

AFTERPAY TOUCH GROUP LIMITED

(ASX: APT)

ASX Announcement

24 August 2018

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Successful Completion of \$117 million Capital Raising

Summary

- APT has successfully raised \$117 million via an institutional placement (**Placement**)
- The Placement was strongly supported by existing shareholders and new investors and was oversubscribed
- The Placement was priced at \$17.05 per share, the top end of the Placement price range
- A Share Purchase Plan to raise approximately \$20 million will follow the Placement with eligible Afterpay shareholders offered the opportunity to acquire additional new shares
- Proceeds of the Placement and the Share Purchase Plan will be used to fund Afterpay's international expansion strategy

Afterpay Touch Group Limited (the **Company** or **Afterpay**) is pleased to advise that it has successfully completed a fully underwritten institutional Placement to eligible investors, raising \$117 million to fund Afterpay's international expansion strategy.

Commenting on the successful completion of Placement, Afterpay Executive Chairman, Anthony Eisen said:

"We feel privileged to have received the high-quality backing of investor support for Afterpay, and are pleased not only to have received such strong support from our major shareholders, but also to welcome several additional high-quality institutions onto our register."

Placement

Pricing for the Placement was determined via an institutional bookbuild, with an underwritten floor price of \$15.75 per share. The Placement was ultimately priced at \$17.05 per share and was at the top end of the Placement price range, representing a 2.5% discount to the 5 day VWAP to close of trade on 22 August 2018.

The Placement was oversubscribed, with strong demand from existing and new domestic as well as international institutional investors.

New shares issued under the Placement will rank equally with Afterpay's existing shares. No shareholder approval is required for the Placement, as the Company will utilise a portion of Afterpay's existing placement capacity under ASX Listing Rule 7.1.

Settlement of the Placement is scheduled to occur on 30 August 2018 with the Placement Shares scheduled to be allotted through the ASX and to commence trading on 31 August 2018.

Share purchase plan

A share purchase plan (**SPP**) will follow the Placement.

Shareholders on the Afterpay register at 7:00pm (Sydney time) on 22 August 2018 (Record date), with a registered address in Australia or New Zealand will be entitled to subscribe for up to \$15,000 worth of Afterpay shares through the SPP, subject to eligibility criteria and other terms and conditions of the SPP which will be set out in the SPP booklet and dispatched to eligible shareholders. Shares issued under the SPP will rank equally with existing shares of Afterpay. The SPP will not be underwritten.

The SPP aims to raise approximately \$20m. Afterpay may decide to scale back applications under the SPP in its absolute discretion. New shares under the SPP to be issued at the lower of the price paid by investors under the Placement and the 5 day VWAP of Afterpay shares up to the SPP closing date.

Highbury Partnership Pty Limited is the financial adviser to Afterpay on the acquisition of ClearPay, the Placement and SPP. Citigroup Global Markets Australia Pty Limited is the sole underwriter and bookrunner to the Placement, with Bell Potter and Wilsons acting as co-managers.

A reference to \$ in this announcement is to Australian Dollars.

ENDS

For more information:

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|--|--|---|
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About Afterpay Touch Group

Afterpay Touch Group (APT) is a technology driven payments company with a mission to make purchasing feel great for a global customer base. Afterpay is driving retail innovation by allowing leading retailers to offer a 'buy now, receive, 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 approximately 2.3 million customers and approximately 17,700 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.