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Announcement of a timetable for the closing of the transformation into a fast-growing, profitable FinTech company

- Closing of the agreed acquisition of majority stakes in four internet payment service providers planned for the first quarter of 2025
- Consideration in cash and treasury shares at a valuation of 2.40 EUR per PGH share
- The new group plans a transaction volume of 140 million euros for 2025
- New growth momentum from the recently received e-money license

Frankfurt/Main, 13 November 2024 – The Payments Group Holding (PGH), a Frankfurt-based investment company founded in 2012 and renamed in August 2024, plans to close its transformative acquisition agreed in August 2024 in the first quarter of 2025. The publication of a guidance regarding pro forma consolidated revenues, EBITDA and profits is planned for this year.

PGH acquires a majority stake in The Payments Group (TPG), a group of four cooperating, specialized fintech and paytech companies, Funanga AG, Campamocha Ltd. with its subsidiaries TWBS Ltd. and Calida Financial Ltd, and Surfer Rosa Ltd. TPG brands operate in a combined 190 countries, are used for payments on tens of thousands of apps and websites and are available at 550,000 physical retail locations worldwide.

TPG offers a comprehensive range of online payment services, including embedded financial services, prepaid technologies and global payment and payout solutions. TPG enables any online merchant and service provider to accept seamless digital, cash payments across borders and in multiple currencies. It provides a truly embedded and seamless 360-degree payment service. This ensures that end users never have to leave their chosen website, service or app to make a payment - eliminating the biggest point of friction in the payment process. There are overlaps between the four target companies in terms of management personnel and shareholders.

The acquired companies are profitable and cash flow positive. PGH Group expects a significant pro forma net profit per PGH share in 2025.

Annual sales growth is expected to exceed 50% p.a. from 2021 to 2025 and continue or even accelerate moving forward to 2027. The e-money license recently granted to Calida Financial Ltd. triggers additional growth. It entitles TPG to offer innovative e-money services and products throughout Europe. The license is now to be activated in all EU member states as part of the planned passporting process. Jens Bader, CEO of Calida Financial: “The license opens up numerous new opportunities for TPG. It can now offer additional services that many of our existing customers have already requested or expected. This development significantly strengthens our competitive position and accelerates our growth.”

The acquisition is subject to various conditions, in particular the approval of the Malta Financial Services Authority (MFSA). The corresponding, comprehensive applications were submitted in

September 2024. Talks on financing the cash tranche of the acquisition are progressing and very promising.

For the implementation of the transaction, PGH is acquiring 72.9% of Funanga AG and 75% each of Campamocha Ltd. and Surfer Rosa Ltd. in a first step, 10% for 9.15 million EUR in cash and a further 62.9%, respectively 65% for the transfer of 24.8 million PGH treasury shares, under exclusion of the subscription rights of existing PGH shareholders. PGH already owns 2.1% of Funanga AG. The 24.8 million treasury shares to be transferred will be acquired in full by the current shareholders of the four companies to be acquired at a valuation of 2.40 EUR per PGH share. The transaction values PGH at 23.1 million EUR and TPG at a capitalized earnings value of 92.5 million EUR (DCF with a discount rate of 26 - 32% p.a.). The market capitalization of PGH currently amounts to only 11 million EUR. In the first quarter of 2025, PGH intends to sell some of its own PGH shares with private equity investors specializing in the payment sector, excluding subscription rights, in order to raise the funds required for the cash tranche. In addition, PGH holds a call option until summer 2025 for the remaining 25% of the target companies for 23.1 million EUR in cash.

The founder of The Payments Group, Seth Iorio, will join the management of the holding company as Chief Strategy Officer alongside Christoph Gerlinger. He has been an internet entrepreneur for over 20 years. Already in 2011, he was Christoph Gerlinger's fellow board member at the listed Frogster Interactive Pictures AG in Berlin. Together, the two created considerable shareholder value for their shareholders before the company was fully acquired by Gameforge AG following a public takeover bid. Frogster outperformed the Entry Standard Performance Index by more than 500% at the time. With the closing of the transaction, Seth Iorio's investment vehicle acquires 50% of the shares of the general partner of PGH, which has changed its name to The Payments Group Management GmbH.

Jens Bader, PayTech expert and entrepreneur with over 20 years of industry experience in the payment sector, acts as CEO of Calida Financial. A few years ago, leading TPG employees around him built up a very successful international Internet payment services company with a transaction volume of over 1 billion USD.

Multi-year lock-ups were agreed for the 24.8 million PGH shares to be transferred to the TPG shareholders including Seth Iorio, Jens Bader and their vehicles as well as for the PGH shares of Christoph Gerlinger and his vehicle.

The Payments Group Holding is trading under the ticker symbol "PGH".

About The Payments Group Holding

The Payments Group Holding (PGH) is a listed holding based in Germany with majority shareholdings in four operating FinTech companies and a venture capital provider based in Frankfurt/Main.

Funanga AG, Campamocha Ltd with its 100%-owned entities TBWS Ltd and Calida Financial Ltd as well as Surfer Rosa Ltd form a fast-growing, vertically integrated e-Money PayTech group of companies - The Payments Group (TPG). TPG provides proprietary closed and open (branded and white-labelled) prepaid payment services to hundreds of online merchants worldwide. The synergy between these companies positions TPG as the future market leader in embedded financial products and prepaid solutions. Calida Financial Ltd. is the regulated company within TPG, having received an e-money license from the Malta Financial Services Authority (MFSA) in August 2024. This license entitles Calida Financial Ltd. to offer innovative e-money services and products across Europe.

TPG employs over 50 people and operates globally. TPG's customers make use of more than 550,000 POS cash payment points and the global online prepaid card network to process cash and cashless online payments.

Furthermore, The Payments Group Holding holds from its history as a leading German venture capital provider under the German Startups Group brand a heritage VC-portfolio of minority stakes in partly promising German startups via its wholly owned subsidiary German Startups Group VC GmbH.

For more information about The Payments Group Holding, please visit www.tpgholding.com.

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