



ASX Announcement
22 December 2023

Divestment of UK based AppMod business to Peppermint Innovation Limited

XPON Technologies Group Ltd (ASX: XPN) is pleased to announce the divestment of its UK based Application Modernisation (AppMod) business to Peppermint Innovation Limited (“Peppermint”, ASX: PIL).

Key highlights

- *XPON divests non-core UK based Application Modernisation business division to Peppermint*
- *Divestment is expected to reduce XPON cash burn by c\$1.3m annually*
- *Enables XPON to focus on core Martech business whilst evaluating other strategic opportunities.*

Divestment of AppMod business

XPON has completed the divestment of its non-core AppMod business via the execution of a share purchase agreement with Peppermint.

As previously advised to the market, XPON has been pursuing the divestment of this non-core business which is expected to reduce annual cash burn by c\$1.3m annually. This will enable the Company to focus on its core Martech business, whilst evaluating other strategic opportunities. Based on current trading conditions for the business, the divestment is expected to result in a reduction in both revenue and expenses for the XPON Group of approximately 15%.

Transaction details

XPON’s AppMod business includes two subsidiary companies, XPON Digital Limited (UK company) and Holoscribe Australia Pty Ltd (Australian company). 100% of the issued shares of both companies have been acquired by Peppermint with a payment of £1 and on terms usual for a transaction of this type. This included mutual competition restraint clauses as well as warranties and indemnities (with certain limitations) with respect to the liabilities of the entities sold. Both subsidiary companies were renamed at completion.

XPON Founder, Managing Director and Group CEO, Matt Forman said: “We are pleased to have successfully concluded the divestment process. The talent and passion of the team in the AppMod business is very strong and we are pleased to see the business is going to a good home at Peppermint. We wish them all the best under the new ownership.”

“This enables the remaining team to focus on the core Martech business, which is well supported by our clients both domestically and internationally.”

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This announcement has been approved and authorised for release by the Board of Directors of XPON Technologies Group Limited ACN 635 810 258

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About XPON

XPON Technologies Group Ltd (ASX:XPON) (XPON or the Company), a marketing technology and cloud business providing mission-critical software and solutions to corporate and mid-tier enterprises in Australia, New Zealand, the United Kingdom, and Europe.

About Peppermint

Peppermint Innovation is an Australian company focused on the commercialisation and further development of the Peppermint Platform, a mobile banking, payment and remittance, ecommerce and finance technology business to service the Philippines market – which was initially designed for banks, agents, associations and microfinance institutions. Peppermint currently operates the Peppermint Platform in the Philippines.