

**INDUE ATM BUSINESSES ACQUISITION UPDATE****HIGHLIGHTS**

- Stargroup Limited has completed its due diligence of the ATM switching, settlement, processing, telecommunications and ATM reseller businesses operated by Indue Limited.
- Stargroup Limited and Indue Limited have agreed on the key terms of the asset sale agreements and other contractual documentation in relation to the transaction.
- Consideration is \$6.5mil, payable in cash by 31 December 2016.
- Stargroup has executed an agreement for a debt facility of up to \$15mil to fund this acquisition and other EPS accretive acquisitions.
- Execution of the contractual documentation expected to occur in November and completion of the acquisition is expected to occur by 31 December 2016

Financial Technology and ATM machine company Stargroup Limited (**ASX : STL**) is pleased to announce that it has completed its due diligence of the Indue Limited (**Indue**) Automatic Teller Machine ("ATM") switching, settlement, processing, telecommunications and reseller business.

Stargroup and Indue have agreed to extend the exclusive period for the negotiation of the sale agreements and other contractual documentation in relation to the transaction from 31 October 2016 to 30 November 2016, with completion of the acquisition expected to occur by 31 December 2016. The parties have also agreed to the key terms of the ongoing services to be provided by Indue to Stargroup post completion.

Stargroup has agreed to pay \$6.5 million with the consideration being paid in cash, on completion.

Stargroup also has agreed to commercial terms of a debt instrument of a minimum of \$10mil and a maximum of \$15mil to fund this acquisition and other potential acquisitions. This includes a debt facility with free attaching option(s) on a 1 for \$1 basis with an exercise price of \$0.10 per option to acquire one Stargroup share, with a 3 year exercise period.

Stargroup has provided shareholders with a notice of meeting and explanatory statement detailing the approval resolutions sought for the proposed acquisition.

Mr Todd Zani, Stargroup's CEO and Executive Chairman said *"We are very excited to announce to the market that our due diligence has been completed and that the key terms of the asset sale agreement and ongoing services agreement have been agreed to by both parties."*

*"The successful negotiation of the ongoing services between both parties has enabled us to further add value to the current customers and other industry participants by combining the strengths of both parties. "*

*"Further, the securing of the debt instrument on commercial terms will not only provide certainty of completion of this acquisition to our shareholders but the facility provided will also provide certainty in*

relation to any other potential EPS accretive acquisitions that we may consider. This will enable Stargroup to fully concentrate on the execution of this acquisition and to accelerate our blue sky EFTPOS business opportunities in 2017", said Mr Zani.

Stargroup has announced record after record results, released new products and committed to the releasing of further new financial technology products in 2017 and is well on track to record its 12<sup>th</sup> record quarter of revenue in a row having just experienced a record month of revenue in October that far exceeded budgeted results. Stargroup has previously advised the market that it would be likely to pay a dividend in June 2017.

When reflecting on the last twelve months and the future, Mr Zani remarked "When you consider what Stargroup has achieved over the last twelve months and more importantly what Stargroup is likely to achieve in the next twelve months, it has been a remarkable period for the Company."

"We have achieved all of this without having released all of our products on the market as yet and in particular believe our biggest blue sky opportunity, the EFTPOS products that we are developing with West International AB and our other technology partners, is going to deliver increased revenue growth and much greater value to Stargroup in coming years."

"When we look at the additional value being added with this complementary acquisition and our EFTPOS and other blue sky opportunities that are currently before the Board, I am quite excited about what 2017 has in store."

## FURTHER INFORMATION

For further information, please contact:

**Todd Zani**  
CEO and Executive Chairman  
Stargroup Limited  
Tel: +61 419 912 566  
E: [todd@starpaymentssystem.com.au](mailto:todd@starpaymentssystem.com.au)

**Media**  
**Matt Birney**  
Director – Cannings Purple  
Tel: +61 419 217 090  
E: [mbirney@canningspurple.com.au](mailto:mbirney@canningspurple.com.au)



### ***About Stargroup***

Financial technology company Stargroup Limited is the only ASX listed company deploying ATM machines in Australia and importantly, the only listed ATM company having a direct ownership interest in the manufacturer of its ATM technologies, namely NeolCP, a south Korean private company.

Stargroup Limited became the exclusive distributor of the cashPod ATM range including the recycler ATM, back office and payment technologies in Australia for the next 5 years on 7 August 2015.

Stargroup Limited, via its wholly owned subsidiaries, StarPOS and StarApps, is also an EFTPOS and payWave technologies provider and developer of the source code in its terminals via its 5 year distribution agreement with West International AB, a Swedish NASDAQ listed company, to distribute next generation EFTPOS payment terminals and solutions in Australian and New Zealand.

