

Techfinancials, Inc
("TechFinancials" or the "Company")

Sale of subsidiary

4 October 2021

TechFinancials (AQSE Growth Market: TECH) is pleased to announce it has entered into a Share Purchase Agreement ("Agreement") to sell its 99.84% owned subsidiary, Cedex Holdings Limited ("Cedex"), to Lem Management Limited ("Buyer").

According to the terms of the Agreement, the Company will be entitled to future consideration upon the Buyer succeeding to raise US\$20 million in a single or series of related transactions, for the future operation of Cedex, or selling Cedex for a minimum of US\$2 million. In certain circumstances of a sale of Cedex, or the assets of Cedex, by the Buyer, the Company will be entitled to receive 50% of that consideration above US\$ 2 million. Between US\$5 million and US\$50 million, the Company will be entitled to receive US\$1.6 million out of the first US\$5 million and 4% out of the remainder, but no more than US\$2 million. US\$50 million and above, the Company will be entitled to receive 4% of the proceeds.

There is no other consideration payable to the Company.

Asaf Lahav, TechFinancials Executive Director stated: "I am glad that we have managed to sell Cedex, something the Company tried to do in the past 18 months. This sale is part of our strategy to save costs and try to maximise shareholders value. We will continue looking for investment opportunities for the benefit of our shareholders".

The directors of the Company accept responsibility for the contents of this announcement.

For further information:

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