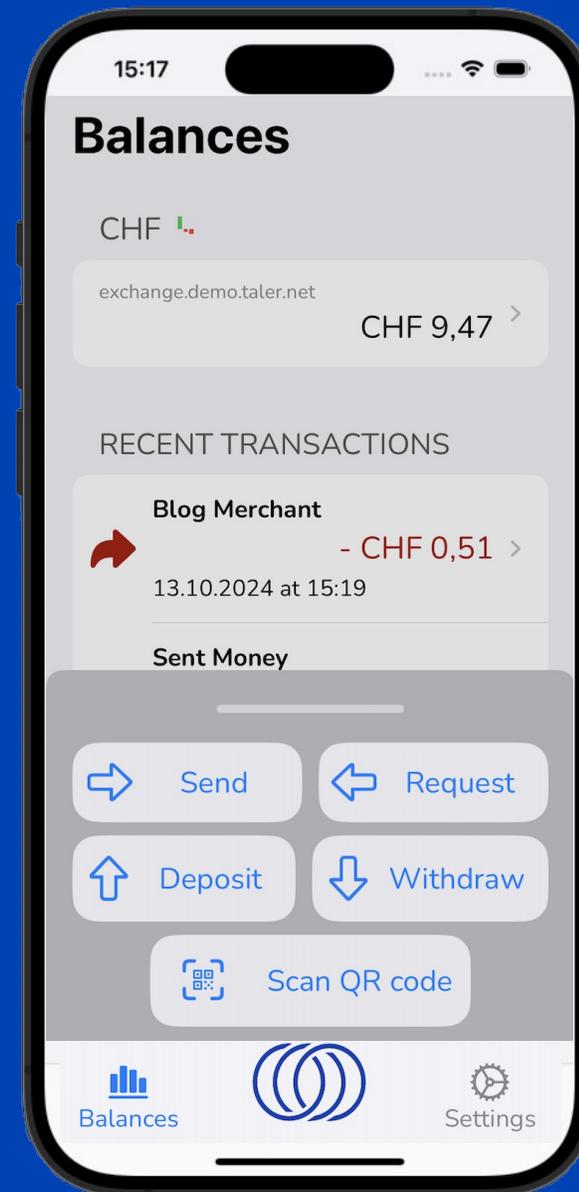




Taler Systems SA

Investor Brief

Micro-payments with privacy

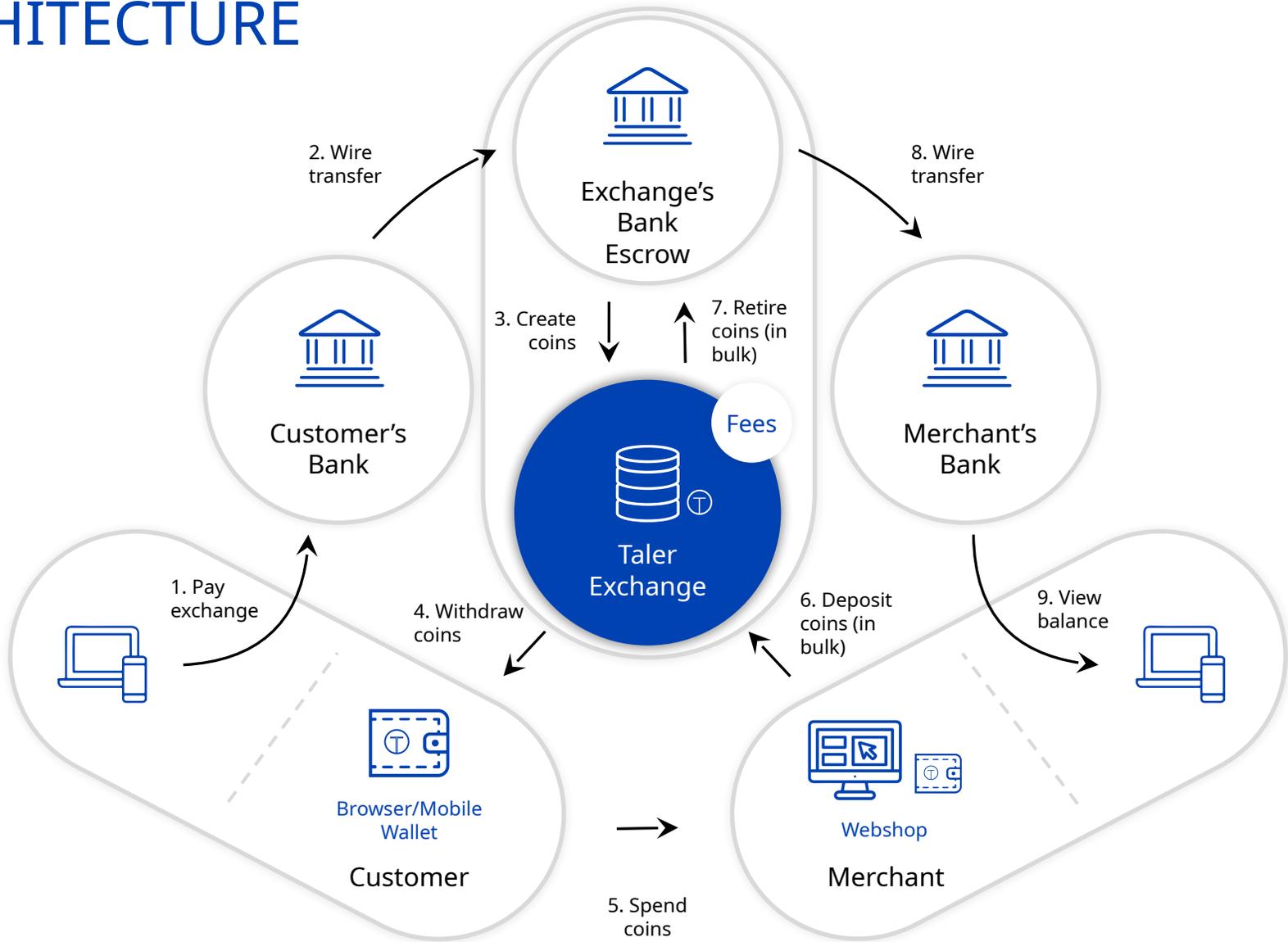


MARKET PROBLEMS

- **Receiving money is complicated & expensive for merchants**
- **Spending digital money with privacy is today impossible for users**
- **Micro-transactions (10 cent or less) are today not economically viable and not usable**



Solution ARCHITECTURE



WHY ARE WE BETTER?

CONSUMER IMPACT OF TALER

Convenient. Instant. 1-click. No risk. Full privacy.

MERCHANT IMPACT OF TALER

Convenient. Instant. Low cost. No Fraud. No intermediaries. No compliance nightmares.



Convenient:
one click instant payment in fiat currency/other assets



Friction free security:
Payments do not require sign-up, log in or multi-factor authentication



Privacy-preserving:
payment requires/shares no personal information



Bank account:
not required



Instant clearance:
one-click transactions and instant clearance at par



Easy & compliant:
GDPR & PCI-DSS compliance free and **without** any effort

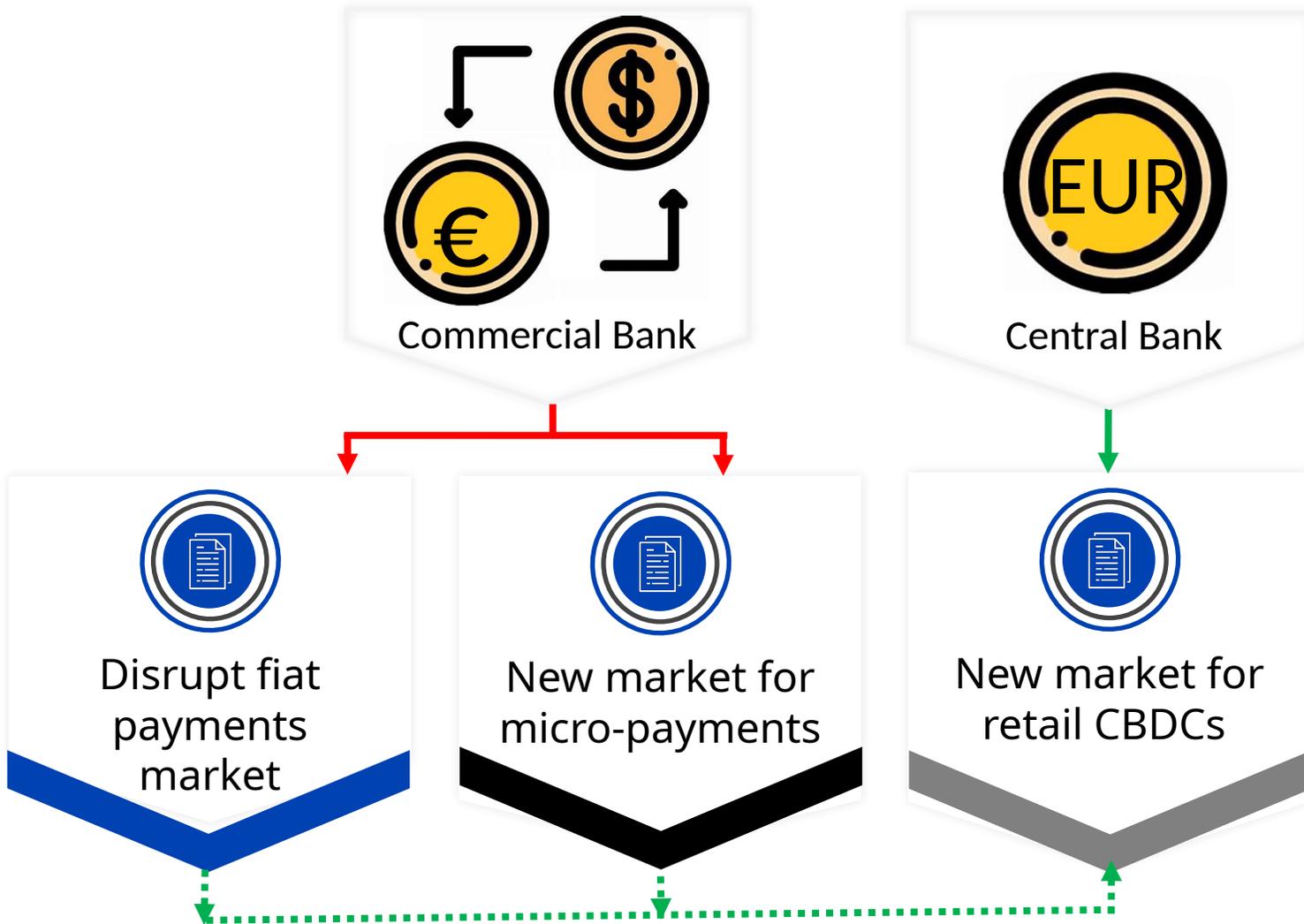


No cost / Low cost
efficient protocol + no fraud = extremely low costs



1-Click checkout:
without Amazon and without false positives in fraud detection

HOW WILL WE ENTER THE MARKET? MARKET SEGMENTS



- Other opportunities:
- + Share tokenization
 - + Other tokenization
 - + Smart contracts
 - + Internet of Things
 - + local currencies
 - + crypto-currencies
 - + rewards
 - + anti-spam



HOW WILL WE ENTER THE MARKET? MICRO-PAYMENTS FOR PUBLISHERS

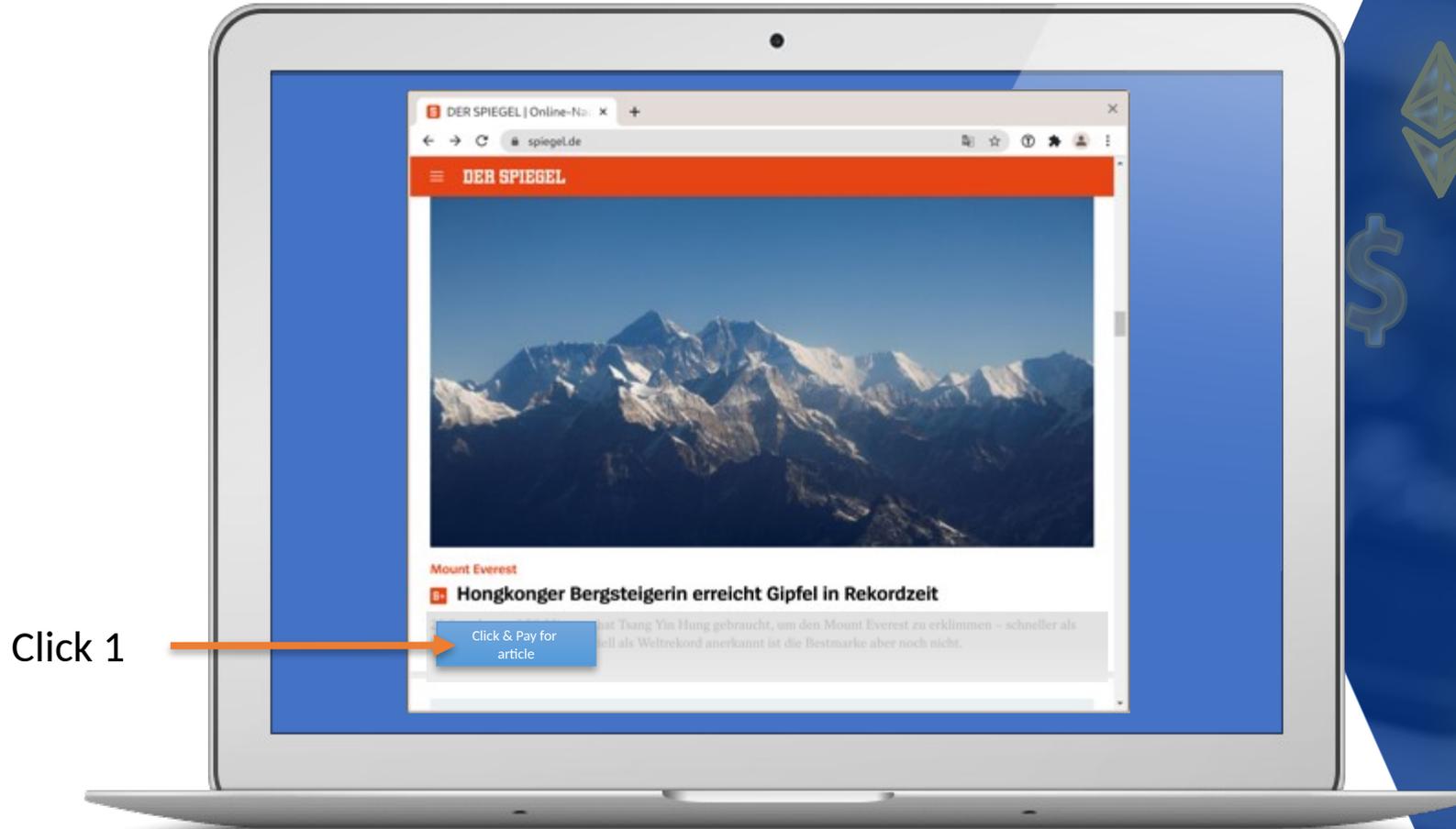


Merchant cost savings and new revenue streams drive adoption.
Free/Libre open source community accelerates it.
Privacy protection & usability offer unique appeal for consumers.



User Buying Experience (1/3)

Frictionless One-click instant payments without login or registration, here illustrated with an article



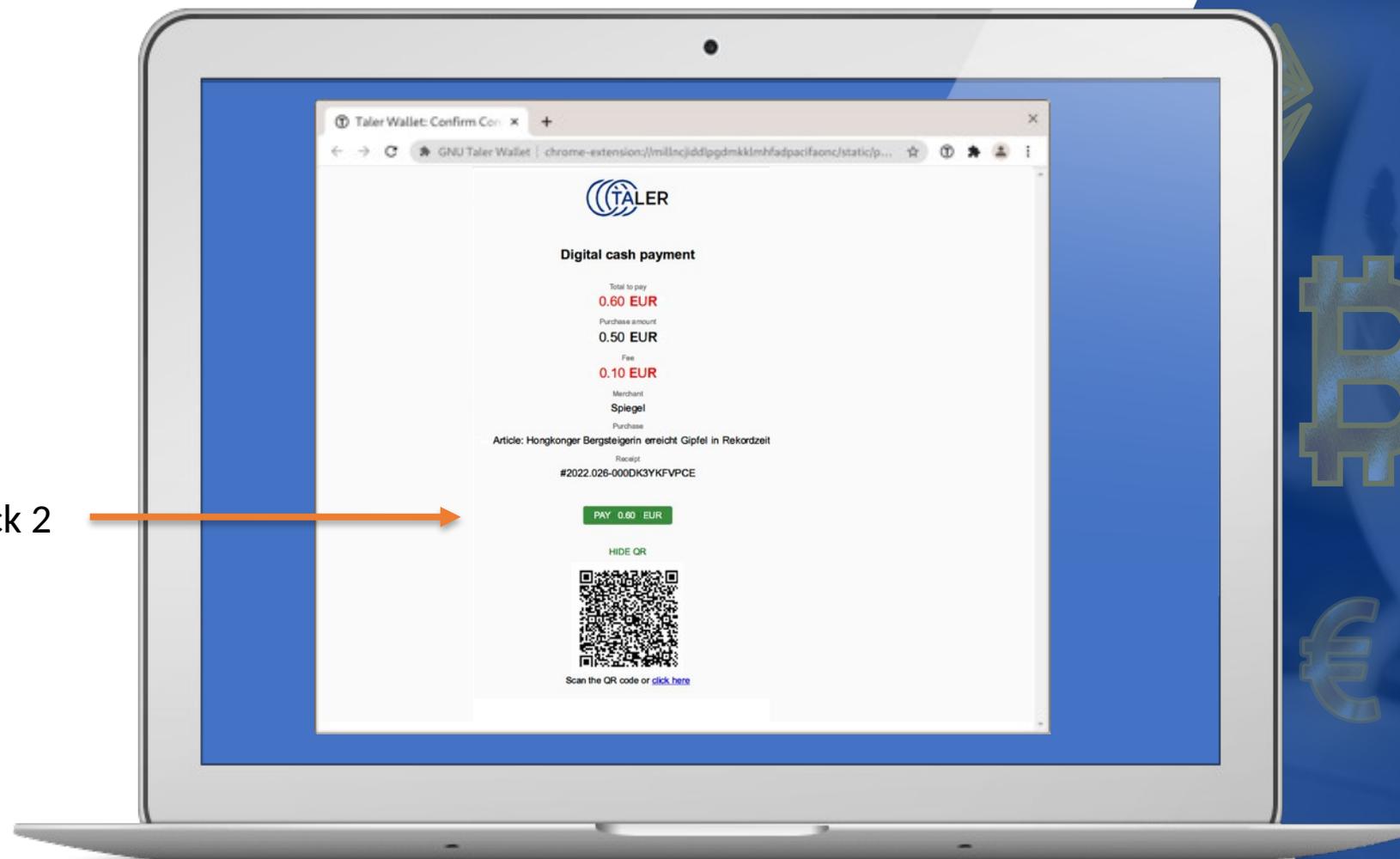
Click 1





User Buying Experience (2/3)

One-click instant payments without login or registration – money received by media house instantly



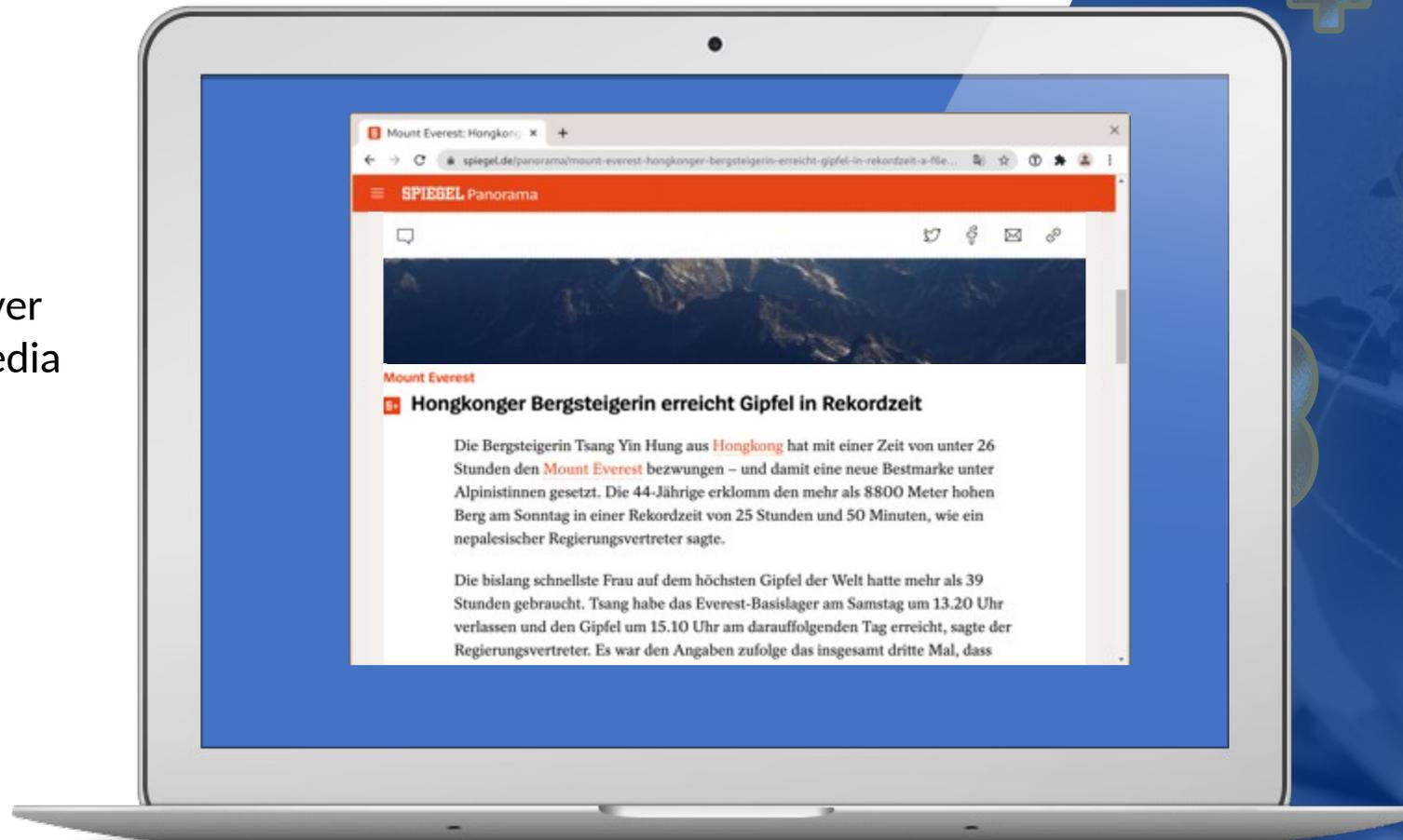
Click 2





With 2 Clicks:

- Article available to buyer
- Money received by media house



I. Target Market Segments (Prioritized Phases)

- Phase 1: Micro-payments for publishers
- Phase 2: e-commerce
- Phase 3: community
- Phase 4: Expansion into IoT, asset tokenization, and niche markets

II. Customer Acquisition Strategy

- Pilot projects with early adopters
- Strategic partnerships (banks, developer community)
- Marketing and sales tactics (direct outreach, industry events)

III. Growth and Expansion

- Regional rollout plan (starting with Switzerland & European Union)
- New use cases and integrations (IoT, smart contracts)

IV. Key Differentiators

- Privacy, cost efficiency, frictionless payments, Free/Libre open source software



EU PROJECT NGI TALER



PARTNERS

The NGI TALER consortium consists of 11 partners from 8 European countries (the Netherlands, Belgium, France, Germany, Greece, Hungary, Luxembourg and Switzerland).

The consortium is diverse in terms of types of institutions, including research (Eindhoven University of Technology) and applied science universities (Berner Fachhochschule BFH), small for-profit companies (Code Blau GmbH, Taler Systems S.A., VisualVest), a structure (petites singularités), cooperative banks (GLS Bank, MagNet Bank), a foundation (Stichting NLnet) and grassroots movements (E-Seniors Association, Homo Digitalis).



Eindhoven University of Technology



GLS Bank



Code Blau GmbH



VisualVest



Taler Systems S.A.



petites singularités



E-Seniors Association



Homo Digitalis



Stichting NLnet



MagNet Bank



Bern University of Applied Sciences



How do operators earn money?

OPPORTUNITIES FOR BANKS

- **New revenue streams** via transaction fees and high margins in **micro-payments**
- **Interest income** on reserve account
- **Lower operational costs** compared to card-based systems
- **Improved customer experience** with fast and privacy-preserving transactions
- **Attract new customers**



HOW DO WE MAKE MONEY?

OUR BUSINESS MODEL

INSURANCE & SUPPORT

Retail Banks (GLS Bank, Magnet Bank):

Legally operate Taler exchanges & earn money from fees
Share revenue with us in return for warranties (SLA) and support

New in 2025: Contract with GLS Bank signed!

Central banks:

May operate Taler without charging fees
Need training of domestic support staff and 3rd-level support
Different pricing model

New in 2025: Quantum-safe protocol design available!

OPERATIONS

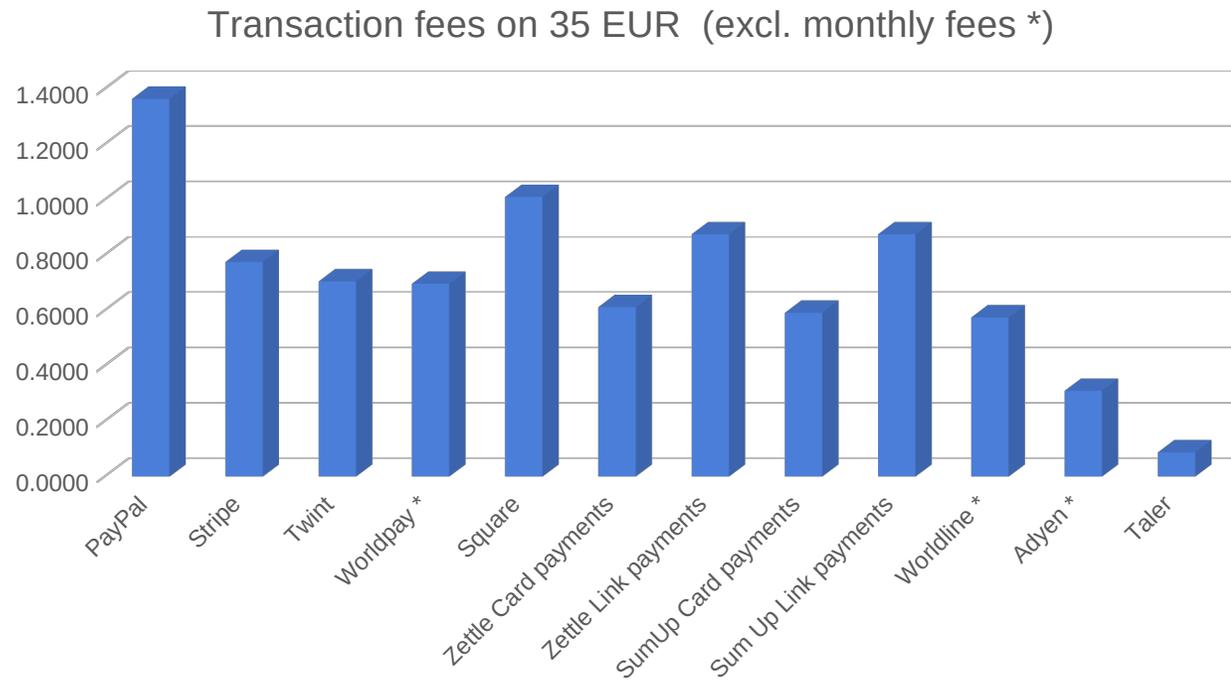
Taler Operations AG operates system in Switzerland.
100% of earnings remain with us.
Viable due to low-cost operation under Swiss sandbox rule.
Going live in May 2025!



MARKET ANALYSIS COMPETITION

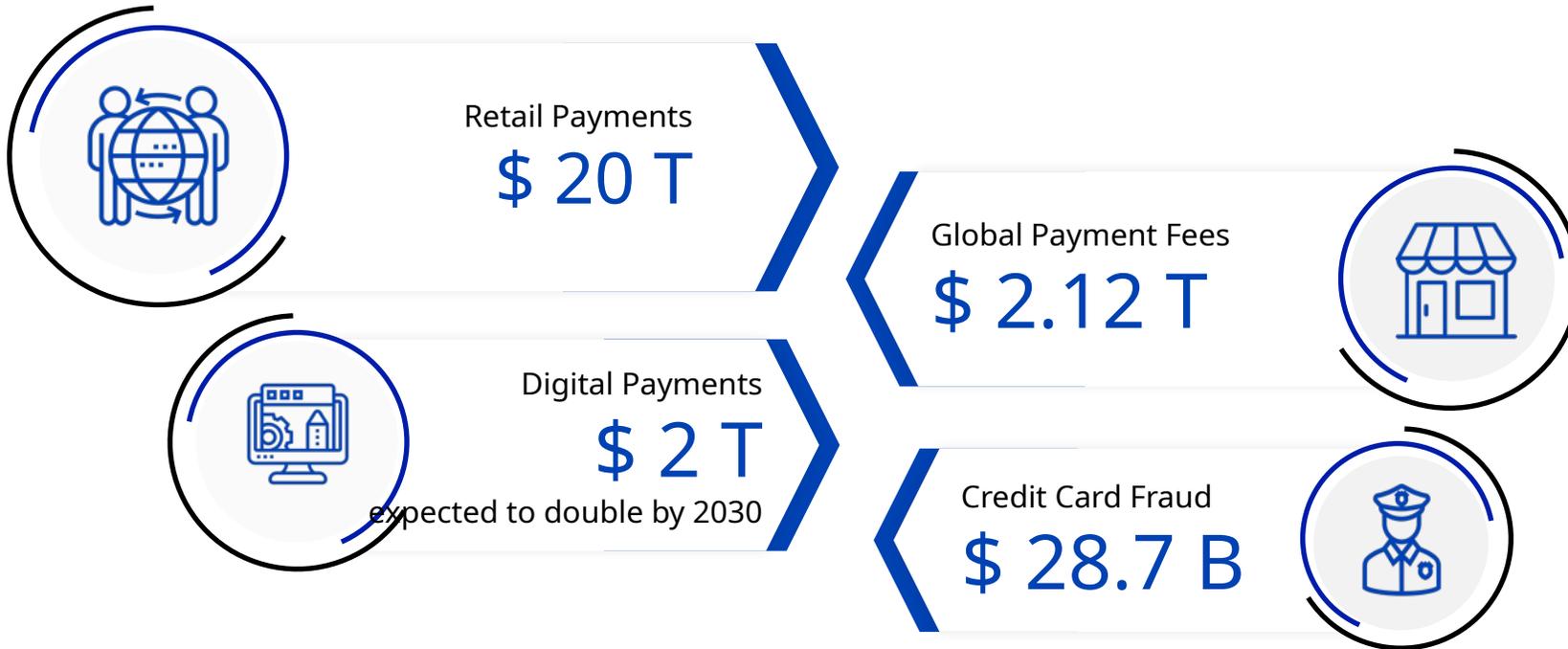


Fees associated with paying for a €35 Barber visit:



Note: Each Taler operator can configure fees.
Technical operational costs at scale are even lower.

PAYMENT AMOUNTS GLOBALLY



2023 McKinsey Global Payments Report



	Credit Cards	PayPal	Apple Pay	Zelle	Banked :	Zcash	TALER
Convenience	✗	✓	✓	✓	✓	✗	✓
Income Transparency	✓	✓	✓	✓	✓	✗	✓
Customization	✗	✓	✗	✗	✗	✗	✓
Without bank account	✗	✗	✗	✗	✗	✓	✓
Cost / Micropayments	✗	✗	✗	✗	✗	✗	✓
Dispute-free	✗	✗	✗	✗	✗	✓	✓
Privacy	✗	✗	✗	✗	✗	✓	✓
Independence	✗	✗	✗	✗	✗	✓	✓
Value based / cash-like	✗	✗	✗	✗	✗	✗	✓
Programmable	✗	✗	✗	✗	✗	✗	✓

LAUNCHES

IN 2024/25 WITH EARLY ADOPTERS



Event Currencies (2024)

i.e. Datenspuren Conference, ...

Local Currency (2024)

i.e. Basel Netzbond

Switzerland eCHF (H1 2025)

regulated by FINMA/SRO

Germany eEUR (H1 2025)

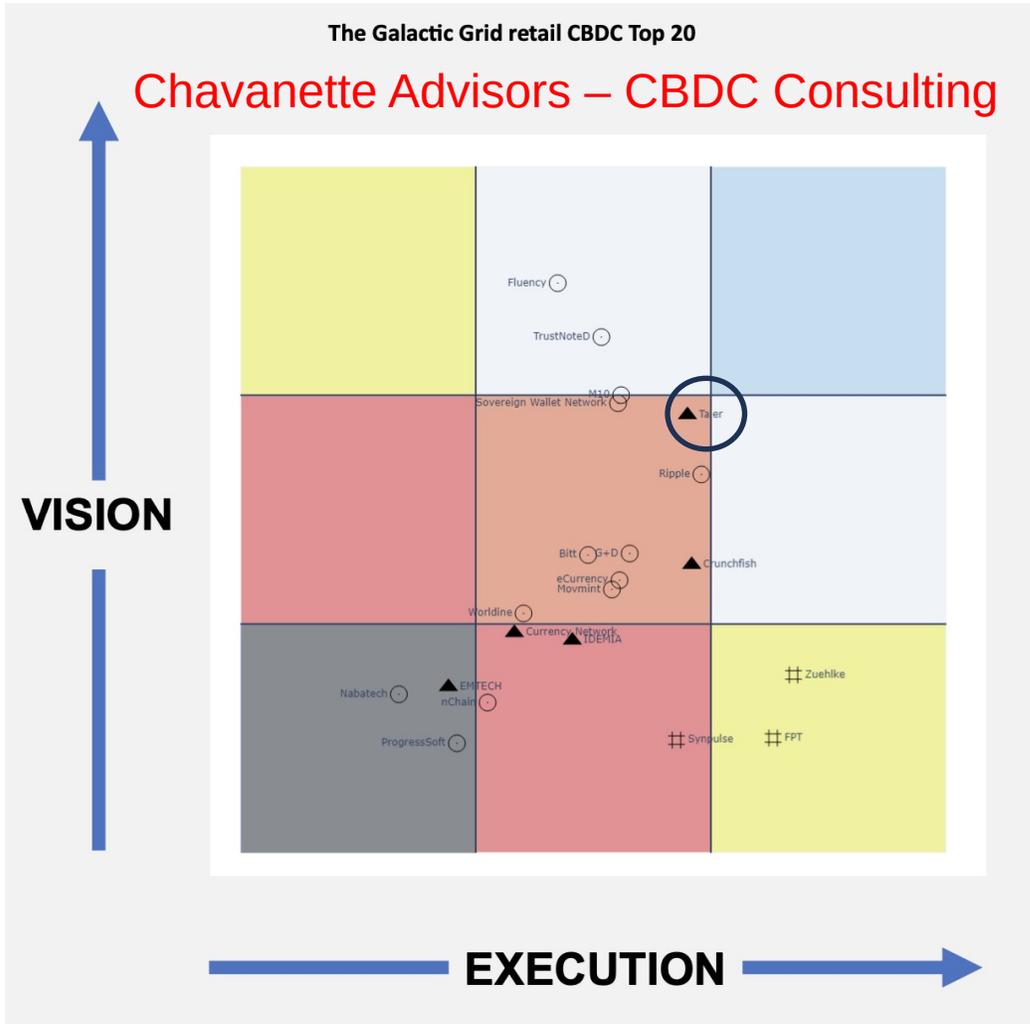
operated by GLS Bank

Hungary eHUF (H2 2025)

operated by Magnet Bank



TRACTION in retail CBDC



Taler sets the bar in rCBDCs as well.

OUR SOLUTION

IN SUMMARY

BUILDING AN OPEN DIGITAL CASH NETWORK WITH FRICTIONLESS USER EXPERIENCE

with these USPs:

Frictionless, cryptographically secured, instant payments/transactions using cash-like **value-based tokens** in **electronic wallets**



Powered by **unlinkable coins** created with **blind digital signatures (as ZKPs)**



Allowing **one-click authorization**, instead of multi-step, multi-factor authentication, improves usability, eliminates fraud and preserves payer privacy



Frictionless one click, cash-like digital payments & instant confirmation for all fiat- and cryptocurrencies and for all users, unbanked, young and old.



With income-transparency on the recipient side is crime-preventing & Taler coins are as secure as cash without counterfeits. No ID theft.



Guaranteed privacy for spender & data minimization: payment requires/shares no personal information.



No bank account needed



Highly efficient in power, processing & storage, extremely low cost & highly scalable to 100'000 transactions/sec.



Economically viable (sub-cent) instant micro-transactions for e-commerce, Internet of Things, machine2machine...

EXPERIENCED TALER LEADERSHIP



Prof. CHRISTIAN GROTHOFF

CEO, Co-Founder

Christian is Professor for computer science at the University of Applied Sciences in Bern focusing on network security and privacy. He is an Ashoka fellow, on the GNU advisory board and maintains four GNU software packages.

PhD in computer science from UCLA, M.S. in computer science from Purdue University, and Diploma in Mathematics from University of Wuppertal.



FLORIAN DOLD, PhD

CTO, Co-Founder

Florian is a passionate programmer and researcher. Prior to co-founding Taler, he worked on GNUet, a decentralized and privacy-preserving peer-to-peer Framework.

Master of Science from Technical University of Munich.
PhD from Inria / Rennes 1 on the subject of Taler.



LEON SCHUMACHER

Chairman of the board, Co-Founder

Leon is a leader in the international CIO community and a serial entrepreneur. Prior to co-founding Ekho, Taler and pEp Security, Leon served as group CIO at two global Fortune 100 companies, Mittal Steel and Novartis. Leon also was founder and CFO of GSX.com, a leading internet marketplace for metals.

Master in electrical engineering from ETH Zürich, Master in management from HEC Paris, post-MBA from Kellogg School of Management at Northwestern University.



SPIN OUT
of
Inria
the French National Institute
for Research in Digital Science
and Technology.

TEAM

EXPERIENCED TALER LEADERSHIP



MICHAEL WIDMER, PhD

Chief Legal & Regulatory Officer

Michael is an entrepreneur, and he brings to Taler his extensive banking and financial market experience. In his 20 years of experience in the international financial sector, he worked as a commercial lawyer, as managing director of the Eurex stock exchange and as Co-CEO of the Gutenberg Group. Michael is also admitted to the Bar Association in Zurich.

Ph.D. in Law from the University of Zurich and an executive MBA from University of Rochester.



BERNA ALP

Head of Finance

Berna is an economist by trade with 25+ years in IT, including roles as an SAP consultant at Andersen Consulting and projects for the World Bank. She is a board member of ISOC Switzerland and former chair of the Thunderbird Project. Berna also volunteers for organizations supporting an open, private Internet and free software.



RAHEL SURBECK

Head of Human Resources

Rahel excels with brilliant psychological capabilities and manages our HR resources from eight nations, has responsibility for gender equality, conflict management, diversity, and internationalisation of our growing team, urging to employ more female members than is proportionate to the IT industry nowadays.



Prof. MATTHIAS WÄHLISCH

Grant Recipient, Advisor

Matthias is a Professor of Computer Science at Freie Universität Berlin, heading the Internet technologies research group. His research focuses on efficient, reliable, and secure Internet communication. Matthias is the PI of several national and international projects. He is actively involved in the IETF since 2005 and co-founded multiple successful open source projects such as RIOT and RTRlib. Matthias is a member of the Advisory Board of the Berlin Commercial Internet Exchange BCIX.

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of

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the French National Institute
for Research in Digital Science
and Technology.

WE ARE RAISING ANOTHER ROUND OF CAPITAL



Planned capital raise of
€ 2.5-5m



To add key features:

- Asset tokenization & post-quantum 4 rCBDC
- Address bank's business requirements for launch
- Address merchant's integration requirements

To finance operation for next 36 months:

- Ramp-up sales service & support
- Ramp-up business development & marketing
- Go to market internationally



THANK YOU

**Please reach out
for your in-depth
Taler session**

Leon Schumacher

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Phone: +41 44 280 1200