

Buyout of Joint Venture partner in leading Fintech and ATM managed services provider Transaction Solutions International (India) Pvt. Ltd

Highlights:

- Vortiv Limited (ASX: VOR or the "**Company**") has announced today the signing of transaction documents to acquire the remaining 75% of Transaction Solutions International (India) Private Limited ("**TSI**") from its joint venture partner in India ("**Acquisition**").
- The Company has held an interest in TSI since 2005. TSI is a leading Fintech and ATM managed services provider, with core operations including ownership and servicing of over 14,000 ATMs in the high growth cash economy of India.
- Key management locked in through 10% ownership in TSI India which is to be issued to them post completion, thus VOR will own the remaining 90%.
- The Acquisition is expected to provide significant benefits to the Company, including the addition of strong revenue and free cash flow and increased exposure to the growing Indian payments market.
- The share sale and purchase agreement for the Company's acquisition to be funded by an upfront cash payment of AUD \$4.1 million which the Company will fund through a fully underwritten entitlement offer.

Melbourne, Australia, 8 December 2021: Vortiv Limited (ASX: VOR or the "**Company**") announces that it has executed transaction documents to acquire the remaining 75% of the issued share capital of Transaction Solutions International (India) Private Limited from Urania Private Limited and AAJV Investment Trust (both being investment vehicles of VOR's joint venture partner, being CX Partners).

TSI is a leading Fintech and ATM managed services provider, with core operations including ownership and/or servicing of over 14,000 ATMs in the high growth cash economy of India. The Company has held an interest in TSI since 2005.

Details of TSI's recent performance can be found the Company's announcement earlier this year on 3 June 2021.

The Acquisition is expected to be funded by amounts raised under the Company's fully underwritten entitlement offer (details of the entitlement offer are set out in a separate announcement as of today's date).

The Acquisition is expected to be completed by the end of January 2022 but is subject to the satisfaction of customary conditions precedent, including (i) relevant legal and regulatory approvals being obtained (the Company does not expect that the transaction will require any specific approvals at this point in time given that the Company has previously been the 100% owner of TSI), (ii) the Company providing a letter of comfort to one of TSI's financing banks, (iii) counterparties to TSI's key contracts providing written consents to the Acquisition and (iv) no breach of warranty under the sale agreement occurring before completion.

Strategic rationale and benefits of Acquisition

- **Established Operator of scale across India:** 14,000 ATMs managed, TSI has a national footprint covering the most densely populated states across India.
- **Blue-chip clients:** TSI serves 14 major banks and 4 major utilities.
- Provides platform for follow-on complementary Fintech acquisitions.
- **Highly fragmented market:** TSI has market share of approximately 6% of ATMs managed through India, a meaningful footprint with the ability for continued growth via new contracts and acquisitions.
- **Growing market:** Cash in circulation in India has grown at 16% compound annual growth rate over the past 4 years and is up more than 80% since 2016.
- **Strong business knowledge:** VOR was previously 100% shareholder and has held a shareholding in TSI for over 15 years.

TSI Leadership

TSI will continue to be led by its CEO Mohnish Kumar who joined TSI in 2006. Mohnish is an ex-Citibank Director who has over 35 years' experience in Marketing and New Business Development in the FMCG, consumer durable and Financial Services areas. His roles at Citibank spanned 15 years and included, prepaid cards, Cross Boarder Payments and Cash Management.

Commenting on the Acquisition, VOR Chairman, Nicholas Smedley, said: "increasing shareholder value through EPS accretive acquisitions is an important priority for VOR and we believe that TSI acquisition delivers on that priority."

This is the first of many acquisitions we expect to undertake to fulfil our business vision. We welcome Mohnish and his team back into the VOR group and look forward to supporting further growth in the TSI business for the benefit of all VOR shareholders."

END

Authorised for release by the Board of Directors, Vortiv Ltd.

For further enquiries:

Mr Alastair Beard

Company Secretary

Vortiv Pty Ltd

P: +61 411 717 073

E: pmacleod@vortiv.com

Mr Nicholas Smedley

Chairman

Vortiv Limited

P: +61 447 074 160

E: nsmmedley@vortiv.com

If shareholders wish to update their details with the Company's share registry, please contact:

Advanced Share Registry Limited

110 Stirling Highway

Nedlands WA 6009

Telephone: 1300 113 258

International: +61 8 9389 8033

Facsimile: +61 8 6370 4203

Online: www.advancedshare.com.au/investor-login