

Soft Space Sdn. Bhd.
Yamato Transport (M) Sdn. Bhd.

**Expanding card on delivery services through mPOS for Yamato's E-commerce arm,
via an alliance between Soft Space Sdn. Bhd. and Yamato Transport (M) Sdn. Bhd.**

PRESS RELEASE: September 28th, 2016

"Card payment on delivery services", a new offering for E-commerce businesses in Malaysia, is a new service utilizing mobile point of sales ("mPOS" *) launches on October 3rd provided by Yamato Transport (M) Sdn. Bhd. ("Yamato Malaysia") (Head office: Malaysia, Managing Director: Shuji Yamauchi) which is a subsidiary of Yamato Holdings Co., Ltd. and Soft Space Sdn Bhd. ("Soft Space") (Head office: Malaysia, CEO: Chang Chew Soon) a Fintech company.

1. Background

Malaysia has the second highest internet penetration rate in Southeast Asia after Singapore, and a high rate of mobile communication device adoption. In January 2015, Malaysia launched the Payment Card Reform Framework to foster a more efficient, transparent, and competitive payment card industry in Malaysia. Part of Bank Negara Malaysia' KPI is to achieve 25 EFTPOS terminals per 1,000 inhabitant and 30 debit card transactions per capita. Meanwhile, the Malaysian E-commerce (EC) market is growing rapidly at 17% CAGR. These trends demonstrate an increased demand for diversified EC payment acceptance capabilities.

2. Summary of alliance

Yamato Malaysia cooperates with Soft Space to install mPOS* to the existing Yamato Malaysia service, "Card payment on delivery services" to better serve the buyer with a simple, safe, reliable and convenient payment method. At the first stage, we offer this service focusing in peninsular Malaysia, and sequentially planning to extend a service area to the whole of Malaysia.

Through this alliance and payment service, Yamato Financial Co., Ltd. ("Yamato Financial") (Head office: Tokyo Japan Representative President: Toshizo Kurisu) which is a subsidiary of Yamato Holdings Co., Ltd. is leveraging on Yamato Malaysia based upon the strong Japan expertise at payment solutions.

* mPOS consists of a smartphone, tablet or dedicated wireless device coupled with a secure card reader that plays the role of an electronic point of sale terminal.

3. Service features

(1) This service enables you to pay for an item purchased on the EC site via credit cards and branded

debit cards at the point of delivery.

- (2) Signature is accepted on the mobile device's screen. If the cardholder verification method is PIN, the cardholder enters the PIN on the secure PIN pad.
- (3) Payment receipt will be sent by SMS or email.



4. Benefits of utilization

(1) Benefits for consumers

- ① We resolve the anxiety of having to provide payment before receiving a product, by allowing card payment on delivery.
- ② We realize to receive a product smoothly, by resolving cash payment at entrance porch within excluding to prepare small change.
- ③ We offer a smooth and convenient payment service by digitizing the conventional card payment process, via the provision of electronic signature and sending of e-receipts.

(2) Benefits for merchants

- ① Card payment at the point of delivery will provide a level of comfort for the user. The enhanced user experience contributes to building consumer trust.
- ② Additionally, alternative payment options will enhance sales opportunities, and encourage repeat sales.

5. Date of service release

October 3rd Monday, 2016

6. Overview of Soft Space

Soft Space is a mobile payments technology company, headquartered in Kuala Lumpur, Malaysia. Established in March 2012, Soft Space focuses on the development of innovative solutions for the banking and payment industry.

The Soft Space Mobile Point-of-Sales solution aims to revolutionise payments. It is certified by EMV, PCI

and major card schemes; making it secure, credible and recognized globally. Soft Space is known as the first company in Asia to obtain a centralised EMV Level 2 certification for mPOS.

Soft Space's vision is to empower all businesses and individuals to accept multiple forms of card payments by being a technology enabler for financial institutions. Its centralised mPOS platform is designed to address the fragmented market of Asia, the main beneficiary of mPOS. The company has a presence in 10 countries, with over 20 banks and financial institutions licensing its mobile payment technology. These achievements are recognized and supported by the Malaysian Investment Development Authority (MIDA) and the company has become among one of the fastest growing Fintech companies in ASEAN.

www.softspace.com.my

7. Future development

Yamato Group has been promoting Southeast Asia development of payment services, within the payment expertise built upon Yamato Financial vast experience in Japan. We continuously aim to enrich our society throughout Southeast Asia by developing "Safe", "Reliable" and "Convenient" payment solution with local IT companies.

Soft Space and Yamato Group continuously cooperate to promote and to develop new payment services in Malaysia.

8. Contact

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