

Thanasis Navrozoglou
Natech: A Fintech success story with origins in Ioannina
Season 5, Episode 10

Thanasis: Hello, Panagiotis.

Panagiotis: Thank you very much for being with us.

Thanasis: And I thank you.

Panagiotis: I am looking forward to our discussion, Natech, a company that has started and is headquartered in Ioannina, and maybe the most successful technology company that was established and is currently based in Ioannina. Very nice story, a fintech story that has a lot we can discuss, and I look forward to discussing the future of fintech with you, the neobanks that are emerging, and the partnerships you've done. A very interesting story, and I think we will have a very good discussion.

Thanasis: Thank you.

Panagiotis: I'd like you to tell us before we get it from the beginning of your life, tell us a little bit in a couple of lines what Natech is, so our listeners know a little bit about your company, before we start talking about you.

Thanasis: Very nice. Thank you, Panagiotis. Natech. Natech is a company that, simply, creates banking software. That's its main purpose. What do we mean by banking software? We mean the system that supports a bank. From its source, what we call core banking system up to all the transactional channels. When we put... Mobile, web banking, regulatory reports, and systems to prevent money laundering. So, all this is put into a suite of applications, each one is separate anyway, and is usually established in banking institutions, whether this is normal traditional banks, digital banks, or something more satellite-based, payment institutions, electronic money institutions.

Panagiotis: OK.

Thanasis: Natech makes this and not many companies in the world are involved in this area.

Panagiotis: A spontaneous question that comes out here and I think that's why we've started this podcast. How is the global... In the global market, how many players are doing this and what level are you at?

Thanasis: It is a good question and it is indeed a good observation. Worldwide we are talking about 40 companies.

Panagiotis: OK.

Thanasis: At least 40 recognized companies. There may be some that some of the analysts do not know. And the truth is that most of them are located in capital cities of major developed countries. For many reasons. Usually, it's the banks near them. So, we didn't follow that rationale. And I think it probably started from a poor understanding of the market. What do I mean by that? We didn't know where the market was, we couldn't have imagined that technology needs to be focused on a specific point. We were saying that technology can be produced from anywhere. But the truth is that it helped us along the way, that we weren't in a central city.

Panagiotis: How, what do you mean?

Thanasis: The quality of life, you know, in the countryside, is completely different from what it is in Athens. Well, I wake up in the morning, do what I want, do my workout, I take the kids to school, it doesn't matter, and in seven minutes tops I'm in my office.

Panagiotis: Yes.

Thanasis: Good. Equivalent time in Athens from my home to get to the offices in Pefki, I need about 45 minutes.

Panagiotis: Yes.

Thanasis: This is the first one. The second is that...

Panagiotis: You reopen old wounds now.

Thanasis: I reopen wounds. I know. The second very important thing is that, when you go to a place that has the quality of life, to do things in the surrounding

area, whether you like nature or not, you usually have a greater attachment to your work, because it's a much more important part of your life than it could possibly be in a capital city. That helped us in the beginning. And the cost is lower, the university is nearby.

Panagiotis: It helped you find talent and keep the talent, not to leave, that is, to stay...

Thanasis: You have a university that's a huge source of talent and if we go back in time a little bit, why the company wasn't set up now, it has some years.

Panagiotis: In 2003.

Thanasis: In 2003. Where there weren't roads and other stuff, the choices were very limited. So, you were saying, well, if I want to do something that's good for my science, in technology, it's something innovative, I have to go. So, therefore, as good as an institution that creates or produces talent is, or anyway it gives the world a different perspective, when people are forced to leave, they don't have much choice.

Panagiotis: The opposite here would be that if you... And I'd like you to tell us then where you sell, and who you sell to... I understand you sell worldwide your software to banks.

Thanasis: Yes.

Panagiotis: If a Brazilian bank has on its table three-four offers about which software company to go with to build its system and two are from London, one is from Berlin and one is from Ioannina, someone at the table will say "Well, are we crazy? Where is Ioannina"? Haven't you ever seen that take away from you a little... And help us to understand what the market is like. That is to say, these 40 players, where you are, are in the top, are you in the middle? Help us understand this a little bit.

Thanasis: The truth is, as you say, we're talking about 40 companies worldwide, if you see a pyramid, we are somewhere at the bottom given the size and all the factors you mentioned.

Panagiotis: So, you are one of the smaller players.

Thanasis: Yes, we are one of the smaller players. So, our next one is 5 or 6 or even 10 times bigger in terms of revenue. So, we're talking about a difference of an order of magnitude. On the other hand, what we were saying was true, where we went to sell, they'd say, "Where are you from"? Even when you say from Greece many times they say "What's in Greece, what is in Greece?".

Panagiotis: Of course, from Greece. Let alone from Ioannina.

Thanasis: But we transformed that. So, we made it part of the brand. We have reached the point where the guys say "The company from Ioannina".

Panagiotis: OK. It was... It sets you apart...

Thanasis: From the rest. And we were really... When you have a... It was a David and Goliath situation, so, obviously, we were dealing with that. But what can differentiate you? Know your market very well, your product, and give, and inspire confidence. How to inspire trust? Surely financial data and where you come from matters, when you say you're from Switzerland, you start the conversation with some...

Panagiotis: Advantages.

Thanasis: Some advantages. But on the other hand, you also arouse their interest. How can someone from Ioannina have facilities in X banks and he's done it successfully and the supervisor gives him permission. So, you are arousing interest. On the other hand, of course, if you have technological advantages. So that helped. One thing leads to another and slowly if you have faith in yourself, on your team and you have the energy to spend, you can do it.

Panagiotis: Ioannina has a fast-growing player, who grows and creates software for banks around the world, for me it is one of the most optimistic and incredible stories of the Greek technology ecosystem.

Thanasis: Thank you and I think this is what gives us more energy. That is, we have always seen ourselves... "Why others and not us, not me"?

Panagiotis: We're going to go see it and we'll figure out how you did it. I just think it's right for the listener to have that in mind. Let's go to you for a moment. Let's go back a bit, to your beginning. Where you were born, where you grew up?

Thanasis: Well, I'm following what Natech is doing, I'm on the opposite course from the one I see. I was born in New York. From parents who had gone to America for different reasons. My mother was an immigrant, but in her childhood, she had traveled by boat to New York and my father had gone to work and study. They both studied there, one of them an electrical engineer, the other computer science, as we call it today, they had the stimuli. At some point when they gave birth to me...

Panagiotis: I'm interrupting you right now, because you keep telling me things we've never heard before and... We're used to it, we have immigration stories thousands of Greeks of the Diaspora in New York, thousands of our founders, either their parents or themselves. I have never met a founder his parents are immigrants and what they do is they both study tech.

Thanasis: That was indeed... It was subversive but...

Panagiotis: Very favorable event.

Thanasis: Let me tell you a story that I always mention, when they came to Greece, I'll tell you the story in the meantime, when we came to Greece and my mother was trying to figure out what to do, anyway, and there were some places at the University, always said that, the positions existed at the University were written "if you've studied computer science or otherwise if you're a mathematician, physicist or anything else to get relevance. There weren't really many. There were, but there weren't many.

Panagiotis: Yes, yes. So, you grew up in a house with technology.

Thanasis: There were several elements of technology. So, when I was born there in America, I laugh because, when they told me the story and I said "why did we come to Greece, dad, why did we come to Greece, what happened"?

Panagiotis: How old?

Thanasis: Very young, I was two years old when I came. He says, "There was this problem, there was no one to raise you". My father was involved in telematics systems, that is, they were watching the buses and trains at the time of New York City, and had set up a system for when to go to stops. And my mother was designing long-range missiles.

Panagiotis: Simple things, both of them.

Thanasis: Simple things.

Panagiotis: Classic story of Greek immigrants...

Thanasis: Yes, yes.

Panagiotis: Not even.

Thanasis: Not even.

Panagiotis: Fantastic.

Thanasis: But it was, there was something different about it, subversive. "So", he says, "when we gave birth to you, we didn't have someone to raise you". My grandmother came from Greece, she was taking care of me some time, there was no room to... It wasn't convenient. So, they decide to come to Greece. So, they're coming to Greece, to Athens, they were thinking about what to do, they say, "If we stay in Athens, we return in America, it makes no difference, we're going to New York". So, they are trying Ioannina.

Panagiotis: Our buses in Athens do not even now have telematics. What the father does in New York, would hardly do it in Athens, but...

Thanasis: Yes, he wouldn't just work with that, but the truth of it... It was a different situation. He says "Well, should we try Ioannina?" where my father is from and my mother's very distant ancestry. So, they went to try in Ioannina but there was a problem. In my grandparents' house, the toilet was outside the house. So, my mother gets a big culture shock and says "OK, OK"...

Panagiotis: "Enough".

Thanasis: "Enough, what is that?". And so, the parameter of then coming back or staying was really funny. My mother says, "If you find three people in Ioannina who work in IT or buy a computer, I'm staying". And so, it started.

Panagiotis: Although the toilet was outside.

Thanasis: Yes, yes. And my father makes a bet and wins it. So, they decide to settle permanently in Ioannina. With various difficulties, as my mother also had an American accent, and had grown up there, they had different stimuli, these difficulties existed, but we as children did not understand them. And my brother and I then lived the life we liked, that's what we knew. So, from a young age, I was in a place where there were strong technology issues, very intensely.

Panagiotis: You grew up in Ioannina.

Thanasis: I grew up in Ioannina.

Panagiotis: What were you like as a student? First of all, are you also quickly inclined towards technology and computing like your parents?

Thanasis: I have a quick aptitude for technology, I've been involved since I was a kid, but my vision back then was to go into robotics. Close, but not quite that. As a student in elementary school, I was average to poor, I slowly started to improve at university, so until I get into university, I had become one of the best because I understood that there was no other way to get into the... To do what I want.

Panagiotis: Did your brother follow the same...

Thanasis: My brother, subversive guy, says "I'm not even going to bother with this stupid thing called computers".

Panagiotis: Let me guess, second child?

Thanasis: Second child.

Panagiotis: And I have seen it from my sister.

Thanasis: And yes, I'm going to Patras afterwards and I'm a computer engineer there, going into the business, really different, I wasn't even going to get into banking, with things like that... My mind was elsewhere.

Panagiotis: You're going to Patras, an engineer.

Thanasis: Computer engineer, yes. And I start to get into hardware then, I liked that.

Panagiotis: You still have the robotics...

Thanasis: Yes, in my mind, that I'll deal with it.

Panagiotis: Good. How were your student days, what sets them apart, what's left of them?

Thanasis: The excellent company, friends, you can hold on to relationships forever, good times, you know, and as the years go by, I think that you look back and say what a good time we had and there's no bad time to remember now, there are only good times.

Panagiotis: Is there anything that was a game-changer for you while you were a student? There was something.

Thanasis: Actually, it was an unrelated incident on the street, where I was passing outside a square and a bank branch, we were involved in the IT industry and normally a girl comes up to me and says "Hello", "Hello" I say, "we have pre-approved a loan for you". It was from a bank that merged, then absorbed by another large bank, "we pre-approved a loan" that was about 10,000 euros.

Panagiotis: Just on the street, by accident.

Thanasis: On the street. I say, "Wait, how?" she says "It's nothing".

Panagiotis: I see what time this is.

Thanasis: Yes, yes. And I say "what do I have to do to get it?", "it's nothing" she says. "We'll sign some papers, a courier will come tomorrow, will bring you a card and you will have up to 10,000 euros". I think it was 3 million drachmas, anyway. I say, "very good, I want it". I say, "Will I do something?", "No", she says, "You're not going to do anything". So I go home at night, I've got it all worked out, ringing

the bell in the morning, OK I was a student, you know, you sleep a little later, I was asleep at nine o'clock, I don't understand what's going on. The courier rings, I say, "Who is it?" says "From the bank, to sign some papers". I say, "Because I'm not exactly sure what I should do, can you let me read them? And I actually call my dad on the phone and say "Hey", I say "They've made me this offer, I said yes, but I don't know what it is". He says "Don't you read the terms, what does it say?" I find out that it had an interest rate, I don't remember, crazy, I don't know. The conditions were not what I had imagined. And I say, how can it be? And it starts to get to me, what they have to do, what they do, how this thing works. I am also working on something related in my thesis. I was then kind of working with some courses at the co-operative bank, Achaiki, which was in Patras. And a lot of thoughts got in. My father was also in the IT business, had set up systems with lending institutions. All of that was tied up. And then I deal with a professor in Patras, Giannis Chatzilykeroudis, with whom we made a system. What we call machine learning today, we used to call it differently back then.

Panagiotis: System.

Thanasis: So, we're building a system, how customer loans should be done, in the same bank. We were looking at what the parameters are. And then really, naivety, conceit, clearly. We say we're going to set up an IT company, a completely different mechanism where we will support banks. We had no idea what really needed to be done. We thought technology solved everything.

Panagiotis: And I suppose you were planning to build something for Greek banks. So, you have not been exposed to a global problem.

Thanasis: No, no, nothing.

Panagiotis: I'm going to build an algorithm to help banks decide whether they will give a loan or how much or whatever.

Thanasis: It was a completely freestyle and yes, we did that.

Panagiotis: You have other studies, I know.

Thanasis: Yes, I'm going to England after doing an MBA.

Panagiotis: Do you leave that, or do you run it?

Thanasis: No, it's running normally. We're starting to build what's called a call banking system. We move on to more modern technologies. My father is obviously in the company. There are also people who are from the wider area. They were people who had a similar naivety to me. And we say "OK, we'll build it, it's nothing". We all said "It's nothing". Let me make clear what our principle was. But when you go to apply it in business, you get rejected.

Panagiotis: Are you in Patras or have you returned to Ioannina?

Thanasis: I'm back in Ioannina.

Panagiotis: You're back in Ioannina.

Thanasis: I'm still studying, coming and going. But I have returned to Ioannina and I work from there.

Panagiotis: OK. Where do you work?

Thanasis: We have rented some apartments. In fact, the first apartment we rented was a semi-basement. And we considered it a very big success, the fact that it had three different rooms that you could work in with some freedom of space. But we weren't interested in space.

Panagiotis: From the first moment you are a founder, you are an entrepreneur. You haven't gone anywhere to do anything.

Thanasis: I've been working on some other things on the side. We've made a company that makes travel packages through technology comparing prices from different external agents. We have tried different things. They didn't go so well, but they gave us very good experiences. Or we've been involved in... At the time, there was a lot of integration, i.e. to combine different subsystems with some other subsystems. We have made such efforts with other companies we've set up, with other founders. We put all these people in Natech.

Panagiotis: OK, endless questions here. How are you paid in the first period? I imagine for too long, for a while it is not paid all this, is for you to put in the time and goodwill to get this going.

Thanasis: In the beginning, your personal money and corporate money don't separate. It's one thing. You don't know what's what.

Panagiotis: Of course.

Thanasis: There's nothing that goes in your pocket. There is something that is common and you just have to cover expenses. That right from the start you find out that it's not sustainable and you can't develop it in the future. So certainly, the payments at the beginning are somewhat unstructured.

Panagiotis: You don't get salaries. We have all the things we need to know. How long were you without a salary?

Thanasis: I can't remember. I can't remember when...

Panagiotis: What's a salary basically.

Thanasis: What is a salary.

Panagiotis: It doesn't exist as a concept.

Thanasis: It doesn't exist as a concept in the beginning. At some point we did move on. Indeed, after the MBA things were clearer because I knew that somewhere I had to separate them. Before, it was like, OK, you'll get something, I'll need something to buy, I'll have to take something from the cashier and so on. These intractable problems and these indistinct lines were the early days in this business, clearly. But you know what the essential difference is, that all the people who work on this thing, in this project, they are working with the vision, with the idea, with the belief that we're doing something.

Panagiotis: Are they all involved as co-founders?

Thanasis: No, no.

Panagiotis: What do you call them?

Thanasis: But the culture is like that, which is that the culture is that we're all together.

Panagiotis: Tell us a little bit, 2003 is the founding of Natech, how you decide, when you decide to make this foundation, and where the MBA fits in, I want you to tell me a bit there how you decide...

Thanasis: In 2003, it is founded finally. Before that there was a different kind of company. It was a company, anyway, that had several branches. It was with my parents, selling computers, things, because we were basically basing to something that anyway could serve the business idea. The company was indeed established in 2003. And from the moment it was established we tried to follow some form of, anyway, hierarchy, structure, some corporate governance issues, basic, very basic, don't imagine anything serious. In 2007, I did my MBA. From the beginning I knew I didn't know.

Panagiotis: How to command...

Thanasis: Yes. And I realized very early that it's very nice to know about technology or think you know about technology, but not knowing about the administration has nothing to do with it.

Panagiotis: Are you a CEO from the very first moment?

Thanasis: No.

Panagiotis: Tell me something. How do you evolve, because you're a group of people. They're your parents, too.

Thanasis: My mother wasn't, my father was.

Panagiotis: How do you evolve into a CEO and how does that come about?

Thanasis: Initially my father is appointed as CEO in the sense of a manager. The person who has the report and legal report and the responsibility. I'm purely on the issue of technology. When I leave to do the MBA, where I actually submit applications to various universities, but Manchester has won me over, before I chose Manchester, I had to go to either America or England, in various places. For some reason I had met some of the graduates at Manchester MBA and I loved it. And they convince me to go there. Good. I really enjoyed the program. I'm off, I study for 18 months which is the MBA and then I'm really on the cusp.

Do I return or not? Because we had it right, but several doors had been opened, other stimuli, I had met other people.

Panagiotis: I guess.

Thanasis: There was also a time, in 2009, we're starting to get hit by the crisis.

Panagiotis: Yes.

Thanasis: But I decide to go back. And then we talk about it and say, look, the company has gone through several waves, the cooperative banks which were our customers par excellence have been put into a logic, because they may merge, be absorbed, change systems. But then I suddenly see that what intrigues me most is this challenge. I don't know why, I go to sleep and wake up with the challenge how to make the company something bigger and how to use technology along with whatever stimuli we have to evolve.

Panagiotis: You talk about cooperative banks and I think there's an important point here we need to know. It's 2007, sorry, 2009, it's already three or four years the company, more, six years up and running, which means you have customers for sure.

Thanasis: We have customers for sure.

Panagiotis: And I know very well that from your thesis, from your focus and your strategy, that you targeting...

Thanasis: Small.

Panagiotis: Secondary banks. How this has come about?

Thanasis: It's a good question, I didn't mention them. That naivety I said at the beginning obviously led us to some part of the market. Who will be the first to trust, are obviously the smaller players which are organizations that make decisions more quickly and they can change their systems more quickly. Banking is one such area where there is a question of trust, personal relationships, obviously, but there's also the issue of which company it serves. Because if its systems fail, the bank collapses.

Panagiotis: Of course.

Thanasis: So, then our first adopters and first customers are the cooperative banks.

Panagiotis: In Greece.

Thanasis: Yes, yes. The cooperative bank of Epirus, then it was called Ioannina, then Achaiki and so on. Small regional banks.

Panagiotis: OK.

Thanasis: And at the beginning there is too much beating. What do I mean, beating, who you are, what you do, where you're from, whatever you do, you're considered unreliable, because we trusted a small bank, a small company in Ioannina to give us a system which is of critical function, so the prices you give are completely different. But there was one good thing about these banks. They were willing to give, to transfer knowledge. And the people who worked in those banks they thought they could do... Compete with big players. So, we were on the same side. There were the big systemic banks, the heavy banks, whatever, who had all the tools to make whatever purchases they wanted and there were the small ones, the underdogs. We were going to do... We were in the same position, us too.

Panagiotis: And it's also pre-crisis period that they have started and they're growing up a lot too. They are also many in number.

Thanasis: And they wanted to prove that they were doing something different.

Panagiotis: And you learn from that, I suppose, from all of them. How's the... Good, you're on your MBA. What was Natech's clientele like at that time, 2007-2008?

Thanasis: There were 4-5 banks at that time and at one point it got to 9.

Panagiotis: OK.

Thanasis: But 4-5 banks were the main source, anyway, of our income.

Panagiotis: The question that comes here is that the dark clouds have rolled in, 2009 is coming. The one thing we know was wiped out in the crisis are the small banks. There was a scary shrinkage of this business and concentration in the systemic ones. How does that affect you and is that where you decide to go out and outward?

Thanasis: Imagine that the first banks to close in Greece were cooperative banks. They were our clients. And I distinctly remember being at home, on the couch, because I had a problem with my back, I remember the moment, and I get a call from a colleague and a very good friend, and a fellow student, even, and he says, "I have some bad news to tell you". "What?" I say, I have no idea, he says to me "One of my banks, Achaiki, collapsed" he says, "It's closing". What does it mean, the bank closes? We've never seen a bank close before. Some were absorbed, a bank to close. What does this mean? We didn't know what it meant and how it affects us and what... There was uncertainty. Then...

Panagiotis: Your customer.

Thanasis: Our customer. The bank is closed, our client. It was a shock. Huge shock. Of course, earlier, we had prepared for a scenario that the banks might at some point to leave. Because they made a partnership all together. They had set up a private bank, the Panhellenic Bank. And there were thoughts that they might all together anyway create a private one and underneath...

Panagiotis: To combine.

Thanasis: So, we had scenarios in mind about that. But it's one way to imagine it and another way to experience it. We had already started to build a new generation of system. Which would allow Natech to serve other organizations, larger. And we were already into the logic, we go to service foreign banks.

Panagiotis: OK.

Thanasis: Obviously, we had to translate our system into English, read international regulatory obligations and so on.

Panagiotis: How many people are you at that time, so you are already selling to 3-4 banks...

Thanasis: 17.

Panagiotis: 17 people. OK.

Thanasis: Small, very small.

Panagiotis: Small and with an impressive project size.

Thanasis: Yes, and proportionally it's very big...

Panagiotis: Scratch, again from scratch.

Thanasis: We had built it from scratch.

Panagiotis: All 4-5 cooperative banking systems and in fact you have now entered the process and you have all this adapted and for international expansion.

Thanasis: Right. But what is happening, the technology, indeed, if you design it differently from the beginning for the purpose it goes to serve, can help you. Then everybody was saying "how many people, how much turnover?" are the classic questions you can't answer well when you're young and you're in start-up mode, you lose everything.

Panagiotis: Yes. And I had to ask, what turnover do you have there, at 17 people in all 5 banks?

Thanasis: It must be something between 200,000, 220,000, I don't remember exactly, but that's where the number is.

Panagiotis: Per year.

Thanasis: Per year, per year.

Panagiotis: How it comes out, 17 people, 200,000.

Thanasis: Here the numbers are smaller. And you obviously don't have a salary of your own.

Panagiotis: Exactly.

Thanasis: So, you have less mouths to pay. But it's a problem, it's a problem, it's a serious problem. And then we say it's not possible, we have to do something. So, we look at the sub-Saharan African market.

Panagiotis: OK.

Thanasis: Why are we looking at the sub-Saharan African market? Because then it liberates, anyway, the first steps are being taken to privatize the banks over there. And we start looking at the first cases. We didn't sell, but what we did. It taught us to be able to respond to international competitions. So, we understood what we were missing. Obviously, these competitions, you don't have much chance of winning them, especially if he's your first...

Panagiotis: Yeah, yeah. But it makes you, exactly, know what they're asking for. Which countries are the priority there?

Thanasis: Ethiopia, Kenya.

Panagiotis: Nigeria.

Thanasis: Nigeria. But in Nigeria we are then afraid to go.

Panagiotis: It's a shame, because these countries are the epicenter of fintech, by the way, in this region. I mean, if you've been around since then, maybe right now you would have a great chance of growth. Even greater...

Thanasis: We've sold something now. But then we did not succeed. Much later, in '18.

Panagiotis: What I mean, you were spot-on.

Thanasis: Yeah, yeah.

Panagiotis: Right now, it is the hub of Africa and Egypt a little bit maybe, but in fintech there are little things going on there. We have offices and we see them.

Thanasis: And now they're happening in Latin America, in many regions. But then we were too young to do it. But it gave us this whole, "Come on, dig into it".

And then we understand then that all banks, no matter how big or small, are susceptible to macroeconomic changes. And maybe what we should have done, we thought about it then, was to open up the banking system to what we now call APIs, but then it was on more general interfaces so it could build an ecosystem. Because we were saying that a bank is small, with another bank is small, with a company can give something together.

Panagiotis: Exactly.

Thanasis: And we redesigned the technology of a new banking system with this very logic.

Panagiotis: OK.

Thanasis: And I think that...

Panagiotis: This brings the next growth?

Thanasis: It brings the next growth. Because some international banks came and they bought our systems because we had exactly that model. And we had something else. All banks, all institutions, they had at the end of the day something called "closing day". What is this? It is a process that is still being done that at the end of your day, especially then, your balances stopped running. The banking procedures were stopped and there was a process that incorporated heterogeneous systems to tell you that Panagiotis has 100,000 euros in his account and has moved from these circuits called ATMs, the cards and so on. There was no so extensive mobile web banking.

Panagiotis: Yes.

Thanasis: So that worked. The bank was closing at three-thirty, quarter to four, we're done. So, we who were ignorant, and I really say this, we had started with the idea that all systems are real-time. There is no batch process, there is no structure, a flow at the end of the day. All banking is running live. So that's what it gave, to all the banks that ran our system and, in this logic, there was no need to close something. It was running live.

Panagiotis: OK.

Thanasis: So, they had a dramatic benefit.

Panagiotis: And competitive advantage.

Thanasis: And competitive advantage.

Panagiotis: They didn't need to close earlier possibly, they didn't have to do all this closing procedure, time-consuming, costly.

Thanasis: Right.

Panagiotis: I guess, and more importantly, they had real-time updates.

Thanasis: So, some foreign banks come in and say well, we have these stores, which are loss-making in Greece, we can't afford a night shift, etc. And we had that, the real-time or non-closing day. And we had been on some of Forester's lists as well, of a market research company, anyway. So, they had found us, we show them the system, we meet all their criteria and become the first international establishment. That is, in a non-Greek bank.

Panagiotis: Where are these banks coming from?

Thanasis: By themselves. From Turkey, Ziraat was the first major non-Greek establishment. Because some others had been done through a Georgian company, payment institution. There had been an establishment from another foreign bank that had a branch in Greece. Its functions were very limited. But the big difference was with Ziraat. Because Ziraat was the largest bank in Turkey. Whatever disputes we have politically with Turkey.

Panagiotis: A very good market and it makes all the sense in the world to be there and look at it as a market at least.

Thanasis: So, they trust a Greek company for their system. We are obviously learning, evolving, collaborating and investing a lot, as much as we could to improve ourselves, our systems, our processes and to evolve. So, then came something catalytic though.

Panagiotis: Yes.

Thanasis: Because we understand something else. That banks around the world, wherever they are, have common problems and common challenges. And we understand that the banks, no matter how big they are, or how small they are, cannot support themselves in technology. Because we were saying, Ziraat has over a thousand people in IT, but could not serve all the procedures in all the countries where it is located. So, we were saying, it's not just a matter of size. It is a question of the infrastructure and the very existence of banks. They have been called to do another thing, but technology now dominates them. And so, we say, well, we'll do something magical, we think in our head, we're going to open a bank. Also, a naive thought. They all ask us "Why do you want to open a bank, since you serve banks?", but we say, we don't want to become a bank for the bank's position. We want to get the banking license to allow banks focus on what they do. Real traditional banking or customer service. And we give them the whole support mechanism behind them...

Panagiotis: The whole suite of solutions, of these solutions.

Thanasis: The software and the rest of it.

Panagiotis: Yeah, but why do you need a license to... How would the license differentiate it? Did you feel it gave you a competitive advantage?

Thanasis: Let me tell you. Banks have to give connection with cards, they have ATMs, they have payment systems. Which are related to technology. While having the final product, which is what you are trading, sending money via IRIS from one to the other. In fact, it is technology. There is a banking service and technology. And all the banks were saying, "That's all very nice, how do I do them"? So, either you give them the technology and they have to connect themselves with the systems on both sides, which was a very large volume of work, especially in small banks, or you'd say, "Come on, I'll give it all away and you just fit on me". And that today is called banking as a service.

Panagiotis: Yes, of course.

Thanasis: Back then we didn't know what it was called. And we wanted to do that.

Panagiotis: So, you start to get a banking license.

Thanasis: We start thinking about how we can do this.

Panagiotis: Because it sounds particularly difficult.

Thanasis: It's hard, it's hard.

Panagiotis: Tell us a little bit about this phase of the company's development.

Thanasis: So, then we say, OK, we have to do it. We're going to get a banking license, probably, to give that, technology, along with banking services. We have no idea. Clearly, we have no idea and we go out into the market to talk to people, to tell us what it takes. And we find out very soon that there's no way to get a banking license. When banking institutions shrink, the licenses are not available.

Panagiotis: And you don't already have banking operations.

Thanasis: I have no banking operations.

Panagiotis: No, it's what I imagine, that a piece to get a banking license has to be to be already in the industry somehow...

Thanasis: Yes, you must have all of these. And yes, you serve the banks, but what you're trying to do doesn't apply and it's probably hard. So, get it back together, think of something else. There's that naivety again that leads us to say that it is not possible, there's something the people who are telling us don't know, there must be a way. And there are some examples worldwide where some tech players come close to banking licenses. And we say, something has to be done, or at least join a bank. A great help in this project is the development of Viva, which is a technology provider, along with participation, in its Wallet, which is an electronic money institution and also purchases the license in practice and is being transformed into a much broader institution. So, we say that obviously it can be done in Greece. But we've seen it abroad, we've seen Solaris, we've seen other companies doing something similar. And we say, well, yes, it can be done. And in different timings. In '20, that's the big change, anyway, because of Covid, we have plenty of space and time to think about other things. We are bringing to our board a man, Charis Antoniou, who is a former banker and we brought him by basically telling him our vision. We meet in Berlin, was a business mission that had been done from Greece just before they closed the border because of Covid. And we're meeting over there, we explain what we want to do and he says

"Guys, it's very nice, let me help you". And then a journey begins, to see how we can get a banking license. And it was on three fronts. Technology developing, finding financing and obtaining a bank license.

Panagiotis: OK.

Thanasis: And then everything changes.

Panagiotis: That's where everything changes. I want you to tell me what you mean why everything changes there. What is happening and things are changing. And the other question that comes to me spontaneously is why do all three coincide? Why do you have to raise money, to get a banking license and change your technologies? Are they prerequisites to get your bank license, for the other two to happen? How does it move and become all together?

Thanasis: Yes, the bank license was essentially the tool that would allow us to do what we wanted to do. Banking as a service.

Panagiotis: Yes, of course.

Thanasis: So, we had to get the banking license if we wanted to do our vision which was to eventually become the bank of banks as we used to say. And technology provider. The technology was anyway what we were doing and we had to evolve our technology to the point so that we can have establishments that can be done very quickly. Running in the cloud.

Panagiotis: Unscalable, I imagine.

Thanasis: Yes. That have fluctuations sharply on how each bank asks. Plus, the fact that they now had to serve not only the banks but they had to serve the indirect scheme as well, the bank that will serve the banks. And all these needed funds. So, technology was what we had to do. We needed the funds so we can find the bank license. And we wanted the banking license so we could do our vision. So, there had to be three.

Panagiotis: The bank license itself needs money, meaning, OK... Beyond the basics of the process and its costs, did you have to raise money for the license?

Thanasis: Yes. At first, we didn't know what we were going to do. That is, if we get a new license, whether to buy existing, whether to participate in licensing. But to put it crudely, to start a bank, and with many asterisks, if you'll be allowed to do so, has a regulatory capital, i.e. a minimum amount to be deposited. The minimum supervisory capital required is 18 million today. But this the minimum supervisory capital, is not the minimum capital you should have. The minimum supervisory capital is much more than that. It's a multiple.

Panagiotis: This fund, the 18 million, is what you don't touch. It's there.

Thanasis: It stays there.

Panagiotis: In case something goes wrong, this money will compensate those exposed to the risk that will create a financial institution such as a bank.

Thanasis: It's the minimum amount that the Bank of Greece says, the European Central Bank, that you should have. But this is never applied. Because it's going to be a lot more.

Panagiotis: A lot more.

Thanasis: Because 18 million should be the forecast you'll have in three years if everything goes wrong. So, you start with a much higher number. But even if you collect them, and we're talking about needing around something certainly more than 50 million, where the number converges towards 60 as a minimum effective amount that you need if you want to do something, but whatever, it is being negotiated. Even collecting these, there is a large volume of work to be done so that a new bank can be approved and licensed.

Panagiotis: How does this process unfold, by whom it is raised, how you manage that period?

Thanasis: At that time, we were obviously in a process, like the previous period, that we said we had to do something, but we don't know. The next step is bigger than what we imagine we have to do. So then, with the help of Charis Antoniou we start out and say we're going to go raise money. Very nice. We know, we're running a fundraising process. We have never raised funds before. We are bootstrapped, a company that we have put everything together ourselves.

Panagiotis: From day one.

Thanasis: From day one, so we don't know what it means to raise funds. We know in theory, we don't really know what's going on.

Panagiotis: Of course.

Thanasis: So, being a founder, you know, you have some expectations like "I want you to give me money without acquiring anything". And the market says "I'll give you money and I want to get as much as I can". Somewhere in the middle is the answer. But despite all this, we are not really raising funds in the traditional way. We make a small round with friends and acquaintances. We work with a small amount which has nothing to do with what it takes to get a license. But we are taking action.

Panagiotis: How much is this amount?

Thanasis: Then we raise around 3.5 million. But the truth is that we have been in a debate and we're looking to get a banking license along with the fundraising. So, we quickly notice that there are no bank licenses. The few that were there were sold and even if you find one that's for sale you can't go through the process of fit and proper. So, to be examined and say that there...

Panagiotis: You meet all the criteria.

Thanasis: So, then we go to Piraeus Bank and we say... Why did we go to Piraeus Bank? Besides the acquaintances it is a bank that has absorbed many banks. And we believe that we can buy a banking license which has to Piraeus Bank as inactive.

Panagiotis: OK. So, because it has bought a lot of banks that have banking licenses...

Thanasis: That's what we thought.

Panagiotis: And they have banking licenses so they don't need the rest. I guess here I can find a bank license for sale, that's what you're thinking.

Thanasis: So that was a naivety and that's really what we're following. So, let's go and say nice, we will find a way to talk to the people of Piraeus to see if they have a banking license on the shelf, so we were talking about it, and they want to sell it. Good, and if we find that we've had conversations with various funds in Greece and abroad who could finance it for us. Since then, it sounded very nice. And our truth is in a completely different place when we go to Piraeus Bank, we meet Christos Megalou and have a chat and we're discussing a completely different scenario. So, from day one we've been discussing the scenario of what would happen if we made a partnership where we co-invested to get a new banking license by a perfectly formal procedure. We tune in, our minds match, I don't know what's going on but really after the end of the first meeting we have shaken hands that we can together seriously consider this possibility. After four months, in London, the announcement is made that we have agreed on the details, not to go into details, which was a painful process, that we're going to set up a new bank.

Panagiotis: With Piraeus.

Thanasis: With Piraeus. And it won't be that we rent its license or they sell us a license. There was no such thing. There's no such thing as "selling licenses". The moment banks are absorbed they lose their status. We didn't know that.

Panagiotis: So, it's not that they had 5-6 licenses.

Thanasis: They had one banking license and that was the bank of Piraeus. There was no other. And so, we agree that we will follow the idea of fintech. We'll build a new bank. We will co-invest. And that today is Snappi.

Panagiotis: Snappi. The first digital bank...

Thanasis: In Greece.

Panagiotis: In Greece, licensed by the European Central Bank. It's impressive. It is the first bank to quickly see an opportunity there. How do you capture that? What opportunity did you see? How much money was invested? How much is you? How much is Piraeus? How long did it take you? Give us the technical stuff. Let's understand a little bit the size.

Thanasis: At first, it's a period that seemed to me on one hand that it passed that way, and on the other that it was a century. We have our first meeting with Christos Megalou and the rest of Piraeus sometime in January. And in April 2022, we agree, as I said we are in London at the UBS Hall and we agree and the announcement is made internationally that we start the project. The deal is 55% Piraeus Bank, 45% Natech and its affiliates. And in June, we set the organization. So technically we're going to set up the company. First the company. The company is founded by Natech and then joined by Piraeus.

Panagiotis: The question I asked earlier and I want you to answer it a little bit quickly is, you set out to get a license to scale your technology globally and become banking as a service. And you ended up with a digital bank in partnership with a Greek bank. That doesn't seem to me to be on track with your strategy. Will you go to the other part, will you follow the other part? Is it still at play?

Thanasis: The truth is that it's a perfect parallel because we wanted to have technology, to serve banks worldwide with our software, with our systems in general. We wanted to have the bank license so we can collaborate and work with banking services that they didn't have at the moment.

Panagiotis: Yes.

Thanasis: So, all three were achieved.

Panagiotis: Snappi was licensed, not you.

Thanasis: Snappi is a sister company.

Panagiotis: Through this license you...

Thanasis: We're going to serve what we're going to do.

Panagiotis: OK, fantastic.

Thanasis: So, all three were done.

Panagiotis: Fantastic, OK. For a lot of people, I think the number one message that comes to me here is that naivety is indeed truly a blessing. Because in so

many places, is probably the most used word you've said so far in your story. We were naive, we were naive and thank God, it has favored you very much. But it's really commendable. And I'd like you to tell us a bit to understand the size of it right now.

Thanasis: As we speak, we are a little over 120 people. This is only Natech. I'm not talking about Snappi. Snappi is an independent organization.

Panagiotis: I would like you to tell us about the balance there, the balance you will keep between Snappi and Natech. I mean, how strategically are you going to look at it, but, everyone in Ioannina?

Thanasis: No. Natech has about 55 to 60 people in Ioannina. In Athens, about 40. There are also abroad. We have opened a subsidiary in Switzerland and Berlin.

Panagiotis: Good.

Thanasis: And there are some people who work remotely in addition to them. So that's kind of the situation. It's a big change. And here comes the next change. Because in 2025, we have forecasted that we will have at least 210 people. It's already in our plan. That's not the purpose, just to get people, but this is what the situation leads us to.

Panagiotis: And it helps you understand the size a little bit. Better than turnover many times and financials, the people who are employed. What turnover do you have... What other metrics do you want to share with us to understand the magnitude of your success.

Thanasis: This year, in 2024, Natech will... We expect to close just over 20 million in turnover. We're already at 20, so we'll be more than 20 by the end of the year. Somewhere near 21 is the current prediction.

Panagiotis: To how many banks are you selling, in which areas?

Thanasis: It's enough now, the crowd has grown. The clientele served is about 30 organizations. They are in different countries, so many in Greece, sub-Saharan Africa, central Europe, northeast Europe and so on. We're doing some serious business right now that we're going to confirm immediately in the

Middle East. In '25, we hope our first customer, we believe, in America, in the USA. So...

Panagiotis: OK. Which I imagine is a bigger market.

Thanasis: It's a very large market. The small, small and medium-sized banks that we are looking at if we divide them a little bit into Europe and America we're talking about 5,000, now the numbers are close, there are 4,600 in America and about 5,000 banks in Europe. So, it's a similar size to America and Europe. Just the market...

Panagiotis: The funds are much larger.

Thanasis: They're much bigger.

Panagiotis: How is Natech connected to Snappi, what is your vision here, what opportunities it will create this neobank that you started with Piraeus and what is the future of Natech? That is, what are the next big steps?

Thanasis: Natech is definitely an independent... Independent entity from Snappi. Snappi has an autonomy in that it is also a bank which must have an administrative and organizational autonomy.

Panagiotis: Of course.

Thanasis: Natech has its own audience, has their own customers who are banks, banking institutions, etc., which cooperate many times or anyway the vision is to collaborate through Snappi in banking as a service. It's what sells all over the world. But it sells, as we have said, it aims at the European market, American market and somewhere in the Middle East and some small steps that have been made in sub-Saharan Africa. There is no overlap there with Snappi. But on the issue of banking as a service the whole European market is clearly of strategic importance all channeled and serviced through Snappi and it's also a market that's going crazy with banking as a service the embedded finance and various such... Very related formats are the trillion-dollar market, as we say, in the next three years and it's really the order of magnitude in the trillion and Snappi has it all, both technological and organizational tools to capture a large share of this market. So Natech, then, has a very big focus on Snappi doing extremely

well because it's not only its investment part, it is also of strategic importance, is also a shareholder and of strategic importance for the business itself...

Panagiotis: Of course.

Thanasis: Which is banking as a service. And the rest that we say more traditional but it doesn't sound so traditional is a very high intensity and structure subsystem which is core banking and the digital channels that are in the rest of the world.

Panagiotis: How do you see fintech evolving in the coming years and what consumers should expect in our experiences to change?

Thanasis: I think consumers themselves are driving the change. It's the consumption habits that drive it. We are in a place and a world and a time where everything is technology. I mean, if I forget my mobile phone somewhere, I go crazy. I imagine the majority of people. Why, because you expect people to help you, technology helps you make your everyday life easier. Everything we do now in our lives, I don't think it won't have technology but it also passes on to the banking services. Bank branches exist and may exist and will probably exist as service points for some special, specific transactions and services but everything else you've learned to use via technology. You buy via e-shop. You do it through a digital card possibly. In Greece we have now known to exchange money...

Panagiotis: By SMS.

Thanasis: By SMS, via IRIS, it's very simple. So, this is something that we are experiencing. A year ago, we were not in the same place. Fintech did a very good thing. It turned a lot of people to integrate technology and turned the banks in the technology space faster. Because the experience you had in the banks was unacceptable.

Panagiotis: Yes, of course. And in many places, it still is.

Thanasis: And it still is. I'll never forget saying that one time I lost my identity I had gone to a bank and I said, after Covid, "I want to change my identity". And they said "Yes, you should make an appointment". "Yes, but we're at the bank", "You'll call to make an appointment", and if you're in the store, you call to make

an appointment with the person in front of you and even he doesn't serve anyone else.

Panagiotis: Madness, madness.

Thanasis: But what did that do? It raised the level of maturity and accelerated processes. People have now learned that technology serves them. I have said it before and I say it again, that I can't imagine how in the future we will do business without digital way. The supervisors are integrating it, we will have a digital euro in Europe, we'll have anything. Cryptocurrencies are gone, came or can come, it doesn't matter. But people will certainly know how to transact digitally. This gives us a huge opportunity and a huge change.

Panagiotis: Tell us a little bit about embedded finance and what applications to expect in the future.

Thanasis: That actually embedded finance or embedded banking is, everything in your life is now embedded. So, we take technology together with banking and combine them. Whether it's from an application where you say I want to buy a good and at the same time I use a "buy now pay later" which is a basic structure, simple but not entirely usable and you say that suddenly, without disturbing my experience, I get a credit, a loan and buy a good.

Panagiotis: Embedded finance.

Thanasis: Up to the fact that I have a need to get my salary tomorrow because I want to pay in advance for some things or my consumption habits or necessity dictates that I get an advance without talking to my employer and say "give me an advance" but the bank is now taking it upon itself to do that. But all of a sudden, the bank does what, comes into your whole life and manages your money. It is a key pillar of embedded finance. So, what we are governed by and there are many aspects, i.e. we see that today we write emails via Chat GPT or other AI tools and now what happens, we do embed in our lives an artificial intelligence tool.

Panagiotis: Yes.

Thanasis: Accordingly, therefore, we will integrate into our lives and we will integrate a set of banking services that will help us in all aspects of technology.

Panagiotis: Where do you feel the digitization of the market in Greece is, our banking system and what you see is coming? And I'm talking about Greece right now.

Thanasis: Greece is not lagging behind the rest of the world to begin with, to say that we are very competitive now, especially with the new digital services and in relation to the state that draws things about e-KYC and so on we have evolved. In the past we were in the era of...

Panagiotis: KYC, Know Your Customer...

Thanasis: Know Your Customer, I'm sorry, getting to know your client. It is a service that the state also provides. Why was it a big step? Because now what you did in a bureaucratic way, you'd go to each department and collect papers, is now done in a digital way. So that's one part. But we still have anchors and difficulties. What I'm saying, if you go to open an account as a new customer at a bank.

Panagiotis: You can't do it digitally at first at the moment.

Thanasis: We say we have digital onboarding as it's called, client registration digitally, but it works for some, doesn't work for everyone. A typical example I say, I am an American citizen and a Greek citizen, but I am a tax resident of Greece and I am having a hard time... Indeed and the one I am who I am in technology, banking technology, I can't easily open an account at another bank.

Panagiotis: Yes.

Thanasis: I'm not allowed. So, this is something that should not be the case. They are going that way. Slowly, we will see that through your system, your management system of your financial services or from the system that manages your staff, you can make all the transactions without having to change your environment, get into web banking, get into mobile banking. All this is now being done, integrated.

Panagiotis: Where do you see the biggest opportunities for the country to develop at the moment?

Thanasis: What I see initially and the carriers, to emphasize that some action is being taken, but the insurance sector comes into it, supermarkets are getting into it. I see that embedded will be in Greece in a very short time, will be at a very advanced point.

Panagiotis: OK.

Thanasis: There are many actions being taken that will soon, I believe, have an effect. Not talking theoretically, but practically these things happen, partnerships, where now both large and small businesses they're going to get into the payments part very strongly. That is, today we see a growing trend on the use of debit and credit cards. So, a lot of transactions are practically done digitally. We see the integration of electronic payments with other channels. I mentioned IRIS earlier. Cheques have shrunk, i.e. the number of cheques is decreasing. The number of cash, the amount of cash, also decreases. So, we are moving to digital payments slowly. We are not where we could be, but there is a trend. I think in the future and with the introduction of a digital currency, which the European Central Bank has announced, in 2-3 years, we can get over 95% done in a virtual way. Now, what has certainly not been done almost at all in Greece are digital loans. Digital credits. Some efforts are being made, there's been some action taken to get some form of loan, but to this day, you have to go to the store, sign papers, submit business plans, and so on.

Panagiotis: OK.

Thanasis: But we will see changes. And the second very big issue is, that there is no banking integration there in Europe, the second very big issue is for all these young people that currently have no credit rating, that is, one doesn't know if they can get a loan. And that's where the big issue is. We used to talk about Africa having the financial inclusion problem, i.e. they cannot be incorporated into banking because they don't have data. Suddenly we found ourselves that young people, in Greece and throughout Europe, to have been excluded from many things in banking. And this is perhaps the great struggle of the next generations, because even in terminology they don't know. If you go to an ATM to withdraw money, which is not nuclear science, but you still have options, you want to withdraw from your savings account, from your checking account, from your credit card. A person who has no exposure to these accounts, says "I want to raise money".

Panagiotis: Yeah, yeah, yeah.

Thanasis: I don't even understand what it's telling me.

Panagiotis: In my mind young people don't have access to many financial products, in many services and many products, de facto because they don't have very high incomes or don't yet have the background to go with them. But wasn't that always a problem?

Thanasis: Yes, but it was always a problem when the circumstances were different. If today someone has a much higher speed in getting some products and you being younger, you don't, suddenly you've got a big gap to fill and it's much harder now when you're young to get all these services that someone else because they just happen to be 40 years old, they receive them.

Panagiotis: Especially when you're moving. You understand, countries and that young people and new generations are also much more mobile. The whole world is an addressable market. So, they can go anywhere and there's a great Endeavor entrepreneurs' company there, Nova Credit, which has been going and working with... We've done an episode in season two I think with Nicky Goulimis who... You know Nicky.

Thanasis: I know her.

Panagiotis: She helps credit bureaus between countries, the agencies responsible for getting your credit rating, to share their data, so that a person who leaves one country and goes to another to take that credit score with them, so to be bankable from day one in the new country. Well, we're going to play a game to make the discussion a little lighter and we have cards, you will randomly choose one, you'll come up with a word, which we'd like to hear your definition of, not Bampiniotis'. I mean, what do you have from your experience to date that you've gotten as the definition of this word.

Thanasis: Vision.

Panagiotis: Good, vision. What does vision mean to you?

Thanasis: For me vision means what I imagine I should do or want to do in the next decade. I used to imagine that the vision was "what is my dream", but I've changed it up a bit.

Panagiotis: That's what I was going to ask. You've changed it a bit because it helps others to follow you more or helps you to stay focused because you keep thinking bigger and bigger?

Thanasis: That one.

Panagiotis: That one, huh?

Thanasis: That one. I always had the problem that I couldn't focus on something more tangible and go bigger, bigger, bigger and you can't predict the future. And some conditions are so volatile that what today is your vision, tomorrow can be your present.

Panagiotis: It's always a happy journey to have a mind that doesn't stop thinking?

Thanasis: No. It's not always good. It creates you a lot of times, or at least it does for me, and sadness and a sense of unfulfillment which is sometimes creative, sometimes frustrating. Because you say how far away, I am from what I would like to do? But on the other hand, you say, look where the world is going. I always said, when people went to the moon, it was something that was so far beyond the realm of earth's imagination. OK, Jules Verne had imagined it and he had written it, but it was something extreme. But if they didn't have that vision, they wouldn't have made it, they would never try. But on the other hand, you often set goals or imagine or dream things you can't achieve and depending on your personality, it gives you a sense of what's far away.

Panagiotis: Your experience is mostly people having a hard time listening to this dream you've had and have a hard time following it or people who follow you and it comes kind of easy? I can imagine people having both experiences. It's the luck part of it, and it's definitely the location, but your own experiences, what are they like?

Thanasis: I've always been surrounded by people or talked to people who all told me that "you won't make it". There was no one ever told me, except for the

very close members of my family, who said, "OK, you can do it". Everybody told me that "What you say is not possible". From customers, competitors, partners. Some partners thought there was some hope of catching a percentage of what we say. As time went on and we achieved some of the things we were talking about, then suddenly there were more people saying "Yes, yes, we can do it". This creates another problem. Sometimes you think that whatever you say will work. It doesn't work like that. The truth is that you're bound to fail at some point. It is better to fail sooner than later. Lately I've been seeing and hearing more people who believe in the vision or they believe in perhaps a greater thing. But I don't remember ever in my life anyone ever telling me "Yes, what you say will happen".

Panagiotis: I have the feeling that a person, if you would tell me, who is the person, the number one person who has never told you that something is impossible, he's your father.

Thanasis: Yes.

Panagiotis: And I have a feeling he's always been just the person you know... He opened your horizons a little bit more. And because I know that you were not the CEO at first, talk a little bit about your relationship with your father, the professional one.

Thanasis: My father and I had a relationship and I have a relationship that was my mentor in many things. In some magical way for me he never interfered with my decisions. He was always trying to give me his opinion but in a creative way and not in a destructive way. The truth is that he never told me "Don't try". He always told me "I'll support you". I felt a sense of security. That I would be supported by someone I trusted. But it doesn't mean that he always believed that what I said would happen. But never... He was always trying not to tell me that "What you say won't happen". He was telling me that if you believe it, was pushing me to think the parameters and told me that "If you believe it, etc., I will support you". He never told me it would never happen. But that doesn't mean he always believed it.

Panagiotis: A piece that we can by no means leave out of our discussion is Ioannina. We have them covered, Season one, I think, of Outliers, we have an interview with Philipp Deutscher, who is the CEO, we see the German CEO of TeamViewer Greece. TeamViewer is a German unicorn, i.e. over a billion in

capitalization, value, a technology company in Ioannina, which is the first moment that puts us in Endeavor, on our map, Ioannina. I want you to tell me, to describe the ecosystem and if things are really that optimistic there and I'd like you to give me a little bit of his story, so tell us a little bit about Ioannina.

Thanasis: Well, Ioannina is gradually being transformed into a tech hub. We were there, so, well, you know, the company was set up in Ioannina then went elsewhere, we set up in other places anyway, either branches or subsidiaries, we also created Snappi based in Ioannina.

Panagiotis: Oh. OK.

Thanasis: Snappi is based in Ioannina, yes.

Panagiotis: Perfect.

Thanasis: So, we were there anyway and help the ecosystem grow. Traditionally there have been very few companies in the past, in the IT field.

Panagiotis: With the momentum you've built up, you will have Piraeus Bank put the headquarters in Ioannina.

Thanasis: But it has to do it. There are now several companies that are in Ioannina. And we, the people of Ioannina, say Giannena when it is really Ioannina.

Panagiotis: I can't call it Giannena.

Thanasis: You're right. What's going on. It is a region of Europe which a few years ago had the lowest per capita income. Although it had several businesses that had played an important role in the economy. And the people of Ioannina are people who have invested in their country. Either they were leaving, there were a lot of immigrants, America, Greece, Europe. But money was also coming back to Ioannina. And because they were geographically isolated and there was no road, it was difficult to connect, a lot of times we had a more closed social style. On the other hand, there is an amazing university. Especially in the field of technology it has done wonderful things. And the people who are in Ioannina, the students who are in Ioannina, they didn't have much choice. They usually left for Athens or abroad. So, there is a talent pool that was untapped. However, with good

professors who had studied abroad, with research, with great citations, so that was left unused. On the other hand, there were people, well, who saw Ioannina as a possible place where they could settle. There is an amazing university. Especially in the field of technology it has done wonderful things. And the people who are in Ioannina, the students who are in Ioannina, they didn't have much choice. They usually left for Athens or abroad. So, there is a talent pool that was untapped. However, with good professors who had studied abroad, with research, with great citations, so that was left unused. (1:11) The other part is that traditionally the church, and this will seem strange, in Ioannina, had a voice. Why I mention it, as the Metropolitan bishop, the new one who had come, Maximos began to have some serious, made a serious effort to bring together the Greek, the business scene in Ioannina with the German business scene. Maximos was in Germany. So, when he came in, he had developed some good relations with the German government and with Merkel and so on back when we were in trouble with Germany. Where in a business mission made from Greece to Germany, which took place in 2020, just before we closed for Covid, which was participated by the Metropolis of Ioannina and the Region of Epirus and a lot of Ioannina companies, where we went to Berlin, there were many discussions, collaborations, communications, contacts that convinced funds to come and invest in Ioannina.

Panagiotis: OK.

Thanasis: So, today we have besides German, we have various auditors that have opened up, Deloitte has opened, PwC has opened, Grant Thornton has opened in Ioannina and apparently, we were the natives.

Panagiotis: The natives.

Thanasis: The natives. In collaboration with the University and in cooperation and with some others who were abroad, there are some digital nomads, i.e. people of Ioannina who worked in foreign companies and they managed to do it with their own, with their own resources, created a co-working space for the digital nomads of Ioannina, C.Ioannina, as is called, and they brought in people from abroad to move to Ioannina and stay and build a community. So, today we have a pretty active community and I think it's based on really the individual effort of many people.

Panagiotis: The people of Ioannina are positive, negative, you certainly hear a lot and we all have our own opinion but I wonder if a city changes so much from the presence of foreign companies, foreign people. What is the account that others are doing and what's your account of it?

Thanasis: I think it's very positive and people in Ioannina see it too because first of all, the Municipality has incorporated it, the Prefecture, I talked for the Church, and the factors who are not involved in entrepreneurship have it but yet in their own way they kind of push things that way, again... It's gotten a lot of attention. You see what we were saying to the people outside, you see people out of town who have other quality standards. There are some conferences where people come and exchange views. So that's what comes out.

Panagiotis: The population of the city has increased, you know, have we captured this at all?

Thanasis: I haven't looked at it, I'm sure it's grown a lot the population of the city involved in technology.

Panagiotis: Definitely. Your mom was looking for three.

Thanasis: Now, there's thousands.

Panagiotis: Now, you can see them from the balcony.

Thanasis: That's right. There are too many of them. And it's being done, you see, even at the level of establishments, so at some point we were looking for places, not just us and we knew there were companies that wanted to set up in Ioannina from abroad and are looking for corresponding spaces. So, they are also being done at the level of infrastructure.

Panagiotis: Infrastructure, infrastructure.

Thanasis: Yes, big things in infrastructure. So, you see that everywhere.

Panagiotis: You see, that is, they exist, they are being built, there's construction going on right now in the city...

Thanasis: Yeah, yeah, the city's on edge.

Panagiotis: It's on edge and the average eye can see it, does the average citizen see this, does the average citizen realize this?

Thanasis: What I'm saying is that at some point when we set up Snappi on a road that had been completely abandoned, now I went 3-4 days ago in front of Snappi and it was bustling with life. Except that a huge "Plaisio" had opened next door, cafes and next-door co-walking spaces had opened and it was the first building that Snappi had opened a year and a half ago, we're not talking about thirty. And suddenly the area is bustling with life. Why, because it is being created, you see that there is now an evolution. What I'm saying is a lot of times you hear people speaking English because they are not from Ioannina or foreigners. And you see people who are doing innovation that you never imagined. Because things happen behind your back. So, this is intense. And the world always knows and talks and listens and tends to improve.

Panagiotis: In the last part we do a round of quick questions. Some are binary, that is... Choose one from the other, some are a little more abstract. But the general context is with quick answers to end with our picture of you. And maybe learn a thing or two that we weren't given the opportunity to learn about you. So, book or podcast?

Thanasis: I say book romantically, but actually, podcast.

Panagiotis: You're a morning guy or an evening guy?

Thanasis: Morning.

Panagiotis: Morning, I'm sure. Coffee or tea?

Thanasis: Coffee.

Panagiotis: Coffee. Which historical figure would you like to have dinner with? With Neil Armstrong.

Thanasis: Neil Armstrong.

Panagiotis: What technology can't you live without?

Thanasis: Without my cell phone unfortunately.

Panagiotis: And I've got the sense of the Wallet. Apple Wallet, Apple Pay. What is your favorite city for business travel?

Thanasis: New York.

Panagiotis: New York. Great city.

Thanasis: Great city. It's impossible.

Panagiotis: It's also the finance center of the world, so...

Thanasis: The more business-prone people from there, they are amazing. In my opinion. I haven't been everywhere, but to date, New York is number one.

Panagiotis: You'll do business there, you've got... You're thinking...

Thanasis: Very soon.

Panagiotis: Tell us a book that changed your life.

Thanasis: Harari's A Brief History of Humankind.

Panagiotis: Very beautiful. What is the best advice you have received?

Thanasis: That's a very difficult question.

Panagiotis: Well, yes, it is.

Thanasis: Never give up.

Panagiotis: If you weren't involved in your current activity, you're not the CEO of Natech, you didn't make Natech. What do you think you'd do?

Thanasis: Something completely different. I think I was going to be an archaeologist.

Panagiotis: OK. You got something, are you involved?

Thanasis: I'm not involved, but for some reason I'm incredibly intrigued by history and it's no secret that in high school at one point I seriously considered that archaeology suits me very well.

Panagiotis: What do you think makes an entrepreneur an Outlier?

Thanasis: There are not many magic recipes. It is that there is faith in following his vision. There is nothing else.

Panagiotis: What I give from your story today and I think that it's a very strong feature of your story is that we really can... If you believe something is possible, and it's a matter of understanding and your opinion, you can really do it and I think that is what is missing from the business concept and hinders business growth.

Thanasis: Let me add something, at one point I had talked to a man in the broader area of banking technology, who had said to me "You know, like you say, you will serve all those where no one else wants to serve". And says, "Why would you do something that nobody else does?" and I realized that's exactly what intrigues me, that I can and I want to do what no one else wants to do. Because I believe it.

Panagiotis: Thanasis, thank you very much.

Thanasis: And I thank you.