

Setting the Record Straight on Euronet and its Hostile Proposal for MoneyGram

NEW YORK – April 12, 2017 – Today, Doug Feagin, President of Ant Financial International, issued the following statement:

In the four weeks since launching a hostile bid to break up Ant Financial’s agreed-upon merger with MoneyGram (NASDAQ:MGI), Euronet (NASDAQ: EEF) has conducted broad-based political attacks in Washington against Ant Financial Services Group (“Ant Financial”) and the integrity of MoneyGram’s business and data security practices in an attempt to stop a compelling transaction involving a core competitor.

Euronet has sought to create phantom national security arguments and encouraged political interference in a commercial transaction. A closer examination of Euronet’s self-serving claims demonstrates that its hostile bid for MoneyGram does nothing to advance American interests.

- There is a reason the company is named “Euronet” – its operations are far from being American; rather they are primarily in Eastern Europe where the company was founded and is still heavily concentrated. Over 85% of its assets are outside of the U.S.¹
- At its U.S. headquarters, it has just 150 employees according to the Kansas City Business Journal.²
- Nearly all of Euronet’s servers and data centers where its customer information resides are located outside of the U.S., according to public filings. Euronet has just two data facilities in the U.S.³
- Euronet was recently fined millions of dollars by regulators for a massive data breach that exposed more than 2 million credit card accounts, which raises real questions about its data security.⁴
- Euronet derives only 28% of its revenue in the U.S. and pays virtually no tax in the U.S., according to its annual report to shareholders. Last year, Euronet paid zero U.S. tax and over the last decade only 4% of all taxes paid were paid in the U.S. Further, Euronet has disclosed it has been penalized by tax authorities for underpaying taxes.⁵
- In March of this year, Euronet announced it has no intention to bring its profits to the U.S. where it would have to pay taxes.⁶
- Euronet has told investors it plans to cut \$60 million in costs if it acquires MoneyGram, which would inevitably impact U.S. facilities and employment, leading to significant U.S. job cuts.⁷

¹ Euronet Form 10-K filed March 1, 2017 (p 59)

² “Euronet’s Mike Brown is a local guy with global interests,” Kansas City Business Journal. June 20, 2014

³ Euronet Form 10-K filed March 1, 2017 (p 39)

⁴ “Delaware Court Allows Some Claims To Proceed In Data Breach Subrogation Action,” Lexology. May 26, 2016

⁵ Euronet Form 10-K filed March 1, 2017 (pp 96, 98)

⁶ Euronet Form 10-K filed March 1, 2017 (p 98)

⁷ Euronet Press Release issued March 14, 2017

- Euronet’s acquisition of MoneyGram would reduce competition by consolidating the industry from three U.S. players to two. Ant Financial’s acquisition of MoneyGram will preserve three U.S. players and through Ant Financial’s significant investment and expansion plans, enhance competition, which will benefit U.S. consumers.⁸

Following its acquisition by Ant Financial, MoneyGram will continue to independently operate all its data systems and Ant Financial will not have access to any U.S. customer data. Additionally, the entire Texas-based MoneyGram management team and all of its employees in the U.S., including the data security team, will remain in place at MoneyGram. Ant Financial intends to invest significant additional money and resources in MoneyGram, including expenditures to maintain the highest standards of data security and user privacy. This capital and resources will also be used to grow MoneyGram’s U.S. workforce and provide its employees with more growth opportunities. As part of Ant Financial, MoneyGram will continue to pay U.S. federal and state taxes.

Ant Financial and MoneyGram share a core belief that financial services and payments should be accessible to the underserved and unbanked and should be low cost and easy to use. We look forward to closing our transaction and fulfilling this shared mission with our partners at MoneyGram.

About Ant Financial

Ant Financial Services Group is focused on serving small and micro enterprises, as well as consumers. With the vision “bring the world equal access to inclusive financial services,” Ant Financial is dedicated to building an open ecosystem of Internet thinking and technologies while working with other financial institutions to support the future financial needs of society. Businesses operated by Ant Financial Services Group include Alipay, Ant Fortune, Zhima Credit and MYbank. Ant Financial Services Group is privately held and its majority owners are its employees and members of the Alibaba Partnership. For more information on Ant Financial, our management team and our Board of Directors please visit our website at www.antgroup.com or follow us on Twitter @AntFinancial.

Additional Information for Stockholders

In connection with the proposed merger with Ant Financial, MoneyGram has filed a definitive proxy statement and other materials with the Securities and Exchange Commission (the “SEC”). In addition, MoneyGram may also file other relevant documents with the SEC regarding the proposed transaction. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE PROXY STATEMENT(S) AND OTHER DOCUMENTS THAT HAVE BEEN OR MAY BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY IF AND WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors and security holders may obtain a free copy of the proxy statement(s) and other documents filed with the SEC by MoneyGram, at MoneyGram’s website, corporate.moneygram.com, or at the SEC’s website, www.sec.gov. The proxy statement(s) and other relevant documents may also be obtained for free from MoneyGram by writing to MoneyGram International, Inc., 2828 North Harwood Street, 15th Floor, Dallas, Texas 75201, Attention: Investor Relations.

MoneyGram and its directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of MoneyGram in connection with the proposed transaction.

⁸ “Wal-Mart offers low-price money transfers,” Star Tribune. April 17, 2014

Information about the directors and executive officers of MoneyGram is set forth in the Proxy Statement on Schedule 14A for the 2016 annual meeting of stockholders for MoneyGram, which was filed with the SEC on April 4, 2016. This document can be obtained free of charge from the sources indicated above. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, is contained in the definitive proxy statement and other relevant materials to be filed with the SEC when they become available.

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Additional Information for Stockholders

Ant Small and Micro Financial Services Group Co., Ltd. ("Ant Financial Services Group") and its subsidiaries Alipay (UK) Limited ("Alipay UK") and Matrix Acquisition Corp. ("Acquisition Corp."), and their respective directors and officers, are participants in the solicitation of proxies from the stockholders of MoneyGram in connection with the proposed acquisition of MoneyGram by Alipay UK.

In connection with such proposed acquisition, MoneyGram has filed a definitive proxy statement and other materials with the Securities and Exchange Commission (the "SEC"). In addition, MoneyGram, Ant Financial Services Group, Alipay UK and Acquisition Corp. may also file other relevant documents with the SEC regarding the proposed transaction. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE PROXY STATEMENT(S) AND OTHER DOCUMENTS THAT HAVE BEEN OR MAY BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY IF AND WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors and security holders may obtain a free copy of the proxy statement(s) and other documents filed with the SEC by (i) MoneyGram, at MoneyGram's website, corporate.moneygram.com, or at the SEC's website, www.sec.gov and (ii) Ant Financial Services Group, Alipay UK and Acquisition Corp. in connection with the proposed merger, at the website antandmoneygram.com, or at the SEC's website, www.sec.gov. The proxy statement(s) and other relevant documents may also be obtained for free from MoneyGram by writing to MoneyGram International, Inc., 2828 North Harwood Street, 15th Floor, Dallas, Texas 75201, Attention: Investor Relations.

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