

THIS ANNOUNCEMENT AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND IS NOT FOR REPRODUCTION, RELEASE, PUBLICATION, DISTRIBUTION OR DISCLOSURE BY RECIPIENTS TO ANY OTHER PERSON IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM THE UNITED STATES OF AMERICA, CANADA, JAPAN, THE REPUBLIC OF SOUTH AFRICA, THE REPUBLIC OF IRELAND, AUSTRALIA OR ANY OTHER JURISDICTION OUTSIDE OF THE UNITED KINGDOM IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION MAY CONTRAVENE LOCAL SECURITIES LAWS OR REGULATIONS.

This announcement does not constitute an offer to sell or a solicitation of an offer to buy securities in any jurisdiction in which such offer or solicitation is unlawful. Investors should not purchase any transferable securities referred to in this announcement except on the basis of the information in the admission document (the "Admission Document") intended to be published by TechFinancials, Inc. (the "Company") in due course in connection with the proposed admission of its ordinary shares ("Ordinary Shares") to trading on the AIM Market of the London Stock Exchange plc ("Admission"). The Ordinary Shares have not been and will not be registered under the United States of America Securities Act of 1933 (as amended) or under the securities legislation of any state of the United States of America, Canada, Australia, Japan, the Republic of Ireland, or the Republic of South Africa and they may not be offered or sold directly or indirectly within the United States of America, Canada, Australia, Japan, the Republic of Ireland or the Republic of South Africa or to or for the account or benefit of any national, citizen or resident of the United States of America, Canada, Australia, Japan, the Republic of Ireland or the Republic of South Africa. Copies of the Admission Document will, following publication, be available at the registered office of the Company, subject to applicable securities laws or regulations.

Press Release

16 March 2015



TechFinancials Inc.

First Day of Dealings on AIM

TechFinancials, Inc. ("TechFinancials", the "Company" or the "Group"), a software developer, supplying simplified trading solutions to online brokers, and operator of its own online brokerage, is pleased to announce the commencement at 08.00 a.m. today of dealings in its Ordinary Shares on AIM, a market operated by the London Stock Exchange plc. Grant Thornton UK LLP is acting as Nominated Adviser to the Company, Northland Capital Partners Limited as Broker and Argento Capital Markets Limited are acting as Financial Adviser respectively. The Company's ticker is TECH.

The Company, together with Northland Capital Partners Limited, successfully raised approximately £3.05 million (before expenses) through the issue of 11,304,709 new ordinary shares at a price of 27 pence per

ordinary share (the “Fundraising”). TechFinancials’ market capitalisation on admission, based on the placing price, is approximately £ 18.4 million.

The net proceeds of the Fundraising will be used in part to help grow the TechFinancials Group businesses and brand globally by investing in the continued development of the Group’s regulatory compliant solutions for the US and Japanese markets, and the further development of the Group’s solutions in the EU market as well investing in additional marketing activities which will help increase global brand awareness. Additionally part of the proceeds will be used to help strengthen the Group’s balance sheet and to provide additional working capital as the Group will evaluate corporate development activity opportunities such as joint ventures and/or acquisitions.

Asaf Lahav, Group Chief Executive Officer of TechFinancials, said: ***“I am very pleased that TechFinancials’ shares are today admitted to AIM. TechFinancials is well placed to capitalise on the opportunities which being a publically listed company brings.*”**

“The support from new and existing investors to the transaction has been encouraging and the Board looks forward to growing long term shareholder value in line with our ambitious growth plans.”

- Ends -

For further information:

TechFinancials, Inc.

Asaf Lahav, Group Chief Executive Officer

Tel: +972 966 3666

Yuval Tovias, Group Chief Financial Officer

www.techfinancials.com

Grant Thornton UK LLP (Nominated Adviser)

Colin Aaronson / Melanie Freen / Edward Thomas

Tel: +44 (0) 20 7383 5100

Northland Capital Partners Limited (Broker and placing agent)

Gerry Beaney / John Howes / Mark Treharne

Tel: +44 (0) 20 7382 1100

Argento Capital Markets Limited (Financial Adviser & Placing Agent)

Alan MacKenzie / Jim McGeever

Tel: +44 (0) 20 7093 0353

Media enquiries:**Abchurch Communications Limited**

Henry Harrison-Topham / Jamie Hooper

TechFinancials@abchurch-group.com

Tel: +44 (0) 20 7398 7719

www.abchurch-group.com**FORWARD-LOOKING STATEMENTS**

This announcement includes forward-looking statements relating to the Group's future prospects, developments and strategies and are based on the Directors' current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Forward-looking statements are sometimes identified by the use of terms and phrases such as "believe", "expects", "envisage", "may", "will", "could", "should", "shall", "risk", "intends", "estimates", "aims", "plans", "predicts", "continues", "assumes", "positioned", "targets" or "anticipates" or the negative thereof, variations or comparable expressions, including reference to assumptions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this announcement and include statements regarding the intentions, beliefs or current expectations of the Directors or the Group relating to the Group's future prospects, developments and strategies and are based on assumptions and estimates and involve risks, uncertainties and other factors that may cause the actual results, financial condition, performance or achievements of the Group or industry results to be materially different from any future results, performance or achievement expressed or implied by such forward looking statements. No assurance can be given that such future results will be achieved. New factors may emerge from time to time that could cause the Group's business not to develop as it expects and it is not possible for the Group to predict all such factors. Each forward-looking statement contained in this announcement speaks only as of the date of the particular statement. The Company, the Directors, the Selling Shareholders and the Nominated Adviser expressly disclaim any obligation to update these forward-looking statements contained in this announcement to reflect any change in their expectations or any change in future events or developments on which such statements are based unless required to do so by applicable law or regulation, the AIM Rules for Companies or the AIM Rules for Nominated Advisers.

Notes to editors:**History and Background**

TechFinancials was formed in 2009 by Asaf Lahav, Eyal Rosenblum, Eyal Alon and Jeremy Lange, a group of four experienced senior executives with technology, FOREX and online marketing backgrounds. Their vision was to create an innovative "simplified trading solution" which could be utilised by online brokers to provide a platform for retail customers to trade in Binary Options. The Group's platform is based on a proprietary pricing engine, which enables online brokers to price and market short-term Binary Options and Exotic Options.

The Group launched a beta version of its platform with two online brokers; OptionFair, the Group's own online regulated broker, and www.24option.com, the largest Binary Option broker in the world today, in

April and July 2010, respectively. The Group subsequently launched a live version of the platform in January 2011. In September 2010 the Group completed its first investment round, raising US\$750,000.

The Group began generating revenues from both of its business units in 2011 and reported total revenues of US\$3.8 million for the year ended 31 December 2011. B.O. TradeFinancials was incorporated in Cyprus in order to run OptionFair as a regulated business under the supervision of the Cyprus Securities and Exchange Commission (“CySEC”). In September 2013 B.O. TradeFinancials obtained its CIF licence from CySEC. During 2013, the Group invested in growing its online broker customer base as a result of which licences the TechFinancials software to brands operated by online brokers, including OptionFair and www.24option.com. Currently, around 18% of all deposits which are made to trade Binary Options globally are processed using the Group’s software.

During H1 2014, TechFinancials began to focus on the Asian market, securing distribution in Japan and China. The Group has experienced substantial growth, with revenues of almost US\$7.2 million in H1 2014, an increase of approximately 100% compared to H1 2013.

Binary Options

A Binary Option, which is sometimes referred to as an “all-or-nothing option”, is an option that pays either a fixed amount or nothing at all, depending on whether a certain condition is fulfilled when the option expires. By contrast, traditional or “Vanilla” options can have a range of outcomes. An option referenced to the price of a particular share, for example, will be worth the difference between the share price at expiry and the option exercise price. A Binary Option would return a fixed amount to investors only if the share price reached a specified strike price at expiry and would return nothing if the share price did not reach that specified strike price. The payoff of a Binary Option contract is fixed and pre-determined so the potential risk and reward is known from the outset.

The Directors believe that Binary Options are one of the fastest growing traded instruments because they are simple to understand and straightforward to trade. The Directors also believe that they are suited to retail customers who do not require or necessarily have in-depth knowledge of the financial markets in order to trade and, in addition, Binary Options can serve as a gateway to more professional financial trading products such as FOREX.

TechFinancials' Business

TechFinancials' operates through two business units:

1) *TechFinancials*

The Group was created to establish an innovative simplified trading solution to be licensed to online brokers targeting retail customers. These solutions are designed to provide ease of use for the end user as well as providing a complete operating solution for online brokers. The Group's current product range comprises its simplified Binary Options platform and its simplified FOREX platform. Currently, TechFinancials' core product is a Binary Options trading platform accompanied by a suite of back office modules and applications such as risk management and CRM.

TechFinancials targets online marketers or online media businesses looking to diversify into online broking. The end-user interface is designed to interact with the pricing engine and the back-office modules. The TechFinancials platform is able to process trades automatically and synchronises in real time with the relevant back-office modules such as the customer accounts database and the trade monitoring software. Online brokers and their customers are able to monitor open positions and trading activity continuously.

The Group's proprietary pricing engine allows online brokers licencing the TechFinancials software to limit their financial risk as a result of the complex algorithms that calculate the strike price of the Binary Options and the nature of Binary Options themselves.

In H2 2014, TechFinancials launched its second trading platform, simplified FOREX, in beta version, with the final product expected to go live in 2015. In addition, the Group expects to launch full versions of the following products during 2015:

- a pricing engine for fixed strike Binary Options for US regulated exchanges;
- a fixed strike Binary Options trading platform with supporting IT systems for retail brokers planning to operate in Japan; and
- a simplified CFD trading platform through which traders will be able to trade CFDs on stocks.

The Group intends to expand its product offering further and has developed a multi-asset platform (also known as a multi-dealer platform) which will combine a range of trading instruments onto one trading

platform, allowing retail customers to trade different instruments, such as Binary Options and FOREX, via a simple and unified user interface.

2) OptionFair

The Group's own online broker, OptionFair (www.OptionFair.com), operates as a broker regulated by CySEC since September 2013. It serves retail customers based principally in Europe. Launched in 2010, OptionFair was one of the first online Binary Options brokers to be established and offers Binary Options referenced to a wide range of financial instruments and assets. OptionFair utilises the technology developed by TechFinancials and also assists TechFinancials in trialing and evaluating products that it has under development.

OptionFair is now one of the leading EU regulated online Binary Options brokerages, generating revenues of US\$4.1 million in H1 2014, an increase of approximately 160% compared to H1 2013. This growth was achieved by concentrating on multiple European markets, with a particular focus on the Eastern European market. In addition, in October 2014 OptionFair started to offer TechFinancials' new simplified FOREX trading platform in beta mode to a number of its customers.

The Group plans to use some of the proceeds from the Placing for OptionFair to enter new regulated markets which the Directors believe have significant growth potential, such as the US and Japan.

Strategy for the Group

The Directors intend to expand the Group's customer base and revenues by continuing to penetrate new and existing markets, a carefully controlled merger and acquisition strategy and a focus on preparing to adapt to more highly regulated markets. The Group intends to:

- (a) penetrate new markets with high growth potential;
- (b) grow the business through acquisition;
- (c) focus on regulated markets;
- (d) introduce new trading platforms; and
- (e) continue to invest in research and development.

Market

The simplified Binary Options market was first introduced in 2008 by etrader.co.il and has since experienced significant growth, both in number of online brokers operating in the market and trading volumes. Using the ForexMagnates Report estimates of global deposits in 2014 and 2016 of US\$1.26 billion and US\$2.76 billion, respectively, and the OptionFair deposits to volume traded ratio, the Directors believe the global trading of Binary Options will reach approximately US\$13.61 billion for 2014 and US\$29.81 billion in 2016.

The Directors believe that the growth of the Binary Options market, which reflects the growth shown by the FOREX market around ten years ago, is being driven by, inter alia:

- organic growth in Europe, which is currently the world's leading market for Binary Options;
- the entry of additional US Binary Options exchanges;
- the adoption of new regulations in Japan; and
- the penetration of Binary Options into the Chinese market

The Directors believe that as the online trading market becomes better established and subject to increased regulation, larger and better known financial organisations will enter the Binary Options market.

Directors

The Board comprises two executive and three independent non-executive directors.

Christopher Bell - Independent Non-Executive Chairman

Christopher Bell has 20 years' experience in the gambling industry and was the chief executive officer of Ladbrokes plc until his departure in 2010. He joined Ladbrokes plc in 1991 and became managing director in 1994 before joining the board of Ladbrokes plc in 2000 (known as Hilton Group plc until 2006). Mr Bell is the independent non-executive chairman of XL Media plc, a senior independent director of Quintain Estates and Development plc, a non-executive director of Spirit plc and a member of the Responsible Gambling Strategy Board which advises the UK government on gambling policy. Prior to joining Ladbrokes plc, Mr Bell held senior marketing positions at Victoria Wine Company Limited and Allied Lyons plc.

Asaf Lahav - Group Chief Executive Officer

Asaf Lahav co-founded the Group and has held the post of Group Chief Executive Officer since the Group's inception in 2009. Apart from his Group responsibilities, Mr. Lahav is responsible for co-managing the TechFinancials business unit with particular responsibility for the product development team. Mr. Lahav has 20 years' experience in managing complex technological projects and was previously a director of research and development at EMC Corporation, a position he left to found the Group. Prior to this he held senior roles within research and development at ProActivity Software Solutions Limited, a privately held provider of business process management software solutions which was subsequently acquired by EMC Corporation. Mr Lahav holds a BSc (Hons) in Information Systems from the Technion.

Jeremy Lange - Group Chief Operating Officer

Jeremy Lange co-founded the Group and has held the post of Chief Operating Officer since the Group's inception in 2009. For the past three years Mr Lange has been responsible for establishing the Group's operations in Cyprus and has overall responsibility for compliance at OptionFair. Prior to founding TechFinancials, he was employed in a number of senior sales positions including at Surf Communication Solutions, a high-capacity multimedia processing solutions business, and at Flexlight Networks, an Israeli mtechnology start-up company. Mr Lange has dual British/Israeli nationality and holds a PhD in Biochemistry from Leeds University and a BSc (Hons) in Biochemistry from Kings College, London.

Hillel (Hillik) Nissani - Independent Non-Executive Director

Hillik Nissani has worked in international sales and marketing for more than 25 years with extensive experience in the technology sector and more specifically in online trading. He is currently the owner and managing partner of Habaneros, a strategy and marketing agency based in Cyprus. Until July 2014, he held the position of chief marketing and sales officer at Easy FOREX, a global FOREX broker. Between 2007 and 2009, Mr Nissani worked for London Stock Exchange main market listed 888.com as the vice-president for the Americas. Mr Nissani has held executive roles with other companies, most notably, at Matomy Media Group Limited, a company listed on the main market of the London Stock Exchange and NYSE traded Amdocs Inc. Mr Nissani also spent five years in venture capital and private equity where he led investments in high-tech companies and assisted their management teams with both their strategy as well as their daily execution. Some of these companies were acquired by multinationals such as Alcatel, and some achieved an initial public offering on the NASDAQ stock market. Mr Nissani was

Captain and Head of The Israeli Defence Forces' Software Development School Programming Division and holds a MBA from Edinburgh University.

Eitan Yanuv - Independent Non-Executive Director

Eitan Yanuv is chief executive officer of Implement Limited, a business he founded in 2002 and which provides consultancy services to SMEs in Israel operating in the technology space. Prior to setting up Implement, Mr Yanuv was head of consulting and investment banking at Kost Forer Gabay E&Y. He is currently the chief financial officer of Starcom plc and SerVision Limited, both AIM-quoted companies headquartered in Israel.