

Banking products | Mobile payments

Mobile payment start-up Digicash raises €2.2 million



Raoul Mulheims (Digicash), Patrick Nickels (SNCI), Mike Sergonne (Digicash), Georges Berscheid (Digicash) (from the left to the right)

Digicash Payments, the Luxembourg-based mobile payment specialist, has just closed a €2.2 million funding round backed by its founders, the SNCI and the Luxembourg Government. This additional funding will allow the company to start a new phase of development, both on a national and on an international level. The next step relates to the installation of Digicash Beacon payment terminals in Luxembourg and a first international project as a mobile payment technology provider.

Digicash began as a start-up building a whole new mobile payment ecosystem in Luxembourg. After having signed up Luxembourg's main retail banks (BCEE, POST Luxembourg and BIL, soon to be joined by BGL BNP Paribas) to provide the Digicash Apps to their clients, the company continues to grow its local acceptance network. Furthermore, **R&D efforts are currently devoted to the Digicash Beacon project**, introduced in January 2014. This concept, based on a combination of Bluetooth Low Energy (**BLE**), **NFC and QR Codes**, enables consumers to **trigger payments using any of these technologies** with their smartphone at the point of sale, always delivering the best user experience available. Digicash Beacon payment terminals will be deployed in shops by the end of the year.

Today, Digicash Payments has grown into a premium **technology provider for mobile payments**. Its high performance processing platform and Apps enable its clients and partners to benefit from the company's unique expertise acquired since 2010 in the mobile payment area. Products and services are not only suited for **banks and payment specialists**, but also for **retailers and telecom operators**.

To support the company's development, Patrick Nickels, President of the SNCI, has signed an agreement with Raoul Mulheims, Mike Sergonne and Georges Berscheid, the founders of Digicash. Thus, together with the support of the Luxembourg Government, they **completed a new funding round of €2.2 million, which aims at accompanying the company's next phase of development**. "We are of course very happy to work with the SNCI and the Government for the development of our mobile payment business", says

Raoul Mulheims, CEO of Digicash Payments. “This will enable us to **accelerate our growth both in Luxembourg and on international markets**”.

At the time of granting this loan, the SNCI has reminded of its mission of supporting innovative start-up companies. As Mr Nickels points out: “This project demonstrates the SNCI’s financial intervention in innovative projects, carried by young Luxembourgish start-ups. The Digicash project is a project with a **high technological added value and thus very promising for the development and the diversification of our economy.**”

About Digicash Payments S.A.

The Digicash mobile payment tool was first launched with Luxembourg’s State and Savings Bank (Banque et Caisse d’Epargne de l’Etat, Luxembourg) in November 2012. POST Luxembourg joined in at the end of August 2013. In March 2014, Banque Internationale à Luxembourg (BIL) was the third bank to offer Digicash to its customers. On the payer’s side, the Digicash product is available as an App for iOS and Android smartphones through participating banks, which has been downloaded by approximately 10% of local bank clients, meeting both the industry’s security standards and delivering an outstanding user experience.

In Luxembourg, payments are carried out from the payers’ bank accounts via SEPA Credit Transfers using existing interbank channels (STEP2). Being linked directly to bank accounts, Digicash differs from other mobile payment products that typically require users to open a new account or to top-up e-money accounts. It is used both for payments of small amounts and for higher value payments: the default spending limit is set at €2,500 per transaction and per week and can be increased or decreased by the customer (up to €10,000 for certain banks).

After the successful establishment of a national mobile payments ecosystem, Digicash Payments S.A. is now using the highly competitive Luxembourg financial centre as a springboard to enter international markets. As a premium technology provider, Digicash Payments provides retail banks and payment specialists with an EU regulation-compliant end-to-end mobile payment solution (Apps, issuing and acquiring platforms) with a proven track record at a national level.

The Digicash platform and Apps have been developed by the Luxembourg-based start-up Digicash Payments, which was incorporated in May 2012 and holds an EU Payment Institution license. It is backed and run by local entrepreneurs who had already established a mobile operator-based payment system in 2006, first covering Luxembourg carriers followed by the French market in 2009. In 2014, Luxembourg’s national credit and investment institution SNCI and the Luxembourg Government contributed to a new €2.2 million funding round enabling Digicash Payments to accelerate its growth.

More information:

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