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QPAGOS Reports 101% Year over Year Revenue Growth for 2018

Mexico City and Boca Raton, FL, April 10, 2019 (GLOBE NEWSWIRE) -- via NEWMEDIAWIRE -- QPAGOS (QPAG: OTCQB) reported yesterday another strong year as USGAAP revenue grew 101% to \$7,936,273 for the year ended December 31, 2018 from \$3,941,273 in 2017.

During the year QPAGOS' electronic payments platform processed more than \$17 million in collections corresponding to over 4.5 million transactions, continuing QPAGOS' consolidation as a leading payments processor in Mexico.

Profitability however was marginal as 73% of these transactions, corresponding to 90% of collections, were in the wholesale business, with the balance distributed between the kiosk sale and operations business. The wholesale business is a lower margin business that grew significantly in 2018. Higher margin kiosk sales and kiosk operations lagged in growth during 2018 due in part to postponement of a major project, something that the company intends to address in 2019.

In a country that strongly favors the use of cash, QPAGOS self service kiosks are an ideal solution to bring payment of frequent services closer to the consumer, who typically goes to a retail chain or financial institution to make such payments.

Although mobile penetration in Mexico is quite high with more than 90% of the 120 million population covered, with a corresponding high usage of social media, digital commerce is highly restricted by the fact that almost two thirds of the adult population is un-banked. Thus, a typical mobile initiated electronic transaction needs to be fulfilled in a physical location where a cash payment can be made.

By combining cash-in kiosks to mobile applications QPAGOS addresses that disconnect, allowing consumers to actively participate in electronic commerce without the disruption of the last in-store physical payment.

"Doubling revenues meant that 2018 was another banner year for QPAGOS as we continue to gain traction in Mexico's growing electronic payments sector," said Gaston Pereira, President and CEO of QPAGOS. "Still, we have much more work to accomplish in 2019, particularly in our kiosk business, an area where we see unique opportunities across multiple business sectors, particularly financial, retail and government."

ABOUT QPAGOS

United States based QPAGOS offers cutting edge digital payment solutions for consumers and service providers in Mexico where 60% of the adult population is un-banked and where 95% of consumer personal payments are made in cash. QPAGOS' ecosystem spans multiple devices such as self-service kiosks, mobile applications, POS terminals and Win Terms offering alternative payment methods to meet the needs of consumers and service providers. (www.qpagos.com)

SAFE HARBOR STATEMENT

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statement of historical fact contained in this press release are forward-looking statements. In some case, forward-looking statements can be identified by terminology such as

"anticipate," "believe," "can," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," or "will" or the or the negative of these terms or other comparable terminology and include statements regarding implementing our strategy to position QPAGOS in Mexico's expanding electronic payments sector and continuing to incorporate the leading service providers in the country in our payment gateway . These forward-looking statements are based on expectations and assumptions as of the date of the press release and are subject to a number of risks and uncertainties, many of which are difficult to predict that could cause actual results to differ materially from current expectations and assumptions from those set forth or implied by any forward-looking statements. Important factors that could cause actual results to differ materially from current expectation include, among others, , our ability to position QPAGOS in Mexico's expanding electronic payments sector and continue to incorporate the leading service providers in the country in our payment gateway and the other risks outlined in QPAGOS' filings with the SEC. The information in this release is provided only as of the date of this release, and QPAGOS does not undertake any obligation to update any forward-looking statements contained in this release on account of new information, future events, or otherwise, except as required by law.

For investor inquiries please call (888) 238-1466 (+1-881-238-1466 for international callers) or email investors@qpagos.com

For business inquiries please call (844) 470-5531 or email info@qpagos.com



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