



## PRESS RELEASE

### INTERSWITCH FORMS BUSINESS COMBINATION WITH PAYNET GROUP

Nairobi, Kenya: September 17<sup>th</sup>, 2014: Interswitch Transnational Holding ("Interswitch"), the leading pan-African integrated payments company, announces it has reached a partnership agreement with the Paynet Group ("Paynet"), East Africa's leading multi-institutional payments provider, to combine its businesses. Interswitch will acquire a majority shareholding in Paynet Group and Paynet's existing shareholders will become shareholders of the Interswitch Group.

#### Key highlights:

- *Bernard Matthewman, current CEO of Paynet, will stay on as CEO;*
- *The transaction creates an unrivalled payment infrastructure across East and West Africa. The new combined network will connect over 100 financial institutions;*
- *Paynet's existing shareholders will become shareholders of Interswitch; and*
- *Interswitch and Paynet expansion accelerated; now present in nine African countries. Supporting Interswitch strategic objective of becoming the truly pan-African electronic transactions business.*

Both companies emphasise that the deal will enable both to take advantage of fast-growing East-West Africa trade and continue to provide their customers, both businesses and government, with a trusted partner. The new company will create an unrivalled payment infrastructure across East and West Africa, uniting financial institutions on a single network, integrating transaction solutions seamlessly into businesses, and creating a secure and convenient way to make cross-border transactions. The new combined network will connect over 100 financial institutions in West and East Africa.

Paynet was founded in Kenya in 2003 by the current senior management team, since then it has provided services to some 70 financial institutions and over 2,000 companies as well as numerous public sector entities. Its offering comprises three brands, Paynet, PesaPoint and Electronic Financial Technologies (EFT). PesaPoint is found at 1,200 ATM locations, some of which are owned by the company, and over 1,300 agent locations in Kenya.

Mitchell Elegbe, Group Managing Director and Chief Executive Officer of Interswitch, said:

"To build a successful payments business customers are looking for trust, scale, efficiency and a proven track record of execution. This partnership will significantly expand our footprint in East Africa and uniquely positions Interswitch in the market. The new business will provide comprehensive solutions for regional and international businesses looking to take advantage of growth opportunities in Africa.

"Paynet have done a great job at building an innovative and trusted payments company in East Africa and we are confident that between us we can drive growth by continuing to provide payment solutions that are highly tailored to the African market. Bernard Matthewman will remain as Chief Executive of the Paynet business and we intend to leverage the strength of Paynet's existing management team."

Bernard Matthewman, CEO of Paynet, said:

“The payments market in East Africa is moving rapidly into an era where specific products are required for sectors like transport, health, government and county payments as well as the move towards secure Internet based payments. Paynet has been looking for a partner that has both products and experience in these areas so we can rapidly deliver them in the most efficient manner. Interswitch has the most comprehensive range of products of any provider we have seen in an emerging market and this alongside their existing presence in Uganda provides us with additional strength as we continue to grow in East Africa.”

The deal, which is subject to regulatory approvals, comes at a time when both governments and private institutions across Africa are looking to cashless solutions and financial inclusion to accelerate economic growth and drive business efficiency.

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#### **Further information**

Bell Pottinger  
Philip Peck / Victoria Geoghegan / Nick Lambert  
+44 20 3772 2562  
Interswitch@bell-pottinger.com

Interswitch Limited  
Emuobosa Akpene / Richard Anwanakak  
Corporate Communications  
+234 1 6283888

#### **Notes to Editors**

##### **About Interswitch**

- Interswitch is a Pan-African, integrated payment and transaction processing company Interswitch provides technology integration, advisory services, payment infrastructure to government, banks and corporate organizations;
- Interswitch processes transactions from various channels namely: ATMs, Mobile, Point of sale, Online (web) and IVR; and
- Further information about Interswitch Limited can be found at [www.interswitchng.com](http://www.interswitchng.com)

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