

Findi growth strategy fast-tracked with transformational acquisition of BankIT for A\$30 million.

Delivers an additional ~130,000 merchants across all Indian States and Territories, expanding FindiPay to Pan India with ~200,000 merchants by March 2025.

Key Acquisition Highlights

Strategic acquisition accelerates Findi growth strategy by two years, providing Findi with c. 25% of its consolidated revenues from Digital payments post completion

Delivers c.130,000 additional merchants across all States and Territories of India, and growing at a combined 4,000+ new merchants per month

Gross Transaction Value of c. A\$3 billion, Revenue of A\$33.6 million¹, EBITDA of A\$1.9 million¹ (5.6% EBITDA margin), NPAT of A\$1.4 million¹

Findi digital (FindiPay + BankIT) is now operating and free cash flow positive

BankIT A\$5.9 million cash on balance sheet retained²

Digital payments and financial services provider Findi Limited (ASX: FND) (**Findi** or the **Company**) today announced Transaction Solutions International (India) Pvt Ltd (**TSI**), Findi's majority owned subsidiary, has agreed to acquire BankIT Services Pvt. Ltd. (**BankIT**), for A\$30 million (the **Acquisition**).

BankIT is a profitable new-age, high-touch, digital financial products distributor and lead enabler for its partners that is focused on bridging the financial gap in India. BankIT was founded in 2010 and provided its first services in 2017 having identified the market for its offering, refined its technology solution, established its partnership channels and tailored its product offering. The BankIT business was founded by Amit Nigam, founding executive of SpiceMoney, on the premise of leveraging technology via an extensive Merchant network to deliver affordable and user-oriented financial solutions to allow every Indian to manage their finances in a seamless and secure manner. Amit and his team will be continuing post completion to drive the next phase of BankIT growth under Findi ownership. <https://www.bankit.in/about-us>

The Acquisition, which is subject to completion of standard³ conditions precedent under the transaction documents, is a significant milestone delivering immediate scale and additional infrastructure to accelerate Findi's strategic objective of evolving into a fully-fledged Payments Bank.

Findi is now the only Pan-Indian ATM operator with a truly nationwide digital business. Findi's digital business FindiPay is now self funding and cash flow positive.

¹ 12 months to 31 December 2024 unaudited management accounts.

² A\$5.9 million as at 31 December 2024 unaudited management accounts with a minimum of INR 20 Crores (A\$3.6 million) in fixed deposits as on the Closing Date.

³ No regulatory approval required.

The Acquisition also enhances cross-selling opportunities, including insurance and other financial services, across the group's innovative core products and services while supporting Findi's own branded White Label ATM (WLA) strategy. The Findi Board are advised that c.10,000 (5%) of the combined 200,000⁴ merchant locations will be potential sites for the roll-out of WLA locations.

The transaction is expected to complete before the end of the financial year (by 31 March 2025).

Findi Executive Chairman Mr Nicholas Smedley described the acquisition of BankIT as a transformational step-change for Findi on its pathway to becoming an Indian payments bank, as BankIT accelerates the expansion and diversification of the Company's existing offering and revenue streams.

"This acquisition is a gamechanger for Findi and positions us to play a pivotal role in India's transition into digital banking over the next 5 to 10 years, further driving financial inclusivity and reshaping the financial landscape in India," he said.

"While successfully building our flagship FindiPay digital platform, we have been pursuing acquisitions such as this to enhance the depth and breadth of FindiPay to position Findi for further strong growth."

"The acquisition offers a significant and complementary digital platform for growth whilst enhancing our ability to maximise our offering by bringing the full stack of basic financial services solutions to India's under banked and unbanked such as Domestic Money Transfer, Aadhar Enabled Payment System, Micro ATM, bill payments, recharges, travel services, and insurance services."

"We will now focus on consolidating recent acquisitions and executing the roll out of our WLA and Payments Bank strategies, while pursuing targeted bolt-on expansions and organic growth to further scale the business in preparation for the IPO of TSI India, which remains on track for calendar year 2026."

Strategic Rationale

FindiPay's critical mass target was previously 150,000 merchants. The Acquisition accelerates FindiPay's merchant acquisition strategy, delivering c.130,000 additional merchants across all States and Territories in India, taking FindiPay to Pan India and c.200,000 merchants by 31 March 2025.

It delivers innovative, user-friendly, and secure last-mile financial solutions to consumers, corporations, and government departments, designed for convenience and accessibility, thus providing Findi with a powerful platform to strengthen and grow its customer base.

The transaction is a key strategic milestone for Findi to fast-tracking FindiPay's growth strategy, with Findi digital (FindiPay + BankIT) expected to deliver c.25% of consolidated revenues from its digital segment two years ahead of plan.

Findi's recent WLA acquisition of Tata Communications Payment Solutions Ltd (*ASX announcement 15 November 2024*) will further extend Findi's digital reach, by offering Findi-branded ATMs as part of the creation of financial services hubs to capture a greater proportion of the financial services ecosystem.

Financial impact of the Acquisition

The Acquisition is to be funded from Findi's existing cash resources with A\$19.54 million net initial cash consideration to be paid at completion and A\$4.55 million to be paid 6 months post completion bringing total net cash consideration to A\$24.1 million.

⁴ 200,000 forecast by end of financial year, 31 March 2025.

Figure 1 – Net initial cash consideration

	A\$m
Acquisition	30.00
Less Deferred Amount	(4.55)
Less Cash on Balance Sheet	(5.91)
Net initial cash consideration	19.54

The Company expects the acquisition to be immediately accretive to cash earnings before synergies and operational improvements, with NPAT being a good guide for free cash flow, and operational efficiencies to be delivered in FY26.

SBI contract update

The Board is pleased to provide a status update on the performance of the new higher margin SBI contract that was awarded to Findi in October 2023 (*ASX announcement 30 October 2023*) and the further improvement of daily transaction numbers.

The rollout of ATMs under the new SBI contract commenced in August 2024. The 12-month average transactions per day (TPD) for the SBI ATMs that were replaced in August 2024 was 188 TPD⁵ leading up to the Indian general elections in April 2024. Following the installation of the new ATMs in August 2024 the average TPD has increased by c.10.7% to 208 TPD for the four months to 31 December 2024.

Figure 2 – SBI ATM Performance

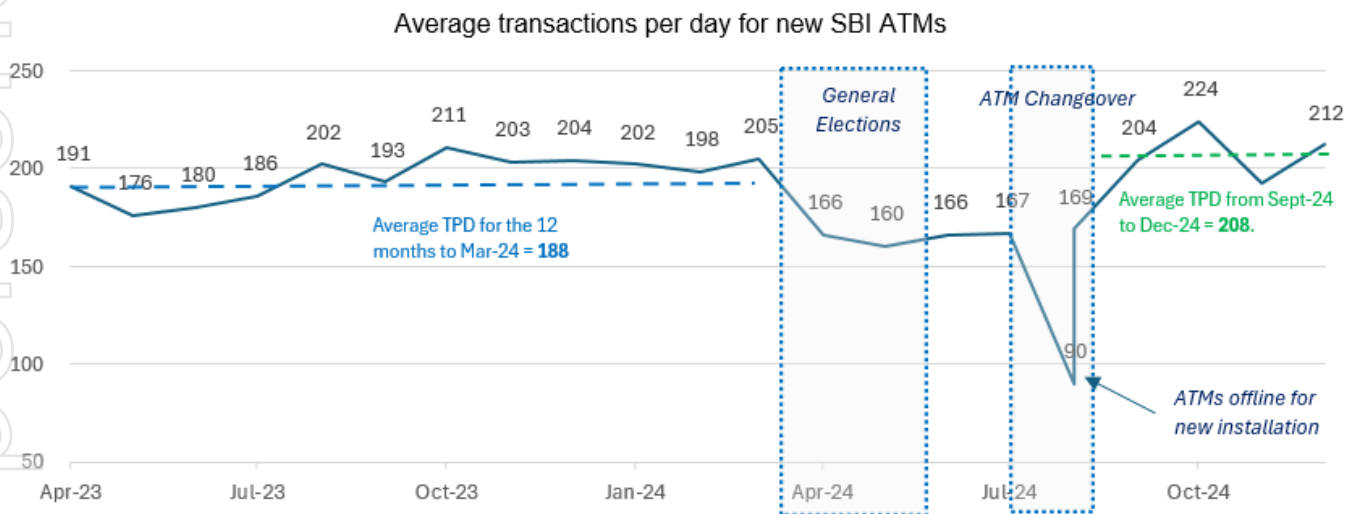


Figure 2 indicates that the new ATMs have been well received by ATM customers, with a significant c.10.7% increase in transactions above historical performance.

Additional Information

Further details of the Acquisition are set out in the investor presentation released to the ASX today.

Executive Chairman, Mr Nicholas Smedley and CEO of TSI, Mr Deepak Verma, will present a summary of the acquisition through the following webinar, which will be held at 11:30am (AEDT):

<https://us06web.zoom.us/j/87690538241?pwd=V9o87NmCytg41YYI8UYDK2Vitz38b.1>

⁵ 12-month average transactions per day to 31 March 2024.

Authorised for release by the Board of Findi Limited.

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