



Sale of Subsidiary Company

Melbourne, 29th May 2023: The Company is pleased to announce that it has reached agreement and executed a Sale and Purchase Agreement to sell 100% of the shares held in its dormant subsidiary SC Payments AU Pty Ltd (previously ISX Financial Pty Ltd). This subsidiary remained as part of the Southern Cross Payments group of companies following the demerger of subsidiary ISX Financial EU Ltd.

At the time of the demerger, ISX Financial Pty Ltd held an acquiring agreement with Mastercard and it was a proposed applicant for various Australian business regulatory approvals (APRA, RBA) to allow it to operate as a card acquirer. The Company further announced on 23 December 2021 that it had withdrawn its application for a Purchased Payment Facility (PPF) from the Australian Regulation Authority (APRA). The Company commenced the PPF licensing application process in 2018, since which time a number of factors have changed substantially (primarily the suspension by the ASX and the ASIC matter currently before the courts).

The Directors now believe that it is in the best interest of shareholders to dispose of this company which will allow for the effective recoupment of cash collateral held by Mastercard.