silverlake
SYMMETRY AT WORK

# GULF GOES DIGITAL

In the Middle East, digital banking innovation has been picking since the fintech regulations started rolling out in 2017. For example, the Central Bank of Bahrain established a sandbox in 2017 – allowing FinTechs a regulatory testbed to launch new digital solutions and products.

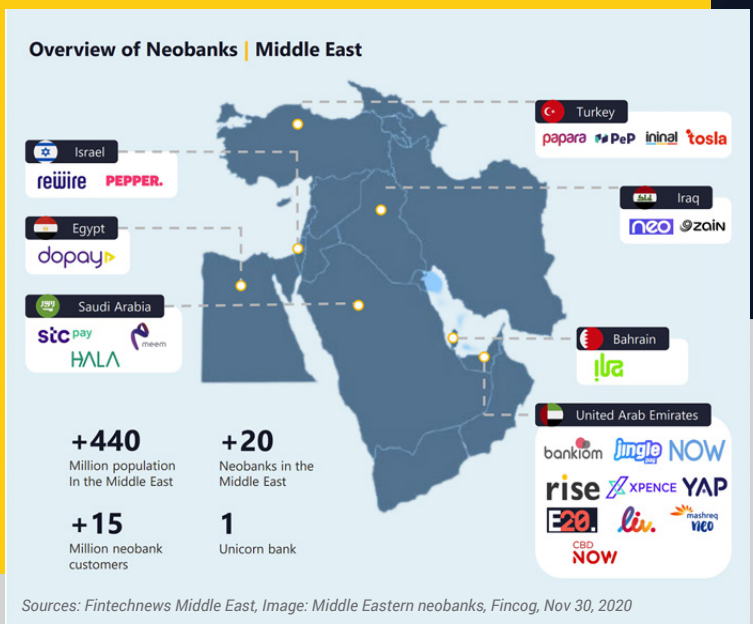
COVID-19 has accelerated digital adoption in the Gulf – forcing many customers to go online during extended lockdowns. According to market research firm, Mordor Intelligence, the digital payments market in Middle East and North Africa is expected to grow at a CAGR of 15.39% between 2021-2026.

ILA Bank, a standalone digital bank headquartered in Bahrain, is one of more than 20 neobanks in the Gulf region providing a full range of financial products. Launched by Bank ABC in 2019 as a proof-of-concept implementation in Bahrain, the digital bank was meant to leverage its parent's strength, technology and IT services but will run independently. The mobile-only bank offers users an instant virtual card for online transactions, flexible funding options and the ability to store funds in different currencies.

Fast forward to 2021 and the digital bank is set to grow further across the region, with Jordan as its first stop.

Silverlake Symmetri is supporting ILA Bank by providing back-end components such as ATM listening and Open APIs required by ILA Bank's mobile-only setup from Bank ABC's existing core banking platform. Bank ABC's core banking platforms and delivery prowess has been powered by Silverlake Symmetri since 2003 and will be future-ready for a seamless digital experience.

Digital payments market in Middle East and North Africa CAGR of **15.39% (2021-2026)**.




*Sources: Fintechnews Middle East, Image: Middle Eastern neobanks, Fincog, Nov 30, 2020*

QR RETAIL AUTOMATION

# Digital Retail Success

**Congratulations to Metro Singapore for winning the Department Store of the Year – Singapore at the Retail Asia Awards recently.** It was the first department store to roll out QR-driven press ads and introduce in-store live streaming during the pandemic.

Silverlake is honoured to work with Metro in automating their online sales processing and fulfilment with our Omnichannel solution and to manage their inventory with AgoraCloud.

# Core Banking Transformation Secrets

40 percent of core banking transformations fail due to incomplete delivery, loss of confidence, significant budget overruns, decreased operational efficiencies, and customer frustrations.

The right partner is critical for a successful transformation exercise.
**We believe in the 3Es – Experience, Expertise and Execution**
– to ensure a transformation success rate of 90% or higher.

Since 1989, Silverlake has continually evolved and successfully journeyed with our customers on their core banking transformations. We understand that every customer is unique and bring hyper-personalised and configurable technology together with experience to execute transformation.

**Core Banking Transformation KPIs***

| KPI | 2015 BENCHMARK | | 2020 BENCHMARK | BENCHMARKS THAT 3E-TYPE PROJECTS DELIVER |
|---|---|---|---|---|
| Core Project Success Rate | ~50% | → | ~70% | >90% |
| Total Core Budget | $100mil–$1bil | → | $10mil–$100mil | $100K–$5mil |
| Capital Commitment | 70% Capex | → | 20% Capex | <5% Capex |
| Time to Launch | 3–5 years | → | 1–3 years | 1–3 months |
| Resources to Launch | 200–1,000 | → | 50–100 | 10–25 |
| Cost/income Ratio Impact | 50%–60% | → | 45%–50% | 25%–35% |
| Cutover Downtime | 2–4 days | → | 1–2 days | Zero |
| Change Frequency | Quarterly | → | Monthly | Daily |

* IDC research of Core Banking Transformation in Asia/Pacific regions

Recognising every customer is unique and with its own unique identity, Silverlake has a straight through solution, regardless of the customers' preferred path or roadmap.

## Earnings Recovery Expected

Analysts expect Silverlake Axis' earnings to recover as banks increase demand for its technology solutions after holding back on capital expenditure and tech spending over the past few quarters.

CGS-CIMB analyst Andrea Choong said that the roll-out of MÖBIUS, a cloud-based core banking system, is core to Silverlake's earnings recovery.

## Islamic Finance Innovation



Othman Abdullah, Chief Executive Officer, Islamic Banking, Silverlake Group has been appointed as a founding member of Malaysia's fintech in Islamic finance programme, i-Connect. Spearheaded by the Ministry of Science, Technology, and Innovation together with INCEIF and Akademi Sains Malaysia, the founding members will provide advance and guidance to develop technology innovations in Islamic finance.

## Community Care

Team Silverlake Structured Services rallied together – donating meals and care packages for those affected by the COVID-19 pandemic. The care packages included daily necessities such as rice, eggs, vegetables, potatoes, and poultry. We'll continue to work together to help our communities thrive despite.

