



Bancontact Company and Payconiq Belgium bringing their expertise and innovative skills under one roof.

Following a commitment agreement signed by the shareholders of Bancontact Company and Payconiq Belgium on 26 March 2018, the two firms intend to merge into a single entity to be called Bancontact Payconiq Company. The completion of the merger is scheduled for the second quarter of 2018. This new Belgian company will offer innovative products for both domestic and European payments, including a unified payment app: 'Payconiq by Bancontact'. In the meantime the two existing payment apps – the Bancontact app and Payconiq app – will remain available. The trusted Bancontact card will continue to exist, under the same name, for use both with online purchases and in bricks-and-mortar shops.

BEST OF BOTH WORLDS

The merger promises the best of both worlds for both consumers and merchants. Payconiq enables mobile payments by smartphone. You link your bank account to the app and you can then pay for purchases in physical stores or on e-commerce sites by scanning QR codes, confirming your payment with either your fingerprint or a PIN code. With mobile payments, Payconiq retailers and traders receive the money in their accounts immediately without the need for any extra hardware such as a payment terminal. Bancontact Company, which offers both the Bancontact card and the mobile Bancontact app and enjoys widespread trust among web-stores, retailers, merchants and banks, will ensure broad reach among consumers. The merger will thus bring the complementary expertise and innovation capabilities of Bancontact Company and Payconiq Belgium under one roof so as to take full advantage of the fast-growing demand for safe, high-performance and user-friendly payment solutions.

Michael Anseeuw, Chairman of the Board of Bancontact Company: *"It is important that Belgium maintains its pioneering role in the European payments market, where*



the opportunities are enormous. That requires a strong alliance of expertise and talent.”

FIVE BANKS, PAYMENT SOLUTIONS FOR ALL

Five banks are lined up behind this new Belgian provider. AXA Bank, Belfius, BNP Paribas Fortis, ING and KBC are all shareholders in Bancontact Company. Belfius, ING and KBC have for some time been shareholders in Payconiq Belgium and were recently joined by BNP Paribas Fortis. However, payment solutions for both electronic and mobile purchases will not be restricted to customers of the five banks, but will be available to all.

Ivo De Meersman, Chairman of the Board of Payconiq Belgium: *“The new company has the ambition to bring mobile payments within reach of all merchants, including those who currently cannot accept such payments. It will do so by offering innovative and attractively priced solutions.”*

MOBILE PAYMENTS BECOMING THE NEW NORMAL

The practice of paying for purchases with a smartphone is steadily gaining ground. The ‘Great Bancontact Payment Survey 2017’, whose results were published by Bancontact Company in November 2017, indicated that the way we pay for things is now at a tipping point. Two out of three Belgians rarely carry cash in their pockets nowadays. Some 29% of those surveyed even expressed the belief that cash will no longer exist in ten years’ time. On 16 March, it was Payconiq’s turn to announce the results of its own mobile payments survey. Fully 91% of those surveyed stated that they would be paying for goods with a smartphone during the coming year. Six out of ten respondents said they would prefer to pay by mobile everywhere, and hoped that retailers and the authorities would make an effort to catch up with the demand for this way of paying for purchases.

The figures clearly show how Belgians feel about this subject. The total number of payments made via the Bancontact Company and Payconiq Belgium apps quadrupled in 2017 versus 2016. In 2017 Bancontact and Payconiq together processed some 15 million mobile payments.

Ivo De Meersman: *“Bancontact Payconiq Company will focus entirely on mobile payments. Paying by smartphone is now becoming as natural as paying with a Bancontact card.”*

NEW PAYMENT PRODUCTS, BUILDING FURTHER UPON TRUSTED PAYMENT SOLUTIONS

Bancontact Payconiq Company will be launching new payment products such as the 'Payconiq by Bancontact' mobile payments app for use both in Belgium and abroad. Until then, the new company will be building further upon tried and trusted payment solutions, and consumers will still be able to use the existing payment apps and payment card as before. Both systems will also remain available to merchants.

Michael Anseeuw: *"The integration between Bancontact Company and Payconiq will take place gradually. During that process, we will continue to provide consumers and retailers with the payment solutions – both those of Payconiq and Bancontact – with which they are familiar."*

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About Bancontact Company

Bancontact, Belgium's favourite payment method, is available in physical stores, at webshops and via mobile apps. The country's market leader in electronic and mobile payments uses an omnichannel strategy that is unique for Belgium – and continues to break new ground in technological innovation. Mobile payments are growing at lightning speed. Every month, 2 million mobile purchases are made (with smartphone or tablet) via the Bancontact app. 30% of all online Bancontact payments are performed with the Bancontact app. At the same time, the Bancontact card continues to lead the way in electronic payments, with over 1.42 billion transactions a year in Belgium. The Bancontact payment app and other innovations provide the perfect complement. So that you can make easy, dependable payments with Bancontact – anywhere, any time. At the cash register, online or with your smartphone, for small and large amounts.

About Payconiq Belgium

Payconiq Belgium, based in Hasselt, was set up in May 2017 under a joint initiative by ING, KBC and Belfius. Payconiq, intended as a European payments solution, was tested and first launched in Belgium. Today, Payconiq Belgium provides the Payconiq payment solution in the Belgian market and so far over 45,000 retailers have adopted the system. By end-2017 the Payconiq app had been downloaded half a million times. The Payconiq app allows simple and easy payments, regardless when, where and how: in shops, web shops or mobile apps. For merchants Payconiq is the way to receive mobile payments without needing a payment terminal. In short: Payconiq the mobile way to pay".

