



+++ Ad-hoc Announcement +++

Payments Group Holding: Terms and Timeline of the Transformation into a Growing, Profitable PayTech Company

- Renegotiation of the consideration for the agreed acquisition of majority shareholdings in four internet payment service providers
- Increased transaction certainty by extending the deadlines for the fulfillment of conditions precedent

Frankfurt/Main, 31 January 2025 – The Payments Group Holding (PGH), a Frankfurt-based investment company founded in 2012 and renamed in August 2024, now plans to close its transformative acquisition agreed in August 2024 in the second quarter of 2025, whilst a further delay cannot be ruled out as we cannot influence the timing of the occurrence of certain conditions precedent.

Instead of a fixed consideration of 68.1 million EUR for the stakes in the target companies, referred to collectively as The Payments Group (TPG), a variable consideration is to be rendered, depending on the valuation by the purchasers of PGH treasury shares (PGH investors) to be acquired by PGH to fund the cash tranche of the transaction.

PGH itself will now be valued based on its net asset value including assets outside the balance sheet at closing, estimated at 20 million EUR, of which 80% will be applied.

Under the original share purchase agreement of 13 August 2024, the comparative value of TPG versus PGH stood at 4:1 and may now end up higher or lower. The management of PGH expects the value ratio to improve in favor of its shareholders.

If, for example, the PGH investors were to value the group including the 75% stakes in the target companies pre-money at 96 million EUR and if the net asset value of PGH on the closing date was 20 million EUR (2.09 EUR per PGH share), this would result in a value ratio of 5 : 1. If, on the other hand, the PGH investors were to value the group at 64 million EUR, for example, this would result in a value ratio of 3 : 1. The second example would result in 18.4 million PGH treasury shares to be transferred (so far: 24.8 million). This mechanism for determining the purchase price is intended to ensure that PGH pays exactly the value objectified by 3rd parties for TPG and that the interests of the buyers and sellers are largely aligned. In this way, it can be avoided that PGH pays too high a price for TPG and that the shareholders of TPG receive too low a price.

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 and processed in January by the MFSA, without significant objections or road blocks raised. In order to minimize the risk of the transaction failing to meet the deadlines set out in the purchase agreement in August, both parties have agreed to adjust them. The deadline for the placement of treasury shares shall be extended from two to three months, starting after the

approval of the MFSA and the 2024 annual financial statements have been obtained. In addition, the long stop date shall be postponed to 30 September 2025.

The acquired companies are profitable, cash flow-positive and growing strongly. TPG's hypothetical consolidated revenue for 2024, which has been calculated YTD SEP24 and projected to the full year, should amount to around 7 million EUR.

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

About The Payments Group Holding

The Payments Group Holding (PGH) is an investment company and venture capital provider based in Frankfurt am Main founded in 2012 and renamed in August 2024.

In August 2024, PGH signed a share purchase agreement for the acquisition of four PayTech companies, which is expected to close shortly. After closing of the transaction, PGH will form a group of four operating PayTech companies:

Funanga AG, Campamocha Ltd with its 100%-owned subsidiaries 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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