

# OnLine | InStore | OnMobile



New York | Atlanta

Symbol: OLBG

# FORWARD LOOKING STATEMENT



*These slides and any accompanying oral presentation contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other Federal securities laws. These forward-looking statements are identified by the use of words such as “believe,” “expect,” “prepare,” “anticipate,” “target,” “launch,” and “create,” or similar expressions including statements about commercial operations, technology progress, growth and future financial performance of The OLB Group, Inc. and its subsidiaries (the “Company”). Forward-looking statements in this presentation are subject to certain risks and uncertainties inherent in the Company’s business that could cause actual results to vary, including such risks that the Company’s security applications may be insufficient; the Company’s ability to adapt to rapid technological change; adverse effects on the Company’s relationships with automated clearing houses, bank sponsors and credit card associations; the Company’s ability to comply with federal or state regulations; the Company’s exposure to credit risks, data breaches, fraud or software failures, and other risks detailed from time to time in the Company’s filings with the Securities and Exchange Commission including its Registration Statement on Form S-1 (file No.333-23268) initially filed with the Securities and Exchange Commission on June 26, 2019, as amended. One or more of these factors may have affected, and in the future could affect, the Company’s businesses and financial results and could cause actual results to differ materially from plans and projections. All forward-looking statements made in this release are based on information presently available to the Company’s management as of the date of this presentation and speaks only as of the date on which it is made. The Company disclaims any obligation to update these forward-looking statements, except as required by law. This presentation contains statistics and other data that has been obtained from or compiled from information made available by third parties service providers. The Company has not independently verified such statistics or data. The information presented in this presentation is as of July 24 ,2020 unless indicated otherwise.*

# FREE WRITING PROSPECTUS

*This presentation highlights basic information about us and the proposed offering. Because it is a summary, it does not contain all of the information that you should consider before investing.*

*We have filed a registration statement (including a preliminary prospectus) with the SEC for the offering to which this presentation relates. The registration statement has not yet become effective. Before you invest, you should read the preliminary prospectus in the registration statement (including the risk factors describes therein) and other documents we have filed with the SEC for more complete information about us and the offering.*

*You may access these documents for free by visiting EDGAR on the SEC website at <http://www.sec.gov>. The preliminary prospectus filed on June 11, 2020 is available on the SEC website at <http://www.sec.gov>. Alternatively, we or any underwriter participating in the offering will arrange to send you the prospectus if you contact Aegis Capital Corp., Attention: Syndicate Department, 810 7th Ave #18, New York, NY 10019, telephone: (212) 813-1010. or e-mail: [syndicate@aegiscap.com](mailto:syndicate@aegiscap.com).*

*This presentation does not constitute an offer to sell, or the solicitation of an offer to buy, nor will there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of such state or jurisdiction. The offering will only be made by means of a prospectus pursuant to a registration statement that is filed with the SEC after such registration statement becomes effective.*



CrowdPay US



eVANCE



omnisoft



Cardaccept

DoubleBeam.

# OFFERING SUMMARY

<b>Issuer:</b>	OLB Group
<b>Current Ticker/ Exchange:</b> <b>Proposed Ticker/ Exchange:</b>	OLBG / OTCMKTS OLB / Nasdaq CM
<b>Gross Offering Proceeds:</b>	\$6,500,000 (excluding over-allotment option)
<b>Over-Allotment:</b>	15%
<b>Securities Issued:</b>	Units consisting of Common Stock at \$9.00, 2 Series A Warrants with a \$9.00 Exercise Price and ½ Series B Warrant with a \$4.50 Exercise Price
<b>Use of Proceeds:</b>	To invest in or acquire companies or technologies that are synergistic with or complimentary to our business, expand and market our current products, 20% of the net proceeds will go toward paying down our existing long-term indebtedness obligations and for working capital and other general corporate purposes
<b>Sole Book-Runner:</b>	Aegis Capital Corporation



A person is using a card reader on a tablet in a shop. The card reader is a white device with a black card slot, and the tablet is displaying a payment interface. The background shows a person in a blue patterned shirt and a person in a tan jacket. The scene is set on a wooden table with a silver measuring tape nearby.

# \$965,000,000

YEARLY GROSS TRANSACTIONS VOLUME\*

# 23,500,000

YEARLY TRANSACTIONS\*

# 8,500+

MERCHANTS NATIONWIDE



\*APPROXIMATE AVERAGES BASED ON CALCULATION OF 2018 AND 2019 FIGURES.



# 2,000+

MERCHANTS ON OUR GATEWAY

# 130+

INDUSTRY TYPES

# 50

SELLING IN ALL STATES



CURRENT MISSION

Improve merchant's profitability  
and efficiency by adopting  
OnLine, InStore, OnMobile &  
Contactless solutions.



# WHO WE ARE?

## A Suite of FinTech Products & Payment Facilitator

*seek to Improve merchant's profitability and efficiency by fitting the right tools and services to their verticals*



# INDUSTRIES WE SERVICE

Snack and Nonalcoholic  
Beverage Bars | Amusement  
and Recreation Industries |  
Automotive Repair | Health and  
Personal Care Stores | Specialty  
Food Stores | Formal Wear and  
Costume Rental | Restaurants  
| Bars & Taverns | Ambulatory  
Health Care Services  
| Offices of Lawyers



# CORE BUSINESS

## Integrated Products & Services

### PRODUCTS

#### PLATFORM

**omnisoft**  
omnicommerce solutions



Cloud-based business management platform that provides Omni Commerce Solutions

- onLine
- inStore
- onMobile

#### PAYMENT GATEWAY

**Secure Pay**  
OMNICOMMERCE SOLUTIONS



Payment gateway and virtual terminal with proprietary business management tools

- Certified By Visa/MC
- Level II and
- Level III

#### PLATFORM

**CrowdPay.us**  
crowdfunding platform



Platform to raise capital for Issuers and broker dealers

- Debt
- Equity
- Donations
- Peer 2 Peer lending

### MERCHANT SERVICES

**eVANCE**



- Underwriting
- Risk Monitoring
- Customer Support
- Sales Force
- Merchant Boarding
- Residual Payments

# PRODUCTS & SERVICES

## Synergies



# PAYMENT FACILITATOR

PayFac

## Business model

PayFac is short for Payment Facilitator or Payment Aggregator. The term refers to an individual or entity that accepts payments on behalf of other businesses. These businesses are commonly known as sub-merchants.



### A few important pointers about PayFac

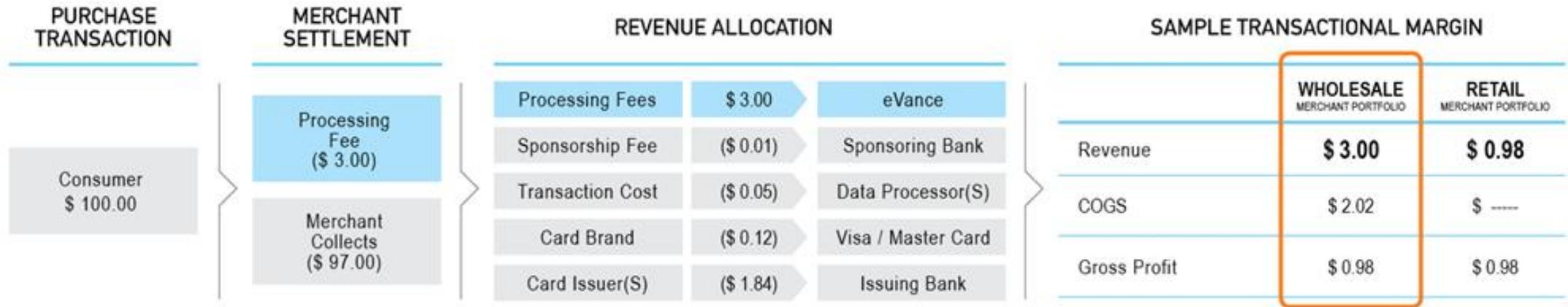
- PayFac assumes the responsibility for Chargebacks, Fraud, KYC (Know Your Customer) and AML (Anti Money Laundering)
- We can underwrite new merchants very quickly (sometimes instantly)
- We are responsible for PCI compliance
- We are registered with acquiring banks
- We have set up reserves to assume risk
- We have software already built into SecurePay to handle all PayFac requirements

# PAYMENT FACILITATOR

PayFac

## GROSS vs NET

Revenue recognition demonstration



PAYFAC WE BOOK ALL REVENUES AND THE ADDITIONAL SOFTWARE SERVICES

# MARKET SHIFT

To OMNIcommerce

Benefits of OMNIcommerce

- 1) Affordable price
- 2) Robust marketing tools
- 3) Full customization
- 4) High-end Security

OLD

NEW



Providing just payment with no history or any data analytics and no access through any other device.

Contactless Payment plus  
order history and analytics on all  
devices.

# PLATFORM OMNIcommerce



## APP FEATURES

PayFac-Split Pay	Cloud Billing
eCommerce	Retail
Omni Commerce	Restaurants
Appointment Setup	Facebook eCommerce
Buy Button Social Media	School Project Funding
	Seed-to-Sale



## COMPLIANCE

EMV Integration	PCI Compliance
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# MARKET PRICE

Cloud-Based products



SaaS Products	Average Market Price Range/Monthly	
Web-Site Builder	\$19.00	- \$250.00
Marketing Tools	\$49.00	- \$149.00
POS System	\$49.00	- \$250.00
Gift & Loyalty Cards	\$35.00	- \$70.00
Payment Gateway	\$15.00	- \$50.00

All Products Combined	\$167.00	- \$769.00
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OLB Bounded Price	\$99.00	- \$199.00
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Affordable Price

# PAYMENT GATEWAY

## Proprietary solution

Enables merchants to reduce transaction costs by removing the need for a third-party payment gateway.

- Customizable payment gateway
- Virtual terminal with proprietary business management tools
- Integrated with all our applications
- Certified for Level II and Level III
- Listed on Visa and MasterCard sites.



# MERCHANT SERVICES

## Features



### Sales channels

- Independent Sales Organizations (ISOs),
- Direct sales
- Independent Software Vendors ("ISVs")
- Agent banks/Credit Unions

## FEATURES

1. MERCHANT BOARDING online system
2. UNDEWRITING department
3. RISK MANAGEMENT team
4. CUSTOMER SUPPORT team
5. SALES AGENTS support system
6. RESIDUAL PAYMENTS accounting team

# CROWD FUNDING PLATFORM

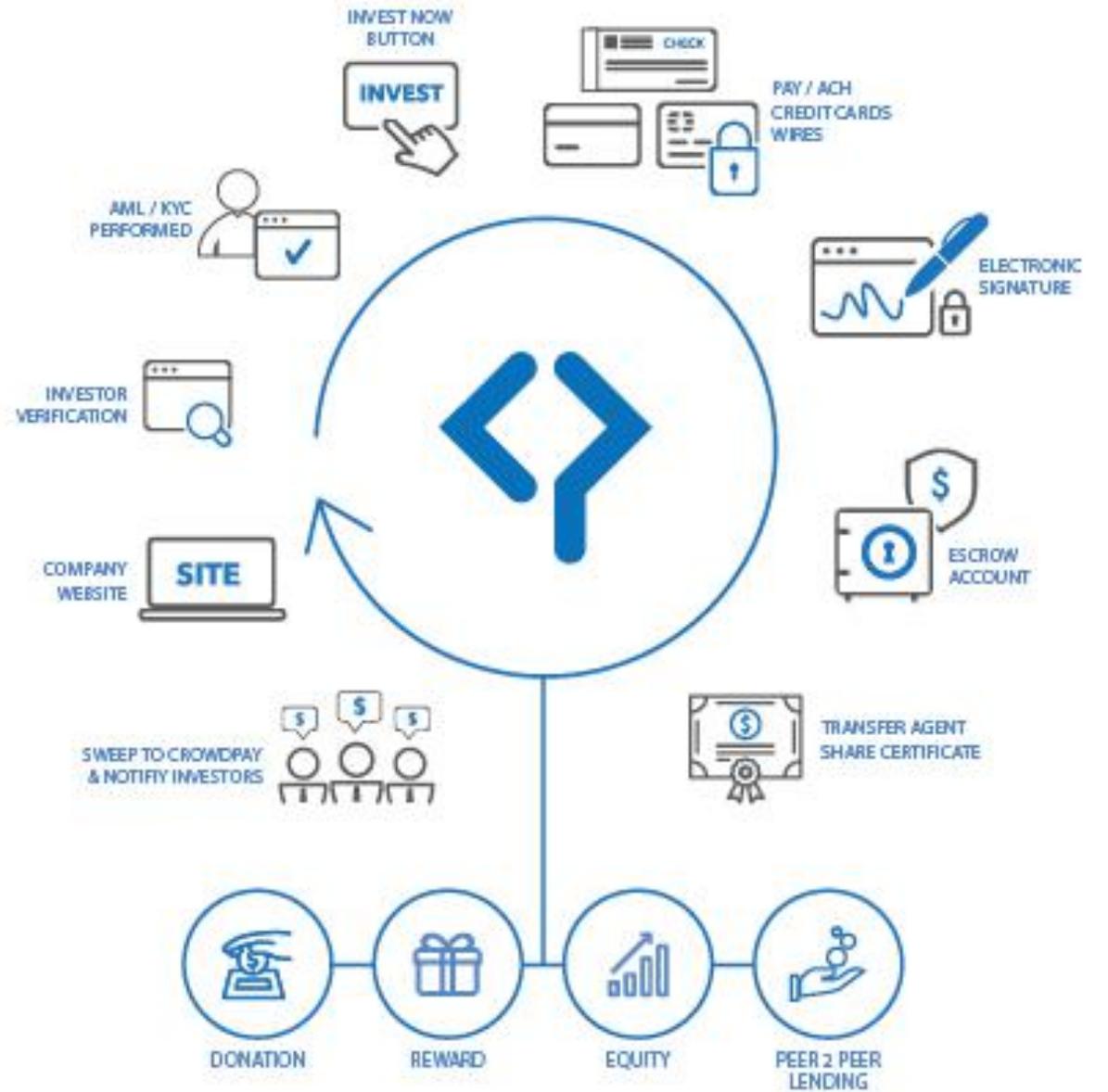
For capital raise  
• \$1MM - \$50MM

Including securities

- 506c,
- Reg CF
- Reg A+
- S-1



CROWD FUNDING



# INTEGRATED PRODUCTS

- eCommerce
- Retail
- Restaurants
- Cloud Billing
- OmniCommerce
- PayFac
- Facebook Commerce
- EMV Integration
- PCI Compliance
- Buy Button Social Media
- School Project Funding
- Appointment Setting



**omnisoft**  
omnicommerce solutions

8,500

MERCHANTS  
NATIONWIDE

23,500,000

TRANSACTIONS



eVANCE

**EXPECTED  
INCREASE IN  
REVENUE &  
PROFIT**

To OLB Group,

# INTEGRATED PARTNERS



# HOW ARE WE DIFFERENT?

*We believe OLB provides more features at a better price than the competition*



	OLB.com	shopify	clover	Square
Smart Phone Payment App	✓	✓	✓	✓
Register POS Stations	✓	✓	✓	✓
Marketing Suite	✓	✓	✓	✓
Sales Tax Manager	✓	✓	✓	✓
Electronic Coupons	✓	✓	✓	✓
Gift Cards and Loyalty	✓	✓	✓	✓
User Friendly Import / Export Catalog	✓	✓	✓	✓
Live Chat Support	✓	✓	✓	✓
Online Merchant Application	✓	✓	-	✓
Shipping Vendor Plugins	✓	✓	-	✓
Shopping Cart	✓	✓	-	✓
Full Web Hosting	✓	✓	-	-
Quick Books Plug IN	✓	-	✓	-
Mail Chimp Plugin	✓	-	✓	-
Payment Gateway	✓	-	✓	-
Appointment / Reservation Scheduler	✓	-	-	✓
Electronic Invoicing	✓	-	-	✓
Interchange Optimization	✓	-	-	-
Cash Discount Programs	✓	-	-	-
Handheld Wireless Terminals	✓	-	-	-
Integrated Scales	✓	-	-	-
Live Customer Support	✓	-	✓	-

*Information about product offerings of Shopify, Clover and Square obtained from publicly available information made available by each company on their websites, marketing materials and SEC filings. The list does not necessarily include all services/products provided by them.*



# ACQUISITION STRATEGY

Purchase merchants' base companies under 10,000 merchants that we believe are not on the radar screen of the big processors.

Purchase portfolios of merchants that make on average from SMB's \$150/monthly.

Integrate our cloud-based applications and services that we believe will increase the revenue and profitability of each merchant.

Based on our past conversion rates, we believe that we can convert 25% of acquired merchants into cloud-based merchants.

We plan to buy low-tech merchants at average price of \$3,000-\$5,000/per merchant and incorporate our technologies following acquisition which will increase their value.

# ORGANIC GROWTH STRATEGY

In-house sales and marketing acquisition cost estimated at \$500-\$750 /per merchant.

Sales Reps – Paid on commissions and residuals.

Agent Banks- Small Banks to send referrals and receive as a split of the merchant revenues.

# FINANCIALS

## The OLB Group, Inc. and Subsidiaries Consolidated Statements of Operations

About Non-GAAP Measures The Company reports its financial results in compliance with U.S. generally accepted accounting principles (“GAAP”), but also provides additional non-GAAP measures of its operating results. The Company defines EBITDA as operating income (loss), before interest, taxes, depreciation and amortization. The Company defines adjusted EBITDA as EBITDA, as defined above, plus non-cash stock option expenses and certain non-recurring items, such as costs incurred with completing acquisitions. These measures may not be comparable to similarly titled measures reported by other companies. Management believes the use of EBITDA and adjusted EBITDA is appropriate to enhance the understanding by the Company’s investors of its historical performance through use of a metric that seeks to normalize earnings.

	1st Quarter		Year End	
	Q1 2020	Q1 2019	2019	2018
Total revenue	2,613,993	2,590,894	10,291,524	9,019,876
Total operating expenses	2,839,182	2,694,429	10,560,387	9,552,942
Loss from operations	(225,189)	(103,535)	(268,863)	(533,066)
Total other expense	(317,018)	(303,410)	(1,074,549)	(860,478)
Net Loss	(542,207)	(406,945)	(1,343,412)	(1,393,544)
Amortization and Depreciation expense	\$208,731	\$236,517	842,149	541,904
Interest expense	317,018	303,410	1,249,154	883,316
<b>EBITDA</b>	<b>(21,975)</b>	<b>124,112</b>	<b>747,892</b>	<b>31,676</b>
Stock Based Compensation expenses	74,596	66,262	265,050	198,788
One Time Accruals	244,000	-	-	-
<b>Adjusted EBITDA</b>	<b>296,621</b>	<b>190,374</b>	<b>1,012,942</b>	<b>230,464</b>

# INDUSTRY COMPS & NEWS

## SHIFT 4 PAYMENTS IPO NYSE Raises \$345M

June 9, 2020

## A record \$117 billion in fintech deals have been done this year as cashless payments soar in popularity

Market Insider  
Rebecca Ungarino  
Jun. 5, 2019, 01:39 PM

## Nuvei To Acquire SafeCharge For \$889M

By PYMNTS  
Posted on May 22, 2019

### Recent deal highlights, including:

- REPAY's \$653 million Merger with Thunder Bridge
- GoCardless' \$75.5 million Series E Financing
- Signicat's Sale to Nordic Capital
- Crown Agents Bank's Acquisition of Segovia
- Stone's \$1.4 billion IPO and \$100 million Private Placement with Ant Financial
- Poynt's \$100 million Series C Financing
- JetPay's Sale to NCR for \$184 million

### M&A

- CardConnect Sells to First Data for ~\$750 million
- ING Acquires 75% Stake in Payvision, Valuing the Company at ~\$447 million
- Planet Payment Sells to Fintrax for ~\$250 million
- FIS Acquires Worldpay for an Implied Enterprise Value of \$43 billion
- Fiserv Acquires First Data for an Implied Enterprise Value of ~\$41 billion
- Global Payments Acquires TSYS for an Implied Enterprise Value of \$25 billion
- Nuvei Acquires SafeCharge for Approximately \$889 million

# KEY MANAGEMENT



**Ronny Yakov**

*Chairman  
Chief Executive Officer*

- 25 plus years of ecommerce software and development experience
- Developed eCommerce solutions for Fortune 500 and 1000 companies
- Established ecommerce platform for AT&T employees wholesale shopping. This platform included 180,000 AT&T employees
- Developed and maintained extranet/intranet infrastructure that provided advertising services to 50 of the top financial institutions for Doremus, an Omnicom Communication subsidiary



**Patrick Smith**

*VP Finance and Operations*

- 20 plus years of finance, accounting, operational and business development experience in the merchant services industry
- Experience working with large sales organizations in payments industry such as Cynergy Data, an ISO with over 75,000 merchants
- Worked with Pay by Touch, a biometric payments start up. Part of finance team that raised over \$300m in capital funding
- Concord EFS, responsibilities included internal audit, financial analyst and VP/ Controller. Worked with diligence team on several large acquisitions including the Star and EPS debit networks. Acquired by First Data in April 2004



**Rachel Boulds**

*Chief Financial Officer*

- 20 plus years of accounting experience working with public companies, including GAAP and SEC requirements
- Public filing and SEC experience
- Audit Senior for HJ & Associates, LLC
- Employed by Walt Disney's GO.com as an ecommerce accountant
- Worked as an ABAS associate for PWC
- Licensed CPA



OmnicomGroup

