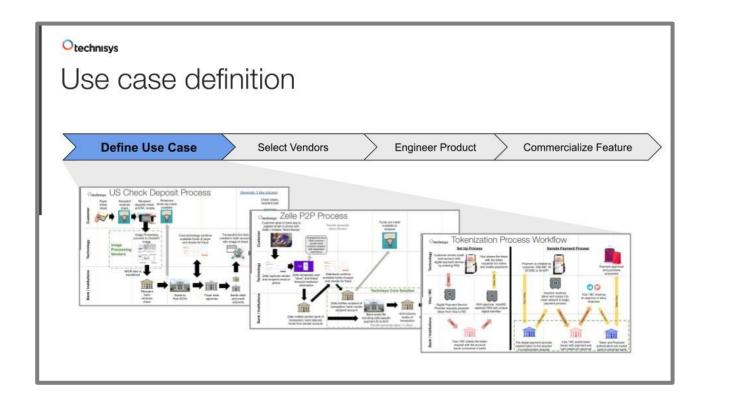
Source: https://www.paymentajournal.com/the-top-mobile-bank ing-trends-for-2020/; https://www.illesion.com/thips/mobile-bankne-trends

Feature Development



Otechnisys Summary of Findings MOBILE PEER-TO-PEER **CREDIT CARD** <u>.</u> () 5 DEPOSITS TRANSFERS TOKENIZATION · Helps banks increase their Helps banks attract customers Protects customers and banks customer base and cut from fraud or data breaches, and increase their app usage reducing losses operating costs Zelle is the leading provider of Technisys' solution is well integrated P2P embedded into Card networks have developed positioned for US mobile most US financial institutions vendor partnership services to deposit with limited ease adoption of tokenization Integration with Zelle requires modifications, but needs a significant capabilities such as We recommend that Technisvs vendor for Check21 compliant token management and real time continue conversations with image capture and processing fraud management Mastercard and engage with We suggest Technisys work with Visa to develop token-based We suggest Technisys begin transaction processing Mitek Systems, a leading discussions with Zelle to ensure provider with 99% of the US capabilities and become a easy integration for new US clients market preferred vendor

Integrating ve stages		ilities requires	s four key
Onsite F Define Use Case	Phase Focus Select Vendors	Engineer Product	Commercialize Feature
 Research business use case to confirm customer need Understand workflow for banks and any current processes Identify need for vendor partnership 	 Identify market leaders and partnerships with banks Set up demos with vendors and collect technical documentation 	 Access relevant sandbox and development environments Create proof of concept internally or on a chosen customer project Review POC results and make go vs. no-go decision 	 Decide whether to include in Starter Kit Announce partnership wit vendor, citing statistics ar benefits of new products Blog post or case study of website highlighting improvements at bank



	ection framework	
Define Use Case	Select Vendors Engineer Product Comr	mercialize Feat
Dimensions	Description	Importance
Track Record	Current vendor use among US banks and core banking competitors	High
Technological Capabilities	Proprietary technology or other product advantages	High
Ease of Integration	Difficulty to integrate vendor API into client and Technisys infrastructure	Medium
Marketing Impact	Benefit to Technisys of advertising new integration capability	Medium
Pricing	Cost to client for vendor integration	Low

INE	ext Steps
\geq	Define Workflow Select Vendors Engineer Product Commercialize Feature
	Align on preferred partners for feature integration
	 Align on preferred partners for feature integration Reach out to preferred partners and access sandbox and development environments
	• Reach out to preferred partners and access sandbox and development environments
	 Reach out to preferred partners and access sandbox and development environments Identify and build out any additional capabilities needed for integration
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Thank you Technisys for a great project and a great time in Buenos Aires!