



## **NEWS RELEASE**

30 March 2020

**Billing Services Group Limited**  
**("BSG" or the "Company")**

**Notice of Annual General Meeting**  
**and**  
**Proposed cancellation of admission to trading on AIM**

Billing Services Group Limited (AIM: BILL) announces that it will send a circular to shareholders today convening the Company's 2019 Annual General Meeting and setting out the reasons why it is proposing to cancel the Company's shares from admission to trading on AIM. A special resolution to approve the proposed cancellation from trading on AIM is included in the Notice of Annual General Meeting contained in the circular. Defined terms used in this announcement are set out below.

Following completion of the sale of BSG Wireless (announced on 28 February 2020), the directors of the Company are of the view that the ongoing costs and management time, together with the regulatory, administrative and legal burden associated with maintaining the Company's admission to trading on AIM, are disproportionate relative to the benefits of a listing on AIM and therefore the cancellation of the admission of its Common Shares to trading on AIM is in the best interests of the Company and its Shareholders as a whole.

The Company therefore intends to seek its Shareholders' approval for the Cancellation and confirms that such approval and the Cancellation shall be subject to and conditional upon the special dividend referred to in the Company's announcement on 26 March 2020 having been paid to Shareholders. The Circular sets out further details of the background to and reasons for the Cancellation, the reasons why the directors believe that the Cancellation is in the best interests of the Company and its Shareholders as a whole, and the directors' recommendation to Shareholders to vote in favour of the resolution to approve the Cancellation. Extracts from the Circular providing further information regarding the background to and principal effects of the Cancellation together with the proposed timetable are set out below.

The 2019 Annual General Meeting of the Company will be held at 4:00 p.m. (BST) on Thursday, 30 April 2020 at the offices of Mr. Denham Eke, Burnbrae Group Ltd, Viking House, Nelson Street, Douglas, Isle of Man IM1 2AH at which the resolution approving the Cancellation and certain other resolutions will be proposed to Shareholders for approval. A notice convening the AGM and

containing such proposed resolutions is set out in the Circular which will shortly also be available on the Company's website [www.bsgclearing.com](http://www.bsgclearing.com). In light of current social distancing recommendations and travel restrictions in place, it is proposed that Shareholders vote electronically or by proxy in advance of the AGM and attend the meeting telephonically by registering in accordance with the instructions set out in the Circular and Notice of AGM.

Subject to the Resolution being passed at the AGM and payment of the special dividend referred to in the Company's announcement on 26 March 2020 having been made to Shareholders, the expected last day of dealings in Common Shares on AIM will be Thursday 7 May 2020 and the Cancellation is expected to become effective at 7:00 a.m. on Monday 11 May 2020. Pursuant to Rule 41 of the AIM Rules, the Company, through its nominated adviser, finnCap Limited, has notified the London Stock Exchange of the proposed Cancellation.

**ENQUIRIES:**

**Billing Services Group Limited**

Norman M. Phipps (Chief Executive Officer, Chief Financial Officer and Executive Director) +1 210 949 7000

**finnCap**

**Nominated Adviser and Broker**

020 7220 0500

Scott Mathieson  
Matthew Radley

**About BSG:**

BSG's headquarters is located in San Antonio, Texas, USA. The Company's shares are traded on the London Stock Exchange (AIM: BILL). For more information on BSG, visit ([www.bsgclearing.com](http://www.bsgclearing.com)).

***The information communicated in this announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014.***

## ***Extracts from the Circular***

### **1. Background**

We are pleased to invite you to our AGM which will be held at 4:00 p.m. (BST) on Thursday, 30 April 2020 at the offices of Mr. Denham Eke, Burnbrae Group Ltd, Viking House, Nelson Street, Douglas, Isle of Man IM1 2AH.

In light of current social distancing recommendations and travel restrictions in place, it is proposed that you vote electronically or by proxy in advance of the meeting and attend the meeting telephonically by registering in advance for dial-in details by contacting Brenda Alexander (by email at [Brenda.Alexander@bsgclearing.com](mailto:Brenda.Alexander@bsgclearing.com) or by calling +1 210 949 7098) to make the necessary arrangements. Voting at the AGM will be conducted by means of a poll on all resolutions, with each shareholder having one vote for each share held, thereby allowing us to count and record all those electronic and proxy votes submitted prior to the meeting. There will be an opportunity for shareholders to ask questions. In order to help facilitate this process we would request questions to be submitted in advance to [Brenda.Alexander@bsgclearing.com](mailto:Brenda.Alexander@bsgclearing.com) before close of business (BST) on 28 April 2020.

In addition to the business customarily undertaken at an annual general meeting of the Company, the Company announced today that it intends to seek shareholder approval for the cancellation of admission of the Company's Common Shares to trading on AIM with effect from 7:00 a.m. on 11 May 2020. This letter sets out the background to and reasons for the proposed Cancellation and details of a proposed dividend to be paid to Shareholders prior to such Cancellation becoming effective.

Following completion of the sale of BSG Wireless in February 2020, the directors are of the view that the ongoing costs and management time, together with the regulatory, administrative and legal burden associated with maintaining the Company's admission to trading on AIM, are disproportionate relative to the benefits of a listing on AIM to the Company and that, therefore, maintaining the Company's listing on AIM is not in the best interests of the Company and its Shareholders.

Given the nature of the Company's two remaining businesses and the previously stated strategy to explore ways to either realise value in them through a sale or to wind them down over time, continuing the Company's admission to trading on AIM no longer sufficiently provides the Company with the advantages of providing access to capital or enabling the issuance of further Common Shares to effect acquisitions. This is reinforced by the limited liquidity in the Common Shares and the small market capitalisation of the Company.

As disclosed at the time of the sale of BSG Wireless, the Company intended to make a cash distribution to shareholders during the first quarter of 2020, and in any event before the proposed Cancellation, and the Company can now confirm, as announced on 26 March 2020, that it expects to make this distribution on 30 April 2020. Following receipt of the consideration in relation to the disposal of BSG Wireless, the Company is in a position to make a cash distribution to shareholders by way of a special dividend. Further details with respect to the timing of this dividend can be found in the announcement released by the Company on 26 March 2020. The special dividend per share will equate to approximately US\$0.0291317 per Common Share, representing not less than US\$4,800,000 in aggregate, with the final form and amount of such dividend to be determined by

the Directors acting in their discretion, taking into consideration applicable legal requirements relating to the determination and payments of dividends and subject to: (i) the Company being able to pay its debts as they become due at the time of and following such distribution; and (ii) the realisable value of the Company's assets not being less than the realisable value of its liabilities following such distribution. The Company can confirm that the special dividend will be paid before the proposed Cancellation becomes effective and the Cancellation is conditional upon such special dividend having been paid.

The Company continues to explore all strategic options for its two remaining businesses, the Wireline Business and the TPV Business, and if these strategic options were to lead to a liquidity event, then the Company would propose to make additional cash distributions to Shareholders whether before or after the proposed Cancellation as part of a process of returning any surplus assets and/or capital to Shareholders. The economic impact of the on-going COVID-19 pandemic has made the possibility of realising value for the two remaining businesses more difficult; however, the Company will continue to explore any and all strategic options in relation to them. The Company will keep Shareholders apprised of any developments on these fronts, both before and after the proposed Cancellation.

## **2. Process of Cancellation**

In accordance with Rule 41 of the AIM Rules, the Company has notified the London Stock Exchange of the intended Cancellation, subject to Shareholder approval, giving at least twenty business days' notice. Under the AIM Rules, it is a requirement that the Cancellation is approved by not less than 75 per cent. of votes cast by Shareholders (in person or by proxy) at the AGM. Subject to the resolution approving the Cancellation being passed at the AGM, it is anticipated that trading in the Common Shares on AIM will cease at the close of business on 7 May 2020 with the Cancellation taking effect 7.00 a.m. 11 May 2020.

Upon the Cancellation becoming effective, finnCap Limited will cease to be nominated adviser and broker to the Company and the Company will no longer be required to comply with the rules and corporate governance requirements to which companies admitted to trading on AIM are subject, including the AIM Rules.

## **3. Principal effects of the Cancellation**

Following the Cancellation of trading in the Company's Common Shares on AIM, the Common Shares will not be traded on any public market and the CREST facility (including the related Depository Interest arrangement) is expected to be cancelled. Consequently there can be no guarantee that a Shareholder will be able to purchase or sell Common Shares or interests in Common Shares.

It is possible that following publication of the Circular, the liquidity and marketability of the Common Shares and interests in Common Shares may be significantly reduced and the value of such Common Shares and interests in Common Shares may be adversely affected as a consequence.

Although the Common Shares will remain transferable in certificated form, upon cancellation of the CREST facility, they will cease to be transferable through CREST.

The Company will not be subject to the AIM Rules and, accordingly, it will not (amongst other things) be required to retain a nominated adviser or to comply with the requirements of AIM in relation to annual accounts and half-yearly reports, the disclosure of price sensitive information or the disclosure of information on corporate transactions.

The Company is proposing to adopt new Bye-Laws upon the Cancellation become effective removing provisions of the current Bye-Laws that relate to the Company's listing on AIM. The Company and the Directors will continue to be bound by these new Bye-Laws and applicable Bermuda law and other applicable laws following the Cancellation becoming effective.

The Cancellation may have either positive or negative taxation consequences for Shareholders. Shareholders who are in any doubt about their tax position should consult their own professional independent advisor immediately.

**The above considerations are not exhaustive and Shareholders should seek their own independent advice when assessing the likely impact of the Cancellation on them.**

#### **4. Dealing and settlement arrangements**

Following the Cancellation and upon cancellation of the CREST facility becoming effective, private transfers of interests in Common Shares in certificated form should be sent to the Company's registrars, Link Asset Services, 34 Beckenham Road, Beckenham, Kent BR3 4TU. Existing share certificates remain valid.

**If Shareholders wish to buy or sell Common Shares or interests in Common Shares on AIM they must do so prior to the Cancellation becoming effective. As noted above, in the event that Shareholders approve the Cancellation, it is anticipated that the last day of dealings in the Common Shares on AIM will be 7 May 2020 and that the effective time and date of the Cancellation will be 7.00 a.m. 11 May 2020.**

#### **5. Action to be taken**

Please check that you have received the following with the Circular:

- a Form of Proxy for use in relation to the AGM; and
- a reply-paid envelope for use in connection with the return of the Form of Proxy (in the UK only). We strongly recommend voting electronically at [www.signalshares.com](http://www.signalshares.com) as your vote will automatically be counted. Given the currently escalating situation sending a paper proxy is no guarantee of having your vote counted.

**Whether or not you intend to be present in person at the AGM, you are strongly encouraged to complete, sign and return your Form of Proxy or submit your vote electronically in accordance with the instructions printed thereon so as to be received by post or, during normal business hours only, by hand, at Link Asset Services of The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, United Kingdom, as soon as possible but in any event so as to arrive by not later than 4:00 p.m. on 27 April 2020 if you hold Depositary Interests or 28 April 2020 if you hold Common Shares (or, in the case of an adjournment of the AGM, not later than 72 hours (if you hold Depositary Receipts) or 48 hours (if you hold Common**

Shares) before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)).

In light of current social distancing recommendations and travel restrictions in place, it is proposed that you attend the meeting telephonically by registering in advance for dial-in details by contacting Brenda Alexander (by email at [Brenda.Alexander@bsgclearing.com](mailto:Brenda.Alexander@bsgclearing.com) or by calling +1 210 949 7098) to make the necessary arrangements. If you have any questions that you would like answered at the meeting, we would request these to be submitted in advance to [Brenda.Alexander@bsgclearing.com](mailto:Brenda.Alexander@bsgclearing.com) before close of business (BST) on 28 April 2020.

Appointing a proxy in accordance with the instructions set out above will enable your vote to be counted at the AGM in the event of your absence. The completion and return of a Form of Proxy will not preclude you from attending and voting in person at the AGM, or any adjournment thereof, should you wish to do so.

## **6. Recommendation**

The Directors consider the Cancellation and the Resolutions to be in the best interests of the Company and its Shareholders as a whole and accordingly unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the AGM as they intend to do in respect of their own beneficial holdings amounting, in aggregate, to 10,638,944 Common Shares, representing approximately 6.46 per cent. of the Common Shares.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The Circular sent to Shareholders	30 March 2020
Latest time and date for receipt of Form of Direction and CREST Proxy Instructions from holders of Depository Interests	4:00 p.m. on 27 April 2020
Latest time and date for receipt of Form of Proxy and CREST Proxy Instructions from holders of Common Shares	4:00 p.m. on 28 April 2020
Annual General Meeting	4:00 p.m. on 30 April 2020
Last day for dealings in Common Shares on AIM	7 May 2020
Time and date that admission of Common Shares to trading on AIM will be cancelled	7:00 a.m. 11 May 2020

### Notes:

1. Each of the times and dates above are indicative only and if any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service.
2. All of the above times refer to British Summer Time ('BST') unless otherwise stated.
3. All events listed in the above timetable following the AGM are conditional on the passing at the AGM of the shareholder resolution approving the Cancellation.
4. The Company does not hold any shares in treasury.

## DEFINITIONS

The following words and expressions shall have the following meanings in this announcement unless the context otherwise requires:

<b>'AGM'</b>	the sanctioned 2019 Annual General Meeting of the Company (following receipt of the Order of Sanction in respect of the 2019 year from the Bermuda Registrar of Companies);
<b>'AIM'</b>	the market of that name operated by the London Stock Exchange;
<b>'AIM Rules'</b>	the rules for AIM companies as published by the London Stock Exchange from time to time;
<b>'Board' or 'Directors'</b>	the directors of the Company;
<b>'BSG Wireless'</b>	BSG Wireless Limited, a company incorporated and registered in England and Wales with company number 06520674;
<b>'Business Day'</b>	any day which is not a Saturday, Sunday or public holiday on which banks are open for business in the City of London and Bermuda;

<b>'Cancellation'</b>	the proposed cancellation of admission of the Common Shares to trading on AIM;
<b>'Circular'</b>	the circular to be sent to shareholders, extracts of which are set out above;
<b>'Common Shares'</b>	the 164,768,689 common shares of US\$0.59446 each in the share capital of the Company;
<b>'Companies Act'</b>	the Companies Act of Bermuda 1981, as amended;
<b>'Company'</b> or <b>'BSG'</b>	Billing Services Group Limited, a company incorporated and registered in Bermuda with registered company number EC36839 whose registered office is located at Victoria Place, 5 <sup>th</sup> Floor, 31 Victoria Street, Hamilton HM 10, Bermuda;
<b>'CREST'</b>	the computerised settlement system to facilitate transfer of title to or interests in securities in uncertificated form operated by Euroclear UK & Ireland Limited;
<b>'Depository Interests'</b>	a depository interest representing an underlying Common Share;
<b>'Form of Proxy'</b>	the form of proxy and direction for use at the AGM which accompanies the Circular;
<b>'London Stock Exchange'</b>	London Stock Exchange plc;
<b>'Notice of AGM'</b>	the notice of the AGM, which is set out at the end of the Circular;
<b>'Registrar'</b>	Link Asset Services of The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU;
<b>'Resolutions'</b>	the resolutions to be proposed at the AGM, as set out in the Notice of AGM;
<b>'Shareholder(s)'</b>	holder(s) of Common Shares;
<b>'TPV Business'</b>	the business offering third party verification services; and
<b>'Wireline Business'</b>	the business offering third-party telephone billing services to service providers.