



ASX Announcement (ASX: LAW)

5 May 2022

## Completion of Non-renounceable Entitlement Offer and Shortfall Notice

LawFinance Limited ("LAW" or the "Company") announces the Company's pro-rata non-renounceable entitlement offer (Entitlement Offer) of new ordinary shares (New Shares) and options (Options) in the Company, closed on 28 April 2022 and proceeds of A\$4.59 million have been raised pursuant to the Entitlement Offer<sup>1</sup>.

The Company received applications from eligible shareholders for 16,701,088 New Shares at the issue price of A\$0.275 per New Share and 8,350,572 Options. Together with the placement to institutional and sophisticated investors of A\$1.68 million (refer ASX release 6 April 2022) and the new SAF Tranche 3 debt of A\$0.1 million (refer to the Investor Presentation released on 6 April 2022), the gross proceeds under the capital raising are A\$6.4 million (Capital Raising).

Shortfall Notification	
Total number of New Shares offered	28,539,518
Number of New Shares allotted <sup>1</sup>	16,701,088
Shortfall	11,838,430

  

<b>Total fully paid ordinary shares on issue post allotment</b>	<b>63,580,919</b>
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The proceeds of the Capital Raising will be used to provide funding for the acquisition of the c.\$10 million bulk transaction while also providing additional working capital and funding for the acquisition of additional medical receivables.

The Directors wish to thank shareholders for their continued support of the Company, and again welcome new shareholders who participated in the Capital Raising.

New Shares are expected to be issued on Thursday, 5 May 2022, with normal trading of the new shares expected to begin on Friday, 6 May 2022.

LAW maintains the flexibility to place shortfall under the entitlement offer but has made no decision to do so at this stage.

Our US Lender, Partners for Growth (PFG) has confirmed that the completed Capital Raise, satisfies the terms of the conditional waiver of the Review Event under the PFG facility agreement and that all subsisting covenant breaches are

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<sup>1</sup> Includes 9,487,509 of New Shares and Options which are expected to be allotted on 6 May 2022. We are expecting receipt of the final proceeds of \$430,791 on 6 May 2022.

waived. Further, PFG have agreed to reduce the Tangible Net Worth covenant test from \$10m to \$8.3m until the end of 2022.

Peloton Capital acted as Lead Manager and partial Underwriter to the Offer

**Authorised by:**

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