



+++ Ad-hoc Announcement +++

The Payments Group Holding - Signing of improved terms for the acquisition of The Payments Group

- Variable purchase price for the acquisition and payment mainly per transfer of treasury shares
- Increased transaction certainty by extending the deadlines for the fulfillment of conditions precedent and the call option
- Generating an exit option for all PGH shareholders in 2030

Frankfurt/Main, 31 March 2025 –The Payments Group Holding (PGH), a Frankfurt-based holding company founded in 2012 and renamed in August 2024, agrees improved terms for its acquisition of The Payments Group.

PGH no longer has to pay of a fixed consideration of 68.1 million EUR for the 72.9 respectively 75% stake in the target companies, referred to collectively as The Payments Group (TPG), but 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. The call option for the remaining 25% in the target companies now runs until 31 January 2027 and the exercise price is equivalent to the same company valuation of TPG as upon the acquisition of the 72.9 respectively 75% stake.

PGH itself will now be valued based on its net asset value at closing including off balance sheet assets, estimated at 18 to 19 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.

The acquisition is subject to various conditions precedent, in particular the approval of the Malta Financial Services Authority, MFSA, and the placement of PGH shares, now in a volume of 10 million EUR. The corresponding, comprehensive applications to the MFSA were submitted in September 2024 and processed in January, without significant objections or road blocks raised. PGH intends to place a portion of its own PGH shares in a volume of 10 million EUR with interested private equity investors focussing on the online payments sector, in the second quarter of 2025, under the exclusion of subscription rights, in order to raise the funds required for the cash tranche. For this purpose, it wants to form a shareholder pool among the existing shareholders, securing the private equity investors and all pool shareholders a so-called exit after five years at the latest, by a commitment to perform a structured sales process with a M&A advisory firm and by granting them a drag-along right. In order to minimize the risk of the transaction failing by missing 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 March 2026

The acquisition creates an operating PayTech company with good earnings prospects and high growth expectations.

About The Payments Group Holding

The Payments Group Holding (PGH) is a holding 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 in summer 2025 subject to certain conditions precedent. 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, PGH operates an AI-focused company builder called 'AI Product Factory' together with AI experts via its future 25% stake in German AI Projects GmbH. In addition, 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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