

Acquisition of Business - Core Banking Platform Provider

Melbourne, 5th September 2018 – Australian Securities Exchange and Frankfurt Stock Exchange cross listed iSignthis Ltd (ASX : ISX | FRA : TA8) (the Company) is pleased to announce that it has entered into terms to acquire 100% of the issued capital of an EU based core banking platform software business (“the Business”).

The Business has been in operation for more than a decade, and services more than fifteen (15) prudentially regulated entities across the EU, Asia and North America, with regards to their core banking platform requirements. The Company is expected to deliver a modest, but positive, EBIT contribution for FY2018 (Dec)

The Business’ core banking services have recently been certified, and the Company intends to augment the offerings by the Business by adding its card processing modules as they also become progressively certified, including Visa, Mastercard, JCB and others. This will expand the Business’ product range and revenue opportunities. The Business’ revenue model is at present based upon a software licensing model, with annual maintenance fees, based upon licensed software installed on local servers operated by the banking client. The Company expects that the Business’ revenue model can be readily adapted to a Software as a Service (SaaS) model, which can in future be hosted as part of the Company’s secure and certified cloud infrastructure. SaaS services can command higher fees, as they are ready to use, without the need for case by case certifications and client side infrastructure deployments.

In addition to the future SaaS licensing opportunities around core banking and card processing SaaS, the Business is a strategic acquisition for the Company as it provides *proven and certified* systems as follows;

- Core Banking Platform
- E-banking (Client Portal)
- Mobile Banking Application
- Loans & Mortgages Module
- Portfolio Management
- IBAN Validation API
- Integration between ATM and POS switches, and the Core Banking System.
- Wire Payments – SWIFT, SEPA and Earthport Integration

The Company’s EMA services will be integrated to the above certified services as soon as readily possible, allowing our business customers and merchants access to the rich features of the core banking platform. The Business shall operate as an independent business unit, sharing legal, treasury, and HR functions with the parent and sister companies. The Client portal will allow retail customers to view their ISX IBAN accounts.

The Company expects to reach definitive agreement within 10-14 days, and complete due diligence within that period. Subject to due diligence, the Company will acquire the business within a further 7 days for €300,000 cash at completion, and €100,000 in ISX ordinary shares in six months, with an earn out commission paid in cash for sales completed within the next three (3) months, based on receipted cash.

John Karantzis, CEO of iSignthis said “The addition of a proven core banking platform will allow ISXPay to accelerate its eMoney Account (EMA) portfolio rapidly, and to provide enhanced services to its business and prospective retail customers. The already certified integration to SWIFT and SEPA will save significant time for the Company, and will allow ISXPay to integrate quickly into our Central Banking facilities. The certified Tier 1 card scheme software developed by iSignthis inhouse will also be available as a licensed or SaaS service from the Business, complementing the core banking offering and strengthening the value proposition to small banks and PSPs.”

Further details to follow once the definitive agreement has been executed and due diligence has been completed.

About iSignthis Ltd (ASX : ISX | DE : TA8)

Australian Securities and Frankfurt Stock Exchange listed iSignthis Ltd (ASX : ISX | DE : TA8) is the global RegTech leader in remote identity verification, payment authentication with deposit taking, transactional banking and payment processing capability. iSignthis provides an end-to-end on-boarding service for merchants, with a unified payment and identity service via our Paydentity™ and ISXPay® solutions.

By converging payments and identity, iSignthis delivers regulatory compliance to an enhanced customer due diligence standard, offering global reach to any of the world's 4.2Bn 'bank verified' card or account holders, that can be remotely on-boarded to regulated merchants in as little as 3 to 5 minutes.

iSignthis Paydentity service is the trusted back office solution for regulated entities, allowing merchants to stay ahead of the regulatory curve, and focus on growing their core business. iSignthis' subsidiary, iSignthis eMoney Ltd, trades as ISXPay®, and is an EEA authorised eMoney Monetary Financial Institution, offering card acquiring in the EEA, Australia and New Zealand. ISXPay is a principal member of Visa Inc, Mastercard Worldwide and JCB International, an American Express aggregator, and provides merchants with access to payments via alternative methods including SEPA, Poli Payments, Sofort, Trustly, WeChat, AliPay and others.

Read more about the company at our website www.isignthis.com.

For more information, please contact: iSignthis Ltd (ASX : ISX): contact@isignthis.com