Supreme Court of New South Wales approves Scheme of Arrangement



Release date: 31 July 2024

Supreme Court of New South Wales approves Scheme

Prospa Group Limited (ASX:PGL) ("Prospa" or the "Company") is pleased to announce that the Supreme Court of New South Wales ("Court") has today made orders approving the proposed scheme of arrangement ("Scheme") pursuant to which Salkbridge Pty Ltd ("BidCo"), an entity controlled by a consortium led by the Salter Brothers Tech Fund ("Consortium"), would acquire all of the issued shares in Prospa ("Prospa Shares") that are not already owned by the Consortium.

Unless otherwise indicated, capitalised terms used in this announcement have the meaning given to them in the scheme booklet dated 12 June 2024 ("Scheme Booklet").

Prospa expects to lodge an office copy of the Court orders with ASIC on Thursday, 1 August 2024, at which time the Scheme will become legally effective. Prospa will also request that the quotation of Prospa Shares on the ASX be suspended from close of trading on Thursday, 1 August 2024.

Scheme update

As disclosed in Section 4.6 of the Scheme Booklet, it was previously contemplated that Salter Brothers Tech Fund ("SBTF") (along with the other Equity Investors) would provide the equity funding to enable BidCo to meet its obligations to fund the Cash Consideration under the Scheme pursuant to the Equity Commitment Letter ("ECL").

Prospa advises that the ECL has been amended to allow Salter Brothers Tech Fund ("SBTF") to elect for SBTF and Salter Brothers Emerging Companies Limited ("SB2") to jointly meet SBTF's equity commitment ("SB Equity Commitment"), with both SBTF and SB2 forming part of the broader Salter Brothers group.

In the event that SBTF makes the election under the amended ECL, SBTF and SB2 would each acquire 2,222,222 HoldCo Shares at \$0.45 per HoldCo Share.

Next steps

Subject to the Scheme becoming legally effective, Prospa Shareholders will be provided with the Scheme Consideration on the Implementation Date for the Scheme (expected to be Thursday, 8 August 2024) in respect of Prospa Shares held at 7.00pm (Sydney time) on Monday, 5 August 2024.

An indicative timetable of the key milestones remaining under the Scheme if set out below:

The key dates for implementation of the Scheme are set out below:

Event	Expected Date
Effective Date Court orders to be lodged with ASIC and announced to ASX and Scheme becomes Effective and is binding on Prospa Shareholders.	Thursday, 1 August 2024

Last day of trading in Prospa Shares on the ASX – Prospa Shares will be suspended from trading on ASX from close of trading	
Scheme Record Date	7.00pm (Sydney time) Monday, 5 August 2024
Time and date for determining entitlements to Scheme Consideration	
Implementation Date	Thursday, 8 August 2024
Payment of the Cash Consideration (by either cheque or electronic funds transfer to the nominated bank accounts)	
Issue of New HoldCo Shares to Eligible Prospa Shareholders who have made an Election to receive the Scrip Consideration (subject to any scale back)	

All dates stated above are indicative only and (among other things) are subject to all necessary approvals from the Court and regulatory authorities including ASIC, ASX or FIRB. Any changes to the above timetable (which may include an earlier or later date for the Second Court Date) will be announced through the ASX and notified on Prospa's website (www.prospa.com).

Further information

For further information in relation to the Scheme, please contact the Prospa Shareholder Information Line on 1800 236 994 (for callers with Australia) or +61 1800 236 994 (for callers outside Australia) between 8.30am and 5.30pm (Sydney time), Monday to Friday (excluding public holidays).

This announcement has been authorised for release by the Board.

ENDS

For further information, contact:

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About Prospa

Prospa Group Limited (ASX: PGL) is a leading fintech with a commitment to unleash the potential of small business in Australia and New Zealand. We do this through an innovative approach to developing simple, stress free and seamless financial management products and services.

Since 2012, we have provided more than \$4.0 billion of funding to support the growth and operations of thousands of small businesses. We also work with more than 16,000 trusted brokers, accountants, and aggregator partners, to deliver flexible funding solutions to their clients.

At Prospa, we're serious about our impact on our people, communities, and the planet. Our core company value of One Team is backed by our recognition as a Great Place To Work in Australia and a WORK180 Endorsed Employer for Women.

For more information about Prospa, visit prospa.com or investor.prospa.com.