



Money in Motion

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EML Payments Limited

2 September 2024

ASX Market Announcements

20 Bridge Street
SYDNEY NSW 2000

Sentential Sale Completes

Key Highlights:

- **Sale of the Sentential business for an enterprise value of €32.75m (A\$53.4m¹) has completed**
- **Proceeds will be used to retire debt, strengthening EML's balance sheet**
- **Balance sheet will transition from net debt to net cash**
- **Liquidity to support growth materially improves following the sale of Sentential and establishment of new debt facilities**

EML Payments Limited [ASX:EML] is pleased to announce the sale of Sentential Limited ("**Sentential**"), including its Nuapay services business, to GoCardless Ltd ("**GoCardless**") has completed for an enterprise value of €32.75m ("**Sale**").

The Sale completed without downward adjustment to the sale price for key contract performance and was subject to customary completion adjustments for working capital and net debt.

On 15 March 2024, EML announced it had entered into an agreement to sell Sentential to GoCardless. The Sentential business was deemed to be non-core to the EML Group's operations, being unprofitable under EML ownership and without material synergies with other EML customers and business lines. Completion of the Sentential sale is another significant milestone in the delivery of the EML's strategic review.

EML provided customary warranties and indemnities to GoCardless in connection with the Sale.

Net Cash + Increased Liquidity

Based on the gross proceeds received by EML for the sale of Sentential, the pro-forma balance sheet as at 30 June 2024 improves from a net debt position of approximately \$48m to a net cash position of approximately \$5m.

After completion of the Sentential sale, EML's debt facility limit will be \$70m, providing increased capacity to support future growth.

¹ Assumes and EUR to AUD spot market exchange rate of 1.63 at today's date. This exchange rate is used throughout this announcement.



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Earnout

EML will benefit further from an earnout payment from GoCardless for an amount in connection with contracts signed by Sentenial between 1 February 2024 and 2 October 2024 based on the first year's revenue derived from those contracts, multiplied by 4.1.

Peter Lang, Executive Director and Chief Corporate Development Officer, said "We are pleased to have completed the Sentenial sale to GoCardless. The sale proceeds significantly strengthen EML's balance sheet and completes another strategic objective of the Board's FY24 plan to simplify our operating structure and solve for loss making businesses within the EML Group. We thank Barrenjoey and Barclays for their advisory support and wish the Sentenial and GoCardless teams every success over the coming years."

About EML Payments Limited

EML Payments is a global payments company that operates in Australia, the UK, Europe, and North America. Our customers are diverse and include government, retail brands, human capital management and financial services companies. For more information: [EMLPayments.com](https://emlpayments.com).

This announcement has been authorised for release by the Board of Directors.

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