

23 March 2017

ASX ANNOUNCEMENT

AFTERPAY AND TOUCHCORP PROPOSED MERGER

Afterpay Holdings Limited (ASX:AFY) (Afterpay) and **Touchcorp Limited** (ASX:TCH) (Touchcorp) announced their intention to pursue a merger on 23 February 2017 and signed a Heads of Agreement (HOA) which outlined the key terms and proposed structure by which the merger is intended to be implemented.

Since that time, the parties have made good progress with respect to their respective due diligence programmes and the Boards of both companies continue to see the strong rationale for pursuing the transaction.

In order to effectively conclude this initial phase of the proposed transaction and the execution of a Merger Implementation Agreement, the parties have agreed to extend the four week exclusivity period by one week pursuant to the HOA.

The Boards of Afterpay and Touchcorp continue to support the merger in the absence of a superior proposal and believe that shareholder value will be enhanced as a consequence.

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For further information please contact:

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