

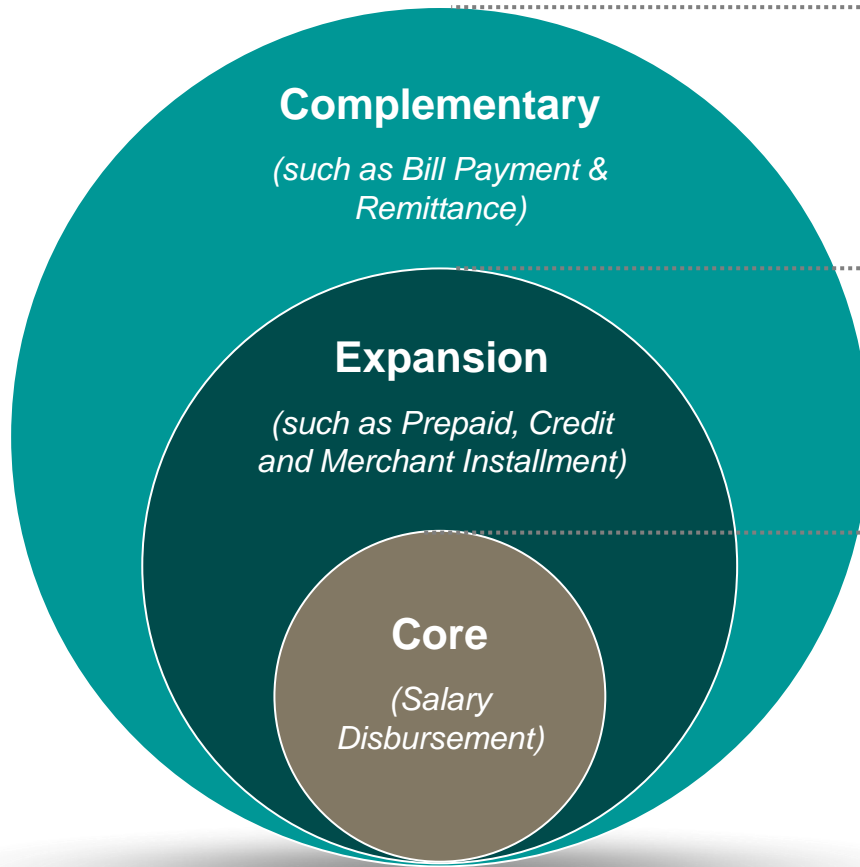


# Commercial Roadmap

3 Month Plan Review

---

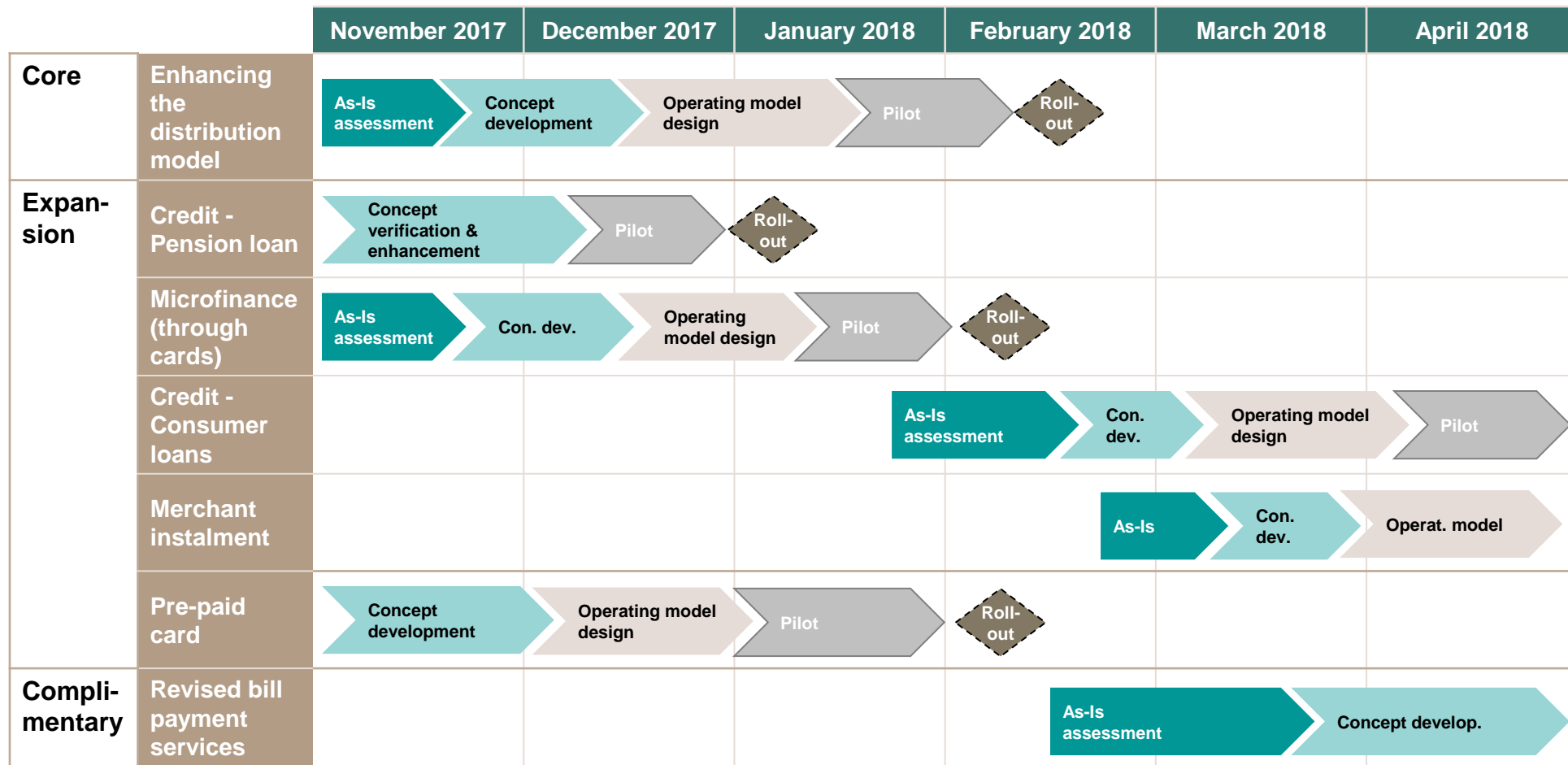
# In determining business expansion (or, entry into new areas of activity), we will follow a set of strategic guidelines to help provide focus and efficiency



- Extend within other financial services lines and diversify offerings, potentially looking to become an **end-to-end service provider** for all types of clients (not only individual customers, but also B2B)
- Capture more share from the value chain **leveraging salary business assets** (customer, systems, relations, know-how) through product portfolio extension along credit and installments
- Continuously improve and grow the salary disbursement business, where **Client's core competency lies** – focusing on better and broader channels, service level, customer touch points and product offerings

# We prioritized our efforts in November 20xx in line with our strategic goals, ambitions and market conditions

## Commercial roadmap



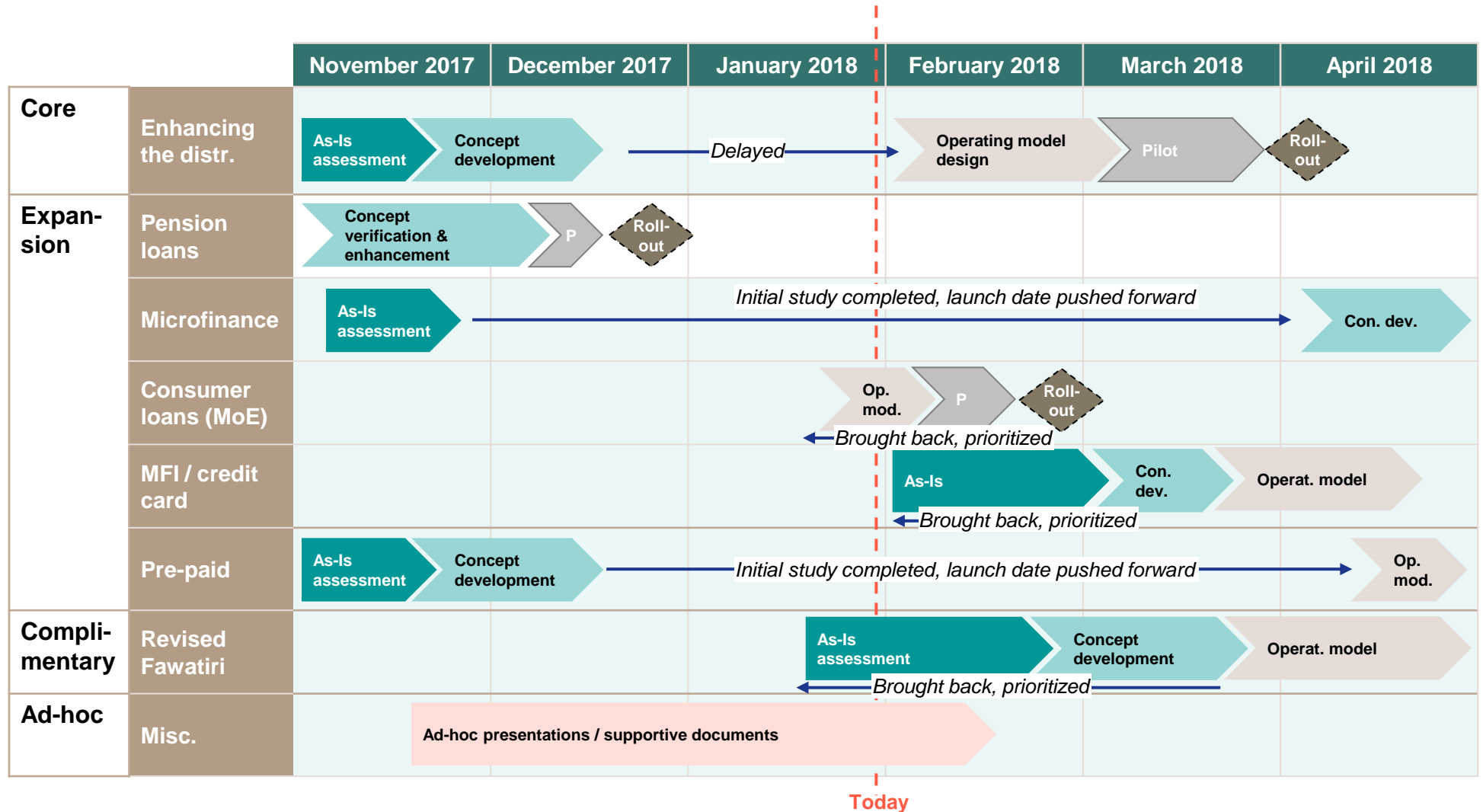
# And in line with our vision, we developed a set of strategic initiatives focused on building along a number of critical financial services related activities

## Main objectives of each business line

		Objective
<b>Core</b>	Enhancing the distribution model	Improve operational efficiency and service level of existing CoA network, further enhancing CBI compliance
<b>Expansion</b>	Credit - pension loan	Enhance our value proposition to become much more than just a salary disbursement company, serving the entire Iraqi market
	Microfinance (through cards)	Widen loan business line with a social responsibility perspective and improve card adoption
	Credit - consumer loans (MoE)	Leverage existing salary cardholder portfolio and know-how gained from other financing products on a consumer loan business to capture more value and improve Iraqi market prosperity
	Merchant instalment	Keep money in the system with extensive retail network and increase financial inclusion
	Credit card	Increase profitability of credit and card businesses and complete payment system eco-system while transforming to a cashless society
	Pre-paid card	Provide service to non-customer consumers and enhance value proposition of “core business” with a complimentary card product
<b>Complementary</b>	Revised Fawatiri (bill payment)	Enrich financial offerings and increase share of wallet and customer retention, as covering both individuals and corporations

# We have been able to manage around changing priorities and developments, staying broadly consistent with the plan

Revised commercial roadmap



# Working effectively with the team, we've delivered on a number of critical strategic and operational items – the last few months have been very productive for the Commercial team

<b>Core</b>	<b>Enhancing the distribution model</b> <i>(the only item that is delayed)</i>	<ul style="list-style-type: none"> <li>Our consultant helped the management team assess and have a decision on potential franchisee models and super-agent positioning, which will improve operational efficiencies               <ul style="list-style-type: none"> <li>- <i>Due to delay in receiving merchant level transaction data and unavailability of responsible party, As-Is assessment is at work-in-progress stage</i></li> </ul> </li> </ul>
<b>Expansion</b>	<b>Credit - pension loans</b>	<ul style="list-style-type: none"> <li>Pension loan has been launched successfully, reaching more than 50K pensioners within the first 2 months of the loan</li> <li>Performance of the loan can be monitored weekly and monthly as commercial, operation and finance teams agreed on the reporting framework and will provide required info / metrics</li> </ul>
	<b>Microfinance (through cards)</b>	<ul style="list-style-type: none"> <li>Global benchmarks and value proposition alternatives are shared with the related parties to have vision on potential targets to enrich loan products, while the product is planned to be initiated after pension &amp; MoE loan</li> </ul>
	<b>Credit - consumer loans (MoE)</b>	<ul style="list-style-type: none"> <li>In order to monitor the product's performance closely from day one, reporting framework of MoE loan is developed before the product launch, as application process is still under development</li> </ul>
	<b>Pre-paid card</b>	<ul style="list-style-type: none"> <li>Our consultant provided global best practices and helped us simplify prepaid value proposition considering Iraqi market and our targets</li> </ul>
<b>Complimentary</b>	<b>Revised Fawatiri</b>	<ul style="list-style-type: none"> <li>New pricing structure with 2 different pricing principles for utility bill and loan payments is defined which will maximize our revenue from different type of payments</li> </ul>
<b>Ad-hoc</b>	<b>Miscellaneous</b>	<ul style="list-style-type: none"> <li>Target study for 20xx is completed, including operational targets and expected revenue</li> </ul>
		<ul style="list-style-type: none"> <li>An introductory document on loan products is developed for marketing and communication purposes, aiming the Prime Minister Office</li> </ul>
		<ul style="list-style-type: none"> <li>Loan performance summary document is delivered weekly to keep the management team updated</li> </ul>

# We are currently working on a number of critical items in line with our strategic plan, all with substantial impact on the business

Planned activities for upcoming period

## Salary

- **Complete franchisee value proposition and super-agent positioning** and design pilot study to test proposed actions

## Loan & credit

- **Put loan reporting activities on the right track** and hand over to our teams, ensuring seamless transaction
- **Focus on credit card**, analyzing existing offerings in Iraq and global benchmarks, and developing value proposition
- Assess potential **value proposition alternatives for merchant funded instalment** with financial model (incentives, commissions, etc.)

## Bill payment

- Re-build business model and **revise product design of Fawatiri** with strong go-to-market strategy

Develop a **management KPI dashboard** across all business lines (salary, loan, credit, bill payment and remittance) to review periodic reporting against targets

# Our year-end ambitions have been clearly defined – this is a very exciting year for us

20xx targets and potential risks & opportunities to be managed

## Cardholders

Net add

528 m

10%

## Transaction

Total number

53 m

18%

## Loan

Number of granted loan

370 k

## Bill payment

Total number of txn

320 k

## Remittance

Total number of txn

8 k

## Prepaid

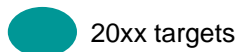
Total cards sold

20 k

## MFI

Total number of txn

19 k



20xx targets



Increase from 20xx

## Risks & Opportunities













- 01** Technology coordination (i.e. migrating to 2<sup>nd</sup> generation cards, completing POS transformation, etc.)
- 02** Partnership opportunities (local and international), vendor management and partnership management
- 03** Cost management and optimization of direct / indirect cost items
- 04** Resource building and corporate knowledge management (HR capacity improvement)
- 05** Regulatory management with publicity & opinion leadership



# Given bandwidth, we have made massive progress on key strategic objectives – particularly along the “expansion” side of our business

Status update on each business line

 In progress  Completed

		Sub-activities	Work item	Status	Key accomplishments
<b>Core</b>	Enhancing the distribution model	As-Is assessment	As-Is assessment of existing CoA network		
		Concept development	Super-agent / franchisee concept development		<ul style="list-style-type: none"> <li>Defined clear super agent / franchisee value proposition with roles / responsibilities</li> </ul>
<b>Expansion</b>	Credit - pension loan	Concept verification & enhancement	Business & monetization model update		<ul style="list-style-type: none"> <li>Designed a successful loan product, covering financial model to maximize Client revenue, sales pitches for potential investors, go-to-market strategy and well-structured reporting tool</li> </ul>
			High level marketing / communication strategy		
			Sales pitch / communication activities		
	Pilot	Monitoring and reporting tools framework			
	Microfinance (through cards)	As-Is assessment	As-Is assessment of microfinancing tools		<ul style="list-style-type: none"> <li>Drew framework for potential microfinancing tools in line with global examples</li> </ul>
	Credit - consumer loans (MoE)	Concept verification & enhancement	Sales pitch documents		<ul style="list-style-type: none"> <li>Finalized product design, enriching the loan portfolio, with performance monitoring metrics</li> </ul>
		Pilot	Monitoring and reporting tools framework		
	Merchant instalment / credit card	As-Is assessment	As-Is assessment of existing credit card market in Iraq		
Pre-paid card	As-Is assessment	As-Is assessment of pre-paid card market		<ul style="list-style-type: none"> <li>Designed pre-paid card value proposition that is applicable to Iraqi market and agreed with the management team</li> </ul>	
	Concept development	Pre-paid card value proposition design			
<b>Complimentary</b>	Revised Fawatiri	As-Is assessment	As-Is assessment of existing bill payment offerings in Iraq		<ul style="list-style-type: none"> <li>Identified final pricing model and revised revenue model</li> </ul>