

26 April 2023

ASX Announcement

Appointment of Voluntary Administrators

IOUpay Limited (**IOUpay** or **the Company**) announces that Mr Daniel Walley and Mr Philip Carter of PricewaterhouseCoopers Australia (**PwC**) have been appointed as voluntary administrators of the Company (the **Administrators**) earlier today.

This action has been taken as the Company has a number of outstanding debts that are due and payable, and has no reasonable prospect of being able to pay them under the current circumstances.

Immediately after the discovery of the suspected significant fraud affecting the Company's Malaysian office, the Board acted quickly to reduce costs wherever possible and has continued to work on a plan to deliver a better outcome for creditors and shareholders.

As part of this plan, the Board has met with a number of potential investors in Australia and Malaysia. Due to the significant uncertainties affecting the Company, it has not been possible to obtain funding or the reasonable expectation of it in the near term.

The Board did receive a non-binding proposal for debt funding from Finran Pty Ltd (**Finran**). On the surface, this was an attractive proposal, and the Board engaged with Finran to finalise the proposal. Following those negotiations, the Board accepted all the terms of the original funding offer from Finran. However, after the Board accepted Finran's offer, Finran withdrew it.

Next Steps

As independent insolvency professionals, the Administrators will take control of the Company's affairs and management of the business, in place of the Directors. The Administrators will be best placed to evaluate all genuine proposals to deliver the best outcome for creditors and shareholders.

The Administrators will also review and report on recent events, and in particular investigate any allegations of fraud involving the Company or its subsidiaries. The Directors welcome this review, and will cooperate in full.

The Administrators have been appointed only to the parent Company, IOUpay Limited. The Company's operating subsidiaries in Malaysia, iSentric Sdn Bhd and IOUpay (Asia) Sdn Bhd, continue to operate as normal and there will be minimal business disruption.

Given the value of the Company's assets, the Board considers that this independent administration process is the best way to deliver a positive return to creditors and shareholders.

The appointment of voluntary administrators will also affect the general meeting which has been called for 3 May 2023. Shareholders can no longer appoint or remove directors independently of the Administrators. The Board expects the Administrators will make a separate announcement as to whether the general meeting will proceed or not.

The release of this announcement was authorised by the Board of the Company and released by the Company Secretary.

Yours faithfully,

IOUpay Limited

Ben Reichel
Company Secretary

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About IOUpay (ASX:IOU):

IOUpay Limited (ASX:IOU) provides fintech and digital commerce software solutions and services that enable its institutional customers to securely authenticate end-user customers and process banking, purchase and payment transactions.

The Company's core technology platform enables large customer communities to connect to end user customers using any mobile device and integrate mobile technology throughout their existing business and customer product offerings. The Company's business divisions consist of Mobile Banking and Digital Payments which service leading banks in Malaysia and large telcos and corporates in Malaysia & Indonesia. IOUpay also works with telecommunication network providers to provide mobile OTT (over-the-top) services that leverage their subscriber base to build active communities.

Forward Looking Statements

This announcement contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. Forward looking statements should, or can generally, be identified by the use of forward-looking words such as "believe", "expect", "estimate", "will", "may", "target" and other similar expressions within the meaning of securities laws of applicable jurisdictions, and include but are not limited to the expected outcome of the acquisition. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. Such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements. Those risks, uncertainties, assumptions and other important factors are not all within the control of IOUpay and cannot be predicted by IOUpay and include changes in circumstances or events that may cause objectives to change as well as risks, circumstances and events specific to the industry, countries and markets in which IOUpay operates. They also include general economic conditions, exchange rates, interest rates, competitive pressures, selling price, market demand and conditions in the financial markets which may cause objectives to change or may cause outcomes not to be realised.

None of IOUpay or any of its subsidiaries, advisors or affiliates (or any of their respective officers, employees or agents) makes any representation, assurance or guarantee as to the accuracy or likelihood of fulfilment of any forward-looking statement or any outcomes expressed or implied in any forward-looking statements. Statements about past performance are not necessarily indicative of future performance.