



ASX Announcement (ASX: LAW)

24 March 2021

Litigation Funding Business EGM Postponed

LawFinance Limited ("LAW" or the "Company") today announced that it has decided to postpone the extraordinary general meeting ("EGM") to approve the sale its litigation funding business JustKapital Litigation Pty Ltd ("JKL") to Legal Equity Partners Pty Ltd ("LEP"), scheduled for 29 March 2021.

LAW was informed that one of the litigation cases where JKL is a co-funder has had a material positive development, after a federal jury decided that the plaintiff should be paid a sum higher than initially anticipated. The defendant has made statements to the media that it is disappointed with the ruling and that it would appeal.

The Board and independent expert are assessing if the jury's verdict affects their recommendation. The Company is also in discussions with LEP to discuss the path forward and potential areas to amend some of the original commercial terms.

Once this process is concluded, we will circulate updated materials to shareholders (if required) and advise the new date for the EGM.

Chief Executive Officer, Daniel Kleijn said: "While this is a positive development, it is important to note that this jury award is likely only the start of what could be a lengthy and difficult process to extract payment from the defendant with no certainty as to the final judgment or settlement or the amount that might flow to JKL as a result."

"In addition to appeal rights, the defendant has various procedural options to have the jury award or judgment set aside irrespective of the jury's verdict."

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