

## Building the World's First Portable Interoperable Mobile Wallet and Payment Technology to Enable the Conversion of Currency and Making Payments Globally



**Andre Itwaru**  
Chairman, President & Chief Executive Officer

First Global Data  
[www.firstglobaldata.com](http://www.firstglobaldata.com)

Contact:  
Nadia Alli, VP Marketing  
416-504-3813 ext 258  
[ir@firstglobaldata.com](mailto:ir@firstglobaldata.com)

Interview conducted by:  
Lynn Fosse, Senior Editor  
CEOCFO Magazine

**CEOCFO: Mr. Itwaru, what is the concept behind First Global Data™?**

**Mr. Itwaru:** The concept behind First Global is that we are a financial services technology company. We have mobile payment technology that we are deploying in different countries around the world. Then what we are doing is we are connecting those deployments through our international compliance hub, which will allow for the portability of mobile wallets, so that you can use it to travel, convert currency, make payments locally and you can also make cross border payments with it.

**CEOCFO: What is the challenge in putting all of this together?**

**Mr. Itwaru:** Of course we would like to be in every single country, but that is not likely. Our approach is to find strategic partners in each country to accelerate our deployments. It would take some time to find those key strategic partners that understand the domestic terrain, the rules and regulations of those countries and that we can work closely together with.

**CEOCFO: Regulations are different country to country, but do they change often, so that once you get it in place there are going to be constant tweaks?**

**Mr. Itwaru:** That is a good question! Globally, there are fairly standard rules and regulations. They vary slightly country by country and the rules do change from time to time. We have designed our technology platform to make it relatively simple for us to just log in and within minutes make a quick change. So, we are able to keep up with the changes to regulations.

**CEOCFO: Who is using this system today? Who should be?**

**Mr. Itwaru:** Basically, our strategic partners, and we have quite a few. However, I can zone in on the one in India, for example, which is a bank called Vijaya Bank. We have partnered with them, have provided them with our mobile payment technology, and we have also built what we call an "ecosystem". The ecosystem is made up of a variety of services represented by various buttons the Bank's customers can tap on to spend and buy products, services and things like that, right across India. It is available in the real world, so at every physical location, where mobile wallet payment methods are accepted and also virtually where people can make bill payments and things like that right off the mobile phone.

**CEOCFO: Are these typically people that are unbanked people or would this be something everyone eventually might want to use, as it is easier and safer?**

**Mr. Itwaru:** That is a good question. In India we are partnered with a bank. In Ethiopia we are partnered with a telecom company. Therefore, they vary. On a country by country basis the appeal may be different. In India you have a high adoption and a high percentage of users of mobile technology and because of the partnership with the bank it is the banks

clients that are actually using the platform. In the case of an Ethiopia or Columbia where we are doing the deployments, they are primarily unbanked. Therefore, the appeal is to the banked and the unbanked. We do not have one specific preference, but the focus of our services is for financial inclusion, globally.

**CEOCFO: *With so much global potential, how do you decide where to focus as you reach out to develop partnerships and relationships?***

**Mr. Itwaru:** This is another good question. We look for countries where there is a high penetration of mobile phone usage. These are countries where you do not have to convince anyone to use a mobile phone. Then we look at banking penetration and where the banking penetrating is low. This is normally a good entry point for us. The third consideration is that the partner that we select should have millions of consumers already in their database, so together we jointly work to penetrate that existing client base to generate revenues.

**CEOCFO: *Recently First Global Data announced a new US state license. What is the significance of these?***

**Mr. Itwaru:** I think that the most recent one was Michigan. We have approximately twenty two state licenses across the US right now. In the United States in order to facilitate cross border financial transactions, you must be licensed by both the national and state level regulators. The national regulatory body is called FINCEN. Then for each state in which we operate, we must have a state level license typically issued by the state banking regulator. Obtaining and maintaining these licenses is a serious responsibility. Having these licenses creates a barrier to entry, and with them we are able to provide services such as domestic and cross border payments. Our responsibility is to implement and manage the compliance controls and regimes that come with the licenses, and we are audited every year to insure that we are compliant. Therefore, the obtaining of licenses is a really important part of our strategy.

**“I am actually quite surprised that many larger organizations have either overlooked or could not deliver into some very innovative market segments, but that is good for our company because it has opened the door for us to step into. Opportunities such as the mobile payments for the blind and the cross boarder social networking based payments. These are areas that are very opportunistic for First Global, very doable and it just begs the question on why another company has not actually moved into those fields.”- Andre Itwaru**

**CEOCFO: *Would you tell us about the prevalence of cross boarder payments? What is the potential there?***

**Mr. Itwaru:** The potential is astronomical. The cross boarder payment business is a very, very large market right now. It was six hundred and eighty five billion dollars in 2015. Then in the mobile payment side it is about one trillion dollars this year. It is a large market. It is being served by the historical or legacy type companies where you have to walk into a physical location and you send the money and you do a cross boarder payment. Ours is primarily through mobile technology and online.

**CEOCFO: *Would you talk about security?***

**Mr. Itwaru:** One of the things is that we are very lucky to be regulated by the US regulators. For example, in the state of New York, which is the financial capital of the United States, the banking regulators there are very aggressive about having controls in place. Therefore, we have to have things that will protect the identity of the consumer. We cannot share the identity of a United States citizen with other countries. There are many checks and balances. There are cyber security controls that we have to put in, so that people cannot hack into the phone. We do things like storing sensitive information on servers as opposed to on a phone. Then the whole compliance aspect kicks in where certain types of transactions are monitored, certain velocity of transactions, certain limits of transactions; so there is a lot in the back end of our technology that allows us to feel comfortable when the regulators come in to audit us, that we are compliant.

**CEOCFO: *What is the business model at First Global? What are the arrangements as you partner?***

**Mr. Itwaru:** First Global provides industry leading mobile technology and will white label it for our strategic partners. First Global builds out the ecosystem where customers can pay bills or send money or user other services that are desirable in that specific country. We partner with organizations that have an embedded base of millions of consumers. Our partner then markets to that embedded consumer base to encourage them to download the mobile payment app, and to use the various services. We would typically share revenues 50/50. Therefore, every time a customer taps on one of those buttons and purchases a product or a service, we share the revenues with our partners. This is a winning formula and we have experienced a tremendous amount of interest in our company in part because of our business model.

**CEOCFO: *In 2016 you did become profitable. What has changed? Is it volume? Is it direction? How do you continue on the trajectory?***

**Mr. Itwaru:** That is a really good question. In 2016 we made the decision to change our business model to focus securing strategic partnerships for the deployment of the technology and we adopted a two stepped approach to revenues. We focused on securing licensing revenues which we evolve into transactional revenues, and this has been the main catalyst in the growth. In 2016 we also started to implement those partnerships. You will see announcements such as the launch of the mobile wallet in India, our cross border remittance business really started to kick in also. We also did not scale up aggressively on our costs, we eliminated debt from our balance sheet, and these are the main contributing factors. In 2016 we had revenues of approximately US \$6.2 million, as compared to the prior year of approximately US \$895,000. Hopefully, that will give you a sense of what happened, where the turnaround occurred. That was almost a six hundred percent increase, year over year. In the first quarter of this year, in 2017, our revenues in the quarter alone were approximately US \$3.3 million. Therefore, we are well on our way to some significant growth this year, as compared even to 2016.

**CEOCFO: *Has the investment community been paying attention?***

**Mr. Itwaru:** Not enough; let us put it that way. We are embarking on a public relations process right now. Therefore, this interview with you would help in a very significant way. I was also recently interviewed on Bloomberg Going forward, I am embarking on road shows, which is more to meet our shareholders, investors, and to generally meet the investment community to let them know about some of the good news that is happening in the company and what our direction is. To answer your question, I would say that the investment community does not know enough about us yet. However, we intend to move forward with various initiatives that will help to address that.

**CEOCFO: *There are many companies in some part of global payment, but it does not seem as many are as extensive as First Global. However, how do you stand out?***

**Mr. Itwaru:** There are many factors which make us stand out. One key element is that we are a compliance oriented company and we hold licenses to operate as a Money Service Business. Another is that we have incredible technology, both factors enable us to provide mobile payment and cross border payment services in compliance with regulatory guidelines. In addition, we believe that in order for a mobile payment service to be successful it has to enable non credit card holders to use the service also. There are many companies out there, some of the big names that everyone knows which only allow credit card holders to use their mobile payment service. With them, the way you do the mobile payment is you add your credit card into your mobile phone and then when the transaction occurs it is actually hitting against your credit card, so it is being charged to your credit card. We are different. We have various types of loading methods or different ways for the customer to pay for a transaction, not just with a credit card. The biggest movement that we are seeing right now is in the consumers desire to hold on to a phone, tap on a button and maybe send money to one of their friends or send money cross border back home to their family or buy a product from an international vendor, which is an m-commerce type of service. That is where we are different. Then we have deployed a service on a social messaging platform called WeChat. It is the first of its kind in the world, where you have the monetization of a social networking environment with payment. We are the first company to have done that. We made that announcement perhaps two weeks ago and we are moving on other innovative things, such as we are working on a solution right now where we would be the world's first mobile payment solution for the blind. We are focusing on that market segment, because that is a very underserved market right now. In a nutshell, we are a very innovative company.

**CEOCFO: *What might people miss when they look at First Global Data, either from the investment perspective of as a business partner? What is not obvious that people should understand?***

**Mr. Itwaru:** I find it very, very interesting that we have done very significant deals with very large opportunities. For example, with the telecom company; 20 million subscribers and on the social messaging platform for transactions to China. They have one hundred million subscribers that are in their social networking environment. The probability for us to increase our valuation significantly over the next year is there. I do not believe that the markets actually understand that. We are focusing on penetrating one million active users who generate two hundred and eighty dollars in fee revenues for our company per year. For us it is a very, very clear objective. That is one thing that I do not think that people understand; that there is a real capacity for this company to grow in a very significant way. From the partners perspective we have been seeing a lot of demand. We have, right now, seventy two business opportunities that have evolved over the last year. I think the partners are seeing the opportunity. I think that they are seeing the fact that we are not a greedy company. We do not sell software. We partner with them. We roll up our sleeves as they would and we work together with them to make us both successful. Our revenue share model is indicative of that approach. Therefore, if they succeed we succeed.

**CEOCFO: *What surprised you throughout the process of development and commercialization?***

**Mr. Itwaru:** I am actually quite surprised that many larger organizations have either overlooked or could not deliver into some very innovative market segments, but that is good for our company because it has opened the door for us to step into. Opportunities such as the mobile payments for the blind and the cross boarder social networking based payments. These are areas that are very opportunistic for First Global, very doable and it just begs the question on why another company has not actually moved into those fields. However, when we look at it, it is likely because they do not have the combination of assets that we have along with the licensing and the technology itself, so it almost does make sense. One of the things that I am hoping that the readers will get out of this is an awareness of who we are. The sincere desire is that the investment community keeps watching First Global Data. We are deploying solutions in the United States and Canada right now. I think that as we deploy closer to home it becomes more of a reality for those watching and following us.

