

AFTERPAY TOUCH GROUP LIMITED
(ASX: APT)

ASX Announcement

26 June 2019

Afterpay Touch Group Limited (ASX: APT) (“**Afterpay**” or the “**Company**”) is pleased to provide an update in relation to:

- Its approach to the external audit notice issued by AUSTRAC on 12 June 2019 (“**AUSTRAC Notice**”)
- The proposed Share Purchase Plan previously announced on 11 June 2019
- Co-founder intentions in relation to future share sales

AUSTRAC Process

Afterpay has provided AUSTRAC with details of three candidates for conducting the external audit in line with the AUSTRAC Notice.

The Afterpay Board has established a dedicated Sub-Committee charged with assisting and reporting to the Afterpay Board in relation to the oversight and management of the external audit process, engaging with AUSTRAC and other AML/CTF matters, led by independent Non-Executive Director Elana Rubin.

Afterpay recognises the important work undertaken by AUSTRAC. The Company reiterates that it welcomes the opportunity to continue to work closely and constructively with AUSTRAC and will approach this formal process as an opportunity to ensure that our AML/CTF compliance is robust. Afterpay is taking the audit very seriously.

Notwithstanding the establishment of the Board Sub-Committee, the Afterpay Board will retain ultimate oversight of the Company’s AML/CTF compliance.

Share Purchase Plan

As previously announced, Afterpay offered eligible shareholders the opportunity to acquire additional shares under a Share Purchase Plan (“**SPP**”), with the SPP booklet to be dispatched in due course.

Following the AUSTRAC Notice, the Afterpay Board has determined that it would be in the interests of shareholders to defer the SPP until the Company has considered the final audit report and its recommendations.

Notwithstanding when directors resolve to proceed with the SPP, the record date will continue to be 7:00pm (Sydney time) on 7 June 2019. Afterpay intends to issue shares at the lower of \$23.00, being the Placement price, and the 5-day VWAP of Afterpay shares up to the SPP closing date. The SPP will be capped at \$30m.

The Board reserves the right to not proceed with the SPP if it considers it inappropriate to do so.

Full details will be provided to shareholders in due course.

Co-Founders Intentions in relation to Future Share Sales

Co-founders Anthony Eisen and Nick Molnar remain fully committed to the business and remain as excited as ever by the potential to build an Australian listed global technology company that is focused on delivering a customer-centric and trusted service to a global audience. Anthony and Nick do not intend to sell any further shares during the next financial year (FY2020).

ENDS

For further information, contact:

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About Afterpay Touch Group

Afterpay Touch Group (ATG) is a technology-driven payments company with a mission to make purchasing feel great for a global customer base. ATG comprises the Afterpay and Touch products and businesses. Afterpay is driving retail innovation by allowing leading retailers to offer a 'buy now, receive now, pay later' service that does not require end-customers to enter into a traditional loan or pay any upfront fees or interest to Afterpay. Afterpay currently has over 4.3 million active customers and approximately 30,600 active retail merchants on-boarded. Touch comprises innovative digital payment businesses servicing major consumer-facing organisations in the telecommunications, health and convenience retail sectors in Australia and overseas.