



eServGlobal Limited (“eServGlobal” or the “Company”)

Financing Arrangements

23 March 2016

eServGlobal (AIM: ESG & ASX: ESV), the provider of end-to-end mobile financial services to emerging markets, announces that it has today repaid the A\$3.0 million loan due to National Australia Bank.

Separately, the Company has entered into an agreement for a new loan facility of up to £1.0 million (the “New Loan”). The New Loan will be provided equally by the Alphagen Volantis Fund Limited and the Alphagen Volantis Catalyst Fund Limited, acting through its investment manager, Alphagen Capital Limited (formerly known as Henderson Alternative Investment Advisor Limited), part of Henderson Global Investors (“Henderson”, or the “Lenders”). Prior to the New Loan being entered into, the Company was already indebted to Henderson for a total of £10.0 million (the “Existing Loans”).

The Company will draw down £0.5 million of the New Loan with immediate effect to meet general working capital requirements which are heightened currently by the Company’s engagement with a significant sales opportunity, the timing or definitive outcome of which remains uncertain.. The remaining £0.5 million balance of the New Loan may be drawn at any time between 1 May 2016 and 31 October 2016, subject to there not being any material adverse change to the Company’s current financial performance or outlook. The Directors will assess whether or not the remaining £0.5 million under the New Loan is required after the financing events that are due to occur in April 2016, being the expected receipt of the €3.5 million HomeSend escrow amount from MasterCard and payment of €2.625 million for the balance of the HomeSend investment commitment made in October 2015.

Commenting on these financing arrangements, the Company’s Executive Chairman John Conoley said “As previously announced, the Company has been focusing on reducing costs and improving cash collection across the Group whilst building the sales pipeline for Q2 onwards. Whilst the conclusion of key sales opportunities remain uncertain as to timing, the pipeline is improving and this further cash injection should ensure the Company is in a stronger position to realise that pipeline. We expect working capital to improve across the second half of this financial year with the expected recovery in orders. We are grateful for the confidence that Henderson has demonstrated with the provision of the New Loan.”

Terms of the New Loan

The New Loan will be provided equally by the Alphagen Volantis Fund Limited and the Alphagen Volantis Catalyst Fund Limited, acting through its investment manager, Alphagen Capital Limited, part of Henderson.

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The New Loan has been provided at the same interest rate and establishment fee as the Existing Loans (being 0.8% per month compounded and 2.5% of the drawn down amount respectively). The New loan will fall due for repayment on 4 June 2017. Under the terms of the agreement, in the event of an equity fundraising the Company would be required to repay the Existing Loans and New Loan, except for £3 million which could be retained for working capital purposes.

In addition, 8,000,000 options (the “New Options”) over the Company's shares have today been issued to Henderson as a facility fee for the New Loan. The exercise price for these New Options will be the lesser of 4.375 pence or a 20% discount to the 60 day Volume Weighted Average Price for a depository interest in the Company on AIM for the period commencing 22 March 2016 (the methodology for calculating the exercise price of the New Loan options is also consistent with the methodology used for the options in respect of the Existing Loans). The expiry date of the New Options is 5 October 2020. The New Options, together with the 39,866,107 options granted previously pursuant to the Existing Loans, represent 18.0% of the Company's current issued share capital.

With the discharge of the loan to the National Australia Bank, the Company has granted a fixed and floating charge over its assets to Henderson on the terms approved by the Company's shareholders at the Extraordinary General Meeting held on 18 January 2016.

Debt Facilities Summary

Following the draw down under the New Loan referenced above, a summary of the Company's current indebtedness is included in the table below:

Lender	Amount	Amount Drawn	Maturity Date
Henderson	£5.0m	£5.0m	4 June 2017
Henderson	£5.0m	£5.0m	5 October 2017
Henderson	£1.0m	£0.5m	4 June 2017

Related Party Transaction

Henderson and its associates are substantial shareholders in eServGlobal, holding in aggregate 46,549,213 depository interests in the Company, representing 17.5% of the issued share capital and total voting rights of the Company, and CFDs over 9,041,951 depository interests, and as such Henderson is considered to be a related party of the Company pursuant to Rule 13 of the AIM Rules for Companies. If the New Options, together with the 39,866,107 options granted previously pursuant to the Existing Loans, are exercised in full, Henderson would hold an interest in 94,415,320 depository interests of the Company, representing 30.1% of the enlarged issued share capital and enlarged total voting rights. As eServGlobal is an Australian incorporated company, there are limitations under the Corporations Act of Australia as to the speed at which any shareholder can obtain voting power in the Company of more than 20%.

The agreement for the New Loan is a related party transaction pursuant to AIM Rule 13. The directors of the Company, having consulted with the Company's nominated adviser, Canaccord Genuity Limited, consider that the terms of the New Loan are fair and reasonable insofar as the Company's shareholders are concerned.

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About eServGlobal

eServGlobal (AIM:ESG, ASX:ESV) offers mobile money solutions which put feature-rich services at the fingertips of users worldwide, covering the full spectrum of mobile financial services, mobile wallet, mobile commerce, recharge, promotions and agent management.

For more than 30 years, eServGlobal has been a source of innovation for telcos and financial institutions. Using carrier-grade, next-generation technology, eServGlobal aligns with the requirements of customers around the globe.

Together with MasterCard and BICS, eServGlobal is a joint venture partner of the HomeSend global payment hub, enabling cross-border money transfer between mobile wallets, cards, bank accounts or cash outlets from anywhere in the world.