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Notice of Extraordinary General Meeting

eServGlobal Limited ACN 052 947 743

Monday 18 January 2016
at 11.00am

Institute of Chartered Accountants
Level 9
33 Erskine Street
Sydney NSW 2000

This document includes forward-looking statements. The words "believe", "anticipate", "expect", "intend", "aim", "plan", "predict", "continue", "assume", "positioned", "may", "will", "should", "shall", "risk" and any other similar expressions that are predictions of or indicate future events and future trends identify forward-looking statements. These forward-looking statements include all matters that are not historical facts. Shareholders should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are in many cases beyond the Company's control. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance, and the Company's actual results of operations, financial condition and liquidity, and the development of the industry in which it operates may differ materially from that made in or suggested by the forward-looking statements contained in this document. The cautionary statements set forth above should be considered in connection with any subsequent written or oral forward-looking statements that the Company, or persons acting on its behalf, may issue. These forward-looking statements are made as of the date of this document and are not intended to give any assurances as to future results. Save as required by law or regulation the Company undertakes no obligation to update these forward-looking statements, and will not publicly release any revisions it may make to these forward-looking statements that may result from events or circumstances arising after the date of this document.

This Notice of Extraordinary General Meeting includes an Independent Expert's Report regarding Resolution 1. The Independent Expert's opinion is that the Transaction is fair and reasonable to the Shareholders who are entitled to vote on Resolution 1.

Notes

Determination of entitlement to attend and vote at the Extraordinary General Meeting

The Company has determined, in accordance with the Corporations Act and Regulation 7.11.37 of the Corporations Regulations, that for the AGM, Shares will be taken to be held by those persons recorded in the Company's register of members as at 11.00am AEDST on 16 January 2016.

Current Depository Interest holders can attend the AGM but will not be permitted to vote at the meeting. For their votes to be counted DI Holders must submit their CREST Voting Instruction to Computershare UK by the required cut-off time below. Alternatively, DI Holders can vote using the form of instruction.

Voting by proxy

A Shareholder who is entitled to attend and vote at the AGM may appoint a proxy to attend and vote at the AGM on behalf of that Shareholder. A proxy need not be a Shareholder of the Company. If a Shareholder is entitled to cast two or more votes at the AGM, the Shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the appointment does not specify the proportion or the number of the Shareholder's votes that each proxy may exercise, each proxy may exercise half of the Shareholder's votes on a poll.

A corporation may elect to appoint a representative in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.

Proxies may be lodged with the Company's share registry Computershare Investor Services Pty Ltd:

Australia (Proxy Forms) By mail: GPO Box 242 MELBOURNE VIC 3001 AUSTRALIA By facsimile: 1800 783 447 (inside Australia) +61 3 9473 2555 (outside Australia)	United Kingdom (CREST Voting Instruction) Holders of Depository Interests in CREST may transmit voting instructions by utilising the CREST voting service in accordance with the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take appropriate action on their behalf. In order for instructions made using the CREST voting service to be valid, the appropriate CREST message (a "CREST Voting Instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com/CREST).
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To be effective, the Company must receive the completed proxy form and, if the form is signed by the Shareholder's attorney or authorised representative, the authority under which the proxy form is signed (or a certified copy of the authority) by no later than 11.00am AEDST on 16 January 2016.

To be effective, the CREST Voting Instruction must be transmitted so as to be received by the Company's agent (3RA50) no later than 11:00 a.m. (GMT) 13 January 2016. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the Company's agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST. Holders of Depository Interests in CREST and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations

will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of the Depositary Interest holder concerned to take (or, if the Depositary Interest holder is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that the CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST voting service by any particular time. In this connection, Depositary Interest holders and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Explanatory notes

Shareholders should refer to the Explanatory Memorandum.

Interpretation

Terms used in this Notice of Meeting have the meanings given to them in Glossary in the Explanatory Memorandum.

Notice of Extraordinary General Meeting

eServGlobal Limited ACN 052 947 743 (Company)

Notice is given that the Extraordinary General Meeting (**EGM**) of eServGlobal Limited (**Company**) will be held at 11.00am Sydney time on 18 January 2016 at the Institute of Chartered Accountants, Level 9, 33 Erskine Street, Sydney, NSW 2000

Agenda

1 Granting of Substantial Assets as Collateral for Facility from a Person in a Position of Influence

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

‘That, for the purpose of Listing Rule 10.1 and for all other purposes, approval is given for the Company to use the assets of the Company including assets of its subsidiaries as collateral for the purpose and to the entity as described in the Explanatory Memorandum to the Notice of Extraordinary General Meeting.’

DATED 18 December 2015

By Order of the Board

A handwritten signature in black ink, consisting of a stylized 'T' followed by a long horizontal line that ends in a small flourish.

Tom Rowe

Company Secretary

eServGlobal Limited

Explanatory Memorandum

eServGlobal Limited ACN 052 947 743 (Company)

The information in this Explanatory Memorandum is provided to Shareholders of eServGlobal Limited (**Company** or **ESV**) in compliance with the Corporations Act, Listing Rules, AIM Rules and the Company's Constitution.

Introduction

This Explanatory Memorandum is despatched with and forms part of the Notice of the Company's Extraordinary General Meeting (**EGM**) to be held at 11.00am on 18 January 2016.

All Ordinary Shareholders and DI Holders should read this Explanatory Memorandum in full and if they have any questions, obtain professional advice before making any decisions in relation to the Resolution to be put to Shareholders at the EGM.

Resolution 1 is an ordinary resolution. An ordinary resolution requires a simple majority of votes cast by Shareholders (in person or by proxy) entitled to vote on the resolution.

Resolution 1 – Granting of Substantial Assets as Collateral for Facility from a Person in a Position of Influence

On 5 October 2015, eServGlobal entered into an agreement for a new Loan Facility of up to £5.0M, drawable in two equal tranches.

The first tranche of £2.5M was drawn down on 9 October 2015 and an additional £2.5M is available for drawdown prior to 30 June 2016. The second drawdown is subject to both shareholder approval of this Resolution 1 and the approval of the Lenders, at their discretion.

The Directors expect to require the second tranche of £2.5M before 31 March 2016, partly for working capital requirements and also to repay the National Australia Bank loan of A\$3.0M (due for repayment on 31 March 2016).

The Loan Facility is 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). The Lenders are a part of Henderson Global Investors.

The Company is also presently indebted to the Lenders for £5.0M under the Existing Loan, thus the total indebtedness of the Company to the Lenders is £7.5M at the date of this Notice.

The Loan Facility agreement provides, and the Existing Loan was amended to provide, that the Company give a fixed and floating charge of all its assets as security for the Loan Facility and the Existing Loan, subject to:

- The consent of the National Australia Bank Limited while it is the existing secured creditor of the Company; and,

- Obtaining Shareholder approval, and until such time as Shareholder approval is obtained but subject to the consent of the National Australia Bank, the assets provided as security shall be limited to the assets of the Company to a value of A\$2.65M.

Listing Rules

Listing Rule 10.1 prescribes that the Company or a subsidiary must not dispose of a substantial asset to a Related Party or a substantial holder, or an associate of a Related Party or a substantial holder, without Shareholder approval. In general terms, Listing Rule 10.2 provides that a substantial asset is one where the value or consideration equals or exceeds 5% of the total equity disclosed in the most recent accounts of the Company released to the ASX. At the date of this Notice of Meeting, that threshold for the Company and its subsidiaries is A\$2.65M.

Listing Rule 19.2 defines “dispose” to include the using of an asset as collateral.

The Lenders are associates of Henderson Global Investors Limited. Henderson Global Investors Limited is a substantial holder of the Company, holding approximately 17.5% of the issued capital of the Company

Approval Sought

Resolution 1 seeks approval under Listing Rule 10.1 to grant the assets of eServglobal and its subsidiaries to the Lenders as collateral to secure the Loan Facility and the Existing Loan. The security interest in the collateral is extensive and set out in Table 1 below are the material elements of the grant of assets as collateral by eServGlobal Limited.

Table 1

Collateral	All of eServGlobal’s present and future property, assets, rights and undertaking, irrespective of the capacity in which it holds the same or comes to hold the same, including as trustee of any trust. It includes: 1. All present and after-acquired personal property in which the Grantor or its subsidiaries has at any time a sufficient right, interest or power to grant a Security Interest; 2. All present and future PPSA retention of title property of the Grantor (within the meaning given to that expression by s 51F of the Corporations Act); 3. Goodwill; and, 4. Capital of the Grantor (called or uncalled and paid or unpaid) and share premiums of the Grantor.
Security Interest	In relation to any personal property, the same meaning as in the PPSA; and in relation to any other property; includes any charge, mortgage, pledge, bill of sale, hypothecation, lien, arrangement concerning the deposit of documents evidencing title, trust, power, title retention arrangement or any other covenant or arrangement of any nature made to secure the payment of money or the observance of an obligation.
Secured	All sums of money owing under the Loan Facility and the Existing Loan and

Money	includes all money which at any time and for any reason and on any basis (whether or not contemplated by the Company or the Lenders) eServGlobal Limited is or becomes actually or contingently liable to pay to any of the Lenders or for the account of any of the Lenders.
Event of Default	Events of default that will give rise to the Lenders exercising its powers of enforcement include but are not limited to, in general terms: 1. An event of default under the Loan Facility or the Existing Loan, including the failure to pay the Secured Money on time and in the manner in which the Company agreed to pay it. 2. The Company or a subsidiary of the Company ceasing or threatening to cease to carry on its business or a substantial part of its business. 3. A person becoming entitled to exercise a right over the Collateral to recover any monies owing, such as the National Australia Bank Limited exercising its powers of enforcement as the holder of the Priority Security Interest. 4. Without the consent of the Lenders, a change of Control of eServGlobal, as determined by the Lenders.
Priority Security Interest	The Security Interest of the Lenders ranks behind the security interests of the National Australia Bank Limited. The National Australia Bank Limited has a fixed and floating charge over all the assets of eServGlobal Limited, in substantially the same form as is proposed to be granted to the Lenders.
Powers of Enforcement	The powers of enforcement granted to the Lenders, if an event of default occurs, are extensive but not unusual and include: 1. The appointment or replacement of a receiver and the termination of the receivership in respect to the Collateral. 2. Consistent with the powers of a receiver under Section 420 of the Corporations Act, the receiver may exercise all powers that a beneficial owner of the Collateral could do including: a. Dispose of, or convert, the Collateral into money b. Take possession of any Collateral, including registration of the Collateral in the name of the Lenders c. Collect book debts forming part of the Collateral d. Perform any business activity forming part of the Collateral e. Operate any bank account forming part of the Collateral. There is no contractual obligation for the Lenders to deal with the Collateral so as to maximise the money received on disposal of the Collateral. While the Priority Security Interest exists, the powers of enforcement of the Lenders are subordinate to the National Australia Bank Limited. The Company does not expect the Priority Security Interest to be discharged until 31 March 2016, with such discharge only to occur if the current indebtedness of the Company to the National Australia Bank Limited of A\$3.0M is repaid.
Application of Monies Recovered	The surplus of monies recovered by a receiver or the Lenders against the Collateral must be paid to the Company after the recovery of costs of the Lenders, the remuneration of any receiver, payment of money to the Priority Security Interest holder, the recovery of the Secured Money and payment of

	other secured creditors.
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Corporate Structure

eServGlobal Limited is the ultimate parent company of the eServGlobal group of companies and is the reporting entity for the consolidated group.

eServGlobal SAS, a wholly owned subsidiary of eServGlobal Limited, together with its subsidiaries, is the operating entity for the Company's core business. If Resolution 1 is approved, eServGlobal SAS and its operating subsidiaries will grant their assets as collateral to the Lenders on substantially the same terms as described in the table above, subject to the laws applicable in the relevant jurisdictions of the Grantor.

eServGlobal SAS also holds 35% (the whole of eServGlobal's interest) of the issued capital of HomeSend CVBA, the joint venture company that conducts the HomeSend business. eServGlobal SAS is currently in the process of transferring eServGlobal's shares in the HomeSend CVBA from eServGlobal SAS to eServGlobal (NZ) Pty Limited, a non-operating and wholly owned Australian incorporated subsidiary of eServGlobal Limited.

The transfer is to separate the HomeSend investment from the core business and is not being done to satisfy an obligation arising out of the Loan Facility or Existing Loan. The transfer is expected to be completed prior to the date of the EGM. The other HomeSend CVBA shareholders have not consented, (their consent being required under the HomeSend JV Agreement), to permit eServGlobal's shareholding in HomeSend CVBA to be subject to any encumbrance, such as the Security Interests and accordingly until their consent is obtained, the HomeSend CVBA shares will not form part of the Collateral.

Subject to the approval of Resolution 1 and if the consent of the other HomeSend CVBA shareholders is obtained, eServGlobal (NZ) Pty Limited will grant its assets, including the HomeSend CVBA shares, as collateral to the Lenders on substantially the same terms as described in the table above. The Directors do not expect the consent of the other HomeSend CVBA shareholders to be obtained.

Restrictions on Powers of Enforcement under the HomeSend JV Agreement

The powers of enforcement against eServGlobal's interest in HomeSend CVBA granted under the proposed Security Interest is, in practical terms, limited by the terms of the HomeSend JV Agreement.

In general terms, the HomeSend JV Agreement provides that in the event of insolvency of a HomeSend CVBA shareholder or the taking of possession of assets of a HomeSend CVBA shareholder by a secured creditor, such as the National Australia Bank Limited or the Lenders in the case of eServGlobal, the HomeSend CVBA shareholder will be deemed to have made an offer to sell its shares in HomeSend CVBA at Fair Value to a permitted transferee of the insolvent party, or failing this, to the other HomeSend CVBA shareholders in their respective proportions (disregarding the insolvent shareholder).

The other HomeSend CVBA shareholders then have 40 business days following the determination of Fair Value to accept the offer. If they do not accept the offer, the insolvent shareholder is not obliged to sell the shares (in which case the shares in HomeSend CVBA will remain held by the HomeSend CVBA shareholder until 3 April 2017). Any transfer of the HomeSend CVBA shares following 3 April 2017 is subject to the transfer provisions of the HomeSend JV Agreement, including being subject to pre-emptive rights in favour of the other HomeSend CVBA shareholders to acquire the HomeSend CVBA shares at the same price at which the shares are proposed to be sold or transferred to a third party.

Notwithstanding their Security Interests, secured creditors, such as the National Australia Bank Limited or the Lenders, will not be able to directly enforce the terms of the HomeSend JV Agreement as a third party.

National Australia Bank

The National Australia Bank has refused to provide its consent to the Security Interests of the Lenders and accordingly the Lenders are currently, and will remain, unsecured creditors of the Company until the National Australia Bank provides its consent, which the Directors do not expect it to do, or the current loan from the National Australia Bank is discharged.

The Directors expect that the National Australia Bank will require repayment of the current loan of A\$3.0M at the end of the current term, being 31 March 2016.

On discharge of the loan from the National Australia Bank, the Lenders will have Security Interests in assets of the Company to a value of A\$2.65M, regardless of whether Resolution 1 is approved by Shareholders.

Independent Experts Report

In accordance with Listing Rule 10.2 an Independent Expert's Report has been prepared and is included with this Notice.

The Independent Expert has formed the view that the Transaction is fair and reasonable to the Shareholders who are entitled to vote on Resolution 1.

The Independent Expert's Report is available at:

<http://www.eservglobal.com/investors/announcements/2015>

Any Shareholder may request a hard copy of the Independent Expert's Report be sent to them by contacting the Company Secretary, Tom Rowe on +61 (0)2 8014 5050 or email to trowe@simpsons.com.au

Voting exclusion

The Company will disregard any votes cast on Resolution 1 by:

- A party to the transaction;
- an associate of a party to the transaction.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions (For, Against or Abstain) on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Directors' recommendation

All Directors unanimously recommend that Shareholders vote in favour of this Resolution.

Glossary of Terms

In this Notice of Meeting and Explanatory Memorandum unless defined below, capitalised words have the same meaning as in the Corporations Act:

AEDST	means Australian Eastern Daylight Savings Time
AIM	means AIM, a market of the London Stock Exchange.
AIM Rule or AIM Rules	means together the AIM Rules for Companies and the AIM Rules for Nominated Advisers governing admission to and the operation of AIM.
AIM Rules for Companies	means the AIM Rules for Companies published by the London Stock Exchange.
ASX	means the ASX Limited ACN 008 624 691 and the market that it operates.
Board	means the board of Directors of the Company.
Chairman	means the Chairman of the Company as approved from time to time and includes an acting Chairman.
Collateral	has the same meaning as in Table 1.
Company or eServGlobal or ESV or eServ	means eServGlobal Limited ACN 052 947 743.
Constitution	means the constitution of the Company.
Control	has the same meaning as in Section 50AA of the Corporations Act.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Corporations Regulations	means the <i>Corporations Regulations 2001</i> (Cth).
Depository Interest	means de-materialised depository interests representing Shares issued by the depository, Computershare Investor Services PLC, and settled on CREST.
DI Holders	means holders of Depository Interests.
Directors	means the directors of the Company from time to time, and Director means any one of them.
EGM	means the extraordinary general meeting of the Company to be held on 18 January 2016.
eServGlobal SAS	means eServGlobal SAS, a simplified limited company incorporated and registered in France with Trade and Companies Register number 324 592 724 R.C.S. (Nanterre) and whose registered office is at 244 Avenue Pierre Brossolette, 92245 Malakoff Cedex, France.
Existing Loan	means the fully drawn loan agreement executed on 4 June 2015 for the total financial accommodation of £5.0M by the Lenders to the Company.
Explanatory Memorandum	means the explanatory memorandum to the notice of meeting contained in this booklet.

Fair Value	means the fair value of the shares in the capital of HomeSend CVBA as agreed between the HomeSend CVBA shareholders pursuant to the terms of the HomeSend JV Agreement or, failing such agreement, as determined by an independent valuer on an agreed set of bases and assumptions, including determining the net present value of future cash flows using customary discount factors and/or comparable company and/or comparable transaction analyses and or other methods found reasonable by the valuer. The valuer shall be Ernst & Young, or if they are unavailable, KPMG, or if they are unavailable any independent firm of accountants as the HomeSend CVBC shareholders may agree.
GMT	means Greenwich Mean Time
Grantor	means eServGlobal Limited and its subsidiaries, as applicable.
HomeSend	means the business of HomeSend CVBA, being a service that provides B2B cross border and cross network value transfers through a single connected hub.
HomeSend CVBA	means a HomeSend CVBA, a limited cooperative company incorporated in Belgium.
HomeSend JV Agreement	means the joint venture agreement dated 3 April 2014 relating to HomeSend CVBA between eServGlobal SAS and entities representing MasterCard and BICS.
Lenders	means the Alphagen Volantis Fund Limited and the Alphagen Volantis Catalyst Fund Limited, acting through its investment manager, Alphagen Capital Limited.
Listing Rules	means the official listing rules of ASX.
Loan Facility	means the loan agreement executed on 5 October 2015 for the total financial accommodation of up to £5.0M by the Lenders to the Company, drawn down in the amount of £2.5M at the date of this Notice.
Notice and Notice of Meeting	means the Notice of Meeting included in this document.
PPSA	means the <i>Personal Properties Securities Act 2009</i> of the Commonwealth of Australia.
PPSR	means the register established under the PPSA.
Priority Security Interest	means the Security Interest registered on the PPSR against eServGlobal Limited in favour of the National Australia Bank Limited.
Proxy Form	means the proxy form enclosed with this document.
Resolution	means a resolution the subject of this Notice of Meeting and Explanatory Memorandum.
Secured Money	has the same meaning as in Table 1.
Security Interest	has the same meaning as in Table 1.
Share	means an ordinary share in the capital of the Company, the terms of which are contained in the Company's constitution.
Shareholders or Ordinary Shareholders	means holders of Shares from time to time.

Transaction

means the granting of all the assets of the Company as collateral to secure the obligations of the Company under the Loan Facility and the Existing Loan.

15 December 2015

The Directors
eServGlobal Limited
C/o Simpsons Solicitors
Level 2, Pier 8/9, 23 Hickson Road
Millers Point NSW 2000

Dear Sirs,

**Independent Expert's Report relating to the Granting of Security
over Assets to a Related Party**

1. INTRODUCTION

Background

- 1.1 eServGlobal Limited ("eServGlobal" or "the Company") is an Australian company listed on the Australian Securities Exchange (ASX:ESV, AIM:ESG) that provides mobile money solutions for mobile and financial service providers.
- 1.2 As announced to the market on 5 October 2015, eServGlobal has entered into an agreement for a loan facility of up to £5.0M (the "Loan Facility" or "Loan Agreement"), drawable in two tranches.
- 1.3 The Loan is 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"). Henderson and its associates are substantial shareholders in the Company.
- 1.4 £2.5M of the Loan Facility was drawn down on 9 October 2015 and an additional £2.5M is available for drawdown prior to 30 June 2016. The Company intends to drawdown the first tranche prior to the end of October 2015.
- 1.5 The drawdown of the second tranche of the Loan Facility is conditional on the security over all the assets of the Company being granted to the Lenders ("Additional Security"), which requires the approval of the Company's shareholders.
- 1.6 The proposed granting of the Additional Security to Henderson, a related party of eServGlobal, is referred to in this report as the "Transaction".

HALL CHADWICK
CORPORATE (NSW) LIMITED

ACN 080 462 488

SYDNEY

Level 40, 2 Park Street
Sydney NSW 2000 Australia

GPO Box 3555 Sydney NSW
2001

Ph: (612) 9263 2600

Fx: (612) 9263 2800

E: [hcsyinfo@hallchadwick.](mailto:hcsyinfo@hallchadwick.com.au)

com.au

www.hallchadwick.com.au

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worldwide association of
separate and independent
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firms

Opinion

- 1.7 In our opinion, the Transaction is fair and reasonable to the Non-Associated Shareholders of eServGlobal.
- 1.8 The ultimate decision however on whether to accept the Transaction should be based on shareholders own assessment of their circumstances.

Purpose of Report

- 1.9 You have requested Hall Chadwick Corporate (NSW) Limited (“HCC”) to prepare an Independent Expert’s Report to advise the shareholders of eServGlobal other than those associated with Henderson (“Non-Associated Shareholders”), whether the proposed Transaction is fair and reasonable when considered in the context of the interests of Non-Associated Shareholders and to set out the reasons for our conclusions.
- 1.10 HCC understands and has agreed that this report will be included in or accompany the notice to convene a meeting of eServGlobal shareholders, to assist the Non-Associated Shareholders in their consideration of the Transaction.

2. OUTLINE OF THE TRANSACTION

- 2.1 On 5 October 2015 eServGlobal entered into an agreement for a Loan Facility of up to £5.0M from the Lenders, drawable in two tranches.
- 2.2 The Loan Facility allowed for £2.5M to be drawn down before the end of the year and an additional £2.5M to be available for drawdown prior to 30 June 2016. The second drawdown would be subject to both shareholder approval of the security and the approval of the Lenders (Henderson). The Company drew down the first tranche on 9 October 2015.
- 2.3 The Company is also presently indebted to the Lenders for £5.0M under a loan announced on 4 June 2015 (the “Existing Loan”), prior to the new Loan Facility being drawn down. As a condition to the new Loan Facility, the terms of the Existing Loan were amended to provide for a 10% premium payable on repayment of the loan. If repaid early, the repayment premium will be adjusted to give an annualised return to the Lenders of 15% on the principal (excluding the drawdown fee of 2.5%).
- 2.4 Pursuant to the announcement of 6 October 2015, the Company subscribed for shares in HomeSend. HomeSend is a global payment hub, a market leading solution based on eServGlobal technology, as described at section 5.1. As announced, eServGlobal subscribed for partly paid shares in HomeSend, with full voting rights, with €875K payable in mid-October 2015 and €2.625M in April 2016 from a total capital raise of €10M. The proceeds of the Loan Facility will provide the Company with additional working capital and enable its pro rata investment in HomeSend.

Terms of the Loan Facility

- 2.5 The Loan Facility has a two-year term. An establishment fee of 2.5% is due upon commencement of the agreement and will bear interest at the rate of 0.8% per month compound payable at the end of the term. The Company drew down the first tranche on 9 October 2015.
- 2.6 In addition, 39,866,107 options were issued to the Lenders on execution of the Loan Agreement (the "Options"). The exercise period for the Options is two years from execution of the Loan Agreement which means the Options will expire on 5 October 2017. The exercise price shall be the lesser of the closing share price of the Company's depository interests trading on AIM on the trading day prior to the execution of the Loan Agreement, being 7.75 pence per share (the closing price on 2 October 2015), or a 20% discount to the 60 day Volume Weighted Average Price for the Company's depository interests trading on AIM for the period commencing on 28 September 2015 for 60 trading days. The Options represent 15% of the Company's current issued share capital. In order to facilitate the issue of these Options, within the Company's present capacity under ASX Listing Rule 7.1, the Lenders have forfeited their existing 2,777,778 options, with an exercise price of 18 pence, which were issued to the Lenders on 4 June 2015 under the terms of the Existing Loan; which options will now be cancelled.
- 2.7 A condition precedent to the drawdown of the first tranche of the Loan Facility is that the Company undertakes, on a best endeavours basis, to provide the Lenders with security

capped at \$2,650,000 as permitted by ASX Listing Rule 10.1, over all the assets of eServGlobal Limited and its subsidiaries. The granting of any security by the Company requires the consent of National Australia Bank (“NAB”), as the Company’s existing secured creditor, and no security will be granted until their consent is obtained. The NAB has not provided its consent.

- 2.8 The drawdown of the second tranche of the Loan Facility is conditional on the security over all the assets of the Company being granted to the Lenders (the “Additional Security”), which would require the approval of the Company’s shareholders. In practice, therefore, any drawdown of the second tranche of the Loan Facility and the corresponding grant to the Lenders of security over all of the Company’s assets could only occur with the approval of the Company’s shareholders, NAB and the approval of the Lenders. Once established, the Additional Security will also secure the Company’s indebtedness under the Existing Loan, thus the Lender will be a secured creditor for the amount outstanding under the Existing Loan and the new Loan Facility.
- 2.9 The other HomeSend shareholders have not consented, (their consent being required under the HomeSend JV Agreement), to permit eServGlobal’s shareholding in HomeSend to be subject to any encumbrance, such as the Security Interests and accordingly until their consent is obtained, the HomeSend shares will not form part of the collateral. Subject to shareholder approval of Transaction, eServGlobal (NZ) Pty Limited will grant its assets, including the HomeSend shares, as collateral to the Lenders, if the consent of the other HomeSend shareholders is obtained. The Directors advise that they do not expect such consent to be obtained.
- 2.10 In respect of the security for each tranche, the Lender ranks behind NAB. There are no loan covenants regarding financial measures in respect of the Loan Facility and the Loan Facility includes a negative pledge by the Company not to grant security over any of the Company’s assets (other than the existing security provided to NAB) without the approval of Henderson.
- 2.11 The Board confirms that the provision of the Additional Security referred to above does not negatively impact the Company’s ongoing operations, except for the fact that it limits the ability of the Company to offer its assets as security for other financial accommodation.

Debt Structure and Profile

- 2.12 Upon the first drawdown of the new Loan Facility, the Company will have the following interest bearing liabilities:

Lender	Amount	Interest Rate	Maturity Date
NAB	A\$3M	Floating rate, currently 6.85%	31 March 2016
Henderson	£5M	Effective 15% per annum including repayment premium	4 June 2017
Henderson	£2.5M ¹	9.6% per annum	5 October 2017

¹ Assuming shareholder approval is obtained for the Additional Security and the second tranche of the Loan Facility is drawn down, this amount from Henderson would increase to £5M.

- 2.13 A condition of the Loan Facility is that the Loan Facility must be discharged before any early repayment is made on the Existing Loan.

STRUCTURE OF REPORT

Our report is set out under the following headings:

- 3 PURPOSE OF REPORT
- 4 BASIS OF EVALUATION
- 5 OVERVIEW OF ESERVGLOBAL
- 6 ADVANTAGES AND DISADVANTAGES OF THE TRANSACTION
- 7 CONCLUSION AS TO FAIRNESS AND REASONABLENESS

APPENDICES

- I SOURCES OF INFORMATION
- II STATEMENT OF DECLARATION & QUALIFICATIONS
- III FINANCIAL SERVICES GUIDE

3 PURPOSE OF REPORT

- 3.1 The purpose of this report is to advise the Non-Associated Shareholders of eServGlobal of the fairness and reasonableness of the Transaction.
- 3.2 This report provides an opinion on whether or not the terms and conditions in relation to the Transaction are fair and reasonable to the eServGlobal shareholders whose votes are not to be disregarded in respect of the transaction (that is, the Non-Associated Shareholders).
- 3.3 The ultimate decision whether to accept the terms of the Transaction should be based on each shareholders' assessment of their own circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. If in doubt about the Transaction or matters dealt with in this report, shareholders should seek independent professional advice.
- 3.4 An offer is considered fair if the terms of the transaction are on an arms-length market basis. To be reasonable the shareholders must obtain an overall benefit if the Transaction proceeds.
- 3.5 ASX Listing Rule 10.1 requires that a listed company must obtain shareholder approval before it acquires or disposes of a substantial asset to a related party, a substantial holder or an associate of a related party or substantial holder. An asset is a substantial asset if the value of the assets, in this case the Additional Security, is equal to or greater than 5% of the equity interest of that company at the date of the last audited accounts.
- 3.6 Listing Rule 19.2 defines "dispose" to include the using of an asset as collateral. Therefore for the purpose of ASX Listing Rule 10.1, the granting of the Additional Security is considered to be the disposal of the assets comprising the Additional Security, which exceeds 5% of the total equity disclosed in the most recent accounts of the Company.
- 3.7 Henderson and its associates are substantial shareholders in eServGlobal, holding in aggregate 46,549,213 ordinary shares of the Company, representing 17.5% of the issued share capital and total voting rights of the Company, and CFDs over 9,041,951 shares. If the Options are exercised in full (subject to limitations under the Corporations Act) Henderson will hold 86,415,320 ordinary shares of the Company, representing 28.3% of the enlarged issued share capital and enlarged total voting rights (excluding the CFD's). Therefore Henderson is considered to be a related party of the Company.
- 3.8 ASX Listing Rule 10.10 requires a report on the transaction from an independent expert stating whether the transaction is fair and reasonable to Non-Associated Shareholders of the listed company. This report provides such an opinion.

4. BASIS OF EVALUATION

- 4.1 In our assessment of whether the Transaction is fair and reasonable to eServGlobal Non-Associated Shareholders, we have given due consideration to the Regulatory Guides issued by the ASIC, in particular, Regulatory Guide 74 “Acquisitions Agreed to by Shareholders”, Regulatory Guide 111 “Content of Experts Reports” and Regulatory Guide 112 “Independence of Experts Reports”.
- 4.2 ASIC Regulatory Guide 74 requires, amongst other things, that shareholders are provided with sufficient information to make an effective, informed decision on whether the proposed Transaction is fair and reasonable. In the case of granting collateral, we consider whether the terms of the transaction are on an arms-length market basis. To be reasonable the shareholders must obtain an overall benefit if the Transaction proceeds. It is possible for a transaction to be reasonable despite being unfair. This would be after the expert considers that, based on non-financial factors, the shareholders should still approve the transaction in the absence of any alternative proposals.
- 4.3 Our report has compared the likely advantages and disadvantages to Non-Associated Shareholders if the Transaction is agreed to, with the advantages and disadvantages to those shareholders if it is not.
- 4.4 We consider that the Transaction will be reasonable if, on balance, the Non-Associated Shareholders in eServGlobal will be better off if the Transaction is approved. We will also consider the Non-Associated Shareholder’s interests should the Transaction not proceed.
- 4.5 In our assessment of the Transaction we have considered, in particular the following:
- the terms of the Loan Facility and Additional Security;
 - The advantages and disadvantages associated with approving the Transaction;
 - the likely effect on eServGlobal if the Transaction is not approved;
 - the likelihood of an emergence of an alternative proposal that could realise better value for eServGlobal Shareholders.
 - Other qualitative and strategic issues associated with the Transaction.
- 4.6 The documents and information relied on for the purpose of this report are set out in Appendix I. We have considered and relied upon this information and believe that the information provided is reliable, complete and not misleading and we have no reason to believe that material facts have been withheld.
- 4.7 This report has been prepared after taking into consideration the current economic and market climate. We take no responsibility for events occurring after the date of this report which may impact upon this report or which may impact upon the assumptions referred to in the report. To the extent we become aware of a material change in circumstances since the date of this report, we will issue a supplementary report at the request of eServGlobal if so required.

5. OVERVIEW OF ESERVGLOBAL

5.1 Company Overview

- 5.1.1 eServGlobal offers mobile money solutions which put feature-rich services at the fingertips of users worldwide, covering the full spectrum of mobile financial services, inclusive of mobile wallet, mobile commerce, recharge, promotions and agent management features.
- 5.1.2 eServGlobal invests heavily in product development, using carrier-grade, next-generation technology and aligning with the requirements of more than 65 customers in over 50 countries.
- 5.1.3 Together with MasterCard and BICS (Belgacom International Carrier Services), eServGlobal is a joint venture partner of the HomeSend global payment hub, a market leading solution based on eServGlobal technology and enabling cross-border money transfer between mobile money accounts, payment cards, bank accounts or cash outlets from anywhere in the world regardless of the users location. HomeSend is an international remittance service based on eServGlobal technology offered by strategic business partners BICS and MasterCard. It is the market leader in mobile-to-mobile multilateral money transfer.
- 5.1.4 eServGlobal also offers a comprehensive suite of sophisticated, revenue generating Value-Added Services to engage subscribers in a dynamic manner. These services can be seamlessly integrated with its mobile money portfolio to extend loyalty and promotion offers.
- 5.1.5 The public announcements made by eServGlobal in the last six months are listed below:

<u>Date</u>	<u>Headline</u>	<u>Pages</u>
06/10/2015	HomeSend Investment	1
05/10/2015	Appendix 3B	11
05/10/2015	Loan from Substantial Shareholder	4
28/09/2015	HomeSend Capital Raise and Core Business Update	2
23/09/2015	HomeSend launches remittances services with TransferGalaxy	3
23/09/2015	HomeSend KPI update	3
11/08/2015	Management changes	2
22/07/2015	HomeSend and Azimo launch new mobile money services	2
17/07/2015	HomeSend agreement with Dialog Axiata Sri Lanka	3
08/07/2015	Investor Presentation	20
06/07/2015	Final Director's Interest Notice	2
06/07/2015	Final Director's Interest Notice	2
30/06/2015	H1 FY2015 Results Commentary	5
30/06/2015	Half Year Report and Appendix 4D	19
29/06/2015	Board Change	2
17/06/2015	Board Change	1
09/06/2015	Holding(s) in Company	1
09/06/2015	Change in substantial holding	5

<u>Date</u>	<u>Headline</u>	<u>Pages</u>
05/06/2015	Appendix 3B	11
04/06/2015	Trading Update and Notice of Results	4
22/05/2015	HomeSend to connect to MasterCard Send	2
24/04/2015	Executive Chairman Remuneration	1
22/04/2015	Change in substantial holding	5
20/04/2015	Appointment of Executive Chairman	1

5.2 Financial Information

- 5.2.1 Set out below is a summary of the audited historical financial performance of eServGlobal for the last three years (31 October year-end):

HISTORICAL CONSOLIDATED FINANCIAL PERFORMANCE				
	A\$ million	FY2014	FY2013	FY2012
Revenue		31.3	31.0	28.1
Cost of sales		(13.4)	(11.8)	(12.3)
Gross profit		17.9	19.2	15.8
EBITDA ^{1, 2, 3}		28.6	7.3	(8.7)
Net profit before tax		27.8	4.5	(15.4)
Net profit after tax		14.2	10.4	(15.6)

¹ EBITDA for FY2012 is after restructuring costs of \$2.9m, foreign exchange losses of \$3.4m and share based payments of \$0.6m.

² EBITDA for FY2013 is after restructuring costs of \$2.0m, foreign exchange gains of \$8.0m and share based payments of \$0.5m.

³ EBITDA for FY2014 is higher than gross profit as it includes a gain on disposal of the HomeSend business of \$31.7 million.

The foreign exchange gains and losses occur due to the large number of multi-currency transactions in the business each year.

- 5.2.2 For the six months to 30 April 2015 eServGlobal achieved sales revenue of \$12.834 million, gross profit of \$6.412 million and an EBITDA loss of \$6.991 million. Revenue has decreased and a loss before tax incurred for the latest half year due to the delayed conversion of pipeline projects and costs incurred associated with the development of the PayMobile 3.0 platform. PayMobile 3.0 is a revolution in the way eServGlobal delivers its solutions. This new standardised platform has required substantial development, however management advise it is already delivering benefits in terms of efficient deployment of projects enabling customers to achieve an increased return on investment. PayMobile 3.0 is built on state-of-the-art core technology. The platform's flexibility allows for rapid adjustment, while the open API (application programming interface) bundles allow exposure of the platform to third party integration. PayMobile 3.0 is also expected to open new opportunities with channel partners and new customer types on both a global and local level.

5.2.3 Set out below is the Reviewed Consolidated Statement of Financial Position of eServGlobal as at 30 April 2015. Note this does not include the Existing Loan to the Lenders for £5.0M which occurred in June 2015.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
	A\$ '000	30 April 2015
Current Assets		
Cash and cash equivalents		2,622
Trade and other receivables		11,830
Deposits and prepayments		2,154
Work in progress ¹		13,347
Inventories		109
Deferred sales proceeds ²		4,800
Total Current Assets		34,862
Non-Current Assets		
Investment in associate - HomeSend SRCL		25,459
Property, plant and equipment		95
Deferred tax assets		2,753
Goodwill		3,418
Intangibles – capitalised R&D		7,560
Total Non-Current Assets		39,285
Total Assets		74,147
Current Liabilities		
Trade and other payables		12,501
Borrowings – Secured bank loan		3,000
Current tax payables		1,556
Provisions		1,270
Deferred income		1,931
Total Current Liabilities		20,258
Non-Current Liabilities		
Provisions		840
Total Non-Current Liabilities		840
Total Liabilities		21,098
Net Assets		53,049
Equity		
Issued capital		116,074
Reserves		(4,248)
Accumulated losses		(59,061)
Non-controlling interest		284
Total Equity		53,049

¹ Contract work in progress net of progress billings and advances received

² Deferred sales proceeds relating to the sale of the HomeSend business to an associate company, HomeSend SRCL, currently held in escrow and due to be received on 3 April 2016.

6 ADVANTAGES & DISADVANTAGES OF THE TRANSACTION

6.1 Approach to assessing Fairness and Reasonableness

HCC has followed the guidelines of ASIC Regulatory Guide 111 in assessing the fairness and reasonableness of the Transaction. In forming its conclusions in this report, HCC compared the advantages and disadvantages for Non-Associated Shareholders if the Transaction proceeds.

6.2 Advantages of the Transaction

- 6.2.1 The non-associated directors of eServGlobal negotiated the terms of Loan Facility on terms that were no more favourable to Henderson than would have been the case had the funds been advanced by a third party.
- 6.2.2 Directors advise that they have received no other offers for finance. During this year additional sources of funding have been explored with NAB and other financiers without success. The Loan Facility is the Company's only current option to provide additional working capital and enable a pro rata investment in HomeSend, which Directors advise is a significant opportunity to increase shareholder value.
- 6.2.3 The directors of the Company consider that the terms of the Loan Facility are fair and reasonable insofar as the Company's shareholders are concerned.
- 6.2.4 The directors of the Company have confirmed that the provision of the Additional Security does not negatively impact the Company's ongoing operations, except for the fact that it limits the ability of the Company to offer its assets as security for other financial accommodation.
- 6.2.5 The exercise of the Options being issued to the Lenders as part of the Loan Facility would provide an additional equity injection into the Company of approximately £3M, subject to the terms detailed at section 2.6.

6.3 Disadvantages of the Transaction

- 6.3.1 As a condition to the new Loan Facility, the terms of the Existing Loan will be amended to provide for a 10% premium payable on repayment of the loan. If repaid early, the repayment premium will be adjusted to give an annualised return to the Lenders of 15% on the principal.
- 6.3.2 eServGlobal has provided assets as collateral to Henderson for the Loan Facility. The level of security increases under the Loan Facility to cover all the assets of the Company, with the exception of the HomeSend shares, unless approval is provided by HomeSend shareholders as detailed at section 2.4. In the event that eServGlobal defaults on the Loan Facility it may need to liquidate assets or find alternate funding to repay them. Until such time as Shareholder approval is obtained, the assets provided as security on the Existing

Loan and Loan Facility shall be limited to the assets of eServGlobal Limited to a value of \$2,650,000.

- 6.3.3 The exercise of the Options being issued to the Lenders as part of the Loan Facility will dilute the existing shareholders interests in the Company.
- 6.3.4 There may be other financing opportunities eServGlobal will not be able to pursue if the Additional Security is approved due to the comprehensive nature of the Additional Security, being a fixed and floating charge over all assets of the Company.

7 CONCLUSION AS TO FAIRNESS AND REASONABLENESS

7.1 Fairness

7.1.1 In our opinion, the proposed Transaction to grant the Additional Security to Henderson is fair to the Non-Associated Shareholders of eServGlobal.

7.1.2 Our opinion is based solely on information available as at the date of this report.

7.1.3 The principal factors we have considered in forming our opinion include the following:

- a) The non-associated directors of eServGlobal negotiated the terms of Loan Facility on terms that were no more favourable to Henderson than would have been the case had the funds been advanced by a third party.
- b) The Loan Facility is subject to an interest rate of 9.6% per annum, which we believe is a reasonable arms-length rate as compared to current borrowing rates.
- c) Based on discussions with management and a review of current lending rates in the market, it is unlikely that eServGlobal would be able to obtain alternate funding at terms any more favourable than those agreed to with Henderson.
- d) Given that the Company has been unable to secure any other form of finance, we also believe that the amendments to the Existing Loan to include a 10% premium payable on repayment of the loan is a fair market return to the Lender.
- e) The directors of the Company consider that the terms of the Loan Facility are fair and reasonable insofar as the Company's shareholders are concerned.

7.2 Reasonableness

ASIC Regulatory Guide 111 states that a transaction is reasonable if:

- The Transaction is fair; or
- Despite not being fair the expert believes that there are sufficient reasons for security holders to accept the Transaction in the absence of an alternative proposal that may realise better value for eServGlobal Shareholders.

We have concluded that the Transaction is fair and therefore also reasonable. In forming our opinion we have also considered the following relevant factors.

- a) Directors advise that they have received no other offers for finance. During this year additional sources of funding have been explored with NAB and other financiers without success. NAB advised they have reached their absolute funding limit in relation to eServGlobal and therefore are unwilling to extend the current facility of AUD3.0M. Other financiers were not willing to deal with the challenges of security being held over assets located in France and the exposure of various business risks. Directors advise that their discussions with shareholders in Australia were clear that there was no further appetite to raise further capital in Australia.
- b) The proceeds of the Loan Facility will provide the Company with additional working capital required to maintain operations and enable a pro rata investment in HomeSend, which Directors advise is a significant opportunity to increase shareholder value.

- c) The directors of the Company have confirmed that the provision of the Additional Security does not negatively impact the Company's ongoing operations, except for the fact that it limits the ability of the Company to offer its assets as security for other financial accommodation.
- d) The terms of the Loan Facility include the issue of 39,866,107 Options to the Lenders, exercisable within two years from execution of the Loan Agreement at an exercise price of the lesser of the closing share price of the Company's depository interests trading on AIM on the trading day prior to the execution of the Loan Agreement, being 7.75 pence per share (the closing price on 2 October 2015), or a 20% discount to the 60 day Volume Weighted Average Price for the Company's depository interests trading on AIM for the period commencing on 28 September 2015 for 60 trading days. The exercise of the Options would provide an additional equity injection into the Company of approximately £3M, subject to the above terms.

Having considered that the Transaction is fair and the alternatives of not proceeding with the Transaction, in our opinion the Non-Associated Shareholders of eServGlobal should benefit if the Transaction proceeds and therefore, in our opinion the Transaction is reasonable.

Yours faithfully
Hall Chadwick Corporate (NSW) Limited



DREW TOWNSEND

APPENDIX I - SOURCES OF INFORMATION

- eServGlobal Limited Audited Financial Reports for the financial years ended 31 October 2013 and 31 October 2014 and Reviewed Financial Accounts for the half year ended 30 April 2015;
- eServGlobal Limited Notice of General Meeting and Explanatory Memorandum;
- Agreements between eServGlobal and Henderson, being the Existing Loan Agreement dated 4 June 2015, New Loan Agreement, Deed of Amendment and Restatement and associated Security Deed;
- Statements from Directors and management regarding the reasons for the Loan Facility;
- Publicly available information on eServGlobal, including media releases, ASX announcements and websites;
- ASIC Regulatory Guide 74 ‘Acquisitions Agreed to by Shareholders’;
- ASIC Regulatory Guide 111 ‘Content of Expert Reports’;
- ASIC Regulatory Guide 112 ‘Independence of Expert’s Reports’;

APPENDIX II - STATEMENT OF DECLARATION & QUALIFICATIONS

Confirmation of Independence

Prior to accepting this engagement HCC determined its independence with respect to eServGlobal with reference to ASIC Regulatory Guide 112 (RG 112) titled “Independence of Expert’s Reports”. HCC considers that it meets the requirements of RG 112 and that it is independent of eServGlobal.

Also, in accordance with s648 (2) of the Corporations Act we confirm we are not aware of any business relationship or financial interest of a material nature with eServGlobal, its related parties or associates that would compromise our impartiality.

Mr Drew Townsend, director of Hall Chadwick Corporate (NSW) Limited, has prepared this report. Neither he nor any related entities of Hall Chadwick Corporate (NSW) Limited have any interest in the promotion of the Transaction nor will Hall Chadwick Corporate (NSW) Limited receive any benefits, other than normal professional fees, directly or indirectly, for or in connection with the preparation of this report. Our fee is not contingent upon the success or failure of the proposed transaction, and has been calculated with reference to time spent on the engagement at normal professional fee rates for work of this type. Accordingly, HCC does not have any pecuniary interests that could reasonably be regarded as being capable of affecting our ability to give an unbiased opinion under this engagement.

HCC provided a draft copy of this report to the Directors and management of eServGlobal for their comment as to factual accuracy, as opposed to opinions, which are the responsibility of HCC alone. Changes made to this report, as a result of the review by the Directors and management of eServGlobal have not changed the methodology or conclusions reached by HCC.

Reliance on Information

The statements and opinions given in this report are given in good faith and in the belief that such statements and opinions are not false or misleading. In the preparation of this report HCC has relied upon information provided on the basis it was reliable and accurate. HCC has no reason to believe that any information supplied to it was false or that any material information (that a reasonable person would expect to be disclosed) has been withheld from it. HCC evaluated the information provided to it by eServGlobal as well as other parties, through enquiry, analysis and review, and nothing has come to its attention to indicate the information provided was materially mis-stated or would not afford reasonable grounds upon which to base its report. Accordingly, we have taken no further steps to verify the accuracy, completeness or fairness of the data provided.

Our procedures and enquiries do not include verification work, nor constitute an audit or review in accordance with Australian Auditing Standards (AUS). HCC does not imply and it should not be construed that it has audited or in anyway verified any of the information provided to it, or that its enquiries could have verified any matter which a more extensive examination might disclose.

The sources of information that we relied upon are outlined in Appendix I of this report.

eServGlobal has provided an indemnity to HCC for any claims arising out of any mis-statement or omission in any material or information provided by eServGlobal to HCC in preparation of this report.

Qualifications

Hall Chadwick Corporate (NSW) Limited ("HCC") carries on business at Level 40, 2 Park Street, Sydney NSW 2000. HCC holds Australian Financial Services Licence No. 227902 authorising it to provide financial product advice on securities to retail clients. HCC's representatives are therefore qualified to provide this report.

Consent and Disclaimers

The preparation of this report has been undertaken at the request of the Directors of eServGlobal. It also has regard to relevant ASIC Regulatory Guides. It is not intended that the report should be used for any other purpose than to accompany the Notice of General Meeting to be sent to eServGlobal shareholders. In particular, it is not intended that this report should be used for any purpose other than as an expression of HCC's opinion as to whether or not the proposed Transaction is fair and reasonable.

HCC consent to the issue of this report in the form and context in which it is included in the Notice of General Meeting to be sent to eServGlobal shareholders.

Shareholders should read all documents issued by eServGlobal that consider the proposed Transaction in its entirety, prior to proceeding with a decision. HCC had no involvement in the preparation of these documents, with the exception of our report.

This report has been prepared specifically for the Non-Associated Shareholders of eServGlobal. Neither HCC, nor any member or employee thereof undertakes responsibility to any person, other than a Non-Associated Shareholder of eServGlobal, in respect of this report, including any errors or omissions howsoever caused. This report is "General Advice" and does not take into account any person's particular investment objectives, financial situation and particular needs. Before making an investment decision based on this advice, you should consider, with or without the assistance of a securities advisor, whether it is appropriate to your particular investment needs, objectives and financial circumstances.

Our procedures and enquiries do not include verification work, nor constitute an audit or review in accordance with Australian Auditing Standards.

Our opinions are based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time. Furthermore, financial markets have been particularly volatile in recent times. Accordingly, if circumstances change significantly, subsequent to the issue of the report, our conclusions and opinions may differ from those stated herein. There is no requirement for HCC to update this report for information that may become available subsequent to its date.

APPENDIX III - FINANCIAL SERVICES GUIDE

Dated 15 December 2015

What is a Financial Services Guide (FSG)?

This FSG is designed to help you to decide whether to use any of the general financial product advice provided by Hall Chadwick Corporate (NSW) Limited ABN 28 080 462 488, Australian Financial Services Licence Number 227902 (HCC).

This FSG includes information about:

- HCC and how they can be contacted
- the services HCC is authorised to provide
- how HCC are paid
- any relevant associations or relationships of HCC
- how complaints are dealt with as well as information about internal and external dispute resolution systems and how you can access them; and
- the compensation arrangements that HCC has in place.

This FSG forms part of an Independent Expert's Report (Report) which has been prepared for inclusion in a disclosure document. The purpose of the disclosure document is to help you make an informed decision in relation to a financial product.

Financial services that HCC is authorised to provide

HCC holds an Australian Financial Services Licence, which authorises it to provide, amongst other services, financial product advice for securities and interests in managed investment schemes, including investor directed portfolio services, to retail clients.

We provide financial product advice when engaged to prepare a report in relation to a transaction relating to one of these types of finance products.

HCC's responsibility to you

HCC has been engaged by the independent directors of eServGlobal Limited ("eServGlobal" or the "Client") to provide general financial product advice in the form of a Report to be included in the Notice of Meeting (Document) prepared by eServGlobal in relation to the proposed Transaction.

You have not engaged HCC directly but have received a copy of the Report because you have been provided with a copy of the Document. HCC nor the employees of HCC are acting for any person other than the Client.

HCC is responsible and accountable to you for ensuring that there is a reasonable basis for the conclusions in the Report.

General Advice

As HCC has been engaged by the Client, the Report only contains general advice as it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of the general advice in the Report having regard to your circumstances before you act on the general advice contained in the Report.

You should also consider the other parts of the Document before making any decision in relation to the Transaction.

Fees HCC may receive

HCC charges fees for preparing reports. These fees will usually be agreed with, and paid by, the Client. Fees are agreed on either a fixed fee or a time cost basis. In this instance, the Client has agreed to pay HCC \$8,000 (excluding GST and out of pocket expenses) for preparing the Report. HCC and its officers, representatives, related entities and associates will not receive any other fee or benefit in connection with the provision of this Report.

HCC officers and representatives receive a salary, a partnership or trust distribution from Hall Chadwick Sydney professional advisory and accounting practice (the Hall Chadwick Sydney Partnership) or a dividend from a related company. Remuneration and benefits are not provided directly in connection with any engagement for the provision of general financial product advice in the Report.

Further details may be provided on request.

Referrals

HCC does not pay commissions or provide any other benefits to any person for referring customers to them in connection with a Report.

Associations and relationships

Through a variety of corporate and trust structures HCC is controlled by and operates as part of the Hall Chadwick Sydney Partnership. HCC's directors may be partners in the Hall Chadwick Sydney Partnership. Mr Drew Townsend, director of HCC and partner in the Hall Chadwick Sydney Partnership, has prepared this report. The financial product advice in the Report is provided by HCC and not by the Hall Chadwick Sydney Partnership.

From time to time HCC, the Hall Chadwick Sydney Partnership and related entities (HC entities) may provide professional services, including audit, tax and financial advisory services, to companies and issuers of financial products in the ordinary course of their businesses.

No individual involved in the preparation of this Report holds a substantial interest in, or is a substantial creditor of the Client or has other material financial interests in the Transaction.

Complaints resolution

If you have a complaint, please let HCC know. Formal complaints should be sent in writing to:

The Complaints Officer

Hall Chadwick Corporate (NSW) Limited

GPO Box 3555

Sydney NSW 2001

If you have difficulty in putting your complaint in writing, please telephone the Complaints Officer, Drew Townsend, on 02 9263 2600 and he will assist you in documenting your complaint.

Written complaints are recorded, acknowledged within 5 days and investigated. As soon as practical, and not more than 45 days after receiving the written complaint, the response to your complaint will be advised in writing.

External complaints resolution process

If HCC cannot resolve your complaint to your satisfaction within 45 days, you can refer the matter to the Financial Ombudsman Service (FOS). FOS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOS are available at the FOS website www.fos.org.au or by contacting them directly at:

Financial Ombudsman Service Limited
GPO Box 3, Melbourne Victoria 3001
Telephone: 1300 78 08 06
Facsimile (03) 9613 6399
Email: info@fos.org.au

The Australian Securities and Investments Commission also has a free call infoline on 1300 300 630 which you may use to obtain information about your rights.

Compensation arrangements

HCC has professional indemnity insurance cover as required by the Corporations Act 2001(Cth).

Contact Details

You may contact HCC at:
Hall Chadwick Corporate (NSW) Limited
GPO Box 3555
Sydney NSW 2001
Telephone: 02 9263 2600
Facsimile: 02 9263 2800



eServGlobal Limited
ABN 59 052 947 743

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

1- 000001 000 ESV
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

For your vote to be effective it must be received by 11.00am (Sydney Time) on Saturday 16 January 2016

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com



Review your securityholding



Update your securityholding

Your secure access information is:

SRN/HIN: I9999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of eServGlobal hereby appoint

☐ the Chairman
of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of eServGlobal to be held at the Institute of Chartered Accountants, Level 9, 33 Erskine Street Sydney, NSW 2000 on Monday, 18 January 2016 at 11.00am (Sydney Time) and at any adjournment or postponement of that Meeting.

STEP 2

Item of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

1 Granting of Substantial Assets as Collateral for Facility from a Person in a Position of Influence

For	Against	Abstain
☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of the item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /

ESV

999999A

Computershare +