



ASX Release

23 September 2015

Offer to acquire Australian ATM Operations

GRG Limited (**GRG**) is pleased to announce that it has accepted an offer from DC Payments Australasia Pty Ltd (**DC**) to acquire the Company's Australian ATM business (**the Offer**). The Offer is subject to a number of conditions including the approval by GRG's shareholders. Completion of the Offer will result in the transfer of the ATM business assets and contracts of GRG to DC. GRG will focus on its ATM and bank transformation product distribution business in various jurisdictions.

Consideration

The consideration to be received by GRG upon completion of the sale will, subject to satisfaction of the conditions, comprise of:

- \$2.015 million payable following shareholder approval and execution of an asset sale agreement;
- Approximately \$2 million payable on renewal and/or assignment of a small number of key contracts; and
- DirectCash Payments Inc. (DC Payments), the parent of DC, has agreed to enter into a long term distribution agreement to acquire ATMs from GRG for its Australian and international operations.

Conditions precedent

There are a number of conditions precedent to the Offer, the significant ones of which are as follows:

Shareholder approval – GRG must obtain approval of the Offer from its shareholders, and will call a shareholder meeting seeking this approval with further details of the Offer as soon as practicable. The Board of GRG will unanimously recommend to shareholders that they accept the Offer, in the absence of a superior offer.

Key ATM contract renewal and/or assignments – GRG has a small number of high value contracts that DC requires be assigned or renewed prior to payment of the allocated purchase price for those contracts. Full details will be contained in the meeting documents accompanying the notice of meeting (**Meeting Documents**).

Formal agreement – the parties will enter into a formal contract recording the above terms, and GRG expects to complete contracting in the near future.

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ATM Management agreement

GRG has entered into a management agreement with DC pursuant to which DC is managing GRG's Australian ATM fleet. GRG has secured significant cost savings by entering into this management agreement by rationalizing staff and leasing a smaller premise.

Impacts of Offer

Full details of the impacts of the Offer on the financial status of GRG will be set out in the Meeting Documents which will be sent to shareholders as soon as practicable.

GRG confirms that it has, obtained the conditional consent of its secured lender to the Offer and negotiated a restructure of its secured debt which includes an amended repayment schedule. The consent and debt restructure is conditional on a number of matters including shareholder approval of the Offer, and full details will be included in the Meeting Documents.

Provided shareholder approval is given GRG will continue to carry on its core business as a reseller of retail and banking ATMs and ATM technology, as well as banking transformation products including; note sorters, automated depositories, night depositories, and video teller technology. GRG and its advisers will commence negotiations with ASX concerning its on-going operations and working capital position, and steps that are necessary to end the current suspension.

GRG recognizes that it has not lodged financial information with ASX for some time and the Meeting Documents will include the current and pro forma financial positions of the Company assuming the Offer is approved and proceeds. On approval of the Offer GRG intends to complete and lodge all outstanding Financial Reports as soon as is practicable.

About DC

DC is a wholly owned subsidiary of DirectCash Payments Inc. which is listed on Toronto Stock Exchange (Stock Symbol: DCI) (**DC Payments**). DC Payments is a full-service provider of innovative payment processing services and ATM managed solutions. DC Payments is the largest ATM provider in Australia and Canada, the third largest provider of ATMs in the UK and maintains ATM networks in both New Zealand and Mexico. DC Payments is also one of Canada's leading independent providers of end-to-end transaction processing and payment solutions. For further information refer to www.directcash.net and www.dcpayments.com.au.

About GRG International

GRG International Ltd (GRG) is a listed entity on the Australian Securities Exchange (ASX) which markets and sells GRG Banking ATMs and related services into various markets.

GRG International commenced as a joint venture between GRG International Pty Ltd and GRG Banking of Guangzhou, the largest ATM manufacturer in China and listed on the



Shenzhen Stock Exchange with a \$A5.0billion market capitalisation. The venture combines GRG's reputation for innovative and reliable ATMs in Asia with the proven track record of individuals who have the knowledge, reputation and relationships to make GRG Banking successful in both the retail and banking markets.

The company leverages GRG Banking's resources to design, develop, manufacture and sell ATMs, ATM management software and spare parts without incurring the associated overheads. GRG International will also sell the comprehensive range of other GRG Banking products such as Recyclers, Teller Cash Dispenser, Automatic Depository and Kiosk products.