



3 June 2016

ASX Market Announcements
Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Emerchants Completes Acquisition of Store Financial Services, LLC

Emerchants Limited (**ASX: EML**) advises that today it has completed the acquisition of 100% of the net assets of Store Financial Services, LLC and its subsidiary company StoreFinancial Services of Canada Limited (together **SFS**) from the shareholders of SFS.

The acquisition delivers Emerchants an established, profitable business in the USA and Canada and the ongoing involvement and commitment of SFS's experienced management team. The deal also provides Emerchants with a platform to launch its reloadable business into North America, leveraging SFS's established and profitable non-reloadable business.

In commenting on the completion of the acquisition of SFS, Mr Tom Cregan, Managing Director of Emerchants, said:

"We are pleased to complete this acquisition and I'd like to thank both teams for their commitment to meeting the dates as set forth in the Business Sale Agreement. I'd also like to thank our investors for supporting the capital raise and our joint brokers, Petra Capital Pty Ltd and Wilson HTM Corporate Finance Ltd, for their efforts in supporting this transaction. As a result, Emerchants is a very different looking business to what it was a few years ago, with over 500 customer prepaid programs operating in 5 currencies across 13 countries, and with an expanded product array encompassing non-reloadable, re-loadable, digital, virtual and mobile offerings. We will also have approximately AU\$29m in group cash which gives us a strong balance sheet capable of making additional growth oriented investments.

We believe this acquisition positions Emerchants for significant growth, given that the USA is the largest market for prepaid products globally. We have also inherited a strong leadership team with global prepaid experience, and we look forward to them being part of Emerchants and leveraging their experience in the coming years."

Head Office| Level 2, 26 Commercial Road, Newstead, QLD 4006
Phone 07 3607 0100| Free Phone 1300 739 889

Emerchants Limited ACN | 104 757 904

www.emerchants.com.au

emerchants

Emerchants announced the acquisition of SFS on 2 May 2016.

Under the Asset Sale Agreement Emerchants agreed to pay US\$35 million, comprising US\$26.7 million in cash and 7,903,710 Emerchants shares. The acquisition was funded through a \$58.5 million placement to eligible institutional and sophisticated investors at \$1.45 per share. The additional funds raised through the placement will be used by Emerchants for a range of growth oriented investments.

For more information please visit: www.emerchants.com.au

For further information please contact:

Rod North, Managing Director
Bourse Communications Pty Ltd
T: (03) 9510 8309, M: 0408 670 706
E: rod@boursecommunications.com.au

ABOUT EMERCHANTS

Emerchants is a payments solutions provider of prepaid financial card products and services in Australia. By using their proprietary payments software and processing platform, the Company provides its clients with innovative financial service payment solutions for reloadable and non-reloadable prepaid card programs, in Australia and in the United Kingdom and Europe through its wholly owned subsidiary, Store Financial Services UK Limited (trading as Emerchants Europe). Emerchants has offices in Brisbane, Australia and Birmingham, United Kingdom.

For more information please visit: www.emerchants.com.au

Head Office| Level 2, 26 Commercial Road, Newstead, QLD 4006
Phone 07 3607 0100| Free Phone 1300 739 889
Emerchants Limited ACN | 104 757 904

www.emerchants.com.au