

MSL Solutions Limited (ASX: MPW) Intent to acquire Pricap Services Pty Ltd

Friday, 7 July 2017: MSL Solutions Limited (ASX: MPW) (**MSL or the Company**) announces its intent to acquire Pricap Services Pty Ltd (**Pricap**).

Highlights:

- MSL has executed a binding Letter of Intent (**LOI**) to acquire 100% of the shares in Pricap.
- The LOI is conditional upon due diligence and MSL Board approval.
- MSL proposes to acquire Pricap for \$2.05 million, with a further \$0.45 million payable based upon meeting performance hurdles.
- Acquisition price will be predominantly cash, funded from MSL cash reserves and \$110K in fully paid ordinary shares which will form part of the performance payment
- Pricap currently generates \$0.85 million in gross revenue, and annualised EBITDA of \$0.45 million.
- If completed, the proposed acquisition would also:
 - Deliver strong cross-selling opportunities
 - Add unique business model capabilities to small enterprises across the sport, leisure & hospitality venues.
- Completion is expected on 31st July 2017.

MSL Solutions today announced that it has signed a Letter of Intent to enter into a Share Sale Agreement for 100% of the shares in Pricap Services Pty Ltd. The LOI includes completion of due diligence and approval by the MSL Board of Directors, as precedent conditions for completion of the acquisition. The proposed completion date for the acquisition is the 31st of July 2017.

Pricap currently provides its solutions to 125+ clubs in the Sports, Leisure and Hospitality market, predominantly in the Australian golf sector.

The Pricap flagship solution Slice, is a totally integrated platform that takes control of membership, golf, gyms, POS, online timesheets, card scanning, leader boards and subscription payments. The Slice software is also flexible in facilitating integration with other products – loyalty and marketing programs. The Pricap team are recognised leaders in their Service, Advice and Support of their clients.

The Pricap team also have a unique business model that allows them to deliver software solutions to small clubs at low cost, whilst also assisting with key membership services. This delivers considerable financial benefit to the venue, and convenience to their members.

The MSL and Pricap teams both believe that the integration of the Slice solution into the MPower MSL platform will open up considerable cross-selling opportunities to both the Pricap and MSL customers.

MSL's CEO and Managing Director, Mr Craig Kinross commented, "If completed, the combination of Pricap and MSL would bring together a number of customer, technology and service synergies. Both businesses have a deep knowledge of customers in the sport, leisure and hospitality industry sector, and culturally have a shared focus on providing excellence in customer service."

The proposed acquisition cost of \$2.05 million represents 4.5 times the implied EV/EBITDA multiple.

MSL expect to finalise conditions in the LOI by 31st July 2017.

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About MSL Solutions Limited

MSL Solutions Limited (ASX: MPW) is an Australian based global provider of hosted, software as a service (**SaaS**) and on-site deployed solutions to clients in the sport, leisure and hospitality sector. MSL services member organisations across APAC, EMEA and North America through its MPower Platform. MSL has a head office in Brisbane and offices in Sydney, Melbourne, UK and Denmark. To discover more about MSL please visit www.mpowermsl.com.

About MPower Platform

MSL's MPower Platform connects member organisations' business software and data needs to improve guest engagement, loyalty, gain business efficiencies and improve governance. MSL provides scalable full venue business software applications and data solutions integrated through the MPower core integration architecture. This means that MSL can provide solutions to both small and large organisations and associations. MSL provides cloud based SaaS, hosted and on-site deployed software, data and loyalty/media solutions.