

eServGlobal Limited (“eServGlobal” or the “Company”)

## Notification under ASX Listing Rule 4.3D

29 January 2016

eServGlobal (LSE: ESG & ASX: ESV), the provider of end-to-end mobile financial services to emerging markets, advises that the Company’s annual report and accounts for the financial year ended 31 October 2015 have been posted to shareholders and electronic copies are available on the Company’s website.

Following finalisation of the audit of the Company’s year end accounts, a change to the results and financial position reported in the Preliminary Final Report lodged with ASX on 24 December 2015 was identified that has been amended in the Audited Statutory Accounts lodged today.

The amendment relates to the treatment of the share options issued on 5 October 2015 in connection with the shareholder loan provided by Alphagen Volantis Fund Limited and Alphagen Volantis Catalyst Fund Limited acting through its investment manager, Alphagen Capital Limited. The treatment adopted in the Preliminary Final Report was to reflect the fair value of the options at inception against an “equity” reserve account, instead of correct classification as a derivative “financial liability” as required under Accounting Standards. The reason for this liability classification is that despite the options being convertible at a ‘fixed’ price for a ‘fixed’ number of shares, which ordinarily would result in equity classification, because the option exercise price is denominated in GBP currency which is a different currency to the AUD functional currency of eServGlobal Limited as issuer of the options, they do not meet the definition of an equity instrument under Accounting Standards, and are instead classified as a derivative financial liability. As required under Accounting Standards, the instrument is required to be measured at fair value on an ongoing basis over the option period, with movements recorded through profit or loss.

As a result, the option fair value which was shown in the Preliminary Final report as an equity balance of \$3.34 million, is now shown as a non-current derivative financial liability at fair value of \$2.06 million in the Audited Statutory accounts. The reduction in the fair value of \$1.28 million from the issue date to year end date is recorded as a gain in profit and loss, largely reflecting the impact of the decline in the Company’s share price during the period. This amendment therefore had an impact on the results and financial position reported in the Preliminary Final report of reducing the reported Operating Loss by an amount of \$1.28 million (from the previously reported amount of \$33.654 million) to the statutory reported amount of \$32.374 million and reducing the total Shareholders Equity balance by an amount of \$2.06 million (from the previously reported Equity balance of \$34.829 million) to statutory reported balance of \$32.771 million.

The Liability will be measured at fair value through profit and loss on an ongoing basis during the option period with movements recorded through the profit and loss.

**For further information, please contact:**

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**About eServGlobal**

eServGlobal (AIM:ESG, ASX:ESV) offers mobile money solutions which put feature-rich services at the fingertips of users worldwide, covering the full spectrum of mobile financial services, mobile wallet, mobile commerce, recharge, promotions and agent management.

For more than 30 years, eServGlobal has been a source of innovation for telcos and financial institutions. Using carrier-grade, next-generation technology, eServGlobal aligns with the requirements of customers around the globe.

Together with MasterCard and BICS, eServGlobal is a joint venture partner of the HomeSend global payment hub, enabling cross-border money transfer between mobile wallets, cards, bank accounts or cash outlets from anywhere in the world.